

**Board of Education of Baltimore County
Office of Internal Audit**

Follow Up to Review of Financial Records and Activity Due to FY 20 Change in Principal

School Name: Northwest Academy of Health Sciences
Follow-Up Audit Period: March 1, 2020 to December 31, 2020
SAF account review period: March 1, 2020 to March 16, 2021

Results: There were three findings from the January 17, 2020 audit report. Two findings were resolved and the current status of the third finding could not be determined at this time.

Source: Internal Audit report dated January 17, 2020			Source: Follow up performed on January 27, 2021	
#	Finding	Recommendation	Management Action Plan	
1	The Physical Education account had an unusually high balance of \$4,508.88. It was determined that two PE uniform purchases, which totaled \$5,170, were paid from the school's operating budget and not reimbursed by the SAF. Funds collected from the sale of PE uniforms are posted to the Physical Education account (40.4230.000), therefore, the PE uniform expense must be posted to the same account.	<p>The current principal must ensure that a school check is remitted to BCPS for \$5,170 to reimburse the operating budgets for FY19 (\$3,530) and FY20 (\$1,640). The expense should be posted to the Physical Education account (40.4230.000).</p> <p>The current principal must ensure that future PE uniform purchases are paid out of, or reimbursed by, the SAF if uniforms continue to be sold to the students.</p>	<p>CK # 467 \$ 3,530.00 CK # 465 \$ 1,640.00</p> <p>Both checks were mailed to Accounting.</p> <p>Current Principal understands and will adhere to corrective action plan.</p>	<p>RESOLVED</p> <p>Internal Audit determined that the journal entries recommended in the prior audit report were processed in January 2020. No additional PE uniform sales were processed in the audit period.</p>
2	Ten of the fifteen accounts reviewed, with a combined balance of \$8,989.05, had little or no activity during the audit period. See Appendix A on page 4 for detail of the ten accounts.	<p>The current principal must develop a plan to spend the funds in the inactive accounts in accordance with their intended purpose.</p> <p>The current principal must review the SAF general ledger accounts at least once a year for inactivity.</p>	<p>See Appendix A on page 4 for management action plan for finding #2.</p> <p>Current Principal will review all accounts with inactivity once per year.</p>	<p>COULD NOT DETERMINE</p> <p>Internal Audit reviewed the account balances of the 10 accounts, as of March 16, 2021, and determined that:</p> <ul style="list-style-type: none"> - One of the accounts has been resolved; - Four of the accounts had some spending, per the action plan; and - Five of the accounts had no activity. <p>Due to the virtual learning environment, SAF activities are limited; therefore, it is anticipated that the accounts would have little to no activity during the follow-up audit period. We could not appropriately evaluate whether this finding has been resolved and we will monitor the applicable activities once more transactions and activity occur. Please continue with your corrective actions. Please note Appendix A from the prior report has been updated to include spending activity through the follow-up audit period (attached).</p>
3	A procurement card purchase from Office Furniture Loft, totaling \$1,570, was split into two transactions over a two day period to avoid the \$1,000 transaction limit.	<p>A procurement cardholder must never use their procurement card for a non-travel related purchase totaling more than \$1,000.</p> <p>The principal must ensure that all purchases comply with the established purchasing procedures. The on-line catalog must be used when applicable and all purchases requiring a purchase order must be initiated in sufficient time to be properly processed by the Office of Purchasing.</p>	<p>Previous purchases were made at the directive of the Outgoing Principal, with the understanding that policy was being followed.</p> <p>Current Principal will adhere to BCPS policy regarding purchases.</p>	<p>RESOLVED</p> <p>Internal Audit reviewed all procurement card transactions in the follow-up audit period and did not identify any split purchases to avoid the \$1,000 transaction limit.</p>

Appendix A

Account Name		Balance (as of 12/31/19) PRIOR AUDIT	Balance (as of 3/16/21) FOLLOW-UP	Difference	INC/(DEC)	Management Action Plan (Prior Audit)
Little or No Spending Activity						
1	Math Books	\$ 201.03	\$ -	\$	(201.03)	Funds will be moved to supplies. Will be spent by 6/30/2020.
2	Art	\$ 2,284.20	\$ 1,833.00	\$	(451.20)	CK #466 \$488.00 sent to BCPS/Supplies will be purchased by 6/30/2020.
3	Library and Media Services	\$ 1,019.33	\$ 996.33	\$	(23.00)	Some funds will be spent by 6/30/2020.
4	AVID/STEM	\$ 114.01	\$ 114.01	\$	-	Spent by 6/30/2020.
5	AVID Activities	\$ 1,872.33	\$ 1,553.33	\$	(319.00)	Some funds will be spent by 6/30/2020.
6	Student Council	\$ 53.18	\$ 53.18	\$	-	Spent by 6/30/2020.
7	PBIS	\$ 545.06	\$ 545.06	\$	-	Some funds will be spent by 6/30/2020.
8	Male Mentoring	\$ 200.50	\$ 200.50	\$	-	Spent by 6/30/2020.
9	My Brothers Keeper	\$ 2,580.61	\$ 2,226.61	\$	(354.00)	Some funds will be spent by 6/30/2020.
10	Leading Ladies	\$ 118.80	\$ 118.80	\$	-	Spent by 6/30/2020.
<i>Total - Little or No Spending Activity</i>		<u>\$ 8,989.05</u>	<u>\$ 7,640.82</u>	<u>\$</u>	<u>(1,348.23)</u>	