Business Process Audit
Waples Mill Elementary School
Report Reference Number: 26-13445

June 2026

Prepared by
Office of Auditor General

8115 Gatehouse Road, Suite 5500
Falls Church, VA 22042

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Executive Summary

This audit report summarizes the results of the Office of Auditor General's (OAG) Business Process Audit (BPA) at Waples Mill ES conducted on April 17, 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 during FY 2026.

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

Finding 1 – Sufficient Documentation (High Risk)
Two sampled cash disbursements totaling $1,479.52, ten sampled appropriated procurement card (Pcard) purchases totaling $4,278.60, ten sampled non-appropriated Pcard purchases totaling $5,825.14 and two sampled cash receipts totaling $2,345.87 were missing supporting documentation.

Additionally, a review of Teacher Online Purchasing System (TOPS) records revealed that the school's approval process for appropriated purchase orders has been formally incomplete since October 2024. Since the purchase orders for these transactions remained in "Administrative Assistant (AA)/Finance Technician (FT)" status rather than being converting to "PDF", the POs were not printed nor granted the principal's formal review and the required wet signatures.

OAG recommends that the principal and finance assistant:

a) Ensure that no payment is processed or reconciled without a comprehensive documentation packet. Each transaction is substantiated by a valid Purchase Order (PO) and an itemized invoice or receipt.
b) Ensure all monthly statement reconciliations are supported by individual POs and receipts for every line item, verifying the specific business purpose of each charge.
c) Ensure all Pcard payments are submitted and processed prior to the bank's due date to prevent the accrual of late fees.
d) Verify that every deposit packet contains a formal deposit slip (FS-131), the official bank deposit receipt, and the corresponding general ledger report.
e) Refrain from signing checks or approving Pcard statements unless the PO, invoice/receipt, and packing slip are physically attached and organized for review and
f) Establish a physical filing system where all records are secured and filed immediately upon the completion of a transaction and audit ready.

Finding 2 – Bank Reconciliation (High Risk)
Three discrepancies were noted in the bank reconciliation process, specifically:

- The adjusted book balance detailed in the bank reconciliation for the month of February 2026 does not agree with the amount shown on the summary trial balance, with a difference of $11.23.
- Monthly bank reconciliation reports from September 2025 to February 2026 are missing required signatures and dates from the principal and finance assistant. Excluding November.

- A cash disbursement of $183.53 has remained outstanding since August 2025 without being voided. This appears to be a duplicate payment to the finance assistant.

OAG recommends that the principal and finance assistant:

a) Bring school accounts into balance by ensuring the adjusted book balance matches the summary trial balance each month.
b) Independently sign and date all reconciliation posting journals and bank statements during the review process to provide evidence of timely approval.
c) Ensure that all reconciling items, such as outstanding or duplicate checks, are cleared or voided in a timely manner.

Finding 3 – Sales Tax (Moderate Risk)
Improper sales tax payments were identified on one non-appropriated procurement card sampled transaction and four of five employee reimbursements, totaling $114.60 which included two reimbursements to the finance assistant.

OAG recommends that the principal and finance assistant:

a) Ensure all reimbursements exclude sales tax by clarifying to staff that taxes are a non-reimbursable expense.
b) Prioritize the use of Pcard usage, utilizing personal funds only as a last resort.
c) Implement "separation of duties" protocol for school purchases to ensure the finance assistant does not process their own reimbursements.
d) Perform thorough invoice reconciliations to stop the issuance of duplicate checks and the reimbursement of prohibited sales tax.

Finding 4 – Non-Bank Reconciliation (Moderate Risk)
One appropriated and one non-appropriated Pcard coversheets for one of the three months sampled was not reconciled by the finance assistant and principal until March 13, 2026, when due by February 6, 2026. Additionally, missing supporting documentation was noted during the review process; the finance assistant did not attach invoices to the Pcard statements submitted for the principal's signature. Consequently, the principal cannot properly verify the legitimacy and appropriateness of the purchases.

OAG recommends that reconciliations be completed and approved in a timely manner. Furthermore, OAG recommends the finance assistant attach all relevant invoices and supporting documentation when presenting these reconciliations to the principal for signature.

Finding 5 – Fund Account Usage (Low Risk)
One sampled appropriated Pcard transaction was charged to the incorrect fund account, totaling $1,085.00. Specifically, an optional field trip was paid from appropriated funds.

