


Internal Audit Unit  
MONTGOMERY COUNTY BOARD OF EDUCATION  
Rockville, Maryland

June 18, 2025

MEMORANDUM

To: Ms. Nora E. Collins, Principal  
Wheaton Woods Elementary School

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

Subject: Report on Audit of Independent Activity Funds for the Period  
April 1, 2022, through April 30, 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 June 6, 2025, meeting with you and Ms. Erika A. Amaya Maravilla, school administrative secretary (secretary), we reviewed the prior audit report dated May 5, 2022, and the status of the present conditions. It should be noted that Ms. Amaya Maravilla's appointment as secretary was effective March 19, 2025. 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 Form 280-54, *Independent Activity Funds Request for a Purchase*, is used to obtain principal approval to proceed with an intended purchase (refer to the *MCPS Financial Manual*, chapter 20, page 4). The purpose of each disbursement must be fully explained on this form to properly record expenditures in appropriate accounts and to ensure that expenditures comply with IAF requirements. Invoices for goods or services must be signed by the purchaser to indicate satisfactory receipt. The secretary will then mark the documentation as "paid" prior to disbursing

the funds. In our sample of disbursements, prior approval was not consistently obtained, MCPS Form 280-54 was not always signed and dated by principal, and the former secretary was not completing MCPS Form 280-54 for iPayments. We also noted instances in which controls over purchases were weakened including documentation supporting purchases were not stamped or marked “paid”, and invoices and online purchase confirmations were not always signed by the receiver to indicate goods or services were received, and that payment could be processed. We also found that many check requests were not filled out completely by sponsors and the former secretary. We recommend that MCPS Form 280-54 be prepared by staff with an estimate of expected expenditure and signed by the principal at the time verbal approval is sought and that your secretary completes MCPS Form 280-54 for all iPayments. MCPS Form 280-54 must be completed in full by sponsor, secretary, and principal to include account name/number to be charged, the request date, the balance available in the account, and the signatures of the sponsor, secretary, and principal. After MCPS Form 280-54 is approved and payment is processed the secretary must complete part B to include the following information: check date, check number and check amount. We also recommend that all support documents be marked paid, and when goods are received at the school that the purchase be verified as complete by the recipient and that the invoice/packing slip be marked “received” and signed/dated by the recipient. Requiring invoices to be marked “received” ensures that goods or services have been satisfactorily received prior to payment.

To properly control funds, all cash and checks collected by sponsors for IAF activities must be remitted promptly to the secretary. These funds must then be verified in the presence of the remitter and a receipt that is supported by MCPS Form 280-34, *Independent Activity Fund (IAF) Remittance Slip*, must be issued promptly (refer to the *MCPS Financial Manual*, chapter 7, page 5). A pre-numbered receipt shall be completed by the secretary, and the original shall be given to the person who remitted the funds. This establishes documentary evidence for both parties that provides a written record of the source and amount of the funds for accounting purposes (refer to the *MCPS Financial Manual*, chapter 7, page 4). These receipts must be deposited promptly, and all receipts must be deposited on the last working day of each month and before each weekend or holiday (refer to the *MCPS Financial Manual*, chapter 7, pages 4-5). Every receipt shall be attached to the remittance slip and any other source documentation and be filed in sequential order together with a copy of the deposit slip validated by the bank. We noted at times that sponsors collecting funds were holding funds rather than remitting them timely to the former secretary and the former secretary was not always making timely deposits and was holding money in excess of permitted amounts. We noted that the former secretary did not always have complete deposit packages filed in sequential order and did not give the original pre-numbered receipt to the sponsor. 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*. To minimize the risk of loss and provide assurance that available funds will be fully utilized to meet school needs, all funds collected must be remitted to the secretary daily and entered into the accounting software. A pre-numbered receipt must be given to the sponsor to acknowledge the receipt. In addition, all remittances on hand must be deposited promptly, and always before each weekend, end of the month, or holiday.

Field trips must be conducted in accordance with MCPS Regulation IPD-RA, *Travel-Study Programs, Field Trips and Other Student Organization Trips*. Trip approval forms, signed by the principal, must contain all expense information, any subsidy information, and the field trip cost to be charged per student documented on the most current revision of the MCPS field trip calculator. The administrative secretary must review the approval form for accuracy and establish a separate account in the IAF for each trip and add the item in School Cash Online (SCO). Sponsors can then communicate final cost for each trip and begin the collection of funds. The sponsor is responsible for maintaining a roster of student names to annotate the amount each student paid, the date paid, eligible students who did not participate in the trip, and students who received waivers, scholarships, or reduced fees. This data, together with a list of all chaperones and volunteers, must be provided to the secretary at the completion of each trip and compared to remittances recorded in the trip account history report (refer to the *MCPS Financial Manual*, chapter 20, page 10). The SCO item attachment report may replace the field trip accounting sheet as long as all eligible students have data entered such as paid, waived, scholarship or did not attend. This report must be reviewed and initialed by the sponsor. We found that not all field trip documentation was on file, not all sponsors were providing completed data at the conclusion of each trip, and that data was not being reconciled to the final account history report by the former secretary. We recommend that all trips be made available for payment on SCO, required documentation be kept on file for audit, and that field trip sponsors use MCPS Form 280-41, *Field Trip Accounting*, or its equivalent to provide complete data at the conclusion of each trip. In addition, this data must be reconciled by the secretary with remittances recorded in activity accounts.

