


Office of Shared Accountability  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

April 12, 2013

MEMORANDUM

To: Mrs. Laura S. Colgary, Principal  
Darnestown Elementary School

From: Roger W. Pisha, Supervisor, Internal Audit 

Subject: Report on Audit of Independent Activity Funds for the Period  
September 1, 2009, through January 31, 2013

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 on April 5, 2013 with you, and Mrs. Theresa Frazier, administrative secretary, we reviewed the status of the conditions described in our prior audit report dated October 22, 2009, 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

Review of field trip activities revealed that not all field 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 (see MCPS Financial Manual, p. 20-9). The record of the names of participants and 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.

Summary of Recommendations

- 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 Mrs. Frazier, which greatly facilitated our audit. 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. LaVerne G. Kimball, community superintendent. The Office of School Support and Improvement will follow up on this audit.

RWP:GB:sd

Copy to:

Mr. Bowers  
Dr. Statham  
Dr. Schiavino-Narvaez  
Dr. Marks  
Dr. Kimball  
Mrs. DeGraba  
Mrs. Milwit  
Mrs. Chen

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# DARNESTOWN ELEMENTARY SCHOOL

*"A National Blue Ribbon School!"*

15030 Turkey Foot Road  
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May 10, 2013

MEMORANDUM

To: Dr. LaVerne Kimball, Community Superintendent

From: Laura S. Colgary, Principal *LSC*

Subject: Response to: Report on Audit of Independent Activity Funds for the Period  
September 2, 2009, through January 31, 2013

Please find below the school's response for the Summary of Recommendations item mentioned in the audit created by Mr. Roger W. Pisha, Supervisor, Internal Audit.

Item #1: 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.

Response: Sponsors of field trips will continue to be apprised of correct guidelines and procedures associated with field trips at the beginning of each school year. Training for staff on these procedures will continue to be provided annually during pre-service by the administrative secretary and the principal. To ensure ongoing compliance with procedures, the administrative secretary will monitor the Field Trip Accounting Form whenever remittances are presented by the field trip sponsor. In addition, individual training will be provided by the principal to sponsors who do not provide the comprehensive data required. Upon completion of each field trip, the sponsor, the administrative secretary and the principal will meet to ensure all paperwork is completed to align with MCPS procedures.

Please contact me if you have any questions regarding this response to the auditor's report. Thank you.

LSC:thf

Copy to:  
Mr. Pisha ✓

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*"Every Child, Every Day!"*