OAG recommends that the principal and finance assistant use the correct fund account when making procurement card purchases.

We appreciate the consultation, cooperation, and courtesies extended to our staff by the principal and finance assistant at Waples Mill Elementary 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 regulations include, but are not limited to:

- Regulation 5012, Purchasing Goods and Services Using Appropriated and Nonappropriated Funds
- 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. 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, 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 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 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

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 high risk, two moderate risk and one low risk findings.

Finding 1 – Sufficient Documentation

Risk Rating	High
Condition	(a) Two sampled **cash disbursements** were made without proper supporting documentation, totaling $1,479.52. The sample consisted of ten transactions, totaling $6,111.12.

Item	Check Number	Check Date	Payee Name	Documentation	Dollar Amount
1	144500762	1/20/2026	FCPS Teacher	Approved Purchase Order (PO), Invoice/Receipt	$157.92
2	144500754	8/25/2025	FAIRFAX COUNTY PUBLIC SCHOOLS	PO, Invoice	$1,321.60

In addition to the initial sample of ten appropriated transactions, a comprehensive review of all TOPS transactions since October 2025 revealed a systemic gap in the approval process; specifically, these entries were missing both printed purchase orders and original wet signatures.

(b) Ten of ten sampled **appropriated Pcard purchases** were made without proper supporting documentation, totaling $4,278.60.

Item	PCard Name	PCard Transaction Date	Vendor Name	Missing Documentation	Dollar Amount
1	Instructional Supplies (IS)	10/07/2025	IN *UNDER THE SEA	PO	$450.00
2	IS	01/05/2026	CHILD SCIENCE CTR	PO, Invoice	$1,085.00
3	IS	08/28/2025	OTC BRANDS	PO, Invoice	$26.68
4	Preschool	09/17/2025	CHILDCRAFT	PO, Invoice	$939.98
5	IS	11/24/2025	PLANK ROAD PUBLISHING	PO	$31.90
6	IS	10/30/2025	MUSIC THEATRE INTERNAT	PO	$740.00
7	IS	10/16/2025	IMSE	PO	$125.00
8	IS	02/27/2026	95 PERCENT GROUP	PO, Invoice	$555.50
9	IS	08/11/2025	PAPA JOHN'S	PO, Invoice	$289.18
10	IS	09/18/2025	DRAPHIX/TEACHER DIRECT	PO	$35.36

(c) Ten of ten sampled Pcard **non-appropriated purchases** were made without proper supporting documentation, totaling $5,825.14.

Item	PCard Name	PCard Transaction Date	Vendor Name	Missing Documentation	Dollar Amount
1	SA1	2/11/2026	COLPARK LOC	PO	$180.00
2	Central Account	2/16/2026	LATE PAYMENT CHARGE	PO	$8.96
3	SA1	10/14/2025	PANERA BREAD	PO, Invoice	$205.09
4	SA1	12/17/2025	FCPA SULLY HIST	PO	$448.00
5	SA1	02/27/2026	MOUNT VERNON	PO	$2,015.00
6	SA1	09/15/2025	SQ *THE MAGIC OF JOE	PO	$300.00
7	SA1	10/13/2025	H MART	PO, Receipt	$30.32
8	SA1	08/14/2025	BJ'S WHOLESALE	PO, Receipt	$31.29
9	SA1	12/03/2025	SQ *UPWARD NOVA WILD	PO	$1,908.00
10	SA1	08/15/2025	EZCATER *IHOP	PO	$698.48

Item #2 pertains to a February JPMorgan Pcard payment that missed the deadline, resulting in a late fee.

(d) Two of two sampled **cash receipts** did not have sufficient documentation, totaling $2,345.87.

Item	Receipt #	Documentation	Amount
1	RCT000784507	Cash receipt (FS-131), Deposit receipt, Posting Journal	$1,990.87
2	RCT000777582	Cash receipt (FS-131), Deposit receipt, Posting Journal	$355.00

There was no indication of what dates the funds were submitted, collected, received, verified, so verification of appropriateness, verification of amounts and timeliness was not possible.

