

Board of Education of Baltimore County  
Office of Internal Audit

Follow Up to FY 2021 School Activity Fund and Procurement Card (P-card) CHIP Audit

School Name: **Randallstown High School**  
 Follow-Up Audit Periods: SAF: May 1, 2021 - December 31, 2021  
 P-card: July 1, 2021 - December 31, 2021  
 SAF General Ledger accounts: November 12, 2020 - March 3, 2022

Results: There were nine findings from the November 11, 2020 audit report; seven were resolved, one was not resolved, and one was partially resolved.

Source: Internal Audit report dated November 11, 2020			Source: Follow up performed on March 3, 2022	
#	Finding	Recommendation	Management Action Plan	
			Current Status	
1	<p><b>Funds received for student activities were not spent timely.</b>            Twenty-six of the 32 accounts reviewed, with a combined balance of \$14,008.33, as of September 23, 2020, had no activity during the audit period. See <b>Appendix A</b> for detail of the 26 accounts.</p>	<p>The principal must develop a plan to spend the funds in the inactive 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.</p>	<p>The principal will review all inactive accounts and spend funds according to the intended purpose; see <b>Appendix A</b>.</p> <p>The principal will review the SAF general ledger accounts every 3 months for inactivity.</p>	<p><b>OVERALL - PARTIALLY RESOLVED:</b>            Internal Audit reviewed the account balances of the 26 accounts with findings from the prior audit and determined that 12 of the 26 accounts with little or no spending activity in the prior audit were resolved. However, 14 of the 26 accounts, with a combined balance of \$10,012.16, as of March 3, 2022, continue to have little activity. See Appendix A for details.</p> <p>The unresolved findings are primarily due to the virtual learning environment and limited SAF activities in FY20 and FY21. Therefore, it is anticipated that the accounts would continue to have little to no activity during the follow-up audit period. Please continue with your corrective actions.</p>
2	<p><b>Sales tax was not remitted to the MD Comptroller.</b>            Sales and Use Tax collections of \$864.44 for the sale of taxable items sold by Randallstown High School since August 2016 have not been remitted to the Maryland Comptroller.</p>	<p>The principal must ensure that \$864.44, plus applicable late fees, are immediately remitted to the Maryland Comptroller. Additionally, the principal must ensure that all sales tax collections are remitted to the Maryland Comptroller at least annually.</p>	<p>The fiscal assistant will request assistance from the SAF Accounting Office to remit the tax items sold by the school since August 2016 that has not been remitted to MD Comptroller. The sales tax collection will be reviewed quarterly for appropriate submission.</p>	<p><b>NOT RESOLVED:</b>            Internal Audit reviewed the school's expenditures and determined that, as of March 3, 2022, the outstanding Sales and Use Tax has not been remitted to the Maryland Comptroller.</p> <p>However, we also determined that the Office of Accounting is assisting Randallstown High School with setting up their sales tax account with the Maryland Comptroller's office to pay the</p>
3	<p><b>Funds owed to the Board of Education were not remitted.</b>            The Office of Accounting has issued refunds to the students and families on the behalf of Randallstown High School for money collected for the Class of 2020. On July 31, 2020, the Office of Accounting requested that a check for \$29,001.25, and the applicable documentation, be remitted to the Board of Education by the school to reimburse BCPS for the refunds issued. As of October 6, 2020, the funds have not been remitted.</p>	<p>The principal must ensure that the requested check and documentation are immediately remitted to the BCPS Office of Accounting.</p>	<p>The fiscal assistant has remitted the requested check and documentation to the BCPS Office of Accounting.</p>	<p><b>RESOLVED:</b>            Internal Audit reviewed the SAF expenditures and determined that \$29,001.25 was remitted to the BCPS Office of Accounting on January 13, 2022.</p>
4	<p><b>Screen-printed clothing was purchased from an unapproved vendor.</b>            Screen-printed apparel purchases that totaled \$2,566.07, were not purchased from an approved vendor per the contract for Screen Printing and Embroidery for Apparel and Accessories (JBO-705-18).</p>	<p>The principal must ensure that approved vendors, per current contracts, are used when making purchases. Specifically, contract JBO-705-18 for Screen Printing and Embroidery for Apparel and Accessories must be following when making applicable purchases for apparel and wearable accessories.</p>	<p>A list of approved Screen Printing and Embroidery for Apparel and Accessories will be provided to all sponsors. Additionally, all submitted quotes will be checked prior to approval of purchases.</p>	<p><b>RESOLVED:</b>            Internal Audit reviewed all SAF expenditures in the follow-up audit period and did not identify any purchases that were made to an unapproved vendor.</p> <p>Internal Audit also determined through inquiry that the principal reviews the approved vendor listing to ensure the school is using only approved vendors.</p>

