

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

**Project 4-2020.001
November 13, 2020**



**School Activity Funds (SAF)
3-Year Cash Analysis
Dulaney High School**

Distribution List:

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SAF 3-Year Cash Analysis

Dulaney High School

FY 17 Beginning Balance	FY 19 Ending Balance	Change in Cash Balance - Dollars	Change in Cash Balance – Percentage
\$70,028.57	\$29,786.33	(\$40,242.24)	-57.47%

Analysis:

The decrease in cash is primarily due to activity in three accounts:

1. There was a net decrease of \$25,339.54 for scholarship accounts.
2. The Drama account balance decreased by \$13,427.14.
3. The Student Government Organization (SGO) account balance decreased by \$10,423.02.

Additionally, the overall decrease in the cash account was partially offset by an increase in the Board of Education (BOE) Receivable account that totaled \$11,530.63.

Other concerns noted during the cash analysis:

1. Scholarship checks were written directly from the SGO account.
2. BOE Receivable Account – The FY19 ending account balance was \$13,423.56, which exceeds the \$1,000 monthly limit for reimbursements.

Inquiry of School Personnel and Documentation Reviewed:

1. Scholarship Accounts - The net change in balance for all scholarship accounts was due to the payment of scholarship awards. This activity appears to be reasonable and no further action is required at this time.
2. Drama Account - The Drama account balance decrease was due to the purchase of microphones and increased spending for performance royalties. These expenditures appear to be reasonable and therefore, no further action is required at this time.
4. SGO Account – The SGO account balance decreased due to spending that primarily occurred in FY17. It appears that students benefitted from these expenditures, therefore, no further action is required at this time.
3. Internal Audit also determined that the SGO account is used for homecoming dance ticket sales and expenditures as well as other SGO initiatives, including scholarships. Generally, funds earmarked for scholarships should be accounted for in a separate account. As a result of our review, staff from the Office of Fiscal Services created a separate account for SGO scholarships for the school. Going forward, funds earmarked for SGO scholarships will be transferred to this account, therefore, no further action is required at this time.

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4. BOE Receivable Account – Internal Audit determined that the school transferred balances to this account at the end of FY19 and requested reimbursement from the school’s operating budget. Staff from the Office of Fiscal Services assisted the school with the reimbursement requests, which were processed in August 2019. The balance in the BOE Receivable account as of February 29, 2020 was \$129.43, therefore, no further action is required at this time.

Follow-up:

Follow-up is not required.