

**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
Overlea High School**

Distribution List:

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East Zone*

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Principal

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SAF 3-Year Cash Analysis Overlea High School

FY 17 Beginning Balance	FY 19 Ending Balance	Change in Cash Balance - Dollars	Change in Cash Balance – Percentage
\$25,853.99	\$10,103.94	(\$15,750.05)	-60.92%

Analysis:

Internal Audit determined that a decrease in cash that totaled \$22,359.22 occurred in FY17. However, in FY18 & FY19, the cash balance increased slightly for an overall net variance of \$15,750.05 from FY17 to FY19. The decrease in cash in FY17 is primarily due to activity in four accounts:

1. BOE Receivable Account - The school paid \$8,104 for AP exams in June 2017.
2. Discretionary Account – Expenditures totaled \$6,868.37 in FY17.
3. Yearbook Account - The \$4,000 yearbook payment for FY16 was not paid until FY17.
4. Scholarship Account – The account balance was zero in FY17.

Inquiry of School Personnel and Documentation Reviewed:

Internal Audit conducted School Activity Fund audits at Overlea High School in FY17 and FY18. Both audits included a finding regarding idle funds and recommendations that the funds be spent for their intended purpose. The change in the cash balance reflects the action taken by the principal to address the audit findings:

1. BOE Receivable Account - The school paid \$8,104 for AP exams in June 2017 but did not receive reimbursement from the operating budget until July/August 2017. The timing difference of the reimbursement inflated disbursements for FY17.
2. Discretionary Account – A total of \$6,868.37 was spent in FY17 for field trip buses and Verizon and yearbook invoices from FY16.
3. Yearbook Account – A \$4,000 yearbook payment for FY16 was not paid until FY17. The fiscal year timing difference between receipt and disbursement of funds inflated disbursements for FY17.
4. Scholarship Account – Funds, that totaled \$3,443.31, were disbursed to recipients in FY17 to zero out the account.

Since the principal implemented the recommendation to spend the funds for their intended purpose, no further action is required at this time.

Follow-up:

Follow-up is not required.