


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

April 23, 2018

MEMORANDUM

To: Mr. Jeffrey T. Brown, Principal
Roberto W. Clemente Middle School

From: Roger W. Pisha, Supervisor, Internal Audit Unit 

Subject: Report on Audit of Independent Activity Funds for the Period
April 1, 2016, through January 31, 2018

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 MCPS policies, regulations, and procedures.

The 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 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 there is compliance with MCPS policies, regulations, and procedures, and that any significant errors or omissions in the financial records are detected.

At our April 5, 2018, meeting with you, and Ms. Elizabeth A. Shull, school financial specialist, we reviewed our prior audit report dated April 27, 2016, and the status of present conditions. 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 the principal's approval to proceed with an intended purchase. After acquisition, the purchaser should submit the invoice or documented evidence of purchase, annotated to indicate the satisfactory receipt of the goods or services, to the school financial specialist. Upon disbursement, the documentation is to be stamped or marked "paid" to preclude duplicate

Prior to returning your completed audit action plan, please contact Mrs. Elizabeth L. Thomas, director of school support and improvement of middle schools. Based on the audit recommendations, Mrs. Thomas 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 financial specialist to support you with developing a well-defined plan to address the findings.

RWP:AMB:lsh

Attachment

Copy to:

Members of the Board of Education

Dr. Smith
Dr. Navarro
Dr. Statham
Dr. Zuckerman
Mr. Civin
Dr. Johnson
Dr. Williams
Mrs. Camp
Mrs. Chen
Mrs. Diamond
Mr. Tallur
Mrs. Thomas
Mr. Ikheloa

FINANCIAL MANAGEMENT ACTION PLAN

Report Date: 4/23/18	Fiscal Year: 4/23/18
School: Roberto W. Clemente MS - 157	Principal: Jeffrey T. Brown
OSSI Associate Superintendent: Dr. Darryl Williams	OSSI Director: Elizabeth Thomas
<p>Strategic Improvement Focus: As noted in the financial audit for the period <u>4/1/16 - 1/31/18</u>, strategic improvements are required in the following business processes :</p>	

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
Invoices to be stamped "PAID" & "Received". Financial Specialist & Principal will present financial procedures to all staff in staff meetings, team meetings, and meeting with IAF sponsors during pre-service to review financial procedures, but especially 280-54 procedures and expectations. Presentation will also be shared electronically	Financial Specialist		Weekly Meetings with Financial Specialist & Principal	Principal	
"Financial Office Policies and Procedures" acknowledgment contracts will be required for staff to sign agreeing to remit funds promptly. Reminders will be given during team meetings, as well.	Financial Specialist		Weekly Meetings with Financial Specialist & Principal	Principal	
A new spreadsheet was obtained from the MCPS Audit Unit that will be used to record and monitor all PE clothing inventory and sales.	PE/Health Content Specialist		Monthly Meetings with Financial Specialist & PE/Health Content Specialist	Financial Specialist	

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OFFICE OF SCHOOL SUPPORT AND IMPROVEMENT (OSSI) REVIEW & APPROVAL

Approved Please revise and resubmit plan by _____

Comments:

Director: Bea Tm

Date: 6/8/18