### **Notice of Findings and Recommendations**

- Disbursements must be pre-approved by the principal using MCPS Form 280-54 completed in its entirety.
- Purchaser must confirm receipt of goods or services prior to disbursement, and all documents must be stamped paid.
- Cash and checks (funds) collected by sponsors must be remitted promptly to the secretary.
- Cash and checks (funds) remitted by sponsors must be promptly verified and receipted, prior to being deposited in the bank by the secretary.
- Field trip request forms must contain all relevant information, sponsors must provide comprehensive data at the completion of each trip, and the secretary must reconcile funds collected.

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 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 secretary 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

Mr. Francois

Mrs. Gomez

Mr. Klausling

Mrs. Ripoli

Dr. Rubens

Ms. Webb

## FINANCIAL MANAGEMENT ACTION PLAN

<b>Report Date:</b> June 18, 2025	<b>Fiscal Year:</b> 2025
<b>School or Office Name:</b> Wheaton Woods ES	<b>Principal:</b> Nora Collins
<b>OSSI</b> <b>Associate Superintendent:</b> Sean P. McGEE	<b>OSSI</b> <b>Director:</b> Dr. Joe L. Rubens
<b><u>Strategic Improvement Focus:</u></b> As noted in the financial audit for the period <u>04/1/22-04/30/25</u> , strategic improvements are required in the following business processes :  Pre-approval of Disbursements, Verification of Goods and Services, Cash Handling and Remittance Procedures, Receipting and Deposit Documentation. (Please see Google)	

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
1. Disbursements must be pre-approved by the principal using MCPS Form 280-54 completed in its entirety: Staff will need to complete MCPS Form 280-54 with all required fields and obtain the principal's signature before making any purchases, including iPayments	Secretary, Sponsors, Principal	MCPS Form 280-54 MCPS Business Center MCPS finan...	Monthly file review of disbursement packets	Principal, Monthly	The current secretary has trained staff; forms are now being completed according to audit requirements.
2. Purchaser must confirm receipt of goods/services before disbursement, and all documents must be stamped "PAID.": Purchasers will sign and date invoices upon receipt; the secretary will stamp 'PAID' after processing the reimburse	Purchasers, Secretary	"RECEIVED" and "PAID" stamps MCPS Business Center...	Structured monitoring of purchasing files to ensure all receipts are properly signed, dated, and stamped 'PAID'	Secretary – Bi-weekly	Staff are following procedures; documents are signed and stamped appropriately.
3. Cash/checks collected by sponsors must be promptly remitted to the secretary: Sponsors will be required to submit all collected funds by 1:00 p.m. to allow sufficient time for same-day deposit processing. MCPS Form 280-34 will need to be fully completed and submitted with all remittances.	Sponsors, Secretary	Remittance Slip (280-34), MCPS Business Center...	Daily review of fund submissions	Secretary – Daily; Principal – Weekly	Sponsors are submitting funds promptly; procedures are being followed consistently.
4. Remitted funds must be promptly verified and receipted before deposit: The secretary will verify funds in the presence of the sponsor, record all transactions in SCO (if the item is listed in SCO; otherwise, in SFO), issue a receipt, log the transaction, and ensure timely deposit. Staff will be expected to maintain active SCO accounts and...	Sponsors, Secretary	Remittance Slip (280-34),  Receipts, Bank Deposit Slips...	Deposit and receipt records are audited weekly to ensure compliance with MCPS financial procedures. Sponsors use SCO to track payments.	Secretary and Principal – Weekly	Deposits are made timely; receipts issued and documentation filed correctly

Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
5. Field trip forms must be complete; data must be submitted by sponsors; funds must be reconciled: Sponsors must submit final payment data using either SCO reports or MCPS Form 280-41. The secretary will verify this information against account records and ensure all reports are signed by the sponsor. Sponsors are also responsible ...	Sponsors, Secretary	Field Trip Forms (280-41), MCPS Business Center ...	Review of final trip packet and reconciliation sheet	Secretary and Principal – After each trip	Staff have been following reconciliation procedures; documentation complete and accurate.
Financial Procedures & Expectations: The secretary has trained staff on audit procedures and shared a centralized folder with all required financial forms, including the field trip package. She will present a PowerPoint during pre-service week to reinforce expectations and share it with all staff.	Secretary	MCPS Business Center Financial PowerPoint...	Training attendance, informal feedback.	Secretary and Principal-Pre-service week	Staff are currently completing all required forms and procedures accurately; training materials will support continued compliance.

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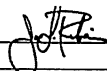
**OFFICE OF SCHOOL SUPPORT AND WELL-BEING (OSSWB)**

☒ Approved

☐ Please revise and resubmit plan by \_\_\_\_\_

Comments:

Director: \_\_\_\_\_



Date: 7/28/25