

**Fairfax
County
Public
Schools**

**Office of
Internal Audit**

**A Report to the
Audit
Committee**

**School Activity Funds Audit
For Year Ended June 30, 2013**

October 2013

Executive Summary	1
Background	1
Audit Scope and Methodology	2
Conclusion	4
Statement of Cash Receipts & Disbursements	5
Schools with No Reportable Findings	13
Audit Findings & Management's Responses	14
Summary of Audit Results by School	28

Executive Summary

The school activity funds of the Fairfax County Public Schools (FCPS) were audited for the period from July 1, 2012 to June 30, 2013, in accordance with the requirements of the Virginia Board of Education. The Board of Education regulations require that the school activity funds be audited at least once a year by a duly qualified accountant or accounting firm approved by the local school board [8VAC20-240-40]. The purpose of the audit was to determine if cash balances were properly stated as of June 30, 2013, and to determine the level of compliance with provisions of laws, regulations, contracts, policies, and procedures. The school activity accounts were examined as of year-end for the 201 sites in the division.

Audit results are based on School Board policies, regulations, accounting procedures, and proper internal controls. The results were provided to each individual school/office detailing the findings noted during the audit and any suggestions for improvement. Schools are subject to either a full audit conducted on site or desk audit procedures based on a risk assessment which considers prior audit results, employee turnover, total balance in all accounts, and date of last full audit. Elementary schools will receive a full audit every three years, middle schools every other year, and high schools every year. However, based on the results of the risk assessment, a school may be audited on a more frequent basis. The major difference between a full audit and a desk audit is the depth of testing conducted. Additional information regarding the audit process has been included in the methodology section of this report. Schools that received a significant number of audit finding or comments were referred to their financial support team contact for additional training and guidance. The audit results of two high schools, eleven middle schools, seventy-seven elementary schools, five other schools/centers, and one department were positive with no reportable findings. See page 13 for a list of these 96 schools.

Background

During the 2013 school year, FCPS had 139 elementary schools, 23 middle schools, 25 secondary/high schools, 2 alternative high schools, 7 special education centers, 2 academies, an adult high school, Adult and Community Education, and the Department of Special Services managing activity funds. Each of these sites had its own school activity funds which provided clear and concise accountability of all funds collected from students and subsequently expended on their behalf. The Board of Education defines school activity funds as "...all funds derived from extracurricular school activities, including entertainments, athletic contests, cafeterias, club dues, and all other activities of the school involving school personnel, students, or property."

FCPS prepares the school activity funds financial statement on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. This accounting method is where revenues are recognized when received rather than when earned, and expenditures are recognized when paid rather than when the obligation is incurred. As a result, schools do not report student obligations [accounts receivable] or amounts owed to vendors [accounts payable]. Fixed assets and inventories are not recorded as assets and are not depreciated. The activity and club funds are comprised of numerous extracurricular school activities, groups, and clubs existing in the schools for the benefit of the students. School activity funds essentially belong to the student

organizations at each individual school and are reported as fiduciary funds in the division's published financial report.

The FCPS School Board and administration are responsible for developing and administering rules, regulations, and procedures to ensure school activity funds are properly administered. However, the responsibility for administering activity funds in accordance with the regulations and procedures has been assigned to the principals at the individual schools.

Scope and Methodology

We have audited the accompanying statement of cash receipts and disbursements of the FCPS school activity funds for the year ended June 30, 2013. This financial statement is the responsibility of management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Government Auditing Standards also require that we consider internal controls over financial reporting and compliance with requirements of laws and regulations. The management of FCPS is responsible for establishing and maintaining effective internal controls. In planning and performing our audit, we considered FCPS' internal controls over compliance with requirements for financial reporting as a basis to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of management's compliance with certain provisions of laws and regulations. Our objective was not to provide an opinion on overall compliance with applicable laws and regulations. Accordingly, we do not express such an opinion.

The results of our tests indicate that FCPS' management was in substantial compliance with provisions of laws, regulations, contracts, policies, and procedures. With respect to items not tested, nothing came to our attention that caused us to believe that FCPS' management had not complied, in all material respects, with other provisions of laws or regulations.

The principal of each school is responsible for the financial records, which reflect the receipt and disbursement of student funds.

