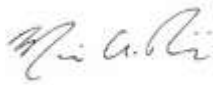


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

January 12, 2026

MEMORANDUM

To: Mr. Carl R. Bencal, Principal
Clarksburg Elementary School

From: Melvin A. Phillips, Supervisor, Internal Audit Unit 

Subject: Report on Audit of Independent Activity Funds for the Period
May 1, 2022, through October 31, 2025

Background

Independent Activity Funds (IAFs) of Montgomery County Public Schools (MCPS) are established to promote the general welfare, education, and morale of students, as well as to finance the recognized extracurricular activities of the student body. School principals are the fiduciary agents for the IAFs charged with determining the manner in which funds are raised and expended for activities such as field trips, admission events, and fundraisers. Principals are responsible for ensuring that the IAFs are administered in accordance with:

- Board Policy
- MCPS Regulation DIA-RA
- MCPS Financial Manual
- MCPS Business Center Memoranda and Tools

Clarksburg ES is located in Clarksburg, Maryland and is part of the Clarksburg cluster. At the time of this audit, Clarksburg ES reported total IAF assets of \$50,947. Of this balance, \$21,213 is in the Centralized Investment Fund (CIF), which pays a 3.28 percent annual interest rate. The school received annual commissions from the Interagency Coordinating Board (ICB), cell tower, and student pictures.

Audit Objective

The Internal Audit Unit (IAU) uses generally accepted auditing principles to provide an audit opinion on the school's financial activity by evaluating the adequacy of internal controls and compliance with Board of Education (Board) and MCPS regulations and procedures. Specifically, the audit seeks to obtain reasonable assurance that:

- Evidence of fraud was not identified within the IAF.
- Funds are safeguarded against loss, misappropriation, or misuse.

- Transactions are accurately recorded and fairly reported in the school's financial records.
- Receipts and disbursements are appropriate, properly documented, and consistent with the intended purpose of the funds.
- Instances of misappropriation, misreporting, or waste, if they exist, are identified and evaluated for materiality.

The IAU is free from organizational impairments to independence. The IAU administratively reports directly to the chief of staff of the Office of the Board of Education and functionally reports to the Montgomery County Board of Education's Fiscal Management Committee.

Methodology

The audit is not designed to examine every transaction but instead relies on risk-based sampling and other generally accepted audit procedures to provide reasonable assurance. Audit procedures include interviews with key staff, a review of prior audit findings and the status of related action plans, testing of transaction samples, and an on-site assessment of internal controls and procedures.

Audit Opinion:

Needs Improvement – Moderate Risk

Based on the results of our audit, we found IAF is generally well managed, with no evidence of fraud or material misappropriation, misreporting, or waste. However, some deviations from policy and opportunities for improvement were noted. These items are not considered high-risk when evaluated collectively.

In accordance with MCPS Regulation DIA-RA, *Accounting for Financial Operations/Independent Activity Funds*, use the attached action plan template to provide a written response, approved by the school's director of school leadership and improvement to the IAU within 30 calendar days of this report.

New Findings and Recommendations:

Finding 1 [High-Risk]: Cash receipts and checks were not properly handled or controlled. The school must follow the *MCPS Financial Manual*, chapter 7, *Cash Control of School Funds*, to handle cash receipts and checks. In our sample of receipts, we found that some sponsors were holding funds collected rather than remitting them to the secretary on a daily basis. We also noted at times funds were held by sponsors over allowable limits or over a weekend.

We recommend that all funds collected must be remitted to the secretary daily and entered into the accounting software to minimize the risk of loss and provide assurance that available funds will be fully utilized to meet school needs. We also recommend that all remittances on hand must be deposited promptly, and always before each weekend, end of the month, or holiday as infrequent

deposits increase the possibility of a loss of funds, diminish the school's ability to fund activities, and are contrary to the MCPS Financial Manual.

Finding 2 [Low-Risk]: The school has not utilized the proceeds generated from fundraising activities.

Fund-raising at the school must conform to the *Guidelines for Sponsoring an Independent Activity Fund Fund Raising Activity*. We found that guidelines were adhered to and sponsors were preparing fundraiser request forms to obtain principal approval prior to the start of an activity but the proceeds raised were accumulating rather than being spent on the intended purpose. The school's accumulated fundraiser amount was \$1,824 as of June 30, 2025.

We recommend that the proceeds raised be spent on the intended purpose at the conclusion of the event.

