


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

June 18, 2025

MEMORANDUM

To: Mr. Jeffrey L. Cline, Principal
Oak View Elementary School

From: Mary J. Bergstresser, Supervisor, Internal Audit Unit 

Subject: Report on Audit of Independent Activity Funds for the Period
February 1, 2022, through April 30, 2025

Independent Activity Funds (IAFs) of Montgomery County Public Schools (MCPS) are established to promote the general welfare, education, and morale of students, as well as to finance the recognized extracurricular activities of the student body. School principals are the fiduciary agents for the IAFs charged with determining the manner in which funds are raised and expended for activities such as field trips, admission events, and fundraisers. They are responsible for ensuring that the IAFs are administered in accordance with Board of Education policies and MCPS regulations and procedures.

The IAF audits are conducted regularly to evaluate compliance with policies, regulations, and procedures, and to review processes for continuous improvement. Generally accepted audit procedures guide the work of the auditors who examine samples of the IAF records and financial accounts selected from documentation of various activities to verify their accuracy, as well as to assess the effectiveness of financial control procedures. An IAF audit does not review every transaction or school activity but seeks to provide reasonable assurance that any significant errors or omissions in the financial records are detected.

At our June 11, 2025, meeting with you and Mrs. Arely R. Kindo, the school administrative secretary (secretary), we reviewed the prior audit report dated March 28, 2022, and the status of the present conditions. It should be noted that Mrs. Kindo's assignment was effective June 27, 2022. This audit report presents the findings and recommendations resulting from our examination of the IAF records and financial accounts for your school for the period designated above.

Findings and Recommendations

MCPS Form 280-54, *Independent Activity Funds Request for a Purchase*, is used to obtain principal approval to proceed with an intended purchase (refer to the *MCPS Financial Manual*, chapter 20, page 4). The purpose of each disbursement must be fully explained on this form to properly record expenditures in appropriate accounts and to ensure that expenditures comply with IAF requirements. Invoices for goods or services must be signed by the purchaser to indicate satisfactory receipt. The secretary will then mark the documentation as "paid" prior to disbursing the funds. In our sample of disbursements, invoices and online purchase confirmations were not

always signed by the receiver to indicate goods or services were received, and that payment could be processed. We also found that not all documentation was stamped as paid. We recommend that when goods are received at the school that the purchase be verified as complete by the recipient and that the invoice/packing slip be marked “received” and signed/dated by the recipient. Requiring invoices to be marked “received” ensures that goods or services have been satisfactorily received prior to payment. We also recommend that all documentation be stamped as Paid.

Sponsors of field trips must have a complete class or club roster of student names to annotate the amount each student paid, the date paid, eligible students who did not participate in the trip, and students who received waivers, scholarships, or reduced fees. This data, together with a list of all chaperones and volunteers, must be provided to the secretary at the completion of each trip and compared to remittances recorded in the trip account history report (refer to the *MCPS Financial Manual*, chapter 20, page 10). School Cash Online (SCO) item attachment report may replace the field trip accounting sheet as long as all eligible students have data entered such as paid, waived, scholarship or did not attend. This report must be reviewed and initialed by the sponsor. In your action plan, you indicated that complete field trip records would be remitted and reviewed. We found that not all field trips had completed accounting data at the conclusion of each trip. We recommend field trip sponsors use MCPS Form 280-41, *Field Trip Accounting*, or its equivalent, and provide complete data at the conclusion of each trip. This data must be reconciled by the secretary with remittances recorded in activity accounts

Notice of Findings and Recommendations

- Purchaser must confirm receipt of goods or services prior to disbursement, and purchase invoices and receipts must be annotated as paid to indicate disbursement was made.
- Field trip records prepared by sponsors must provide comprehensive data to account for all eligible to participate, including volunteers and chaperones, and to reconcile funds collected with account history report (**repeat**).

Other matters were discussed and satisfactorily resolved. We appreciate the cooperation and assistance of your staff. In accordance with MCPS Regulation DIA-RA, *Accounting for Financial Operations/Independent Activity Funds*, using the attached action plan, please provide a written response to the Internal Audit Unit within 30 calendar days of this report. In your response, please share a detailed plan for addressing these issues, including appropriate staff training and support.

Prior to returning your completed audit action plan, please contact Dr. Yolanda R. Allen, director of school support and improvement, Office of School Support and Improvement, for written approval of your plan. Based on the audit recommendations, Dr. Allen will indicate whether she will conduct an electronic review of your action plan or schedule a time to meet in person with you and your school administrative secretary to support you with developing a well-defined plan to address the findings.