As noted earlier in this report, schools are subject to either a full audit conducted on site or desk audit procedures based on a risk assessment. At the end of the fiscal year 2012 school activity fund audit process, a risk assessment was developed to assist in the scheduling of school audits. The assessment considers prior audit results, employee turnover, total balance in all accounts, and date of last full audit. Elementary schools will receive a full audit every three years, middle schools every other year, and high schools every year. However,

based on the results of the risk assessment, a school may be audited on a more frequent basis. Additionally, a school may be added to the full audit schedule:

- At the request of the principal or cluster assistant superintendent
- Upon a recommendation from the Financial Services, school support team
- If school responses to the internal control questionnaire reveal control weaknesses
- If the school had significant findings noted during the Internal Audit continuous audit process

The major difference between a full audit and a desk audit is the depth of testing conducted. The desk audit process consisted of determining that:

- Beginning balances as of July 1 agreed to the prior year ending audited balances
- Accounts, as of 06/30/13, did not end with a deficit balance
- Accounts were active for the 2013 audit period
- Advanced appropriated fund balance, as of 06/30/13, did not exceed \$10
- There were no significant findings noted as a result of the continuous audit processes conducted during the 2013 audit period
- The 06/30/13 reconciliation of all accounts, checking and savings/investment, were properly completed and could be duplicated, without exception, by auditors
- Outstanding deposits, as of 06/30/13, did not exceed five days
- Outstanding checks, as of 06/30/13, did not exceed 180 days
- Internal control weaknesses were not revealed in the internal control questionnaire completed by the principal and finance technician/administrative assistant

In addition to the above, the full audit process included an examination of:

Cash Receipts

- Controls and safeguards over cash receipts
- Timeliness of deposits
- Verification that receipts were deposited in the same form collected and into the appropriate account
- Collections by staff and the timely transmittal of these receipts to the finance technician/administrative assistant
- Bank reconciliations were examined for completeness, accuracy, and timeliness
- A sample of receipts were examined for accuracy and compliance with policies, regulations, and procedures

Cash Disbursements

- Verification that purchases made for goods and services were allowable for the source of funds used
- Purchases were made in accordance with policies, regulations, and procedures
- A sample of expenditures was examined for proper supporting documentation and compliance with policies, regulations, and procedures

Other Areas

- Fund transfers were examined for proper approval and use
- Deficit accounts were examined for reasonableness
- Other accounts were examined as to the purpose, source, and use of funds

Testing sample sizes were based on our knowledge of the Great Plains accounting system, past audit issues, and the requirements outlined in guidelines/regulations provided to schools. The auditor reviewed all transactions for reasonableness and for unusual items. Additional testing was completed where warranted. Sampling methodology was established as follows:

	High Schools Secondary Schools	Middle Schools	Elementary Schools Alternate High Schools Centers
Receivables **			
Randomly Selected	15	15	15
Total Sample	15	15	15
Disbursements ***			
Randomly Selected	30	20	10
Judgmentally Selected	10	10	10
Total Sample	40	30	20
Judgmentally Selected Samples for the following:			
LSAF Procurement Card Transactions	15	10	5
Educational Contingency Account (ECA) Receipts	5	5	5
Administrative Account Disbursements	5	5	5
Transfer Vouchers	5	5	5
Advanced Appropriated Funds (AAF) Disbursements	5	5	5
Disbursements to principal, assistant principals, finance technicians	5	5	5

The base sample, as shown in the sampling methodology chart above for full audits, resulted in more than 7,000 transactions, with a total value of approximately \$5.7 million, being selected for review. In addition to the individual transaction testing, bank reconciliations for all accounts, outstanding checks, outstanding invoices, outstanding purchase orders, procurement card statement reconciliations, and other miscellaneous documents were reviewed. The value of this additional testing was not captured. In addition, the value of the testing performed as part of the desk audits was not captured. Therefore, the total dollar value of all items tested exceeded the \$5.7 million base sample value.

