



Business Process Audit Sandburg Middle School Report Reference Number: 25-13231

June 2025

Prepared by
Office of Auditor General

8115 Gatehouse Road, Suite 5500
Falls Church, VA 22042

Report Highlights

Background:

This audit report summarizes the results of the Office of Auditor General's (OAG) **Business Process Audit at Sandburg Middle School** conducted on May 8, 2025. All schools are responsible for their own business processes such as procuring goods and services and processing cash receipts.

Objectives:

- Evaluate the effectiveness of processes and compliance with regulations and policies.
- Determine if internal controls are adequate and functioning as intended.
- Determine if transactions are reasonable and do not appear to be fraudulent.

Methodology:

- Met with school-based staff.
- Reviewed relevant laws, rules, FCPS policies and regulations.
- Reviewed prior audits and reviews.
- Tested a sample of transactions for accuracy, completeness, and compliance.

#	Finding	Rating
1	Non-Bank Reconciliation – The Financial Management Report (FMR) reconciliations for nine of nine months sampled were not reconciled/approved in a timely manner in the online application and for four of nine months for the physical copy. Three monthly appropriated and one monthly non-appropriated procurement card (PCard) statements were not reconciled timely.	High
2	Sufficient Documentation - One of the 20 sampled PCard purchases was made without proper supporting documentation, totaling \$146.34. Two of the ten sampled cash disbursements were made without proper supporting documentation, totaling \$1,853.38. Lastly, one sampled cash receipt selected was not completed in the appropriated manner, totaling \$1,926.71.	Moderate
3	Timely Payment - Four payments were not paid timely, totaling \$32,144.43. The invoices do not reflect a late fee; however, OAG was unable to verify whether any late fees were assessed.	Moderate
4	Overpayment - OAG identified a \$500 duplicate deposit payment to a vendor; the school is due to receive an account credit from the vendor.	Low
5	Bank Reconciliation - Two bank reconciliation reports were not signed and/or dated to show evidence of timely completion and approval.	Low
6	Purchasing Process - Three sampled transactions were made outside of the proper purchasing process, totaling \$4,503.85.	Low

#	Recommendation
1	The principal and FT complete and approve reconciliations in a timely manner.
2	All expenditures should be supported by a properly completed, approved purchase order and an original itemized receipt, and the school finance deposit slip contain all required detail to ensure funds are accurately recorded for the benefit of the students submitting the funds.
3	Obligations should be paid promptly to avoid penalty fees.
4	The school takes steps to collect on the overpayment, and that all vendor accounts be properly reconciled timely to catch overpayments to vendors.
5	The principal and FT independently sign and date reconciliation posting journals and bank statements during reconciliation to show evidence of timely completion and approval.
6	The school has a properly completed and approved purchase order for all transactions, before obligating funds, and sensitive cardholder data not be stored in any system or location to prevent unauthorized procurement card usage.

For more information and context, please refer to the report in its entirety

Table of Contents

Executive Summary	1
Background, Scope and Objectives, and Methodology	3
Background	3
Scope and Objectives	3
Methodology	3
Sample Selection	4
Audit Findings, Recommendations, and Management's Responses	5
Finding 1 – Non-Bank Reconciliation.....	6
Finding 2 – Sufficient Documentation	10
Finding 3 – Timely Payment.....	14
Finding 4 – Overpayment	16
Finding 5 – Bank Reconciliation	17
Finding 6 – Purchasing Process.....	19

Executive Summary

This audit report summarizes the results of the Office of Auditor General's (OAG) Business Process Audit (BPA) at Sandburg Middle School conducted on May 8, 2025. The former finance technician (FT) left the role in February 2025; the position was subsequently filled in April 2025.

The audit was performed in accordance with the Fiscal Year (FY) 2025 audit plan approved by the Fairfax County School Board (School Board). The primary objective of the audit was to determine the adequacy of controls and processes in place for managing local school activity funds and appropriated funds during FY 2025.

As a result, OAG identified one high, two moderate, and three low risk findings, summarized below:

Finding 1 – Non-Bank Reconciliation (*High risk*)

The Financial Management Report (FMR) reconciliations for nine of nine months sampled were not reconciled/approved in a timely manner in the online application and for four of nine months for the physical copy. In addition, appropriated procurement card (PCard) statements for three of the three months sampled and non-appropriated PCard statements for one of the three months sampled were not reconciled timely.

OAG recommends that the principal and FT complete and approve reconciliations in a timely manner.

