MEMORANDUM

To:          Ms. Kristin A. Alban, Principal
              Monocacy Elementary School

From:        Roger W. Pisha, Supervisor, Internal Audit Unit

Subject:     Report on Audit of Independent Activity Funds for the Period
              January 1, 2016, through October 31, 2018

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.

In our meeting on December 13, 2018, with you and Mrs. Shari L. Moten, school administrative
secretary, we noted that our report dated February 5, 2016, stated that no corrective action was required.
We discussed and resolved some minor issues to improve internal controls but found no material
weaknesses. The records compiled and maintained by Mrs. Moten were orderly and in compliance
with MCPS requirements that contributed significantly to the prompt completion of our audit. No
response to this report is required.

RWP:GWB:Jsh

Copy to:
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