


Office of Shared Accountability
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

April 20, 2016

MEMORANDUM

To: Dr. William A. Baranick, Acting Principal
JoAnn Leleck Elementary School at Broad Acres

From: Roger W. Pisha, Supervisor, Internal Audit 

Subject: Report on Audit of Independent Activity Funds for the Period
July 1, 2013, through February 29, 2016

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 13, 2016, with you and Mrs. Tam Nguyen, administrative secretary, we reviewed the status of the conditions described in our prior audit report dated July 30, 2013 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

Sponsors of field trips should have a complete class or club roster of student names to annotate the amount each student paid, eligible students who did not participate in the trip, and students who received waivers, scholarships or reduced fees. This data should be provided to the

financial agent at the completion of each trip, and compared to remittances recorded in the trip account history report. The data also should be used to estimate future trips. We again found that not all sponsors are providing completed data at the conclusion of each trip, and that data is not being compared to the final account history report nor used for planning future trips. We recommend trip sponsors use the *Field Trip Expense Calculator Worksheet* for field trip planning and cost estimates as well as MCPS Form 280-41, *Field Trip Accounting*, or its equivalent, for recording of trip fees and provide complete data at the completion of each trip. We further recommend trip planning be reviewed to ensure established fees are commensurate with trip expenses (see MCPS Financial Manual, p. 20-10). To reduce the workload of cash handling requirements for sponsors and administrative secretary, we further recommend using Online School Payments (OSP).

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 (repeat); and
- Cash handling by sponsors and administrative secretary can be reduced using OSP.

Other matters were discussed and satisfactorily resolved. We appreciated the cooperation and assistance of your staff. 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 Ms. Audra Fladung, director of elementary schools. The Office of School Support and Improvement will follow up on this audit.

RWP:RWB:sd

Copy to:

Dr. Zuckerman
Dr. Statham
Dr. Navarro
Dr. Kimball
Mrs. Chen
Ms. Chichester-Ollivierre
Mrs. DeGraba
Ms. Fladung
Mrs. Milwit

Fiscal Management Action Plan

School: JoAnn Leleck Elementary School at Broad Acres
 Approved by Director of School Support and Improvement: 

Principal: Cindy Chichester
 Date of approval: 6/21/16

Findings and Recommendations of School's Financial Report	Description of Resolution And Person(s) Responsible	Timeline	Evidence of Completion
<p>Field trip sponsors should have a complete class or club roster of student names to annotate the amount each student paid, eligible students who did not participate in the trip, and students who received waivers, scholarships or reduced fees. All sponsors should provide completed data at the conclusion of each trip.</p>	<p>Sponsors will provide complete class or club rosters and note how much each student has paid, to include the date, and any waivers or scholarships for students. Also, sponsors will include if a student is not attending the trip or activity. Sponsors will also provide this at the completion of the trip and compare remittance recorded to the trip account history report. The data will be used by the sponsors and administrative secretary to plan for future trips. Sponsors will plan carefully to ensure that they do not overcharge or undercharge for a trip for students. Sponsors will use MCPS Form 280-41 to record trip fees and provide complete data at the end of each trip. Trip planning will be reviewed by the administrative secretary and the principal to ensure that fees are appropriate.</p>	<p>As needed for field trips</p>	<p>Completed Form 280-41 and any additional documents relevant to each trip.</p>

Note: A copy of the approved plan is to be sent to the Internal Audit Office, CESC, Room 11.