Finding 2 – Sufficient Documentation (*Moderate risk*)

One sampled PCard purchases was made without proper supporting documentation, totaling \$146.34. Two sampled cash disbursements were made without proper supporting documentation, totaling \$1,853.38. One sampled cash receipt was not properly completed, totaling \$1,926.71.

OAG recommends that all expenditures should be supported by a properly completed, approved purchase order and an original itemized receipt, and that the school finance deposit slip contain all required detail to ensure funds are accurately recorded for the benefit of the students submitting the funds.

Finding 3 – Timely Payment (*Moderate risk*)

Four payments were not paid timely, totaling \$32,144.43. The invoices do not reflect a late fee; however, OAG was unable to verify whether any late fees were assessed.

OAG recommends that obligations should be paid promptly to avoid penalty fees.

Finding 4 – Overpayment (*Low risk*)

OAG identified a duplicate deposit payment to a vendor. As of May 29, 2025, OAG has been informed that the school will receive credit from the vendor for a field trip in the current fiscal year.

OAG recommends that the school takes steps to collect on the overpayment, and that all vendor accounts be properly reconciled timely to catch overpayments to vendors.

Finding 5 – Bank Reconciliation (*Low risk*)

Two bank reconciliation reports were not consistently signed and/or dated to show evidence of timely completion and approval.

OAG recommends that the principal and FT independently sign and date reconciliation posting journals and bank statements during reconciliation to show evidence of timely completion and approval.

Finding 6 – Purchasing Process (*Low risk*)

Three sampled transactions were made outside of the proper purchasing process, totaling \$4,503.85.

OAG recommends that the school has a properly completed and approved purchase order for all transactions, before obligating funds, and that sensitive cardholder data not be stored in any system or location to prevent unauthorized procurement card usage.

We appreciate the consultation, cooperation, and courtesies extended to our staff by the FT and principal at Sandburg Middle School.

Background, Scope and Objectives, and Methodology

Background

All Fairfax County Public Schools (FCPS) departments and schools are responsible for business processes that support their core mission. These processes include procuring goods and services needed to meet their objectives and processing cash receipts. For departments, most of these processes are limited to appropriated fund transactions. However, in a school, there are both appropriated fund transactions and non-appropriated fund, or Local School Activity Fund (LSAF), transactions.

These audits will be performed on an ad hoc basis depending on (1) changes in management/staff, (2) the results of the continuous monitoring audit process, or (3) situations as deemed necessary. The potential risks are (1) job duties not performed in accordance with required policies, procedures, and guidance; and (2) questionable transactions not timely identified. The primary regulations include, but are not limited to:

- Regulation 5111 *Financial Management Reports (FMR)*
- Notice 5111 *Financial Management Report (FMR) Distribution and Reconciliation Schedule*
- Regulation 5810 *School Activity Funds Management*
- Regulation 5350 *Procurement Card Management*
- Regulation 5012 *Purchasing Goods and Services Using Appropriated and Nonappropriated Funds*

The former finance technician (FT) left the role in February 2025; the position was subsequently filled in April 2025.

Scope and Objectives

We conducted this audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The audit covered Fiscal Year (FY) 2025 financial activity. The audit's objectives were to:

- Evaluate the effectiveness of processes and compliance with applicable regulations and policies,
- Determine if internal controls are adequate and functioning as intended, and
- Determine if transactions are reasonable and do not appear to be fraudulent.

OAG is free from organizational impairments to independence in our reporting as defined by government auditing standards. The office reports directly to the School Board through the Audit Committee. We report the results of our audits to the Audit Committee and the reports are made available to the public via the FCPS website.

Methodology

OAG's audit approach assessed the school's current management of internal controls covering LSAF and appropriated funds. The structure of this audit was designed to assist principals and FTs in understanding the question "where are we now?" and what processes and controls must be in place to ensure compliance with FCPS regulations and best practice guidelines moving forward. The audit examined monthly expenditures, records, and statements; reviewed monthly reconciliations; conducted interviews with appropriate employees; with the goal of understanding the school's current standing moving forward. Information was extracted from PaymentNet, Great Plains, and Fairfax County Unified System (FOCUS) for sampling and verification to source documentation during the audit; however, our audit did not include an independent review of system controls.