Exit Conference:

At our December 3, 2025, exit conference with Mr. Carl R. Bencal, principal, and Ms. Evette J. Vasquez, school administrative secretary, we reviewed the prior audit report dated June 17, 2022, and the status of the present conditions. You received a detailed report outlining each finding, best practices, and other areas for improvement. This audit report presents the findings and recommendations resulting from our examination of the IAF records and financial accounts for the school for the period designated.

We thank you for your cooperation. Based on the **Needs Improvement** status of your IAF audit, an action plan must be completed. Prior to returning your completed audit action plan, please contact Mr. Christophe Turk, director of school leadership and improvement, Division of School Leadership and Improvement, for written approval of your plan, based on the audit recommendations.

MAP:AMB:rg

Attachment

Copy to:

Members of the Board of Education
Dr. Taylor
Mrs. Alfonso-Windsor
Ms. McGuire
Dr. Moran
Ms. Seabrook
Mr. Francois

Mr. McGee
Mrs. Chen
Mr. Turk
Mrs. Ripoli
Mr. Santos Rodriguez
Ms. Webb

FINANCIAL MANAGEMENT ACTION PLAN

Report Date: January 12, 2026	Fiscal Year: 2026
School or Office Name: Clarksburg Elementary School	Principal: Mr. Carl Bencal
DSLI Associate Superintendent: Mr. Sean McGee	DSLI Director: Mr. Christophe Turk

Strategic Improvement Focus:
 As noted in the financial audit for the period 05/22-10/25, strategic improvements are required in the following business processes :

1) Cash receipts and checks were not properly handled or controlled 2) The school has not utilized the proceeds generated from fundraising activities.

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
School administrators and secretaries will remind staff of the expectations for handling cash receipts and checks during Pre-Service Week and throughout the year as they prepare to collect funds.	Carl Bencal, Principal Evette Vasquez, Administrative Secretary	PowerPoint / Slideshow	Attestation Form	Pre-Service Week and before a staff member begins to collect funds by Carl Bencal & Evette Vasquez	Meeting Agenda PowerPoint / Slideshow Completed Attestation Forms
Staff will remit all funds collected on a daily basis to the Administrative Secretary by the end of their scheduled workday.	Staff responsible for collecting funds for school related functions and activities	Pouch/folder to return funds and IAF Remittance Slips to the main office	Completed IAF Remittance Slips (MCPS Form 280-34)	Daily when funds are being collected by Evette Vasquez	Completed IAF Remittance Slips (MCPS Form 280-34) Bank Deposit Slips / Official Bank Receipts
Documentation of remitted funds will be entered daily into the School Funds Online (SFO) system.	Evette Vasquez, Administrative Secretary	Access to SFO software	SFO Receipts and SFO Deposit Analysis Reports	Daily when funds are being collected by Evette Vasquez	SFO Receipts and SFO Deposit Analysis Reports
Remitted funds will be deposited in the bank at the conclusion of each day.	Evette Vasquez, Administrative Secretary	Transportation to the bank	Bank Deposit Slips / Official Bank Receipts	Daily when funds are being collected by Evette Vasquez	Bank Deposit Slips / Official Bank Receipts

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
All sponsors will fully and accurately complete a Fundraiser Request Form which will clearly identify exactly how the proceeds from the fundraiser will be spent.	Sponsor	Fundraiser Request Form	Completed Fundraiser Request Form	Before any Fundraiser by Carl Bencal & Evette Vasquez	Completed Fundraiser Request Form
All funds raised during a fundraiser will be fully utilized and spent on the identified purpose for which those funds were raised.	Sponsor Carl Bencal Evette Vasquez	Fundraiser Request Form	Checks made payable to the intended recipient	After any Fundraiser by Carl Bencal & Evette Vasquez	Deposited checks made payable to the intended recipient
Each fundraiser will include a budget that addresses the use of any funds that exceeded the scope of funding necessary for the original intended purpose of the fund raiser.	Sponsor Carl Bencal Evette Vasquez	Budget Addendum attached to the Fundraiser Request Form	Completed Budget Addendum	Before and after any Fundraiser by Carl Bencal & Evette Vasquez	Completed Budget Addendum Deposited checks made payable to the intended recipient

DIVISION OF SCHOOL LEADERSHIP AND IMPROVEMENT (DSLID)

☒ Approved ☐ Please revise and resubmit plan by _____

Comments:

Director: _____



Date: 2/9/26