Criteria

(a) Regulation 5810, School Activity Funds Management, states, "The principal or designee will approve all disbursements provided proper supporting documentation such as a preapproved purchase order and related invoice are submitted. Reimbursements for purchases made or committed without the prior submission of a school purchase order may be declined by the principal" (IX.E). It also states, "Schools must follow the record retention and reporting requirements outlined in the current versions of Policy 6470, Records Retention and Disposition,

	and the current version of Regulation 6701, Records Management Program" (IX.G). (b) The School Finance Handbook states, "[Purchase orders] must be kept on file with all appropriate backup documentation" (p. 57). Mail check with statement promptly to avoid incurring late fees. JP Morgan Chase must receive the payment by the 29th of each month. Checks to JP Morgan Chase are issued directly from the fund account (NOT LSAF clearing). File the check stub with the original Pcard statements, purchase orders, and appropriate back-up documentation." (p.165). (c) Regulation 5350, Procurement Card Management, states, "The principal/program manager must retain original receipts, invoices, and other supporting documentation along with the procurement card statement and the reconciliation" Additionally, "POs created in TOPS using Appropriated Funds Pcards must be printed and signed by the principal (or designee) prior to purchasing goods and services. The approved POs must be kept on file with all appropriate backup documentation". (VI.E.6.a). (d) Regulation 5910, Monetary Receipts, states, "Schools are required to use form FS-131 School Finance Deposit Slip or FS131A, School Finance Deposit Slip Detailed unless another form has been approved by Financial Services to be used in lieu of the FS131/FS131A. An itemized list of students with the amounts paid and method of payment (cash or check) may be attached to the form FS-131 or must recorded on the detailed FS131A form ... All funds collected must be submitted daily, along with the form used, to the school finance office for deposit. Cash and checks collected after hours must be locked in the safe and turned in the next business day" (VI.1.a). The School Finance Handbook states, "Documentation of cash received is an essential component of recording revenue" (p. 144). In addition, the School Finance for Teachers guidelines states, "Deposit slips must be fully filled out in order for the funds to be accepted."
Cause	The absence of a standardized process for filing and presenting backup documents during approval cycles caused significant documentation gaps during the audit period.
Effect	Purchases made without proper supporting documentation could allow for funds to be misappropriated and irresponsibly managed.
Recommendation	OAG recommends that the principal and finance assistant (a) ensure that no payment is processed or reconciled without a comprehensive documentation packet and each transaction be substantiated by a valid Purchase Order (PO) and an itemized invoice or receipt, (b) ensure all monthly statement reconciliations are supported by individual receipts for every line item, verifying the specific business purpose of each charge, (c) ensure all Pcard payments are submitted and processed prior to the bank's due date to prevent the accrual of late fees, (d) verify that every deposit packet contains a formal deposit

slip (FS-131), the official bank deposit receipt, and the corresponding general ledger report, (e) refrain from signing checks or approving Pcard statements unless the PO, invoice/receipt, and packing slip are physically attached and organized for review, and (f) establishes a physical filing system where all records are secured and filed immediately upon the completion of a transaction and audit ready at all times.

Management Response	**Required** A management response is required for this finding due to the high risk rating. **Region Assistant Superintendent (RAS) Response:** Upon review of the audit findings, the RAS met with the principal to discuss the documentation deficiencies identified and the need to strengthen financial oversight procedures. The RAS directed the principal to develop and implement a corrective action plan that ensures all transactions are supported by complete documentation, including purchase orders, invoices, receipts, deposit records, and other required supporting materials. Additionally, the RAS instructed the principal to document concerns and establish clear expectations regarding financial procedures, documentation requirements, and compliance with division protocols. To strengthen internal controls, the RAS advised the principal to review and approve all financial documentation prior to submission or processing and to refrain from signing checks, Pcard statements, or other financial documents unless all supporting documentation is attached and organized for review. The principal will also implement regular one to one meetings with the finance technician, conduct periodic reviews of financial records and documentation practices, and partner with the Region 1 Executive Assistant and Financial Services staff to provide additional training and support. These actions are intended to strengthen oversight, improve compliance, and ensure records remain audit ready moving forward.
Planned Action	**Management Response**: The principal concurs with this finding. **Planned Action:** 1. All purchase orders (POs) must be approved prior to the disbursement of funds. The Administrative Assistant (AA) will collaborate closely with the Regional AA to ensure all documentation, including invoices and purchase orders, is complete and printed. Additionally, bank deposit slips will be maintained in a secure folder. 2. PO Approval: All purchase orders require formal approval before any funds are disbursed. 3. Documentation Verification: The Administrative Assistant (AA) will coordinate with the Regional AA to ensure that all supporting documentation, including invoices and POs, is complete and printed.