Conclusion

In our opinion, the financial statement included in this report presents fairly, in all material respects, the school activity funds cash balance as of June 30, 2013, and the recorded cash transactions for the year then ended using the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
High Schools:						
Annandale	\$ 271,807.21	\$ 1,855,068.61	\$ 1,868,304.77	\$ 219,289.73	\$ 219,289.73	\$ 258,571.05
Centreville	309,941.39	2,668,128.68	2,678,001.73	261,143.45	261,143.45	300,068.34
Chantilly	398,073.11	2,674,009.61	2,695,880.71	244,085.63	244,085.63	76,202.01
Edison	308,492.82	1,246,579.76	1,260,377.23	182,487.31	182,487.31	94,695.35
Fairfax	699,971.61	2,971,484.31	3,037,471.49	347,941.82	350,641.82	631,284.43
Falls Church	234,972.06	1,553,223.07	1,528,691.24	214,519.63	214,519.63	259,503.89
Hayfield	516,388.44	2,583,399.78	2,596,059.59	235,865.17	235,865.17	503,728.63
Herndon	495,219.22	2,328,214.43	2,373,913.91	352,893.76	352,893.76	449,519.74
Lake Braddock	591,501.78	3,687,400.98	3,778,960.39	433,669.11	441,083.09	492,528.39
Langley	566,998.33	4,682,214.84	4,675,488.97	454,795.61	454,795.61	573,724.20
Lee	256,590.81	1,577,693.44	1,504,313.02	266,038.91	266,038.91	329,971.23
Madison	585,783.17	3,369,400.80	3,431,834.86	383,738.57	383,738.57	523,349.11
Marshall	310,338.50	1,928,364.37	1,897,897.38	322,991.27	322,918.22	340,878.54
McLean	636,122.02	2,501,054.61	2,512,647.11	207,058.08	207,058.08	624,529.52
Mount Vernon	202,391.42	1,764,388.74	1,692,256.32	265,353.98	265,248.52	274,629.30
Oakton	429,886.12	4,196,583.75	4,230,372.37	437,688.44	438,038.44	395,747.50
Robinson	488,455.69	4,362,601.70	4,340,498.90	772,231.28	772,231.28	510,558.49
South County	597,279.53	2,936,509.18	3,063,160.66	643,241.66	643,241.66	470,628.05
South Lakes	296,962.66	3,596,252.80	3,313,056.31	729,739.21	992,862.87	317,035.49
Stuart	161,995.89	1,386,456.01	1,361,167.63	162,386.78	162,386.78	187,284.27
Thomas Jefferson	729,752.52	3,150,290.27	3,172,148.61	321,590.16	321,590.16	707,894.18
West Potomac	327,110.82	2,833,125.98	2,804,047.03	570,850.32	570,932.60	356,107.49
West Springfield	608,642.29	2,620,803.31	2,741,965.73	473,224.53	473,224.53	487,479.87
Westfield	464,971.78	3,400,902.90	3,264,791.49	395,225.67	395,225.67	601,083.19
Woodson	313,554.59	2,883,737.10	2,946,476.79	425,608.85	425,336.70	251,087.05
Subtotal	10,803,203.78	68,757,889.03	68,769,784.24	9,323,658.93	9,596,878.19	10,518,089.31

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
Middle Schools:						
Carson	141,729.97	782,125.38	806,581.52	80,292.73	80,292.73	17,273.83
Cooper	254,821.41	566,707.44	556,300.20	60,346.45	60,346.45	265,228.65
Franklin	219,356.27	444,419.17	432,772.52	96,612.71	96,612.71	231,002.92
Frost	142,841.88	633,696.50	644,658.02	98,390.61	98,390.61	131,880.36
Glasgow	87,344.24	298,715.59	304,088.00	42,414.03	42,414.03	81,971.83
Herndon	113,154.79	422,356.56	458,091.34	75,706.91	75,696.74	77,430.18
Holmes	54,550.70	302,971.32	302,285.78	69,014.71	69,014.71	55,236.24
Hughes	31,141.03	338,534.06	335,425.71	74,524.98	74,524.98	34,249.38
Irving	253,154.22	305,095.15	295,342.33	76,847.91	76,847.91	262,907.04
Key	38,831.13	285,246.06	301,690.85	64,083.55	64,083.55	22,386.34
Kilmer	75,678.54	740,189.70	739,658.27	96,284.15	96,284.15	76,209.97
Lanier	102,131.19	771,645.95	773,868.36	63,972.69	63,952.69	99,928.78
Liberty	220,950.26	507,307.75	503,631.98	63,002.92	63,002.92	224,626.03
Longfellow	63,809.23	1,188,314.68	1,140,518.54	105,072.26	105,072.26	111,605.37
Luther Jackson	157,237.27	568,762.74	582,513.54	28,938.27	28,938.27	143,486.47
Poe	61,992.35	256,568.63	274,106.80	84,932.12	84,932.12	44,454.18
Rocky Run	106,990.54	828,364.97	807,939.69	79,873.52	79,873.52	127,415.82
Sandburg	124,135.83	452,855.80	439,884.28	40,311.55	40,474.39	136,944.51
South County	0.00	411,240.88	341,687.58	60,602.88	60,602.88	69,553.30
Stone	130,011.47	405,060.55	396,908.17	62,388.72	62,388.72	138,163.85
Thoreau	120,503.48	641,366.89	644,144.15	114,934.59	114,934.59	117,726.22
Twain	34,451.95	336,966.37	331,203.67	36,770.98	36,770.98	40,214.65
Whitman	13,776.66	470,633.25	455,581.69	45,301.94	45,301.94	28,828.22
Subtotal	2,548,594.41	11,959,145.39	11,868,882.99	1,620,621.18	1,620,753.85	2,638,724.14