To satisfy the audit objectives, OAG performed the following:

- Met with region and school-based staff.
- Reviewed relevant laws, rules, FCPS policies and regulations.
- Reviewed prior audits and reviews.
- Performed a test of transactions, on a sampling basis, to ensure expenditures are accurate and allowable, complied with FCPS requirements, and proper supporting documentation is maintained.

Sample Selection

Procurement Card, Cash Disbursement, and Cash Receipt Transactions

OAG utilized Microsoft Excel to randomly select samples, as follows:

- Ten appropriated procurement card transactions,
- Ten non-appropriated procurement card transactions,
- Ten cash disbursement transactions, and
- One cash receipt transaction.

Bank and Procurement Card Reconciliations and Asset Security Procedures

OAG reviewed current reconciliations and assets, as follows:

- Most current month FMR reconciliation,
- Three most current months of bank reconciliations,
- Three most current months of appropriated procurement card reconciliations for up to two procurement cards,
- Three most current months non-appropriated procurement card reconciliations for up to two procurement cards, and
- Physical assets such as safes, drop boxes, procurement cards, and check stock.

Transaction samples are pulled from the available population and may result in less transactions being tested than what is stated above, or more, depending on the judgment of the audit team.

Audit Findings, Recommendations, and Management's Responses

Finding(s) within this report are attributed a risk rating in accordance with established risk criteria as defined in Table 1.

Table 1 – Risk Criteria

Type	Description
High	One or more of the following exists: <ul style="list-style-type: none"> • Controls are not in place or are inadequate. • Compliance with legislation and regulations or contractual obligations is inadequate. • Important issues are identified that could negatively impact the achievement of program/operational objectives.
Moderate	One or more of the following exists: <ul style="list-style-type: none"> • Controls are in place but are not sufficiently complied with. • Compliance with subject government regulations or FCPS policies and established procedures is inadequate, or FCPS policies and established procedures are inadequate. • Issues are identified that could negatively impact the efficiency and effectiveness of operations.
Low	One or more of the following exists: <ul style="list-style-type: none"> • Controls are in place, but the level of compliance varies. • Compliance with government regulations or FCPS policies and established procedures varies. • Issues identified are less significant, but opportunities exist that could enhance operations.

All completed Business Process Audits with findings in which the risk ratings are deemed moderate or high will require a management response. During this audit, OAG identified one high, two moderate, and three low risk findings:

Finding 1 – Non-Bank Reconciliation

Risk Rating: High

Condition:

- (a) The Financial Management Report (FMR) reconciliations were not reconciled/ approved timely. Specifically, nine of nine months sampled were not reconciled/approved in a timely manner in the online application and four of nine physical copies of the FMR reconciliation consisting of the Financial Management Expenditure Report (FMER) and/or the Financial Management Position Report (FMPR) were not approved timely, as indicated in the chart below:

Month	Reconciliation Due	Date Approved Online	Physical Copy of FMER Completion	Physical Copy of FMPR Approval
July 2024	8/29/2024	2/27/2025	8/31/2024	8/30/2024
August 2024	10/10/2024	2/27/2025	9/26/2024	10/7/2024
September 2024	10/31/2024	2/27/2025	10/31/2024	10/30/2024
October 2024	11/26/2024	2/27/2025	11/26/2024	11/18/2024
November 2024	12/31/2024	2/28/2025	12/19/2024	12/29/2024
December 2024	1/31/2025	2/28/2025	1/20/2025	2/3/2025*
January 2025	2/28/2025	5/20/2025	2/28/2025	5/19/2025*
February 2025	3/28/2025	5/20/2025	5/19/2025*	5/19/2025*
March 2025	4/30/2025	5/20/2025	5/5/2025*	5/6/2025*

*Physical copies were not approved timely

- (b) Reconciliations were not completed and approved in a timely manner, as follows:

- Appropriated procurement card (PCard) statements for three of the three months sampled were not reconciled/reviewed in a timely manner. Specifically:
 - January, February, and March 2025 statements for SANDBURG MS IS card were not reconciled/reviewed by the finance technician and/or principal until May 9, 2025, the day after the audit.
 - February and March 2025 statements for SANDBURG MIDDLE AS card were not reconciled/reviewed by the finance technician and/or principal until May 9, 2025, the day after the audit. OAG noted that no transactions were made on the SANDBURG MIDDLE AS card in January.
- Non-appropriated procurement card statements for one of the three months sampled were not reconciled/reviewed in a timely manner. Specifically:
 - March 2025 statement for SANDBURG MS SA1 card was not reconciled/reviewed by the finance technician and/or principal until May 9, 2025, the day after the audit.

