


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

May 15, 2025

MEMORANDUM

To: Ms. Heather B. Carias, Supervisor
Thomas Edison High School of Technology

From: Mary J. Bergstresser, Supervisor, Internal Audit Unit 

Subject: Report on Audit of Independent Activity Funds for the Period
November 1, 2023, through March 31, 2025

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. They are responsible for ensuring that the IAFs are administered in accordance with Board of Education policies and MCPS regulations and procedures.

The IAF audits are conducted regularly to evaluate compliance with policies, regulations, and procedures, and to review processes for continuous improvement. Generally accepted audit procedures guide the work of the auditors who examine samples of the IAF records and financial accounts selected from documentation of various activities to verify their accuracy, as well as to assess the effectiveness of financial control procedures. An IAF audit does not review every transaction or school activity but seeks to provide reasonable assurance that any significant errors or omissions in the financial records are detected.

At our May 6, 2025, meeting with you and Ms. Barbara J. Baliles, school financial specialist, we reviewed the prior audit report dated January 26, 2024, and the status of the present conditions. This audit report presents the findings and recommendations resulting from our examination of the IAF records and financial accounts for your school for the period designated above.

Findings and Recommendations

MCPS utilizes School Cash Online (SCO) payment module for managing the IAF in schools. School related activities must be made available online to promote consistency countywide. Schools must use SCO to manage activities, to include recording all cash and check payments and student waivers on the student records in the system for consistency and reporting purposes. We noted the financial specialist is not recording cash, check payment, and student waivers in SCO. We recommend that the school record all applicable cash, check payments, and waivers using SCO.

Notice of Findings and Recommendations

- Schools must record all school payments in School Cash Online.

Other matters were discussed and satisfactorily resolved. We appreciate the cooperation and assistance of your staff. In accordance with MCPS Regulation DIA-RA, *Accounting for Financial Operations/Independent Activity Funds*, using the attached action plan, please provide a written response to the Internal Audit Unit within 30 calendar days of this report. In your response, please share a detailed plan for addressing these issues, including appropriate staff training and support.

Prior to returning your completed audit action plan, please contact Dr. Joe L. Rubens Jr., director of school support and improvement, Office of School Support and Improvement, for written approval of your plan. Based on the audit recommendations, Dr. Rubens Jr. will indicate whether he will conduct an electronic review of your action plan or schedule a time to meet in person with you and your school financial specialist to support you with developing a well-defined plan to address the findings.

MJB:HT:rg

Attachment

Copy to:

Members of the Board of Education

Dr. Taylor

Mrs. Alfonso-Windsor

Ms. McGuire

Dr. Moran

Ms. Seabrook

Mr. McGee

Mr. Reilly

Mrs. Chen

Mrs. Gomez

Mr. Klausling

Mrs. Ripoli

Dr. Rubens Jr.

Ms. Webb

FINANCIAL MANAGEMENT ACTION PLAN

Report Date: May 6, 2025	Fiscal Year: 2025-2026
School or Office Name: Thomas Edison High School of Technology	Principal: Heather Carias
OSSI Associate Superintendent:	OSSI Director: Dr. Joe Rubens
<u>Strategic Improvement Focus:</u> As noted in the financial audit for the period <u>11/1/23 - 3/31/25</u> , strategic improvements are required in the following business processes : Schools must record all school payments in School Cash Online.	

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
Thomas Edison High School of Technology activities will be available on-line for all events and all students that require payment on School Cash On-line (SCO).	Barb Baliles, Financial Specialist . Heather Carias, Supervisor	Training offered by Lynn Besch	Leadership Conference (November 2025) SkillsUSA State Competition (March 2026) SkillsUSA National Competition (June 2026)	H. Carias will receive a print out from B. Baliles of students entered into SCO 2 weeks prior to each event.	All students that have a cost assigned to them for events associated with TEHST will be entered into SCO.
Thomas Edison High School of Technology will use SCO to manage activities, to include recording all cash and check payments and student waivers on the student records in the system for consistency and reporting purposes	Barb Baliles, Financial Specialist . Heather Carias, Supervisor	Training offered by Lynn Besch	Leadership Conference (November 2025) SkillsUSA State Competition (March 2026) SkillsUSA National Competition (June 2026)	H. Carias will see all forms of payment from B. Baliles and see how they are attached to SCO.	All payments/donations/waivers received will be accurately attached to the cost incurred by students through SCO.
Weekly meetings with Financial Specialist for SY 25-26 to ensure accuracy of financial processes. Two weeks prior to each event, the financial specialist will submit documentation that students are entered into SCO. Within a week of event completion, financial specialist will submit documentation of how payments were recorded in SCO.	Barb Baliles, Financial Specialist . Heather Carias, Supervisor	Training offered by Lynn Besch	Documentation from SCO provided two week prior to event for all student entered. And for all payments recorded within a week of event completion.	Weekly monitoring of financial process of B. Baliles by H. Carias	Financial Specialist will consistently and accurately post event fees to SCO for all students and record payments to SCO.
Complete the School Finance Training - Part 1 again to stay current with practices.	Heather Carias, Supervisor	PDO	Registered for Training on 11/18/25	November 2025	Supervisor will receive up to date information about the MCPS financial processes.

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence

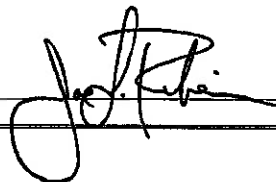
OFFICE OF SCHOOL SUPPORT AND WELL-BEING (OSSWB)

☒ **Approved**

☐ Please revise and resubmit plan by _____

Comments:

Director: _____



Date: 7/3/25