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
Elementary Schools:						
Aldrin	37,899.24	189,125.28	174,092.93	37,407.99	37,407.99	52,931.59
Annandale Terrace	44,808.84	81,628.81	89,311.17	12,796.81	12,796.81	37,126.48
Armstrong	30,857.67	147,027.91	142,129.83	34,687.72	34,687.72	35,755.75
Bailey's	10,289.89	317,474.57	320,246.47	35,682.34	35,682.34	7,517.99
Beech Tree	6,897.48	53,596.84	53,423.18	2,628.76	2,635.74	7,064.16
Belle View	6,037.64	152,419.51	149,484.14	24,517.10	24,517.10	8,973.01
Belvedere	31,765.48	82,538.23	89,530.45	3,109.73	3,109.73	24,773.26
Bonnie Brae	122,395.30	177,229.41	187,066.22	8,757.02	8,757.02	112,558.49
Braddock	6,495.99	77,105.75	74,146.45	20,168.52	20,168.52	9,455.29
Bren Mar Park	42,756.98	86,954.52	89,754.55	1,334.43	1,334.43	39,956.95
Brookfield	37,984.69	180,258.28	197,858.79	3,118.93	3,118.93	20,384.18
Bucknell	6,788.59	17,726.77	12,349.64	0.00	0.00	12,165.72
Bull Run	49,166.47	247,052.36	251,279.14	27,921.90	28,002.90	44,858.69
Bush Hill	9,946.72	112,431.96	113,996.12	20,350.77	20,350.77	8,382.56
Camelot	57,325.46	100,557.80	119,627.83	2,923.74	2,923.74	38,255.43
Cameron	7,710.08	211,611.27	200,127.90	37,726.29	37,726.29	19,193.45
Canterbury Woods	15,070.75	240,626.42	237,720.53	23,809.62	23,809.62	17,976.64
Cardinal Forest	59,020.94	67,843.50	71,605.69	1,397.24	1,397.24	55,258.75
Centre Ridge	19,871.89	143,832.40	149,045.66	10,805.36	10,805.36	14,658.63
Centreville	12,726.99	182,844.79	186,297.98	18,125.28	18,125.28	9,273.80
Cherry Run	10,003.47	174,002.90	171,972.00	3,482.80	3,792.14	11,725.03
Chesterbrook	28,558.39	352,726.56	361,477.96	28,827.62	28,827.62	19,806.99
Churchill Road	38,014.07	517,135.42	463,675.36	55,878.89	55,878.89	91,474.13
Clearview	24,739.29	92,411.34	87,492.42	19,014.05	19,014.05	29,658.21
Clermont	17,649.67	194,510.99	203,296.31	32,006.83	32,006.83	8,864.35
Coates	19,026.99	128,719.80	128,109.54	10,269.11	10,269.11	19,637.25
Columbia	51,269.55	54,648.45	59,912.89	18,838.17	18,838.17	46,005.11
Colvin Run	12,168.28	333,153.67	324,883.72	46,595.35	46,595.35	20,438.23
Crestwood	10,436.77	108,220.39	104,855.41	14,085.53	14,085.53	13,801.75