Source: Internal Audit report dated November 11, 2020			Source: Follow up performed on March 3, 2022	
#	Finding	Recommendation	Management Action Plan	Current Status
5	<b>SAF transfers were not approved by the principal.</b> Ten of the 11 journal voucher forms reviewed were not signed by the principal to indicate approval of the transfer of school activity funds.	The principal must review and approve all transfers of school activity funds. The journal voucher form, used to document the transfer of funds, must be signed by the principal to indicate his approval of the transfer.	The principal will review and sign all transfers of school activity funds. The journal voucher will be signed with monthly reconciliation reports to ensure appropriate approval and signature are reflected.	<b>RESOLVED:</b> Internal Audit reviewed eight journal entry forms in the follow-up audit period and determined that all eight forms were signed and approved by the principal.
6	<b>The allowable transaction limit was exceeded for procurement card purchases.</b> A cardholder used their travel procurement card to pay six non-overnight travel related invoices for student transportation. The invoice amounts ranged from \$1,738.25 to \$3,224.00, which exceed the \$1,000 single purchase limit for payments that are not related to overnight travel.	The principal must ensure that procurement cardholders do not use their procurement card for non-travel purchases that total more than \$1,000.  The principal must ensure that all purchases comply with the established purchasing procedures. A BCPS check request 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.	The principal will ensure all non-travel purchases are reviewed before they are paid. It will be determined if non-travel purchases require a BCPS check request or the use of a procurement card. If a blanket purchase order can be produced in a timely manner, the Purchase Order will be processed.	<b>RESOLVED:</b> Internal Audit reviewed all of the procurement card purchases in the follow-up audit period and determined that the procurement card purchases complied with the purchasing procedures. We did not identify non-travel purchases that exceeded the purchasing limits.
7	<b>Procurement card packets were not available for review or were not approved.</b> Of the 15 procurement card packets selected for review, one packet was missing, and five packets were not signed by the approving official to indicate review and approval of the expenditures	The cardholder must assemble and reconcile his/her procurement card packet each month. The packet must include the Cardholder Activity Report, the VISA Memo Statement and itemized documentation for each purchase.  The cardholder must sign and date the Cardholder Activity Report to document his/her reconciliation of the purchases.  The principal must review all monthly procurement card packets for completeness and appropriateness.  The Cardholder Activity Report must be signed and dated to document his/her approval of the purchases. The principal must complete and sign his/her monthly procurement card packet and submit it to the community superintendent for review and approval. The Cardholder Activity Report must be signed and dated by the community superintendent to document his/her review and approval of the purchases.	A spreadsheet with a checklist will be created to track each cardholder's procurement packet to ensure that it is correctly assembled and submitted by the 20 <sup>th</sup> of each month.  The principal and the fiscal assistant will review all monthly procurement packets for accuracy and appropriateness. The Cardholder Activity Report will be signed and dated upon the packet being deemed complete.  The fiscal assistant will submit the principal's monthly procurement card packet to the community superintendent monthly and will be tracked by scanning the packet. The receipt/email will be forwarded to the principal monthly.	<b>RESOLVED:</b> Internal Audit reviewed all of the procurement card packets in the follow-up audit period and determined that all six packets were completed, reviewed and signed by the principal.  The current principal does not have a procurement card.
8	<b>Documentation to support overnight travel-related expenses was not adequate.</b> For four of the six overnight travel-related procurement card purchases reviewed, which totaled \$1,830.84, the documentation provided in the packet did not include the approved Overnight Travel form.	The principal must ensure that all overnight travel-related procurement card purchases include the proper documentation, including the approved Overnight Travel form.	The principal and the fiscal assistant will require the traveler to printout the approved Overnight Travel form and any other related documentation prior to any travel arrangements being made.	<b>RESOLVED:</b> Internal Audit reviewed all of the procurement card purchases in the follow-up audit period and did not identify any travel purchases. Additionally, restrictions on overnight travel were in effect during the follow-up audit period.
9	<b>Activity reports were not completed or approved for months with \$0 activity.</b> Nine of the 15 required Cardholder Activity Reports for cardholders with no purchases were missing or were not signed by the approving official.	The cardholder must complete the Cardholder Activity Report for each billing cycle regardless of whether the card had activity.  Additionally, the principal must review and sign all Cardholder Activity Reports on a monthly basis.	A spreadsheet with a checklist will be created to track each cardholder's procurement packet to ensure that it is correctly assembled and submitted by the 20 <sup>th</sup> of each month.  The principal will review and sign all completed Cardholder Activity Reports on a monthly basis.	<b>RESOLVED:</b> Internal Audit reviewed all six procurement card months in the follow-up audit period and determined that there were no months when a \$0 activity report was necessary.