Supporting documentation showing review and approval was not provided to OAG until June 8, 2025, after several deadline extensions.

Criteria:

- (a) Regulation 5111 *Financial Management Reports (FMR) Reconciliation* establishes the responsibilities and procedures for the reconciliation of the monthly FMR. Per the regulation, "Principals or program managers must ensure the timely reconciliation, review and certification of the Financial Management Position Report (FMPR) and

Financial Management Expenditure Report (FMER) as set forth in Notice 5111." For the FMPR/FMER, "[the reconciler will] provide principals or program managers with the completed reconciliation (signed and dated hard copy required as evidence of review) and supporting documentation for their review. Principals or program managers are required to sign and date the monthly FMPR/FMER reconciliation report." In addition, R5111 states, "Principals or program managers are required to certify that the reconciliations are complete and approved using the FMR application."

- (b) Regulation 5350 *Procurement Card Management* states, "The reconciler must initial and date the procurement card statement when the reconciliation is complete and to verify receipts for all transactions are attached." It also states, "The principal/program manager must ensure that reconciliations are done on a timely basis and must review, sign, and date the reconciliation report."

Cause:

- The required FMR completion and approval procedures and PCard reconciliation procedures were not adhered to.
- The finance position was vacant during February and March, and a new FT began on April 16, 2025.

Effect:

Reconciliations not being completed and approved timely could allow for FMR and PCard transactions to go unverified and funds to be misappropriated.

Recommendation:

OAG recommends that the principal and finance technician complete and approve reconciliations in a timely manner.

Management Response (Required):

A management response is required for this finding due to the high risk rating. In addition, the school will be subject to further review during the annual local school activity fund audit scheduled to be performed later in the year and continuous audit procedures conducted throughout the year.

Management Response to Finding:
<p>Concur with findings and recommendations.</p> <p>In December of 2022, the principal asked for a turnover audit of the finance department as a new principal had been appointed. The requested audit was not completed by the finance office.</p> <p>Upon notification of retirement of the existing finance technician, another audit of the department had been requested in March 2025.</p> <p>Sandburg leadership was in the process of addressing concerns with organization and workflows, and has been working to reorganize documents and workflow processes. In this process the team developed updated protocols for filing and organization.</p>

Management Response to Finding:

The finance technician retired in March 2025, and school leadership coordinated with the finance analyst for the region on required processes. The analyst supported the school, but these documents took longer than expected to reconcile given the intermittent support. It was requested that a retired technician support Sandburg during the period of time where a new technician was hired and onboarded, but support provided was intermittent and inconsistent.

December FMPR: Due to staff absence, the documentation was received, reconciled, and approved as soon as possible following the due date.

January-March: Late submissions were due to the retirement and absence of a full-time finance tech as the school transitioned from one team member to another. These were reconciled and processed with our new finance tech, and hourly support finance tech. Appropriated card statements were provided by the finance analyst, following the retirement of the finance technician for reconciliation and approval.

Actions:

- The AA and FT have each been trained to serve as the back up team member for one another to ensure that the FMER and FMPRs are completed and reconciled within the timeline.
- Additional training and support have been provided to the new FT, including an hourly retired FT, to address any knowledge gaps as the new team member assumes this role.
- The collaborative review and meeting time for the FT and principal have been set on a two week schedule to ensure that all paperwork and documentation is in place and filed for reconciliation processing.
- New filing procedures have been established in partnership with the Region 3 Finance Analyst to address document filing concerns and inconsistencies that existed from the prior FT.
- The new procedures and protocols are currently in place.
- Currently, school leadership is in the process of researching and reconciling any missing documentation and statements.

Action Owners:

- Principal
- Finance Technician
- Time and Attendance Processor

Expected Completion Date:

July 21, 2025

Region Assistant Superintendent Response:

The Region Office has worked with the school principal to ensure a regular cadence of meetings with the financial technician along with checklists that will guide completing and approving reconciliations in a timely manner.

Office of the Comptroller Response:

In March 2025, the principal asked Finance for a turnover audit and Comptroller's Office redirected him to OAG as they perform turnover audits when there is a new principal, or a new FT hired. Comptroller's Office does not have full time resources to devote to school vacancies. However, the Financial Support Team did dedicate many hours in keeping the school afloat during this transition with completion of bank reconciliations, financial reconciliations, MSB and Etix transactions, budget reviews, processing expenditures, grant oversight, AVID reimbursements, deficit management, VIM invoice processing etc. Comptroller's Office also sat on interview panels twice to support the hiring of a qualified candidate.