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
Elementary Schools, continued:						
Crossfield	32,778.86	89,640.42	105,202.86	14,513.40	14,513.40	17,216.42
Cub Run	49,453.21	113,140.14	103,609.25	5,489.62	5,489.62	58,984.10
Cunningham Park	18,310.56	44,548.47	47,458.31	5,432.60	5,432.60	15,400.72
Daniels Run	53,098.21	232,675.98	217,651.57	20,051.78	22,461.52	65,712.88
Deer Park	28,080.30	159,544.50	164,609.82	12,648.17	12,648.17	23,014.98
Dogwood	36,142.76	156,066.36	175,291.26	22,103.35	22,103.35	16,917.86
Dranesville	34,891.57	180,749.78	186,818.95	28,205.72	28,205.72	28,822.40
Eagle View	16,007.76	135,530.33	132,487.94	18,157.65	18,209.06	18,998.74
Fairfax Villa	64,031.27	110,502.26	115,098.02	16,361.74	16,361.74	59,435.51
Fairhill	4,909.34	115,201.99	101,997.84	5,200.26	5,200.26	18,113.49
Fairview	75,752.67	152,113.78	131,762.23	4,367.82	4,080.04	96,392.00
Flint Hill	37,633.12	151,129.34	158,454.55	5,309.41	5,309.41	30,307.91
Floris	67,631.72	194,068.97	203,146.09	23,114.23	23,114.23	58,554.60
Forest Edge	43,619.69	189,577.48	193,814.89	25,826.22	26,031.22	39,177.28
Forestdale	7,318.27	123,150.07	122,406.20	6,830.96	6,830.96	8,062.14
Forestville	23,988.95	158,303.06	147,182.17	3,068.95	3,068.95	35,109.84
Fort Belvoir	194,199.10	142,556.85	148,908.82	91,728.36	91,728.36	187,847.13
Fort Hunt	107,643.30	122,166.59	115,713.48	5,456.79	5,456.79	114,096.41
Fox Mill	64,068.44	166,193.65	165,754.21	34,938.05	34,938.05	64,507.88
Franconia	46,216.85	49,798.47	64,878.31	1,258.31	1,258.31	31,137.01
Franklin Sherman	39,453.53	137,590.26	127,392.79	34,946.41	34,946.41	49,651.00
Freedom Hill	39,170.48	262,609.39	262,744.64	5,674.64	5,674.64	39,035.23
Garfield	37,071.25	66,232.08	56,604.08	15,892.71	15,892.71	46,699.25
Glen Forest	51,360.37	216,618.75	227,658.92	5,981.56	5,981.56	40,320.20
Graham Road	18,983.60	50,245.82	49,427.20	8,268.86	8,268.86	19,802.22
Great Falls	41,252.14	81,080.36	76,985.95	14,095.43	11,994.63	47,447.35
Greenbriar East	19,739.94	95,618.35	91,979.64	5,502.88	5,502.88	23,378.65
Greenbriar West	57,232.89	248,178.07	256,141.75	16,089.92	16,089.92	49,269.21
Groveton	9,787.73	119,676.54	122,161.92	12,418.90	12,418.90	7,302.35

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
Elementary Schools, continued:						
Gunston	25,313.68	114,857.33	115,268.07	16,431.82	16,431.82	24,902.94
Halley	44,238.24	134,517.99	151,495.59	11,820.48	11,820.48	27,260.64
Haycock	54,157.12	298,066.28	267,647.76	48,996.55	46,354.75	87,217.44
Hayfield	30,009.85	213,514.10	214,703.80	46,687.84	46,737.84	28,770.15
Herndon	24,815.11	145,232.70	146,894.83	19,712.25	19,712.25	23,152.98
Hollin Meadows	113,684.95	250,582.69	226,696.26	25,250.88	25,250.88	137,571.38
Hunt Valley	96,371.24	182,654.21	189,212.61	11,198.26	11,198.26	89,812.84
Hunters Woods	22,284.14	189,440.54	186,218.65	7,056.27	7,056.27	25,506.03
Hutchison	42,600.02	188,834.89	150,606.60	34,903.11	37,403.11	78,328.31
Hybla Valley	46,433.50	112,838.42	108,178.57	15,143.74	18,611.89	47,625.20
Island Creek	53,163.25	150,421.72	151,870.20	8,526.47	8,526.47	51,714.77
Keene Mill	37,371.80	120,819.21	143,251.36	25,168.13	25,168.13	14,939.65
Kent Gardens	14,656.14	349,966.54	356,821.46	7,116.52	7,116.52	7,801.22
Kings Glen	37,077.41	155,522.08	165,654.74	27,550.03	27,550.03	26,944.75
Kings Park	71,216.65	129,085.45	113,467.04	4,409.76	4,409.76	86,835.06
Lake Anne	31,745.42	115,930.57	104,722.54	20,175.34	20,175.34	42,953.45
Lane	39,915.88	125,330.56	120,215.42	2,520.57	2,177.98	45,373.61
Laurel Hill	28,167.66	159,007.84	149,104.17	22,540.12	22,540.12	38,071.33
Laurel Ridge	57,768.97	177,378.96	153,286.63	52,900.78	53,157.46	81,604.62
Lees Corner	118,288.89	189,519.42	183,201.22	10,308.08	10,308.08	124,607.09
Lemon Road	46,203.19	92,975.37	108,816.27	1,447.62	1,447.62	30,362.29
Little Run	20,685.07	78,095.79	85,396.38	13,585.92	13,664.92	13,305.48
London Towne	63,865.99	161,240.03	169,652.79	7,790.71	7,790.71	55,453.23
Lorton Station	55,568.15	142,498.64	143,581.83	15,795.22	17,084.47	53,195.71
Louise Archer	87,485.43	308,763.77	293,961.53	1,402.76	1,402.76	102,287.67
Lynbrook	11,580.63	84,471.43	79,862.02	14,707.01	14,707.01	16,190.04
Mantua	92,233.05	300,002.02	323,320.06	72,948.18	72,948.18	68,915.01
Marshall Road	58,263.43	171,710.74	170,839.99	125,054.08	125,054.08	59,134.18
Mason Crest	0.00	111,965.78	106,932.86	549.03	549.03	5,032.92

