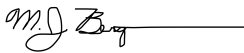


Internal Audit Unit  
MONTGOMERY COUNTY BOARD OF EDUCATION  
Rockville, Maryland

September 8, 2021

MEMORANDUM

To: Mrs. Tara M. Strain, Acting Principal  
Glen Haven Elementary School

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

Subject: Report on Audit of Independent Activity Funds for the Period  
August 1, 2018, through July 31, 2021

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 fund-raisers. They are responsible for ensuring that the IAFs are administered in accordance with Board of Education policies and 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 September 2, 2021, meeting with you; and Ms. Dolores L. Rojas, school administrative secretary (secretary), and Ms. Barbara L. Miller, school visiting bookkeeper, we reviewed the prior audit report dated September 27, 2018, and the status of the present conditions. It should be noted that your appointment as acting principal was effective July 21, 2021, and Mrs. Rojas's assignment as school administrative secretary was effective August 9, 2021. 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 Regulation DMB-RA, *Control of Admission Receipts*, sets forth procedures for the control of admission receipts for school events. The accounting for these events must be controlled with serially numbered ticket, separation of duties, use of the required MCPS Form 280-50, *Tickets and Cash Report of Admissions Manager*, for tracking and reconciling sales, and perpetual inventory of tickets (refer to the *MCPS Financial Manual*, chapter 20, page 13). We noted an admission

event in which tickets were sold but MCPS Form 280-50 was not completed to reconcile tickets issued with tickets returned and sales receipts. Other weaknesses include the lack of a perpetual inventory of tickets. We recommend that procedures for the sale of tickets be reviewed with appropriate staff prior to events for compliance with the above-cited MCPS requirements.

#### Notice of Findings and Recommendations

- Admission events must be conducted in accordance with MCPS Regulation DMB-RA

Other matters were discussed and satisfactorily resolved. We appreciate the cooperation and assistance of your staff. In accordance with MCPS Regulation DIA-RA, *Accounting for Financial Operations/Independent Activity Funds*, using the attached action plan, please provide a written response to the Internal Audit Unit within 30 calendar days of this report. In your response, please share a detailed plan for addressing these issues, including appropriate staff training and support.

Prior to returning your completed audit action plan, please contact Dr. Peter O. Moran, director of learning, achievement, and administration, Office of Teaching, Learning, and Schools, for written approval of your plan. Based on the audit recommendations, Dr. Moran will indicate whether he will conduct an electronic review of your action plan or schedule a time to meet in person with you and your school administrative secretary to support you with developing a well-defined plan to address the findings.

MJB:YSG:lsh  
Attachment

#### Copy to:

Members of the Board of Education  
Dr. McKnight  
Mr. D'Andrea  
Ms. Dawson  
Ms. Reuben  
Mrs. Williams  
Mrs. Dyson  
Mr. Reilly  
Mrs. Chen  
Mrs. Eader  
Mr. Klausling  
Dr. Moran  
Mr. Tallur  
Ms. Webb

## FINANCIAL MANAGEMENT ACTION PLAN

<b>Report Date:</b> FY22	<b>Fiscal Year:</b> FY22
<b>School:</b> Glen Haven ES - 767	<b>Principal:</b> Tara Strain
<b>OTLS Associate Superintendent:</b> Dr. Cheryl Dyson	<b>OTLS Director:</b> Dr. Peter Moran
<p><b><u>Strategic Improvement Focus:</u></b>          As noted in the financial audit for the period <u>8/1/18 - 7/31/21</u>, strategic improvements are required in the following business processes :</p> <p>Admission events must be conducted in accordance with MCPS Regulation DMB-RA</p>	

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
Review the procedures for the sale of tickets with appropriate staff prior to events	Tara Strain  Dolores Rojas	Staff Handbook  MCPS Regulation DMB-RA	Use of Form 280-50	Principal will review ticketed event collection forms at the end of the semester	

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence

OFFICE OF TEACHING, LEARNING, AND SCHOOLS (OTLS) REVIEW & APPROVAL	
<input checked="" type="checkbox"/> <b>Approved</b>	<input type="checkbox"/> Please revise and resubmit plan by _____
Comments: _____	
Director: <u>          <i>Peter O. Moran</i>          </u> <small>GVZ</small>	Date: <u>09/29/21</u>