Finding 2 – Sufficient Documentation

Risk Rating: Moderate

Condition:

- (a) One sampled PCard purchase was made without proper supporting documentation, totaling \$146.34. The sample consisted of 20 transactions, totaling \$21,761.46.

Item	PCard Name	PCard Transaction Date	Vendor Name	Missing Documentation	Dollar Amount
1	SANDBURG MS VOC1	8/29/2024	THE HOME DEPOT #4638	PO, receipt/invoice, and other supporting documentation	\$146.34

- (b) Two sampled cash disbursements were made without proper supporting documentation, totaling \$1,853.38. The sample consisted of ten transactions, totaling \$52,343.20.

Item	Check Number	Check Date	Payee Name	Missing Documentation	Dollar Amount
1	123101313	11/25/2024	DOMINIQUE PRICE	School Activity Fund Cash Advance Record (FS-132)	\$150.00
2	123101321	1/28/2025	SCHENCK FOODS INC	One of three PO's	\$1,703.38

The check to Schenck Foods Inc. has several purchase orders; however, one of the purchase orders is missing.

- (c) The one sampled cash receipt selected was not completed in the appropriated manner, totaling \$1,926.71.

Item	Receipt #	Date Collected	Date Received	Date Deposited	Amount
1	RCT000725076	2/21/2025	2/21/2025	2/21/2025	\$1,926.71

The list of students with the amounts paid is missing. The deposit slip was completed entirely by the former finance technician, instead of the teacher/sponsor who collected the funds.

Criteria:

- (a) Regulation 5350 *Procurement Card Management* states, "The principal/program manager or designee must retain original charge tickets, receipts, invoices, and other supporting documentation along with the procurement card statement and the reconciliation." The FCPS *School Finance Handbook* states, "[Purchase orders] must be kept on file with all appropriate backup documentation."

- (b) Regulation 5810 *School Activity Funds Management* states, "All purchases of goods or services made from school activity accounts shall be supported by the prior submission and approval of a school purchase order... After receiving written evidence for the receipt of the goods or services, the PO, the invoice, and other supporting documents are to be attached to the check stub for filing." The FCPS *School Finance Handbook* states, "To establish a change fund, the FT/AA should issue a check in the name of the individual representing the organization requiring change funds. Use form School Activity Fund Cash Advance Record (FS-132) when issuing the check."
- (c) Regulation 5910 Monetary Receipts states, "Schools are required to use form FS-131, School Finance Deposit Slip... A list of students with the amounts paid must be attached to the form. The funds must be submitted daily along with the form to the school finance office for deposit." The FCPS *School Finance Handbook* states, "Documentation of cash receipts is an essential component of the recording of revenue. The School Finance Deposit Slip (FS-131) or the School Finance Deposit Slip–Detailed (FS131A) must be filled out by the teacher or sponsor depositing funds to the finance office." In addition, the FCPS *School Finance for Teachers* guidelines states, "The sponsor collecting the funds should print their name on the top line, enter date funds collected, the name of the account to which funds should be deposited, the fund account number, the purpose (activity) for which the funds were collected, and the amount of money being turned in (currency, coin, checks, and total)."

Cause:

- Documentation procedures for transactions were not adhered to.
- The teacher/sponsor who collected the funds did not complete the FS-131, School Finance Deposit Slip.

Effect:

- Purchases and transactions made without proper supporting documentation could allow for funds to be misappropriated and irresponsibly managed.
- Inaccurate recording of receipts and lack of segregation of duties may increase the risk of misappropriation of funds.

Recommendation:

OAG recommends that all expenditures should be supported by a properly completed, approved purchase order and an original itemized receipt, and that the school finance deposit slip contain all required detail to ensure funds are accurately recorded for the benefit of the students submitting the funds.

Management Response (Required):

A management response is required for this finding due to the moderate risk rating. In addition, the school will be subject to further review during the annual local school activity fund audit scheduled to be performed later in the year and continuous audit procedures conducted throughout the year.

Management Response to Finding:
Concur with findings and recommendations.

Management Response to Finding:

In December of 2022, the principal asked for a turnover audit of the finance department as a new principal had been appointed. The requested audit was not completed by the finance office.

Upon notification of retirement of the existing finance technician, another audit of the department had been requested in March 2025.