MJB:GK:rg

Attachment

Copy to:

Members of the Board of Education

Dr. Taylor

Mrs. Alfonso-Windsor

Ms. McGuire

Dr. Moran

Ms. Seabrook

Mr. McGee

Mr. Reilly

Mrs. Chen

Dr. Allen

Mrs. Gomez

Mr. Klausling

Mrs. Ripoli

Ms. Webb

Oak View ES - FINANCIAL MANAGEMENT ACTION PLAN

Report Date: February 1, 2022, through April 30, 2025	Fiscal Year: 2025
School or Office Name: Oak View Elementary School	Principal: Jeff Cline
OSSI Associate Superintendent: Sean McGee	OSSI Director: Dr. Yolanda Allen
<p><u>Strategic Improvement Focus:</u></p> <p>As noted in the financial audit for the period February 1, 2022, through April 30, 2025, strategic improvements are required in the following business processes : (1) Purchaser must confirm receipt of goods or services prior to disbursement, and purchase invoices and receipts must be annotated as paid to indicate disbursement was made. (2) Field trip records prepared by sponsors must provide comprehensive data to account for all eligible to participate, including volunteers and chaperones, and to reconcile funds collected with account history reports.</p>	

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
(1) The Administrative Secretary must secure all goods and services upon arrival and confirm receipt of goods or services prior to disbursement by annotating the packing slips as Received.	Administrative Secretary	Invoices	Marked invoices	Administrative Secretary	Visual evidence of orders are not sitting and waiting in the delivery areas more than the time period necessary to inventory and disburse materials. Marked invoices.
(1) The Administrative Secretary must annotate each invoice as paid on the receipt prior to disbursement.	Administrative Secretary	Invoices Receipts	Monthly review of checks and receipt documentation provided by Administrative Secretary and reviewed	Monthly review of checks and receipt documentation provided by Administrator Secretary and	All invoices and receipts are marked as paid within the time period required.

			by Principal	reviewed byPrincipal	
(1) The Administrative Secretary must file the paid receipt with payment documents related to each of goods and services.	Administrative Secretary	Payment document files	Monthly review of checks and receipt documentation provided by Administrator Secretary and reviewed by Principal	Monthly review of checks and receipt documentation provided by Administrator Secretary and reviewed by Principal	Monthly reviews will show that all receipts have been filed as required.
<p>(2) The Administrative Secretary must provide the item attachment reports (SCO) to teachers on the day of the field trip.</p> <p>(2) Teachers must mark attendance for all eligible students, and review their payment records.</p> <p>(2) Teachers must provide added notes for any students that have not paid at the time of the field trip. Fee waiver forms must also be included.</p>	Administrative Secretary Teachers	<p>Item Attachment Report from SCO</p> <p>Written notes from Teachers</p> <p>Fee Waiver Forms</p>	<p>Review of : Item Attachment Report from SCO</p> <p>Written notes from Teachers</p> <p>Fee Waiver Forms</p>	<p>Field Trip Sponsor will review all reports to ensure they are completed correctly.</p> <p>The Administrative Secretary will review all records during the Field Trip Reconciliation Process.</p> <p>Field Trip Reconciliation Meetings w/Administration</p>	<p>Properly completed Attachment Report from SCO</p> <p>Written notes from Teachers</p> <p>Fee Waiver Forms</p> <p>Records compiled from Field Trip Reconciliation Meetings w/Administration</p>
(2) Teachers will submit the names of all volunteers and chaperones participating in the field trip on a Chaperone/Volunteer RSVP document . This form will be monitored by the Field Trip sponsor and Volunteer Coordinator.	Teachers Field Trip Lead Sponsor	Chaperone Volunteer RSVP document	Chaperone/Volunteer RSVP document	Field Trip Sponsor will review all documents to ensure everything is included.	Records compiled from Field Trip Reconciliation Meetings w/Administration

	Volunteer Coordinator			<p>The Administrative Secretary will review all records during the Field Trip Reconciliation Process</p> <p>Field Trip Reconciliation Meetings w/Administration</p>	
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OFFICE OF SCHOOL SUPPORT AND WELL-BEING (OSSWB)	
<input type="checkbox"/> Approved <input type="checkbox"/> Please revise and resubmit plan by _____	
Comments: _____ _____	
Director: _____	Date: <u>7/29/2025</u>