


Office of Shared Accountability
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 21, 2013

MEMORANDUM

To: Miss Cynthia R. Duranko, Principal
Monocacy Elementary School

From: Roger W. Pisha, Supervisor, Internal Audit 

Subject: Report on Audit of Independent Activity Funds for the Period
July 1, 2009, through December 31, 2012

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 February 7, 2013, with you and Mrs. Nancy Baker, administrative secretary, we reviewed the status of the conditions described in our prior audit report dated August 26, 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 again 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 (repeat).

Other matters were discussed and satisfactorily resolved. We appreciated the cooperation and assistance of Mrs. Baker 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. Donna S. Hollingshead, 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. Hollingshead
Mrs. DeGraba
Mrs. Milwit
Mrs. Chen

Monocacy Elementary School
MONTGOMERY COUNTY PUBLIC SCHOOLS
Dickerson, Maryland

February 25, 2013

MEMORANDUM

To: Dr. Donna Hollingshead
From: Cynthia Duranko
Subject: Response to February 7, 2013 Audit

Outlined in this memo is the response to the finding from our February 7, 2013 audit.

Finding: MCPS form 280-41, Field Trip Accounting, was not used by every teacher for every trip.

Response: Since reviewing procedures did not resolve this issue completely, teacher will provide a copy of the Field Trip Accounting form each time they turn in money collected for trips. They will update it each day they submit it by highlighting the day's activity. This will result in an accurate accounting when collection is complete.

We found our discussion with Mr. George Beall, the auditor, to be very informative and beneficial.

CRD:ndb

Copy to:
Mr. Roger W. Pisha, Supervisor, Internal Audit