Prior to the retirement of the finance technician in the middle of the year, Sandburg Sandburg leadership was in the process of addressing concerns with organization and workflows, and has been working to reorganize documents and workflow processes. In this process the team developed updated protocols for filing and organization.

- The FT did not properly set up the change account by not having the staff member set up the advanced record (FS-132) for the annual Scholastic Book Fair.
- Two Purchase Orders for Schenck Foods, along with related billing invoices and statements were located, and school leadership continues to research documentation for the last purchase order.

Actions:

- Procedural updates have been made to existing finance processes in the school to ensure complete documentation and standardized processes are adhered to for all requested expenditures, whether funded through LSAF or appropriated funding.
- Documents for expenditures are reviewed as received by both the principal and finance technician, with bi-weekly status updates for all expenditures, pending payments, and items received.
- Updated filing protocols have been established and implemented to ensure that documentation is organized in a standard format for all expenses to include a PO, Packing Slip / Receipts, Invoices and copies of payments made within Net 30 terms.
- Updated internal procurement timelines have been adjusted to provide for additional layers of oversight and approval for all purchase requests.

Action Owners:

- Principal
- Finance Technician

Expected Completion Date:

July 21, 2025

Office of the Comptroller Response:

In March 2025, the principal asked Finance for a turnover audit and Comptroller's Office redirected him to OAG as they perform turnover audits when there is a new principal, or a new FT hired. Comptroller's Office does not have full time resources to devote to school vacancies. However, the Financial Support Team did dedicate many hours in keeping the school afloat during this transition with completion of bank reconciliations, financial reconciliations, MSB and Elix transactions, budget reviews, processing expenditures, grant oversight, AVID

reimbursements, deficit management, VIM invoice processing etc. Comptroller's Office also sat on interview panels twice to support the hiring of a qualified candidate.

Finding 3 – Timely Payment

Risk Rating: Moderate

Condition:

Four payments were not paid timely, totaling \$32,144.43:

Item	Payee Name	Payment Due Date	Actual Date Paid	Invoice Amount
1	INFINITY PROMOTIONS INC	12/25/2024	1/28/2025	\$4,341.25
2	MOUNT VERNON TRAVELS INC	5/10/2024	7/11/2024	\$24,500.00
3	SCHENCK FOODS INC	10/25/2024 11/1/2024 12/12/2024	1/28/2025	\$1,703.38
4	MUSIC & ARTS 1 C	1/3/2024	9/26/2024	\$1,599.80

The invoices do not reflect late fees; however, OAG was unable to verify whether any late fees were assessed.

Criteria:

Regulation 5810 *School Activity Funds Management* states, “Disbursements must be processed in a timely manner to avoid late fees and take advantage of discounts.”

Cause:

Payments were not made before due dates.

Effect:

Payments not made by due dates may lead to a waste of funds being spent on late fees.

Recommendation:

OAG recommends that obligations should be paid promptly to avoid penalty fees.

Management Response (Required):

A management response is required for this finding due to the moderate risk rating. In addition, the school will be subject to further review during the annual local school activity fund audit scheduled to be performed later in the year and continuous audit procedures conducted throughout the year.

Management Response to Finding
<p>Concur with findings and recommendations.</p> <p>In December of 2022, the principal asked for a turnover audit of the finance department as a new principal had been appointed. The requested audit was not completed by the finance office.</p> <p>Upon notification of retirement of the existing finance technician, another audit of the department had been requested in March 2025.</p>

Management Response to Finding

Sandburg leadership was in the process of addressing concerns with organization and workflows, and has been working to reorganize documents and workflow processes. In this process the team developed updated protocols for payment processing.

Actions:

- School leadership has developed a protocol to ensure that payments are remitted to vendors within Net 30 terms.
- This process includes a principal review of all invoices.
- Updated internal procurement timelines have been adjusted to provide for additional layers of oversight and approval for all purchase requests.

Action Owners:

- Principal
- Finance Technician

Expected Completion Date:

July 21, 2025

Office of the Comptroller Response:

In March 2025, the principal asked Finance for a turnover audit and Comptroller's Office redirected him to OAG as they perform turnover audits when there is a new principal, or a new FT hired. Comptroller's Office does not have full time resources to devote to school vacancies. However, the Financial Support Team did dedicate many hours in keeping the school afloat during this transition with completion of bank reconciliations, financial reconciliations, MSB and Etix transactions, budget reviews, processing expenditures, grant oversight, AVID reimbursements, deficit management, VIM invoice processing etc. Comptroller's Office also sat on interview panels twice to support the hiring of a qualified candidate.

