



Nancy S. Grasmick  
State Superintendent of Schools

200 West Baltimore Street • Baltimore, MD 21201 • 410-767-0100 • 410-333-6442 TTY/TDD

March 1, 2011

Dr. Joe A. Hairston  
Superintendent  
Baltimore County Public Schools  
6901 Charles Street  
Towson, MD 21204

Dear Dr. Hairston:

The Maryland State Department of Education Audit Office has scheduled an audit of State Aid to Education Programs of the Baltimore County Public Schools. The scope of the audit was included in the letter dated February 22, 2011.

The audit will encompass program financial activities and compliance with Federal and State laws, MSDE bylaws, internal controls, and guidelines regarding program administration and enrollment reporting.

An entrance conference has been scheduled for 9:30 a.m. on March 22, 2011 in your office. The meeting will be for the purpose of discussing the scope of the audit and the procedures. The auditors plan to begin the audit immediately following the entrance conference. We respectfully request that the attached financial and statistical data be made available at the start of the audit.

If the above mentioned date and time is not convenient, please notify myself at 410-767-0104 or Mr. Johnson Boadu at 410-767-0113, (Fax: 410-333-6012) as soon as possible.

Thank you for your cooperation.

Sincerely,

Preston D. Alderman, Jr., CPA, MBA  
Director of Audit

PDA/JB/dgn

Attachment

c: Mr. Jason Geisinger  
Ms. Frances B. Parker  
Mr. Johnson Boadu  
Mr. Derwin Lilly

Maryland Public Schools: **#1 in the Nation Three Years in a Row**

[marylandpublicschools.org](http://marylandpublicschools.org)

**Baltimore County Public Schools**  
**Audit of State Aid Programs**  
**LEA's Financial Records and Statistical Data**  
**To be made available for Audit**

**1. Financial Records**

**A. General**

1. Operating Budget
2. Chart of Accounts/Codes
3. Organizational Chart showing area of responsibility
4. Board Minutes when needed
5. Procedures for purchases and disposal of equipment
6. Procedures for maintaining control and accounting for fixed assets
7. Policy and procedures for bidding
8. Physical observation of equipment purchased with State categorical and Perkins funds in FY2010 and FY2009
9. Written computer security policies and procedures.

**B. State Share of Bridge to Excellence – Grant #s 104003; 900003**

1. Revenue Status Report showing local appropriations for FY2010 and FY2009.
2. Year to Date Revenue Audit Trail for listed state grants.
3. FY2010 and FY2009 operating budgets for budget analysis.

**C. Student Transportation – Grant #s 104177; 900161**

1. Roster of Driver Instructors and Driver/Aides.
2. Documentation to support School Vehicle Driver's eligibility to drive a bus.
3. MVA annual physical examination for drivers.
4. Documentation on driver evaluations, pre-service and in-service requirements.
5. Insurance Records (premium, endorsement, self-insurance, etc.)
6. Vehicle Inspection records (pre-operational checks, safety inspections, etc.)
7. Documentation on Alcohol and Controlled Substance Use testing.

**D. Students with Disabilities – Nonpublic Placements – Grant #s 104129; 900266**

1. Expenditure report.
2. Purchase orders and invoices.
3. Refunds and credits (if any).
4. Check vouchers.

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**2. Student Data**

**A. Student Enrollment as of 9-30-10 and 9-30-09 (List of sample students to be downloaded from MSDE's Secured Server under Files aud201003 and aud201103)**

1. System for accumulating and reporting students for the Foundation Program.
2. Control procedures for processing student enrollment and attendance.
3. Policy and Procedure Manual for data collection at the school level.
4. Copies of manual classroom attendance registers, attendance roster cards, and bubble sheets, etc. for 1<sup>st</sup> day of school through October 31, of the reporting year with selected students highlighted.
5. Copies of student immunization records.
6. Student Record Card Side 1 and Side 2.
7. Copies of part-time students' schedule of courses (students should be part of enrollment sample)
8. Computer controls – both logical and physical access to computer resources.
9. Copy of residency documentation for all students in the sample.
10. Copy of **Baltimore County** residency policy and procedures.
11. School Calendars for 2009-2010 and 2010-2011 School Years.

**B. State Compensatory Education (FRPM Counts)**

1. List of students eligible and ineligible for funding as of October 31, 2009 and October 31, 2008.
2. LSS verification process to verify approved applications.
3. Copies of applications selected for verification and supporting documentation.
4. Copies of documentation submitted for income eligibility or annotations made by the determining official.

**C. Special Education**

1. Sample students to be downloaded from MSDE's Secured Server (Files BaltCoOct08\_020811 and BaltCoOct09\_020811)
2. Proof of age for sample students.
3. Attendance and service records such as IEPs; roll books; attendance cards, etc., for selected students.
4. Out-of-County or non-local resident students list (if any in sample).

**D. Limited English Proficient Students Census**

1. Names of NEP/LEP students as of October 31, 2010 and October 31, 2009.
2. Description of services received by the LEP students.
3. October attendance for the selected students.
4. Program goals, objectives and selection criteria.
5. Teachers' schedules or rosters.
6. Sample of selection and service documents (e.g. registration form, home survey, etc).

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**E. Disabled Student Transportation**

1. Attendance for sample students as of October 31, 2010 and October 31, 2009.
2. Request for special transportation for sample students.
3. Request for transportation from MSD and the MSB.
4. Reimbursement request for private vehicle use-September and October of the reporting period.
5. Public carrier information (if any).

**3. State Fiscal Stabilization Funds – Grant # 114069**

**Required Documentation**

1. Award application
2. Assurances
3. Quarterly expenditure report
4. Support for reported expenditures for reimbursement

**4. Comparability of Services – September 2010**

1. School's enrollment report for schools on Comparability Report
2. Title I Schools staff report.
3. Explanation of difference between total students in LSS and total students in Comparability Report.
4. Comparability sample worksheet outlining school positions excluded from instructional staff.
5. Human Resource documentation of transfers/new hires to meet Title I comparability.
6. Payroll documentation supporting compensation of transfers, new hires, and selected additional instructional staff.
7. Title I Comparability Policy/Procedures.