


Office of Shared Accountability
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 29, 2012

MEMORANDUM

To: Mrs. Jerri L. Oglesby, Principal
Bells Mill Elementary School

From: Roger W. Pisha, Supervisor, Internal Audit 

Subject: Report on Audit of Independent Activity Funds for the Period
October 1, 2008, through December 31, 2011

This audit report presents the results of our examination of the financial records, reports, and internal accounting controls relating to the Independent Activity Funds (IAF) for your school for the period designated above. The examination was made to evaluate the adequacy of accountability over these funds, compliance with applicable Montgomery County Public Schools (MCPS) policies and procedures, and effectiveness of IAF management.

In our meeting on February 17, 2012, with you and Ms. Christine Demarino, administrative secretary, we reviewed conditions described in our previous report dated November 25, 2008, and the status of present conditions. Our findings and recommendations appear below.

Findings and Recommendations

MCPS purchasing card members must record purchases on transaction logs and submit logs monthly with invoices and receipts attached for review and approval by the principal. We found that logs were not signed by the principal, were not maintained on a monthly basis, receipts and invoices were not attached, and not all purchases were recorded on logs. We recommend purchasing card members be required to comply with the requirements of the MCPS Purchasing Card Users Guide.

Cash and checks collected by sponsors and other authorized individuals for IAF activities must be remitted to the administrative secretary on the day they are received, and must be accompanied by MCPS Form 280-34, *Remittance Slip*. We found instances in which staff collecting funds for field trips were not preparing Form 280-34 (see MCPS Financial Manual p. 7-4). We recommend that all staff who collect funds for school activities be reminded of remittance requirements.

Review of field trip activities revealed that not all trip sponsors are providing completed financial information to the administrative secretary at the completion of a trip. Sponsors should

record cost and fee information for each field trip on MCPS Form 280-41, *Field Trip Accounting*, or equivalent, and submit the data to the administrative secretary when a trip is completed. The record of names of participants and dates of sums collected strengthens internal controls by enabling the reconciliation of receipts to sums recorded in the field trip account. We recommend all sponsors be required to use Form 280-41, or equivalent, and follow the procedures outlined above (see MCPS Financial Manual, p. 20-9).

Summary of Recommendations

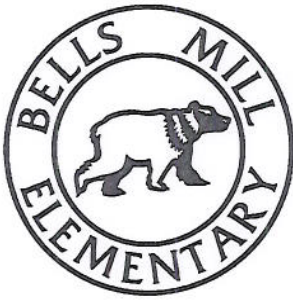
- Purchase card transactions must include supporting documentation that is reviewed and approved monthly by the principal;
- Funds must be remitted by sponsors to the administrative secretary using MCPS Form 280-34; and
- Field trip records prepared by sponsors must provide comprehensive data to account for all students eligible to participate, and to reconcile funds collected with costs of the trip.

Other matters were discussed and satisfactorily resolved. We appreciated the cooperation and assistance of your staff. In accordance with MCPS Regulation DIA-RA, *Accounting for Financial Operations/Independent Activity Funds*, please provide a response to the Internal Audit office within 30 days of this report, with a copy to Dr. Donna S. Hollingshead, community superintendent. The Office of School Performance will follow up on this audit.

RWP:GB:sd

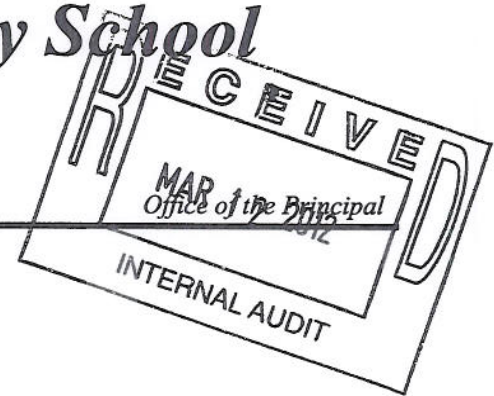
Copy to:

Mr. Bowers
Dr. Lacey
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Bells Mill Elementary School

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March 1, 2012

TO: Roger W. Pisha, Supervisor, Internal Audit

FROM: Jerri Oglesby, Principal
Bells Mill Elementary School

SUBJECT: Response to Audit of Independent Activity Funds for the Period
October 1, 2008, through December 31, 2011

This memo is a follow-up to results and recommendations made in the audit report received on March 1, 2012. The auditor made the following three recommendations:

- 1. Purchase card transactions must include supporting documentation that is reviewed and approved monthly by the principal.** While we do keep a log of AMEX purchases with supporting documentation, this log was done on a continuing basis, not monthly. Beginning February 1, 2012, we have established a monthly log for the principal to sign, and purchase documentation is attached to the log.
- 2. Funds must be remitted by sponsors to the administrative secretary using MCPS Form 280-34.** In order to clarify procedures for teachers, the administrative secretary is preparing a presentation for the March 13, 2012, staff meeting. The presentation will stress that remittance form 280-34 must accompany all money that is turned in to the office. Additionally, copies of the remittance form can be easily found in the workroom for staff use.
- 3. Field trip records prepared by sponsors must provide comprehensive data to account for all students eligible to participate, and to reconcile funds collected with costs of the trip.** When field trip collection packets are prepared for teachers, the administrative secretary will include specific instructions for teachers to list every student who is eligible to participate, including those who request financial assistance and those who pay after the collection has been completed. Additionally, the administrative secretary is preparing a presentation for the March 13, 2012, staff meeting to stress the need for including every class member on the accounting sheet.

We thank the auditor for a thorough follow-up meeting that allowed us to make immediate changes to some of our procedures. Additionally, we thank the auditor for his recommendations. The administrative secretary and I have already taken steps to ensure that MCPS policies are accurately followed. Additionally, staff members will receive clarification of proper money remittance and accounting procedures at the March 13, 2012, staff meeting.

Copy to: Dr. Hollingshead