MEMORANDUM

To: Mr. Shawn E. Krasa, Principal
   Thomas Edison High School of Technology

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

Subject: Report on Audit of Independent Activity Funds for the Period
         August 8, 2018, through December 31, 2019

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 Board of Education policies, MCPS
regulations, and procedures.

The IAF audits are conducted regularly to evaluate compliance with 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 any significant errors
or omissions in the financial records are detected.

At our February 27, 2020, meeting with you and Ms. Barbara J. Baliles, school financial specialist,
we reviewed the prior audit report dated December 26, 2018, and the status of present conditions.
Although we discussed and resolved other matters, we are pleased to report that we found no
material weaknesses that require submission of a financial management action plan. Records
compiled and maintained by Ms. Baliles were orderly and in compliance with MCPS requirements
contributing significantly to the prompt completion of this audit. No response to this report is
required.

MJB:KMH:ls
Copy to:
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