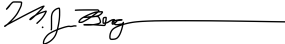


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

September 1, 2023

MEMORANDUM

To: Mr. Robert Reilly, Associate Superintendent of Finance

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

Subject: Report on Audit of Student Parking Permits for School Year 2022–2023

This audit was conducted to reconcile the parking permit sales records of Montgomery County Public Schools (MCPS) high schools with the revenue recorded in their respective Independent Activity Funds School Funds Online (SFO) account number 1000.6091, Student Parking Fees, and compare those amounts with the revenue of each high school submitted for inclusion in the MCPS High School Athletics Fiscal Year (FY) 2023 Financial Report. The *Student and Staff Parking Permits, Expectations, and Responsibilities* memorandum of April 28, 2022, from you, directed high school business administrators to submit the following information to the Internal Audit Unit (IAU) by June 8, 2023:

- All unused student parking permit hang tags for the 2022–2023 school year.
- Itemized record of all student parking permits approved and sold for FY 2023.
- SFO Account History Report for account #1000.6091 for the period July 1, 2022–May 31, 2023.

The attached Excel workbook contains the following data:

- Worksheet A, *Permits Issued*, summarizes the number of each type of permit issued by the Office of the Associate Superintendent of Finance to the respective high schools listed.
- Worksheet B, *Unsold Permits Returned*, summarizes the number of each type of unsold permits each high school submitted to the IAU.
- Worksheet C, *Expected vs. Actual Revenue*, summarizes the expected revenue each school would have received if all permits issued by each type, less number returned, were sold at their respective full cost and compares those amounts to the actual revenue recorded in the SFO. The high schools with no variance included Paint Branch, Poolesville, Richard Montgomery, Sherwood, and Thomas S. Wootton. Several schools sold permits at less than their full cost and some received more than the face value of permits. Clarksburg High School sold six semester passes at \$20 instead of \$37.50; Damascus High School sold 28 full-year passes at \$37.50 instead of \$75 and charged \$4.50 for three replacement tags; James Hubert Blake High School sold 24 full-year passes at \$37.50 instead of \$75 and had four full year passes paid for but not picked up; Montgomery Blair High School sold 252

semester passes at \$39 instead of \$37.50 and did not transfer out the processing fee of \$378; Walt Whitman High School sold 23 additional passes at \$37.50 than were issued to them; Walter Johnson High School sold 75 season passes for \$37.50 instead of \$75.00 plus sold a few at various prices; and Winston Churchill High School sold seven full-year passes for \$37.50 instead of \$75. Some schools had variances due to students not picking up parking permits that had been paid for, refunds or the processing fee.

- Worksheet D, *Athletics Report vs. SFO June 30*, summarizes the revenue for each high school as of March 15, 2023, compared to the revenue recorded in SFO as of June 30, 2023. It should be noted that the revenue amounts that high schools recorded as of March 15, 2023, are the amounts used for the MCPS High School Athletics FY 2023 Financial Report. Any change in revenue schools recorded after March 15, 2023, is indicated in the March 16 to June 30 column. The Athletics Unit takes into consideration the change in revenue each high school received between March 16 and June 30 when calculating the distribution of their athletic allocations for the following school year.

This audit report is provided for informational purpose only; no response is required. However, since internal control is negated when schools sell permits at less than full cost, we recommend this procedure be discontinued. Any additional passes needed should be ordered or transferred from one school to another. An exception would be a documented approved fee waiver. If you have any questions, please contact me at 240-740-5686.

MJB:rg

Attachments

Copy to:

Members of the Board of Education

Dr. McKnight

Mr. Hull

Dr. Murphy

Ms. Morris

Mr. Stockton

Mrs. Williams

Mrs. Chen

Ms. Eader

Mr. Klausling

Mrs. Ripoli

Mr. Sullivan

Ms. Webb