

Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

December 3, 2018

MEMORANDUM

To: Mrs. Megan H. Murphy, Principal
Seven Locks Elementary School

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

Subject: Report on Audit of Independent Activity Funds for the Period
July 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.

At our November 20, 2018, meeting with you and Mrs. Linda Kurinsky, school administrative secretary, we noted that there were no weaknesses reported in our prior audit report dated July 27, 2016. It should be noted that your appointment as principal was effective July 1, 2018. We discussed some items that could improve effectiveness, but we found no material weaknesses in controls over IAF. No response to this report is required.

RWP:LAS:lsh

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