Business Process Audit
Lewis High School
Report Reference Number: 26-13160

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Prepared by
Office of Auditor General

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Table of Contents

Executive Summary

This audit report summarizes the results of the Office of Auditor General's (OAG) Business Process Audit (BPA) at Lewis High School conducted on March 12, 2026. The audit was performed in accordance with the Fiscal Year (FY) 2026 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, including Career Technical and Education (CTE) Automotive Program activities during FY 2026.

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

Finding 1 – Charity Fundraisers (Moderate Risk)
The school issued a $500.00 check to a charity using fundraising proceeds without obtaining prior approval from the Office of the Comptroller, Region Assistant Superintendent (RAS), and Risk Management. This unauthorized event and subsequent disbursement bypassed district-level financial and liability oversight.

OAG recommends that the school adhere to the pre-approval process involving the Office of Comptroller, RAS and Risk Management for all school-sponsored charity fundraisers. Such measures guarantee that charitable activities align with district standards for fiscal transparency.

Finding 2 – Purchasing Process (Moderate Risk)
Five transactions totaling $10,307.35 bypassed purchasing procedures. Specifically, a $422.93 tablet was purchased without ordering through the FOCUS accounting system for proper approval, incurring $23.94 in improper sales tax. Additionally, four other transactions totaling $9,884.42 were initiated without approved purchase orders.

OAG recommends that the school (a) adhere to Regulations 5021 and 5012 when purchasing computer hardware and (b) maintain properly completed and approved purchase orders for all transactions, before obligating funds.

Finding 3 – Timely Payment (Low risk)
Two vendor payments totaling $6,748.58 were not paid timely. No late fees were incurred.

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

We appreciate the consultation, cooperation, and courtesies extended to our staff by the finance technician, CTE Automotive instructors and principal at Lewis High 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[1] 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 when specific risk indicators are identified; when there is turnover in a position with significant financial responsibilities, such as a principal, finance technician, or finance assistant; or cyclically. 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 policies and regulations include, but are not limited to:

- Regulation 1370, Fundraising
- Policy 1375, Charity Drive
- Regulation 3620, Guidelines for Transactions Involving Student Performance of Services in Career and Technical Education
- Regulation 5012, Purchasing Goods and Services Using Appropriated and Nonappropriated Funds
- Regulation 5021, Computer Hardware Standardization and Acquisition
- Regulation 5111 Financial Management Reports (FMR)
- Notice 5111 Financial Management Report (FMR) Distribution and Reconciliation Schedule
- Regulation 5350, Procurement Card Management
- Regulation 5810 School Activity Funds Management

[1] Cash includes all cash and cash equivalents: currency, coins, and checks.

Scope and Objectives

We conducted this performance audit in accordance with generally accepted government auditing standards. 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 FY 2026 financial activity and Career and Technical Education (CTE) activities related to the Automotive Program. 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 finance technicians 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, FMR reconciliation application, 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 school-based staff.
- Reviewed relevant laws, rules, FCPS policies and regulations.
- Reviewed prior audits and reviews.
- Tested a sample of transactions to ensure expenditures are accurate and allowable, complied with FCPS requirements, and proper supporting documentation is maintained.

Sample Selection

Procurement Card, Cash Disbursements, and Cash Receipt Transactions

OAG utilized data analytics software to randomly select samples, as follows:

- Ten appropriated procurement card transactions,
- Ten non-appropriated procurement card transactions,
- Ten cash disbursement transactions,
- One cash receipt transaction,
- Ten CTE Automotive Program sales invoice transactions, and
- Eight CTE Automotive Program cash receipt transactions.

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, check stock, and CTE Automotive Program inventory items.

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

Risk Ratings

Finding(s) within this report are attributed a risk rating in accordance with the following established risk criteria. All completed Business Process Audits with findings in which the risk ratings are deemed moderate or high will require a management response.

High Risk

One or more of the following exists:
- 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 Risk

One or more of the following exists:
- 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 Risk

One or more of the following exists:
- 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.

During this audit, OAG identified two moderate risk and one low risk findings.

Finding 1 – Charity Fundraisers

Risk Rating	Moderate
Condition	One sampled cash disbursement was made outside of the charity fundraising policy, totaling $500.00. The sample consisted of ten transactions, totaling $52,268.16. A check was issued to a charitable organization using proceeds generated from the concessions at a charity wrestling fundraiser. However, the event was conducted without obtaining the required prior formal approval from the Office of the Comptroller, RAS and the Office of Risk Management.
Criteria	Policy 1375, Charity Drive, states, "Principals shall have the discretion to permit charity fundraisers on an exceptions-only basis if the fundraiser: 1. Will not disrupt the instructional program. 2. Either benefits a charity relating to the community, benefits students or supports student-initiated student achievement activities. The charity may be local, national, or international. 3. Has been approved by the Office of the Comptroller, Risk Management Section and the appropriate region assistant superintendent. 4. Will be sponsored by the school. 5. Follows the general requirements for fundraisers per Regulation 1370, Fundraising. 6. Is subject to Fairfax County Public Schools (FCPS) finance and accounting regulations."
Cause	Policy 1375 was not adhered to.
Effect	Holding unapproved events exposes the school district to significant financial and legal liability. Furthermore, issuing checks for unauthorized activities bypasses fiscal controls designed to ensure the legitimacy and transparency of charitable disbursements.
Recommendation	OAG recommends adhering to the pre-approval process involving the Office of the Comptroller, RAS, and Risk Management for all school-sponsored charity fundraisers. Such measures guarantee that charitable activities align with district standards for fiscal transparency.
Management Response	A management response is required for this finding due to the moderate risk rating.
Planned Action	**Management Response:** We concur with the finding and recommendation. Lewis High School recognizes the importance of adhering to FCPS Policy 1375 regarding charity fundraisers and the required approval process involving the Office of the Comptroller, Risk Management, and the Region Assistant Superintendent prior to conducting any charitable event. **Planned Action:**

Moving forward, the finance technician and administration will ensure that all charity fundraisers receive the required approvals prior to the event being advertised, conducted, or any funds being disbursed. Administrative staff will review fundraising procedures with all sponsors and activity coordinators to ensure compliance with FCPS regulations and financial oversight requirements.

