


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

January 6, 2023

MEMORANDUM

To: Ms. Rhoshanda M. Pyles, Principal
Rockville High School

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

Subject: Report on Audit of Independent Activity Funds for the Period
November 1, 2021, through October 31, 2022

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 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 December 16, 2022, meeting with you; Mr. David Stough, school business administrator, and Mrs. Paula M. Arata, school financial specialist, we reviewed the prior audit report dated December 8, 2021, and the status of the 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

The MCPS Division of Food and Nutrition Services (DFNS) approved vendor, for the centralized vending contract, assures that all items available to purchase by schools are compliant with MCPS

Regulation JPG-RA, *Wellness: Physical and Nutritional Health*. At your school store, we found that there were food items sold to students during the instructional day, which do not comply with Regulation JPG-RA. When food items are unable to be purchased from the DFNS approved vendor, we recommend that the information from the product ingredient/nutrition label be entered into the Smart Snack Product Calculator. The calculator will determine whether the product meets the required nutrition standards and a report can be printed. The calculator is available at <https://foodplanner.healthiergeneration.org/calculator>. The printed report is to be filed with your school financial agent and available for future audit review.

Notice of Finding and Recommendation

- Food and beverage items available to students outside the school meals program must comply with MCPS Regulation JPG-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. Rotunda Floyd-Cooper, director of school support and well-being, Office of Student Support and Well-Being, for written approval of your plan. Based on the audit recommendations, Dr. Floyd-Cooper will indicate whether she will conduct an electronic review of your action plan or schedule a time to meet in person with you and your financial team to support you with developing a well-defined plan to address the findings.

MJB:BK:rg

Attachment

Copy to:

Members of the Board of Education

Dr. McKnight

Mr. Hull

Dr. Murphy

Ms. Reuben

Mr. Stockton

Mrs. Williams

Mr. Reilly

Mrs. Chen

Dr. Floyd-Cooper

Ms. Eader

Ms. Rhoshanda M. Pyles

3

January 6, 2023

Mr. Klausing
Mrs. Ripoli
Ms. Webb

2.3.23

2.3.23

FINANCIAL MANAGEMENT ACTION PLAN

Report Date: 1/6/23	Fiscal Year: 1/6/23
School: Rockville HS - 230	Principal: Rhoshanda Pyles
OSSWB Associate Superintendent: Dr. Floyd-Cooper	OSSWB Director: Dr. Jones
<p><u>Strategic Improvement Focus:</u> As noted in the financial audit for the period <u>11/1/21-10/31/22</u>, strategic improvements are required in the following business processes : Food sales during school hours</p>	

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
Foods for sale that are not in compliance with JPG-RA Wellness: Physical and Nutritional Health. ACTION: Cease sales on non-compliant products. Purchase and sell only products that are in compliance.	School Store Sponsor (Current: Mike Hayes)	JPG-RA	Requests for purchases to include nutrition info compared to compliance criteria.	Principal and School Business Administrator when approving sponsor's purchases.	All items purchased and sold will be in compliance.

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

OFFICE OF SCHOOL SUPPORT AND WELL-BEING (OSSWB)

Approved Please revise and resubmit plan by _____

Comments:

Director: Rotunda Floyd-Cooper Date: 2/6/23