



# Summary Results of Financial Management Practices Performance Audits of Local School Systems

For Reports Issued Since January 15, 2009

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# Department of Legislative Services Office of Legislative Audits

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## Table of Contents

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Page 3 – School Audits Overview

Page 4 – Table 1: Status of School System Audits

Page 5 – Table 2: Count of Findings in First Eighteen Audits

Page 6 – Table 3: Background and Report Summary



## School Audits Overview

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- Audits are performed in accordance with State law, which requires OLA to audit all 24 public school systems once over a six year period. Audit reports have been issued for 18 school systems to date.
- The purpose of the audits is to evaluate the effectiveness and efficiency of a school system's financial management practices in safeguarding assets and its use of financial resources.
- Audit approach consists of 11 functional areas previously approved by the Joint Audit Committee, as required by State law.



# Department of Legislative Services

## Office of Legislative Audits

### Status of School System Audits

**TABLE 1**

School System		Status as of January 29, 2009
1	Baltimore City	Completed – report issued Jan. 9, 2006
2	Prince George’s County	Completed – report issued Jan. 10, 2006
3	Queen Anne’s County	Completed – report issued Oct. 23, 2006
4	Allegany County	Completed – report issued Jan. 5, 2007
5	Carroll County	Completed – report issued Jan. 5, 2007
6	Kent County	Completed – report issued May 11, 2007
7	Washington County	Completed – report issued Aug. 6, 2007
8	Anne Arundel County	Completed – report issued Sept. 27, 2007
9	Talbot County	Completed – report issued Dec. 3, 2007
10	Harford County	Completed – report issued May 30, 2008
11	Frederick County	Completed – report issued June 4, 2008
12	Baltimore County	Completed – report issued Oct. 15, 2008
13	Wicomico County	Completed – report issued Dec. 8, 2008
14	Montgomery County	Completed – report issued Jan. 15, 2009
15	St. Mary’s County	Completed – report issued April 9, 2009
16	Calvert County	Completed – report issued July 1, 2009
17	Cecil County	Completed – report issued Sept. 10, 2009
18	Howard County	Completed – report issued Oct. 23, 2009
19	Somerset County	In progress
20	Caroline County	In progress
21	Garrett County	In progress
22	Charles County	In progress
23	Worcester County	In progress
24	Dorchester County	Will start in Spring 2010



## Department of Legislative Services Office of Legislative Audits

### Count of Findings in First Eighteen Audits

TABLE 2

Functional Area	No. of Findings <sup>1</sup>
1. Revenue and Billing Cycle	17
2. Federal Funds	10
3. Procurement and Disbursement Cycle	72
4. Human Resources and Payroll	46
5. Inventory Control and Accountability	37
6. Information Technology Issues	66
7. Facilities Construction and Maintenance	72
8. Transportation Services	94
9. Food Services Operations	37
10. School Board Operations and Oversight	49
11. Other Financial Controls	24
<sup>1</sup> Exclusive of findings of best practices findings.	

**TABLE 3**  
**Background and Report Summary – Today’s Audit Briefings**

Key Data	Local School System			
	St. Mary’s	Calvert	Cecil	Howard
<b>Background at Time of Audit:</b>				
Operating Expenditures (including payroll)	\$193 million	\$222 million	\$202 million	\$775 million
Payroll Expenditures	\$142 million	\$172 million	\$142 million	\$559 million
Approximate Student Enrollment	16,900	17,400	16,300	49,900
Number of Schools	24	24	30	73
<b>Audit Report Summary:</b>				
Audit Report Date	April 9, 2009	July 1, 2009	September 10, 2009	October 23, 2009
Number of Audit Report Findings <sup>1</sup>	30	31	26	33
Number of Audit Recommendations	20	19	20	21
Number of Functional Areas with Findings	11 of 11	9 of 11	11 of 11	10 of 11
<b>Number of Findings<sup>1</sup> by Functional Area:</b>				
1. Revenue and Billing Cycle	1	n/a	1	2
2. Federal Funds	1	n/a	1	1
3. Procurement and Disbursement Cycle	4	3	3	6
4. Human Resources and Payroll	2	1	2	n/a
5. Inventory Control and Accountability	2	2	2	1
6. Information Technology Issues	1	4	4	7
7. Facilities Construction and Maintenance	3	4	5	2
8. Transportation Services	7	7	4	7
9. Food Services Operations	4	5	1	3
10.School Board Operations and Oversight	3	2	2	3
11.Other Financial Controls	2	3	1	1

<sup>1</sup> Exclusive of findings of best practices identified in each section.