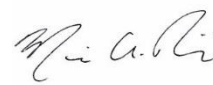


Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

October 13, 2025

MEMORANDUM

To: Mr. Brent T. Mascott, Principal
Weller Road Elementary School

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

Subject: Report on Audit of Independent Activity Funds for the Period
September 1, 2022, through August 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

Weller Road ES is located in Silver Spring, Maryland, and it is part of the Wheaton cluster and the Downcounty Consortium. Weller Road ES is a Title I School and a Community School. At the time of this audit, Weller Road ES reported total IAF assets of \$27,726. Of this balance, \$26,340 is in the Centralized Investment Fund (CIF), which pays a 3.28 percent annual interest rate. For the fiscal year ending June 30, 2025, the school reported total receipts of \$26,176 and total disbursements of \$25,586. Fundraising efforts resulted in net proceeds of \$624. Field trip activities generated receipts of \$8,785 and disbursements of \$10,594, resulting in a deficit for the year. This deficit was offset by a carryover balance from the previous year, utilizing those funds to cover costs and minimize expenses for students. In addition, the school received annual commissions from the Interagency Coordinating Board (ICB), Cell Tower, and Student Pictures to support student initiatives and activities. The School experienced one administrative secretary turnover during this audit period.

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) policies 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:

Need improvement – Moderate Risk

Based on the results of our audit, we noted that 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.

In accordance with MCPS Regulation DIA-RA, *Accounting for Financial Operations/Independent Activity Funds*, using the attached action plan template, 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.

Repeat Findings from Prior Audit:

Prior audit dated October 25, 2022, was conducted for audit period September 1, 2020, through August 31, 2022. No reportable finding was noted, and a clean audit opinion was issued to the school.

New Findings and Recommendations:

Finding 1 [Moderate-Risk]: Monthly account history reports were not provided to the sponsors for affirmation of transaction correctness and returned to the administrative secretary. The principal was reviewing and signing all sponsors' reports.

Sponsors of school activities that involve the collection or disbursement of IAF must be provided an account history report for each month in which transactions have been recorded in their account or the account has a balance. After any discrepancies are resolved, the statements must be signed and dated by the sponsor to attest to their accuracy. A procedure should be established to ensure that all statements are reviewed and returned (refer to the *MCPS Financial Manual*, chapter 20, page 10).

We recommend sponsors be given a monthly statement of their accounts and be required to verify that all transactions affecting the account have been correctly recorded.

Finding 2 [Moderate-Risk]: A commission check from Lifetouch for Fiscal Year 2022 was not received until September 2025. The delay occurred because the school did not request a year-end commission history report from Lifetouch to reconcile and verify all payments.

Delay in receiving commission payments may result in incomplete revenue records, misstatements in financial reporting, and potential cash flow issues.

We recommend that the school should request and review year-end commission history reports from the vendor at the end of the school fiscal year to ensure timely receipt and accurate reconciliation of commission payments.

Finding 3 [Low-Risk]: The principal has not completed the required training within the recommended three-year cycle.

Training in school finance is recommended every three years for both principals and school financial agents. The principal completed School Finance Training Part I in 2013. The principal is advised to retake Part I to remain in compliance with the three-year training cycle outlined in the *MCPS Financial Manual*, chapter 1, page 9.

We recommend that the principal should complete School Finance Training Part I as soon as possible and ensure participation in all subsequent trainings within the recommended three-year cycle to maintain compliance with the *MCPS Financial Manual*. Noncompliance with the recommended training schedule may result in gaps in knowledge of school financial procedures and policies, increasing the risk of errors in financial management and reporting.

Exit Conference:

At our September 26 2025, exit conference with Mr. Brent T. Mascott, Principal, and Mrs. Glenda Romero, school administrative secretary, we reviewed the prior audit report dated October 25, 2022, and the status of the present conditions. We discussed that the IAF funds were generally well managed, with effective oversight of field trips, fundraisers, and the receipt and disbursement of funds, ensuring compliance with Board policies and MCPS regulations and procedures, with only minor inconsistencies observed.

You received a comprehensive report outlining each finding, best practices, and items not reportable in the audit. 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 Dr. Joe Rubens, director of school leadership and improvement, Division of School Leadership and Improvement, for written approval of your plan. Based on the audit recommendations.

MAP:BK:rg

Attachment

Copy to:

Members of the Board of Education

Dr. Taylor

Mrs. Alfonso-Windsor

Ms. McGuire

Dr. Moran

Ms. Seabrook

Mr. McGee

Mrs. Chen

Mrs. Gomez

Mrs. Ripoli

Dr. Rubens

Mr. Santos Rodriguez

Ms. Webb

FINANCIAL MANAGEMENT ACTION PLAN

Report Date: 10/13/25	Fiscal Year: 2025-2026
School or Office Name: Weller Road ES	Principal: Brent Mascott
DSLI	DSLI
Associate Superintendent: Sean McGee	Director: Joe Rubens

Strategic Improvement Focus:

As noted in the financial audit for the period 2022-2025 _____, strategic improvements are required in the following business processes :

Finding 1 : Sponsor Monthly Reports; Finding 2: Commissions Report from the school photographer; Finding 3 : Principal Financial Training

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
Administrative Secretary will email each sponsor their monthly report to obtain their signature	Glenda Romero, Administrative Secretary	MCPS Business Center/Month End Checklist (ES)	Copy of emails sent Signatures of singed reports	Ms. Romero, Admin Secretary Monthly	The principal, Mr. Mascott, will review the sponsor reports by the 20th of each month.
Administrative Secretary, at the end of the school year, will request a year-end commission report from the photography company to verify the school is receiving the correct amount of the commission.	Glenda Romero, Administrative Secretary	School Fiscal Agent Finance Toolkit	Copy of email sent End-of-year commission report	Ms. Romero, Admin Secretary and Mr. Mascott, Principal End of the school year	The principal, Mr. Mascott, will sign the end-of-year commission report verifying the correct amount received by the school.
Principal will register for the required Financial Training.	Brent Mascott, Principal	PDO Training	Completed training	Registered for November 18	PDO completion Online

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

DIVISION OF SCHOOL LEADERSHIP AND IMPROVEMENT (DSL)

☒ **Approved**

☐ **Please revise and resubmit plan by _____**

Comments:

Director: _____ Date: 10/27/25