Responsible Staff:
Principal and Finance Technician

Due Date: August 31, 2026

Finding 2 – Purchasing Process

Risk Rating	Moderate
Condition	(a) Two sampled procurement card (Pcard) purchases were made outside of the proper purchasing process, totaling $655.93. The sample consisted of ten transactions, totaling $8,263.36.

Item	Pcard Name	Pcard Transaction Date	Vendor Name	Notes	Dollar Amount
1	LEWIS HS SA2	9/11/2025	BEST BUY	The procurement of a tablet was not ordered within FOCUS, the appropriated accounting system. Additionally, $23.94 in sales tax was paid.	$422.93
2	LEWIS HS IS	9/6/2025	PAYPAL	Funds were obligated without an approved purchase order.	$233.00

(b) Three sampled cash disbursements were made outside of the proper purchasing process, totaling $9,651.42. The sample consisted of ten transactions, totaling $52,268.16.

Item	Check Number	Check Date	Payee Name	Notes	Dollar Amount
1	116003548	9/15/2025	TURF EQUIPMENT AND SUPPLY COMPANY	Funds were obligated without an approved purchase order.	$884.67
2	116003645	1/20/2026	FAST SIGNS OF SPRINGFIEL D	Funds were obligated without an approved purchase order	$3,748.58
3	116003555	10/1/2025	BSN SPORTS LLC	Funds were obligated without and approved purchase order	$5,018.17

Criteria	(a) Regulation 5021, Computer Hardware Standardization and Acquisition, states, “All purchases of computer hardware shall be in compliance with the current version of Regulation 5012. Schools and departments will create a shopping cart in FOCUS (Fairfax County Unified System). [Office of Procurement Services] will approve the

	request, which converts into a purchase order (PO)." Additionally, the FCPS School Finance Handbook states, "Most purchases from school activity funds are exempt from the Virginia state sales tax. FCPS also has regulations prohibiting the payment of sales tax on school purchases. Schools are encouraged to make every effort to avoid paying sales tax." Regulation 5320, Sales and Use Tax states, "Purchases of tangible personal property for use or consumption to support a function, mission, service, or purpose of FCPS are exempt from sales and use tax. This includes purchases made with appropriated funds or local school activity funds (LSAF) through county purchase orders, FCPS procurement cards, FCPS purchase orders, and petty cash funds." (b) 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." (c) Regulation 5350, Procurement Card Management, states, "The principal/program manager must preauthorize procurement card purchases in writing." The FCPS School Finance Handbook states, "All Pcard purchases, require an approved purchase order (PO) prior to placing any Pcard orders. POs created in the teacher Online Purchasing System (TOPS) using Appropriated Funds Pcards must be printed and signed by the principal (or designee) prior to purchasing goods and services."
Cause	The required purchasing process procedures were not adhered to.
Effect	(a) By not recording the procurement in FOCUS, the school does not have a centralized record to track the approval lifecycle. This procedural bypass resulted in the improper payment of sales tax, violating FCPS tax-except regulations. (b) Purchases made prior to the principal's approval could allow for funds to be misappropriated and irresponsibly managed.
Recommendation	(a) OAG recommends that schools adhere to Regulations 5021 and 5012 when making purchases of computer hardware. (b) OAG recommends that the school maintain properly completed and approved purchase orders for all transactions, before obligating funds.
Management Response	A management response is required for this finding due to the moderate risk rating.
Planned Action	**Management Response:** We concur with the finding and recommendations. We acknowledge the importance of adhering to FCPS purchasing procedures, including

obtaining approved purchase orders prior to obligating funds and ensuring that school purchases are processed correctly through FOCUS in compliance with Regulations 5012 and 5021.

Planned Action:
We will review purchasing expectations and procedures with the finance technician and staff members involved in purchasing activities. Staff will be reminded that all purchases must receive prior approval through an approved purchase order before any commitment of funds is made. In addition, staff have been reminded that FCPS purchases are tax-exempt and every effort must be made to avoid the payment of sales tax.

To strengthen internal controls, procurement cards will not be distributed to staff members until a properly completed and approved purchase order has been submitted and verified. Administrative staff will continue to monitor purchasing activity to ensure compliance with FCPS regulations and established financial procedures.

Responsible Staff:
Principal, Finance Technician, and Staff Members Responsible for School Purchases

Due Date: August 31, 2026

Finding 3 – Timely Payment

Risk Rating	Low
Condition	Payments to CARQUEST AUTO PARTS and FASTSIGNS OF SPRINGFIELD were not paid timely, totaling $6,748.58.

Item	Payee Name	Payment Due Date	Actual Date Paid	Invoice Amount
1	CARQUEST AUTO PARTS	12/15/2025	1/20/2026	$3,000.00
2	FASTSIGNS OF SPRINGFIELD	12/17/2025	1/20/2026	$3,748.58

Although payments were made untimely, it appears no 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	The required purchasing process procedures were not adhered to.
Effect	Payments not made by due dates may lead to a waste of funds being spent on late fees.
Recommendation	OAG recommends that obligations be paid promptly to avoid penalty fees.
Management Response	A management response is not required for this finding due to the low risk rating.

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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.

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