## Appendix A

Account Name		Balance at 9/23/2020 PRIOR	Balance at 3/3/2022 FOLLOW-	Difference INC/(DEC)	FOLLOW-UP RESULT AND RESPONSE
<b>Little or No Spending Activity</b>					
1	One Card ID Payable	\$ 1,691.00	\$ -	\$ (1,691.00)	<b>RESOLVED</b>
2	Graduation Ticket Sales	\$ 311.60	\$ -	\$ (311.60)	<b>RESOLVED</b>
3	Grant - MDS3	\$ 400.00	\$ -	\$ (400.00)	<b>RESOLVED</b>
4	Legacy bench class of 2018	\$ 2,126.68	\$ 2,126.68	\$ -	<b>RESOLVED</b> Per the Office of Accounting, the principal is reviewing the cost of the bench and how to proceed.
5	AP Exams	\$ 2,323.00	\$ 1,301.00	\$ (1,022.00)	<b>RESOLVED</b> Per the school, the AP exams in the Spring 2022 will use the money. NPF
6	Food and Nutrition	\$ 160.70	\$ -	\$ (160.70)	<b>RESOLVED</b>
7	Library & Media Services	\$ 24.84	\$ -	\$ (24.84)	<b>RESOLVED</b>
8	Softball	\$ 5.00	\$ -	\$ (5.00)	<b>RESOLVED</b>
9	Lacrosse - Girls	\$ 56.91	\$ -	\$ (56.91)	<b>RESOLVED</b> The funds were transferred to Athletics on 2/25/2022 .
10	Tennis	\$ 102.04	\$ -	\$ (102.04)	<b>RESOLVED</b>
11	Theatre	\$ 253.23	\$ 253.23	\$ -	<b>NOT RESOLVED</b> Per the school, the funds will be used to purchase supplies for 5 Theatre productions this year.
12	Photography	\$ 165.45	\$ -	\$ (165.45)	<b>RESOLVED</b>
13	Scholarship	\$ 312.00	\$ 312.00	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
14	Scholarship - A Mund	\$ 474.84	\$ 474.84	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
15	Scholarship - Snyderman	\$ 698.43	\$ 698.43	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
16	Scholarship - It's Academic	\$ 98.68	\$ 98.68	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
17	Scholarship - Winand PTA	\$ 450.00	\$ 450.00	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
18	Scholarship - Old Court MS	\$ 100.00	\$ 100.00	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
19	Scholarship - Sunset Ridge	\$ 250.00	\$ 250.00	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
20	Scholarship - Legg Mason	\$ 1,032.91	\$ 1,032.91	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
21	Scholarship - Class of 2006	\$ 1,047.00	\$ 1,047.00	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
22	Scholarship - Human Services	\$ 630.20	\$ 630.20	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
23	Scholarship - Arts	\$ 630.20	\$ 630.20	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
24	Scholarship - Business	\$ 130.20	\$ 130.20	\$ -	<b>NOT RESOLVED</b> Guidelines/Requirements have been set by Principal and Department Chair of School Counseling
25	Student Council	\$ 56.63	\$ -	\$ (56.63)	<b>RESOLVED</b>
26	Yearbook	\$ 476.79	\$ 476.79	\$ -	<b>NOT RESOLVED</b> The funds are being used to pay towards Yearbook bill
<b>Total</b>		<b>\$ 14,008.33</b>	<b>\$ 10,012.16</b>	<b>\$ (3,996.17)</b>	