


Office of Shared Accountability
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

July 31, 2012

MEMORANDUM

To: Dr. Paulette L. Smith, Principal
Cabin John Middle School

From: Roger W. Pisha, Supervisor, Internal Audit 

Subject: Report on Audit of Independent Activity Funds for the Period
November 1, 2010, through June 30, 2012

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. 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 IAFs are administered in accordance with MCPS policies, regulations, and procedures.

IAF audits are conducted regularly to evaluate compliance with MCPS 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 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 there is compliance with MCPS policies, regulations, and procedures, and that any significant errors or omissions in the financial records are detected.

In our meeting with you on July 24, 2012, we reviewed the status of the conditions described in our prior audit report dated January 3, 2011, and noted that actions taken to address those conditions were effective. We also discussed a number of minor changes that could ease record keeping requirements for funds collected by staff from students and parents, and otherwise strengthen internal controls. We appreciated the cooperation and assistance of your staff, especially Ms. Maggie Tung, financial specialist. No response to this report is required.

RWP:LS:sd

Copy to:

Mr. Bowers	Dr. Hollingshead
Dr. Statham	Mrs. DeGraba
Dr. Schiavino-Narvaez	Mrs. Milwit
Mr. Talley	Mr. Doody