Finding 4 – Overpayment

Risk Rating: Low

Condition:

OAG identified a duplicate deposit payment to a vendor. Specifically:

Post Date	Check #	Vendor	Invoice Amount Due	Amount Paid
4/12/2024	123101283	MOUNT VERNON TRAVEL INC	\$500.00	\$500.00
6/14/2024	123101301	MOUNT VERNON TRAVEL INC	\$24,000.00	\$24,500.00

As of May 29, 2025, OAG has been informed that the school will receive credit from the vendor for a field trip in the current year.

Criteria:

The FCPS *School Finance Handbook* states, "Invoices or requests for reimbursement are received in the school finance office. The FT or AA enters the payment information into the accounting system, prints and prepares checks for signature by the principal or designee who verifies the check amount to the invoice or receipt, and purchase order before signing." Per the handbook, best practices for principals are that they "conduct due diligence for all purchases regardless of the amount or funding source" and "do not overspend or overcommit resources."

Cause:

Failure to reconcile vendor accounts or monitor outstanding payments.

Effect:

Failure to reconcile vendor accounts can lead to financial loss.

Recommendation:

OAG recommends that the school takes steps to collect on the overpayment, and that all vendor accounts be properly reconciled timely to catch overpayments to vendors.

Management Response (Not Required):

A management response is not required for this finding due to the low risk rating.

Management Response

Sandburg leadership was in the process of addressing concerns with organization and workflows, and has been working to reorganize documents and workflow processes. In this process the team developed updated protocols for payment processing.

- Procedural updates have been made to existing finance processes in the school to ensure complete documentation and standardized processes are adhered to for all requested expenditures, whether funded through LSAF or appropriated funding.
- Documents for expenditures are reviewed as received by both the principal and finance technician, with bi-weekly status updates for all expenditures, pending payments, and items received.
- Updated filing protocols have been established and implemented to ensure that documentation is organized in a standard format for all expenses to include a PO, Packing Slip / Receipts, Invoices and copies of payments made within Net 30 terms.
- Updated internal procurement timelines have been adjusted to provide for additional layers of oversight and approval for all purchase requests.

Finding 5 – Bank Reconciliation

Risk Rating: Low

Condition:

Monthly bank reconciliation reports were not consistently signed and/or dated to show evidence of timely completion and approval, as follows:

- January 2025 Bank of America bank statement was not signed and dated by the FT during reconciliation.
- February 2025 Bank of America bank statement was not signed and dated by the FT during reconciliation. However, due to the FT vacancy in February, Financial Services was providing assistance with reconciliation processes.

Criteria:

The FCPS *School Finance Handbook* states, "The finance technician (FT)/administrative assistant (AA) will perform bank reconciliations in a timely manner. The principal is responsible for the safeguarding, managing, and accounting of school activity funds." This includes ensuring that "monthly bank reconciliations are completed on a timely basis." The *School Finance Handbook* also states, "The Principal must sign and date the actual bank statement." Regulation 5910 *Monetary Receipts* states, "All reconciliations must be reviewed and signed by the program manager." In addition, the *FT/AA's Month-End Financial Checklist - LSAF*, a resource guide prepared by Financial Services, states, "The actual bank statement must be signed and dated by the FT/AA and then signed and dated by the Principal."

Cause:

The required bank reconciliation procedures were not adhered to.

Effect:

Reconciliations not completed/approved in a timely manner may cause errors to go undetected.

Recommendation:

OAG recommends that the principal and FT independently sign and date reconciliation posting journals and bank statements during reconciliation to show evidence of timely completion and approval.

Management Response (Not Required):

A management response is not required for this finding due to the low risk rating.

Management Response

Sandburg leadership was in the process of addressing concerns with organization and workflows, and has been working to reorganize documents and workflow processes. In this process the team developed updated protocols for payment processing.

- Procedural updates have been made to existing finance processes in the school to ensure complete documentation and standardized processes are adhered to for all requested expenditures, whether funded through LSAF or appropriated funding.
- Documents for expenditures are reviewed as received by both the principal and finance technician, with bi-weekly status updates for all expenditures, pending payments, and items received.