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
Elementary Schools, continued:						
McNair	48,380.85	441,650.61	453,504.16	35,090.96	35,290.96	36,327.30
Mosby Woods	49,244.84	169,066.88	161,594.78	1,529.17	1,529.17	56,716.94
Mount Eagle	13,796.27	46,153.09	42,920.31	3,186.28	3,230.36	16,984.97
Mount Vernon Woods	9,245.78	68,090.74	64,220.45	7,906.22	7,548.86	13,473.43
Navy	83,231.96	180,603.91	164,230.13	17,101.34	17,101.34	99,605.74
Newington Forest	30,643.67	153,752.78	155,851.23	23,141.71	23,141.71	28,545.22
North Springfield	20,909.37	152,177.07	139,035.69	36,129.48	35,157.58	35,022.65
Oak Hill	23,522.75	265,262.72	266,571.97	25,152.82	25,152.82	22,213.50
Oak View	50,019.93	181,228.67	183,678.64	11,495.91	11,495.91	47,569.96
Oakton	77,353.96	88,396.50	81,736.36	19,798.33	19,798.33	84,014.10
Olde Creek	79,552.49	139,744.41	137,045.33	11,791.01	11,791.01	82,251.57
Orange Hunt	68,095.94	146,362.32	149,291.09	8,316.36	8,316.36	65,167.17
Parklawn	30,393.50	113,833.64	131,201.33	18,244.20	18,244.20	13,025.81
Pine Spring	30,597.67	123,524.19	119,627.66	14,177.95	24,447.96	24,224.19
Poplar Tree	14,127.21	146,739.12	143,341.27	7,164.62	7,178.12	17,511.56
Powell	26,704.09	208,322.86	215,287.19	17,725.10	17,690.07	19,774.79
Providence	22,656.64	232,600.88	203,554.97	23,070.77	23,070.77	51,702.55
Ravensworth	81,447.36	109,439.28	115,355.05	595.19	595.19	75,531.59
Riverside	30,965.42	91,552.44	88,202.32	6,636.03	6,636.03	34,315.54
Rolling Valley	5,292.51	123,661.96	125,853.60	10,398.63	10,398.63	3,100.87
Rose Hill	62,708.47	142,083.99	157,206.87	55,390.59	55,390.59	47,585.59
Sangster	35,526.64	260,633.30	271,490.28	12,284.86	12,284.86	24,669.66
Saratoga	31,626.97	117,729.33	120,134.93	11,589.73	11,589.73	29,221.37
Shreewood	32,764.48	168,412.75	163,449.20	29,910.98	29,910.98	37,728.03
Silverbrook	28,637.60	212,332.90	206,042.82	7,623.51	7,623.51	34,927.68
Sleepy Hollow	9,839.71	90,014.29	90,388.14	10,273.84	10,273.84	9,465.86
Spring Hill	34,227.56	251,872.13	249,079.81	7,149.40	7,149.40	37,019.88
Springfield Estates	30,343.88	163,282.21	169,577.10	10,757.73	10,757.73	24,048.99
Stenwood	49,672.47	162,768.83	155,703.57	12,430.01	13,189.83	55,977.91