4. Record Retention: Bank deposit slips must be filed and maintained in a secure location.
5. Prior to the disbursement of funds, ensure that all POs have received the necessary approvals. The AA and Regional AA will work in tandem to verify that all documentation, such as invoices and purchase orders, is complete and properly printed. Once bank transactions are finalized, file the deposit slips in a secure folder.

Responsible Staff: Principal and Waples Mill Finance Assistant (AA)

Due Date: **August 31, 2026**

Finding 2 – Bank Reconciliation

Risk Rating	High
Condition	(a) The adjusted book balance detailed in the bank reconciliation for the month of February 2026 does not agree with the amount shown on the summary trial balance. A difference of $11.23 was found.

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

- September to February 2026 bank reconciliation posting journals were not signed and dated by the finance assistant and principal during reconciliation (except November).
- September, October and November 2025 Bank of America bank statements were not signed and dated by the finance assistant and principal during reconciliation.
- December 2025 Bank of America bank statements were not signed and dated by the finance assistant and dated by the principal during reconciliation.
- January and February 2026 Bank of America bank statements were not signed and dated by the finance assistant during reconciliation.

There was evidence of reconciliation by the finance assistant on the statements.

(c) The bank reconciliation for the month of February 2026 listed checks as cleared that had not yet been cashed, totaling $183.53:

Item	Check Number	Payee Name	Date	Dollar Amount
1	144500755	Finance Assistant	08/05/2025	$183.53

A duplicate reimbursement payment to the finance assistant was flagged by OAG; the check has been uncashed and appeared on bank statements since September 2025 as an outstanding check. As of April 23, 2026, the check has not been voided.

Criteria	(a) The School Finance Handbook states, “The adjusted checkbook balance, as of the cutoff date listed on the Reconciliation Posting Journal Report for the month of review, should agree with the amount shown on the Great Plains summary trial balance report for the month being reconciled” (p. 209). (b) The School Finance Handbook states, “The FT/AA will perform bank reconciliations in a timely manner" (p. 207). The handbook also states, "The principal is responsible for the safeguarding, managing, and accounting of school activity funds ... [which includes ensuring that] monthly bank reconciliations are completed on a timely basis” (p. 90). The handbook also states, "The Principal must sign and date the actual bank statement" (p. 22). (c) Regulation 5910, Monetary Receipts, states, “All reconciliations must be reviewed and signed by the program manager” (p. V.C.2). In addition, Financial Services' FT/AA's Month-End Financial Checklist - LSAF resource guide states, "The actual bank statement must be signed and dated by the FT/AA and then signed and dated by the Principal." (d) Regulation 5910, Monetary Receipts, states, “Bank reconciliations must be performed on a monthly basis. Any ensuing adjustments and corrections must be recorded prior to the following month-end close” (V.C.1). The School Finance Handbook provides a detailed explanation of how the reconciliation should be performed.
Cause	(a, c) The established bank reconciliation review process was not adhered to. (b) Reconciliations were not signed to show completion.
Effect	(a, c) Using improper reconciliation processes may cause funds to not be properly accounted for. (b) Reconciliations not completed/approved in a timely manner may cause errors to go undetected.
Recommendation	(a) OAG recommends that the finance assistant take the appropriate steps to bring the school accounts into balance. (b) OAG recommends that the principal and finance assistant independently sign and date reconciliation posting journals and bank statements during reconciliation to show evidence of timely completion and approval. (c) OAG recommends that the finance assistant clear reconciling items in a timely manner.
Management Response	**Required**

A management response is required for this finding due to the high risk rating.