- Updated filing protocols have been established and implemented to ensure that documentation is organized in a standard format for all expenses to include a PO, Packing Slip / Receipts, Invoices and copies of payments made within Net 30 terms.
- Updated internal procurement timelines have been adjusted to provide for additional layers of oversight and approval for all purchase requests.

Finding 6 – Purchasing Process

Risk Rating: Low

Condition:

Three sampled transactions were made outside of the proper purchasing process, totaling \$4,503.85. The sample consisted of 20 transactions, totaling \$59,926.24.

Item	PCard Name/Check Number	Date	Vendor Name	Notes	Dollar Amount
1	SANDBURG MS SA1 (PCard)	10/29/2024	SAMS CLUB RENEWAL	Membership was renewed prior to an approved PO	\$110.00
2	SANDBURG MS SA1 (PCard)	10/18/2024	ODTG INC*CPT	Transportation was purchased prior to getting an approved PO	\$52.60
3	123101322 (disbursement)	1/28/2025	INFINITY PROMOTIONS INC	Purchased before getting an approved PO	\$4,341.25

Criteria:

Regulation 5350 *Procurement Card Management* states, "The principal/program manager must preauthorize procurement card purchases in writing." It also states, "The registering and storing of the procurement card number on online accounts or vendors is prohibited unless authorized by the Office of the Comptroller."

Regulation 5012 *Purchasing Goods and Non-Professional Services Using Appropriated and Nonappropriated Funds* states, "Principal pre-approval is required for all purchases from Local School Activity Funds." Regulation 5810 *School Activity Funds Management* states, "Purchase orders must be preapproved by the principal or designee, before obligating school activity funds."

Cause:

An approved PO was not obtained prior to obligating funds.

Effect:

- Purchases made prior to the principal's approval could allow for funds to be misappropriated and irresponsibly managed.
- Storing card information on vendor sites may allow for accidental charges to occur that were not approved.

Recommendation:

OAG recommends that the school has a properly completed and approved purchase order for all transactions, before obligating funds, and that sensitive cardholder data not be stored in any system or location to prevent unauthorized procurement card usage.

Management Response (Not Required):

A management response is not required for this finding due to the low risk rating.

Management Response

Sandburg leadership was in the process of addressing concerns with organization and workflows, and has been working to reorganize documents and workflow processes. In this process the team developed updated protocols for payment processing.

- Procedural updates have been made to existing finance processes in the school to ensure complete documentation and standardized processes are adhered to for all requested expenditures, whether funded through LSAF or appropriated funding.
- Documents for expenditures are reviewed as received by both the principal and finance technician, with bi-weekly status updates for all expenditures, pending payments, and items received.
- Updated filing protocols have been established and implemented to ensure that documentation is organized in a standard format for all expenses to include a PO, Packing Slip / Receipts, Invoices and copies of payments made within Net 30 terms.
- Updated internal procurement timelines have been adjusted to provide for additional layers of oversight and approval for all purchase requests.

OAG's Mission and Vision

To promote Fairfax County Public Schools' achievement of its strategic goals, Office of the Auditor General's (OAG) mission is to independently determine whether the ongoing processes for controlling fiscal and administrative operations and performance throughout Fairfax County Public Schools are adequately designed, functioning in an efficient, effective manner, and fully accountable to its citizens of Fairfax County. We accomplish the mission by providing the following services:

- Annual [risk assessment](#) and [audit plan](#)
- [Performance and financial internal audits](#)
- Management of the [Fraud, Waste, and Abuse Hotline](#)
- Education and outreach

Our vision is to deliver innovative and respected audit, advisory, investigative services and risk assurance to protect Fairfax County Public Schools as a leader in student achievement. We achieve this by providing an independent perspective and encouraging collaborative improvement.

Other OAG Audit Reports

Audit reports are available on the OAG website for two years after each audit is completed. You can access a listing of audit reports, with a link to each, on the [audit reports webpage](#).

Contact us at internalaudit@fcps.edu for copies of reports not available on the [audit reports webpage](#).

Connect with OAG

Visit OAG on the web at <https://www.fcps.edu/about-fcps/leadership/school-board/office-auditor-general-oag>

Subscribe to the [Audit Buzz Newsletter](#), our monthly publication.

How to Report Fraud, Waste, and Abuse in FCPS

Online form: <https://www.fcps.edu/auditor> (anonymity optional)

Automated answering system: 571-423-1333 (anonymous)

Main office: 571-423-1320 (not anonymous)

Email: internalaudit@fcps.edu (not anonymous)