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
Elementary Schools, continued:						
Stratford Landing	11,283.91	72,222.11	68,937.16	1,911.02	1,901.02	14,578.86
Sunrise Valley	18,514.89	322,100.70	328,961.54	13,157.32	13,157.32	11,654.05
Terra Centre	17,112.44	126,273.65	128,332.09	18,410.58	18,711.45	14,753.13
Terraset	58,129.36	92,173.86	80,647.92	18,935.33	18,935.33	69,655.30
Timber Lane	28,507.26	105,452.22	113,677.74	15,180.95	15,180.95	20,281.74
Union Mill	129,477.14	223,901.91	220,612.42	18,357.52	18,357.52	132,766.63
Vienna	25,504.11	109,911.78	113,052.89	24,406.40	24,406.40	22,363.00
Virginia Run	84,329.75	89,990.80	105,316.74	7,042.58	7,042.58	69,003.81
Wakefield Forest	113,104.59	101,421.14	84,232.86	1,249.35	1,124.35	130,417.87
Waples Mill	43,712.87	121,750.08	113,711.39	6,202.79	6,202.79	51,751.56
Washington Mill	22,214.47	102,989.26	113,387.43	4,765.04	4,765.04	11,816.30
Waynewood	39,754.62	154,056.84	174,673.01	18,363.83	18,363.83	19,138.45
West Springfield	58,506.18	66,129.10	66,677.98	14,941.09	14,941.09	57,957.30
Westbriar	45,314.02	138,644.50	141,207.14	7,406.00	7,406.00	42,751.38
Westgate	53,231.30	150,906.81	166,278.12	14,645.82	14,645.82	37,859.99
Westlawn	37,525.40	147,976.10	152,166.25	39,242.01	39,242.01	33,335.25
Weyanoke	51,817.77	69,224.93	78,192.84	4,331.74	4,331.74	42,849.86
White Oaks	74,348.16	201,214.18	193,697.28	11,836.23	11,836.23	81,865.06
Willow Springs	35,137.61	86,865.48	103,551.21	1,639.33	1,639.33	18,451.88
Wolftrap	58,242.77	69,998.87	73,625.26	18,954.10	18,954.10	54,616.38
Woodburn	25,654.21	192,197.85	197,348.22	14,985.46	14,985.46	20,503.84
Woodlawn	13,264.44	120,966.02	121,474.41	6,656.91	6,656.91	12,756.05
Woodley Hills	19,187.55	148,484.67	146,183.65	14,630.95	14,630.95	21,488.57
Subtotal	5,748,081.12	21,611,315.74	21,580,116.99	2,450,215.21	2,465,637.78	5,763,857.30

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2013

	Cash Balance July 1, 2012	Receipts	Disbursements	Transfers In (credit)	Transfers Out (debit)	Cash Balance June 30, 2013
Other Schools:						
Bryant Alternative	37,866.09	181,657.83	185,079.03	25,695.24	25,695.24	34,444.89
Burke School	3,643.49	27,313.42	24,518.56	0.00	0.00	6,438.35
Cedar Lane Center	5,142.06	37,066.60	36,925.28	5,542.67	5,542.67	5,283.38
Chantilly Academy	48,718.01	777,412.43	734,022.67	167,008.98	167,008.98	92,107.77
Davis Career Center	68,550.77	138,263.91	134,615.52	11,477.99	11,477.99	72,199.16
Edison Academy	43,120.09	211,296.49	214,698.76	9,295.46	9,295.46	39,717.82
Key Center	10,655.42	22,293.33	20,946.40	4,209.87	4,209.87	12,002.35
Kilmer Center	12,804.91	27,325.12	18,674.71	2,857.60	6,075.36	18,237.56
Mountain View Alternative	99,939.09	59,850.02	80,475.31	12,628.29	12,628.29	79,313.80
Pulley Center	20,047.02	46,071.30	51,575.99	4,553.18	4,553.18	14,542.33
Quander Road School	12,404.94	45,296.95	49,136.50	2,596.44	2,596.44	8,565.39
Fairfax County Adult High	53,095.01	371,504.24	386,714.59	12,855.98	12,855.98	37,884.66
Subtotal	415,986.90	1,945,351.64	1,937,383.32	258,721.70	261,939.46	420,737.46
Departments:						
Adult & Community Education	0.00	340,496.47	340,496.47	44,241.98	44,241.98	0.00
Special Services	41,441.93	10,009.53	7,470.16	5,166.15	5,166.15	43,981.30
Subtotal	41,441.93	350,506.00	347,966.63	49,408.13	49,408.13	43,981.30
Total	\$ 19,557,308.14	\$ 104,624,207.80	\$ 104,504,134.17	\$ 13,702,625.15	\$ 13,994,617.41	\$ 19,385,389.51

