

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

**Audit Report
Project #2021.005
October 7, 2020**



**Franklin High School
School Activity Fund &
Procurement Card Audit**

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Background

The Office of Internal Audit (Internal Audit) conducted an audit at Franklin High School due to the time since the last audit. There has not been a full School Activity Fund (SAF) audit at Franklin High School for at least 12 years.

Audit Objectives

Internal Audit conducted a School Activity Fund (SAF) and procurement card audit at Franklin High School:

- To evaluate, on a sample basis, the internal controls and compliance over SAF revenue, expenditure, and transfer transactions and accounts for the period July 1, 2019 through June 30, 2020.
- To evaluate, on a sample basis, the internal controls and compliance over procurement card transactions for the period July 8, 2019 through July 6, 2020.
- To determine the school's compliance with applicable board policies, superintendent's rules, and current BCPS practice, as they relate to these transactions and accounts.

Internal Audit performed the audit by conducting interviews and examining documentation.

Summary of Results

Internal Audit identified one reportable audit finding: Funds raised for student activities were not spent timely.

See pages 3 to 4 for detailed information regarding the reportable audit finding, Internal Audit's recommended corrective actions, and management's action plan.

Follow-up

Internal Audit will conduct a follow-up audit to determine if management has successfully resolved the finding identified in this audit.

Findings, Corrective Action, and Management Action Plan

Finding	Corrective Action	Management Action Plan	Target Date
<p>1. Six of the 57 accounts reviewed have unusually high balances. The combined balance in these accounts is \$80,355.43, as of September 9, 2020. See Appendix A on pages 4 and 5 for details of the six accounts.</p> <p>Twenty-one of the 57 accounts reviewed had little or no spending activity during the audit period. The combined balance in these accounts is \$26,896.69, as of September 9, 2020. See Appendix A on pages 4 and 5 for details of the 21 accounts.</p>	<p>The principal must develop a plan to spend the funds in these accounts in accordance with their intended purpose.</p> <p>The principal must review the SAF general ledger accounts at least once a year for inactivity and to ensure that funds are spent in a timely manner.</p>	<p>Several accounts are designated for specific items such as scoreboards, display cases and tables. We will label those accounts to indicate why the balances are high.</p> <p>The principal and fiscal assistant will review each account, annually, in April to look for inactivity.</p>	<p>Various dates, as indicated in the Management Action Plan in Appendix A.</p>

Appendix A

	Account Name	Balance at 9/9/2020	Management Action Plan
Unusually High Balance			
1	One Card payable	\$7,282.79	The funds will be used for replacement cards and other one card supplies.
2	AP tests	\$16,471.37	The funds will be used for AP proctors, table/chair rental and space rental for off-site testing.
3	Performing Arts	\$13,491.69	Funds will be used for plays, student costumes, stage supplies, lights and equipment for the auditorium.
4	Athletics	\$21,302.07	The AD is saving for a new scoreboard. A new account will be set up for the scoreboard contributions and \$4,000 will be transferred to the new account.
5	JROTC	\$4,750.39	These funds will be used for supplies and updating the JROTC classroom.
6	Student Council	\$17,057.12	These funds will be used in SY 2021 for the Senior Citizens prom we host every year in April. The event was cancelled in April 2020.
	<i>Sub-total High Balances</i>	\$80,355.43	
Little or No Spending Activity			
1	Boys Golf	\$176.94	Items will be purchased when students return to school.
2	Donation Bookcases	\$2,930.69	These funds will be used once we receive more donations to purchase bookcases.
3	Donation Tables	\$3,269.54	These funds will be used once we receive more donations to purchase tables.
4	Girls Golf	\$248.75	Items will be purchased when students return to school.
5	Mathematics	\$825.59	These funds will be used in SY 2021.
6	Science National Honor Society	\$260.67	These funds will be used in SY 2021 for honor cords, t-shirts and dues.
7	Guitar	\$49.15	This account has been closed and funds were transferred to the Music account.
8	Lacrosse Memorial Tournament	\$1,069.02	These funds will be transferred to a new LAX Scholarship account and awarded to a senior in SY 2021.
9	Lost Science books	\$495.18	These funds will be used to purchase new books in SY 2021.
10	Lost Library books	\$137.44	These funds will be used to purchase new books in SY 2021.

	Account Name	Balance at 9/9/2020	Management Action Plan
11	M. Taylor CD #1	\$2,125.08	This scholarship will continue to be awarded every year.
12	M. Taylor CD #2	\$9,614.87	This scholarship will continue to be awarded every year.
13	Model UN	\$15.00	This account has been closed and funds were transferred to the Social Studies account.
14	Newspaper	\$365.18	These funds will be used for the Gazette.
15	Robotics Club	\$41.00	This account has been closed and funds were transferred to the Science account.
16	Softball	\$716.73	Uniforms have been purchased for SY 2021.
17	Technology Education	\$2,313.51	These funds will be used in SY 2021 to purchase equipment and supplies for classrooms.
18	Think Pink	\$132.08	This account has been closed and funds were transferred to the General account.
19	Lost Social studies books	\$1,664.00	These funds will be used to purchase new books in SY 2021.
20	GSA Club	\$217.97	These funds will be used in SY 2021.
21	Lost Foreign Language books	\$228.30	These funds will be used to purchase new books in SY 2021.
	<i>Sub-total Limited Activity</i>	\$26,896.69	
Total high balance & limited activity		\$107,252.12	