Region Assistant Superintendent Response:
Upon review of the bank reconciliation findings, the RAS met with the principal to discuss the discrepancies identified and the importance of timely and accurate reconciliation procedures. The RAS directed the principal to develop a corrective action plan that includes clear expectations for reconciliation timelines, review procedures, and monitoring of outstanding items. Additionally, the RAS directed the principal to document concerns related to reconciliation processes and establish clear expectations for timely and accurate completion of all required financial tasks. To strengthen oversight, the RAS advised the principal to personally review, sign, and date all monthly bank reconciliations and supporting documentation prior to submission to ensure balances are accurate and reconciled items are appropriately addressed. The principal will also establish a recurring review process with the finance technician to monitor outstanding checks, verify that reconciliations align with the summary trial balance, and ensure discrepancies are resolved in a timely manner. Furthermore, the principal will partner with the Region 1 Executive Assistant and Financial Services staff for additional training and technical assistance to support sustained compliance and strengthen internal controls moving forward.

Planned Action

Management Response:
The principal concurs with this finding.

Planned Action:
1. The Principal, Finance Analyst, and Administrative Assistant will conduct a joint review of all monthly financial statements to verify that the internal reconciliation perfectly balances with the bank account statement.
2. 100% of Purchase Orders (POs) must be reviewed and signed by the principal *prior* to any purchase being made. Moving forward, the fully signed PO must be physically or digitally attached to the monthly reconciliation document. Furthermore, the Principal will review and formally sign off on the final monthly reconciliation package.
3. The financial team will perform a monthly audit of all outstanding checks. The team will collaborate directly with the Finance Technician to investigate, resolve, and correct any identified discrepancies or aging checks.
4. Establish mandatory weekly meetings between the principal and the finance team (Administrative Assistant/Finance Analyst). These weekly touchpoints will serve as an ongoing quality check to review transaction logs, ensure compliance with the steps above, and guarantee absolute correctness before monthly closing.

Responsible Staff: Principal, Waples Mill Finance Assistant (AA)

Due Date: August 31, 2026

Finding 3 – Sales Tax

Risk Rating	Moderate
Condition	(a) Sales tax was paid on one sampled non-appropriated procurement card purchase, totaling $108.00 for a transaction totaling $1,908.00. The sample consisted of ten transactions, totaling $5,825.14.

Item	Date	Vendor	Purchase Amount	Sales Tax Amount
1	12/3/2025	UPWARD NOVA WILD	$1,908.00	$108.00

(b) Four sampled cash disbursements were reimbursements to employees for purchases that included $6.60 in sales tax. The sample consisted of five employee reimbursements, totaling $625.09.

Item	Check Number	Date	Purchase Amount	Sales Tax Amount
1	144500752	08/21/2025	183.53	$.53
2	144500755	08/25/2025	183.53	$.53
3	144500753	08/21/2025	27.98	$1.46
4	144500761	12/18/2025	72.13	$4.08

Item #1 reflects a reimbursement by the Finance Assistant for staff food and Costco Executive Business Membership. Item #2 is a duplicate check of Item #1 issued several days later that remains outstanding.

Criteria	(a) The 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" (p. 160). (b) The School Finance Handbook states, "Reimbursement for tax exempt purchases made with personal funds will not include the sales tax paid" (p. 160). Additionally, "Never sign checks payable to yourself. Avoid reimbursements to the finance technician or administrative assistant. Have another member of the staff make purchases that require reimbursement. The finance person should not sign a check payable to themselves" (p.22).
Cause	FCPS tax-exempt status was not utilized.

Effect	(a) Paying tax on tax-exempt purchases may constitute a waste of funds. (b) Including tax in disbursements made to FCPS staff and for reimbursements may constitute a waste of funds.
Recommendation	OAG recommends that the principal and finance assistant (a) ensure all reimbursements exclude sales tax by clarifying to staff that taxes are a non-reimbursable expense; (b) prioritize the use of p-card usage, utilizing personal funds only as a last resort (c) implement "separation of duties" protocol for school purchases to ensure the finance assistant does not process their own reimbursements; and (d) perform thorough invoice reconciliations to stop the issuance of duplicate checks and the reimbursement of prohibited sales tax.
Management Response	**Required** A management response is required for this finding due to the moderate risk rating.
Planned Action	**Management**: The principal concurs with the findings. In compliance with non-profit status, sales tax will no longer be reimbursed to FCPS employees. Staff must clarify tax-exempt status with merchants prior to purchase and utilize the school's sales tax exemption certificate. **Management:** Waples Mill Finance Assistant (AA) **Due Date: August 31, 2026**

Finding 4 – Non-Bank Reconciliation

Risk Rating	Moderate

Condition	Procurement card statements/coversheets were not reconciled and/or reviewed in a timely manner, as follows:
	
