


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

February 16, 2017

MEMORANDUM

To: Mrs. Pamela S. Nazzaro, Principal
Thurgood Marshall Elementary School

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

Subject: Report on Audit of Independent Activity Funds for the Period
January 1, 2015, through December 31, 2016

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 fund-raisers. They are responsible for ensuring that the IAFs are administered in accordance with MCPS policies, regulations, and procedures.

The 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 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 there is compliance with MCPS policies, regulations, and procedures and that any significant errors or omissions in the financial records are detected.

At our meeting on February 13, 2017, with you and Ms. Tracy E. Paris, school administrative secretary, we reviewed the status of the conditions described in our prior audit report dated February 10, 2015, 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

The controls over cash receipts need improvement. Staff collecting funds for yearbook, field trips, and the Preschool Education Program were holding funds rather than remitting them in a timely manner to the school administrative secretary. In addition, the school administrative secretary was not always making timely deposits of the remitted funds to the bank. Large and

Dr. Johnson
Dr. Kimball
Mrs. Camp
Mrs. Chen
Ms. Diamond
Ms. Favret
Mr. Tallur
Mr. Ikheloa

Fiscal Management Action Plan

School: Thurgood Marshall Elementary School

Principal: Mrs. Pamela Nazzaro

Approved by Director of School Support and Improvement:

Date of approval: 3/24/17

Findings and Recommendations of School's Financial Report	Description of Resolution And Person(s) Responsible	Timeline	Evidence of Completion
<p>Funds for Sponsored Activities Funds collected by sponsors must be promptly remitted intact with MCPS Form 280-34 to the administrative secretary and promptly deposited.</p>	<p>Cash collected by sponsors will be counted in front of the administrative secretary and documented using form 280-34. Administrative secretary will sign form as documentation of receipt and sponsors will make a copy of the signed form for their records. Cash will be submitted by sponsors on a daily basis. Administrative secretary will make daily deposits.</p> <p>Person Responsible: Administrative secretary, sponsors</p>	<p>Daily sponsor submission of funds Immediate receipt of funds (signature and signed copy of form) Deposits daily as needed.</p>	<p>Receipts of funds submitted and bank deposit statements.</p>
<p>Field Trip Planning and Funds 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 trip.</p>	<p>Sponsors will use MCPS Form 280-41 to provide complete class or club rosters and note how much each student has paid, include the date, and any waivers or scholarships for students. At the completion of the trip, sponsors will check to make sure that the trip account history report matches with the funds they have collected. Sponsors will plan carefully to ensure that they do not overcharge or undercharge for a trip for students. Sponsors to record trip fees and provide complete data at the end of each trip.</p> <p>The administrative secretary will keep all supporting documentation for each field trip together.</p> <p>Person(s) Responsible: Administrative secretary, Teachers, sponsors, principal</p>	<p>As needed</p>	<p>Completed Form 280-41 and any additional documents relevant to each trip.</p> <p>Final balances verify that trip expense was appropriately calculated.</p>

Note: A copy of the approved plan is to be sent to the Internal Audit Office, CESC, Room 11.