


Office of Shared Accountability
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 14, 2012

MEMORANDUM

To: Ms. Panagiota Tsonis, Principal
Newport Mill Middle School

From: Roger W. Pisha, Supervisor, Internal Audit 

Subject: Report on Audit of Independent Activity Funds for the Period
April 1, 2010, through December 31, 2011

This audit report presents the results of our examination of the financial records, reports, and internal accounting controls relating to the Independent Activity Funds (IAF) for your school for the period designated above. The examination was made to evaluate the adequacy of accountability over these funds, compliance with applicable Montgomery County Public Schools (MCPS) policies and procedures, and effectiveness of IAF management.

In our meeting on February 13, 2012, with you and Mrs. Martha Ballon, financial specialist, we reviewed conditions described in our previous report dated June 8, 2010, and the status of present conditions. Our findings and recommendations appear below.

Findings and Recommendations

Fund raising at the school must conform to the *Guidelines for Sponsoring an Independent Activity Fund Fund Raiser*, which includes a requirement that a completion report be prepared to evaluate the results of the activity. We noted an instance in which a fund raiser failed to achieve the anticipated goal without adequate explanation of the shortfall. Financial activities for each fund raising activity should be planned so that participants are accountable for funds collected and that any shortfalls in anticipated proceeds are analyzed and explained (see MCPS Financial Manual, p. 20-11).

Sponsor of field trips should use a class or club roster of student names and annotate how much each student paid, students who did not participate in the trip, and students who received waivers, scholarships or reduced fees. This data should be turned in to the financial agent at the completion of each trip, and compared to remittances recorded in the trip account reconciliation report. The data should also be used to estimate future trips. We found not all sponsors are turning in completed data at the conclusion of each trip. We recommend trip sponsors use 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 (see MCPS Financial Manual, p. 20-9).

Summary of Recommendations

- Fundraiser completion reports prepared by sponsors must provide sufficient information to analyze results; and
- 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.

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. Bronda L. Mills, community superintendent. The Office of School Performance will follow up on this audit.

RWP:LS:sd

Copy to:

Mr. Bowers
Dr. Lacey
Mr. Talley
Ms. Mills
Mrs. DeGraba
Mrs. Milwit
Mr. Doody

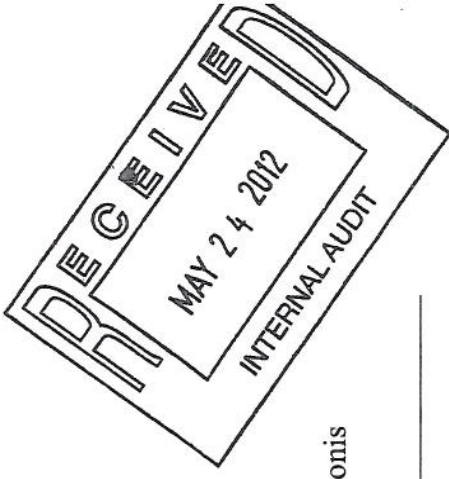
Fiscal Management Action Plan

School: Newport Mill Middle School

Principal: Panagiota Tsonis

Approved by Community Superintendent: _____

Date of Approval: _____



Findings and Recommendations of School's Financial Report	Description of Resolution and Person(s) Responsible	Timeline	Evidence of Completion
Fundraiser completion reports prepared by sponsors must provide sufficient information to analyze results	Sponsors will be reminded to collect, record, and present complete information when doing a fundraiser, so that the completion report reflects sufficient information to analyze reports	Sponsors have been reminded of these guidelines.	Copies of guidelines have been given to sponsors prior to the fundraiser
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	Sponsors will be reminded to prepare a complete list which includes all eligible students, funds collected, donations given, and any other pertinent information for the reconciliation of the funds collected with costs of the trip	Sponsors have been reminded of these guidelines.	Financial specialist has created a spreadsheet to be used by field trip sponsors which includes all pertinent data.