	• An appropriated procurement card statements/coversheets for three of three months sampled were not reconciled/reviewed in a timely manner. Specifically:
	  ○ December 2025 statements/coversheets for WAPLES MILL ES IS and WAPLES MILL ES PRESCH was not reconciled by the finance assistant and principal until March 13, 2026, when due by February 6, 2026.
	  ○
	• A non-appropriated procurement card statements/coversheets for three of three months sampled were not reconciled/reviewed in a timely manner. Specifically:
	  ○ December 2025 statement/coversheet for WAPLES MILL SA1 was not reconciled by the finance assistant and principal until March 13, 2026, when due by February 6, 2026.
	
	Missing supporting documentation was noted during the review process; the finance assistant did not attach invoices to the P-card statements submitted for the principal's signature. Consequently, the principal cannot properly verify the legitimacy and appropriateness of the purchases.

Criteria	Regulation 5350, Procurement Card Management, states, “Monthly, the principal/program manager must ensure that reconciliations for all procurement cards issued to the program are done on a timely basis. Monthly, the principal/program manager must sign and date the p-card statement after reconciliation and review has been completed" (VI.E.4.d-e). The School Finance Handbook states, "Review and approve Pcard reconciliations; ensure that supporting documentation is attached to the reconciliations. Question unusual transactions and atypical purchases. Supporting documents are invoices, forms, or even e-mails that substantiate a financial transaction. Documentation must be valid and verifiable; ensure that original invoices and copies are not attached. (pg.19)
Cause	The required reconciliation process was not adhered to.
Effect	Reconciliations not being completed and approved timely could allow for procurement card transactions to go unverified and funds to be misappropriated.

Recommendation	OAG recommends that reconciliations be completed and approved in a timely manner. Furthermore, OAG recommends the finance assistant attach all relevant invoices and supporting documentation when presenting these reconciliations to the principal for signature.
Management Response	**Required** A management response is required for this finding due to the moderate risk rating.
Planned Action	**Management Response:** The principal concurs with this finding. **Planned Action:** **1:** Submit PCard statements and cover letters strictly by the due dates governed by Business Services. **2:** Attach supporting documentation for each line item on the statement. Post a copy of the submission schedule visibly on both the Administrative Assistant's (AA) desk and the principal's desk. **3:** Hold weekly meetings between the Principal and AA to review progress and ensure the timely submission of Financial Management Reports (FMRs), credit card payments, and Bank of America reconciliation payments. **Responsible Staff:** Principal, Waples Mill Finance Assistant (AA) **Due Date: August 31, 2026**

Finding 5 – Fund Account Usage

Risk Rating	Low
Condition	One sampled appropriated procurement card (PCard) transaction was charged to the incorrect account, totaling $1,085.00. The sample consisted of ten transactions, totaling $4,278.60.

Item	PCard Name	Date	Vendor Name	Account	Amount
1	WAPLES MILL ES IS	1/5/2026	Child Science CTR	************2326	$1,085.00

Item #1 is an optional field trip paid from appropriated funds.

Criteria

- Regulation 5790 *Field Trips-Planning, Financing and Conducting* states, Funds appropriated for required field trips are allocated to the Department of Instructional Services". Additionally, "Fees associated with an optional field trip may be passed on to students if approved by the principal. The fees may not exceed the cost of the field trip. Communications to parents or students requesting payment of student fees must include information regarding the availability of financial assistance, including fee waivers. School activity funds may be used to fund field trips when the field trip will benefit the student body. The principal is responsible for the decision to use school activity funds for a field trip. FCPS may charge student fees for FCPS sponsored optional field trips if approved by the principal. Total fees collected may not exceed the cost of the field trip.

- The School Finance Handbook states that the principal or program manager must "ensure transactions are posted to the appropriate expenditure accounts" (p. 163). Regulation 5810, School Activity Funds Management, states that principals and school personnel must use school activity funds "solely in accordance with the purpose for which such funds were collected and support the overall educational experience of students" (V.B).

Cause	Regulation 5790 was not adhered to.
Effect	Purchases made against the incorrect fund account may result in funds being misappropriated.
Recommendation	OAG recommends that the principal and finance assistant use the correct fund account when making procurement card purchases.

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

About Office of Auditor General

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)