Schools with No Reportable Findings

High Schools:

Falls Church
West Potomac

Middle Schools:

Glasgow
Herndon
Holmes
Hughes
Key
Liberty
Luther Jackson
Poe
Rocky Run
Stone
South County

Elementary Schools:

Aldrin
Annandale Terrace
Beech Tree
Belle View
Belevedere
Braddock
Bren Mar Park
Brookfield
Canterbury Woods
Cardinal Forest
Chesterbrook
Clearview
Coates
Columbia
Crestwood
Crossfield
Deer Park
Dranesville

Elementary Schools, continued:

Fairfax Villa
Flint Hill
Floris
Forestville
Fort Hunt
Fox Mill
Franklin Sherman
Garfield
Glen Forest
Graham Road
Great Falls
Greenbriar East
Green Briar West
Halley
Hayfield
Herndon
Hollin Meadows
Hunt Valley
Hybla Valley
Island Creek
Keene Mill
Kings Park
Lake Anne
Laurel Hill
Lees Corner
London Towne
Lorton Station
Louise Archer
Lynbrook
Mantua
Mosby Woods
Newington Forest
North Springfield
Oak View
Oakton
Olde Creek
Orange Hunt

Elementary Schools, continued:

Parklawn
Pine Spring
Poplar Tree
Providence
Ravensworth
Rolling Valley
Sangster
Saratoga
Shreveewood
Spring Hill
Springfield Estates
Stratford Landing
Sunrise Valley
Terra Centre
Terraset
Timber Lane
Waples Mill
Westlawn
Weyanoke
White Oaks
Woodburn
Woodlawn

Other Schools:

Burke (Center) School
Davis Career Center
Pulley Center
Quander Road School
Fairfax County Adult High

Departments:

Adult & Community

Audit Findings, Recommendations, and Management's Response

Note: A response was not requested from the principals. However, if a response was provided, it was placed in this report as written. Internal Audit did not correct mistakes, grammatical or otherwise.

Finding No. 1: Cash Receipts

1a – Funds Verification

There was no indication that all receipts had been verified before the deposit was made at 17 schools. A total of 54 receipts reviewed lacked a signature and date for funds verification. Regulation 5810, School Activity Funds Management, states, "After the amount of the deposit is verified by the finance technician or administrative assistant, a receipt shall be posted in the automated accounting system." Verification of funds reduces the risk of inaccurate amounts being posted.

Recommendations:

We recommend that all receipts be verified prior to posting.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

1b – Timely Receipt

Staff members at 24 schools held funds for two or more school days before remitting those funds to the finance technician/administrative assistant. Regulation 5810, School Activity Funds Management, states, "After the amount of the deposit is verified by the finance technician or administrative assistant, a receipt shall be posted in the automated accounting system." The *School Finance for Teachers* guidance, provided by Financial Services, states, "Submit funds collected...to the school finance office on a daily basis." Daily submission of funds reduces the risk of loss due to theft or impropriety.

Recommendations:

We recommend that staff continue to be reminded to submit funds to the finance technician/administrative assistant on a daily basis.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

1c – Insufficient Documentation

Staff members at 29 schools submitted deposit slips that lacked sufficient detail. The missing details included one or more of the following:

- No indication of who submitted the money and the amount submitted preventing the verification of funds that should have been received
- No indication of the account name/number for where funds should be deposited preventing the verification that deposits were properly recorded
- No indication of the total amount submitted for deposit or the date funds were turned in preventing the verification of the deposit amount and timeliness

- No deposit slip on file preventing the verification that the deposit existed and was properly accounted for

Regulation 5810, School Activity Funds Management, states, "Documentation of cash receipts is an essential component of the recording of revenue...the collector may prepare a list showing the payers' names, date the funds are collected, and amounts...or a school finance office deposit slip-detailed may be used for this purpose." Verification of funds reduces the risk of loss or inaccuracy in the amounts being posted.

Recommendations:

We recommend that all receipts be verified against supporting documentation prior to posting.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: "All receipts going forward will have a class list attached before deposit is accepted by the finance technician."

1d – Deposit Intact

Funds at eight schools were not deposited in the same form as they were received. Regulation 5810, School Activity Funds Management, states, "All general and specific revenue classified as school activity funds shall be receipted into the school activity fund records promptly and intact, i.e., no disbursements of revenue received shall be made until such revenue has been receipted into the records and deposited in the checking account." Proper accounting of funds reduces the risk of impropriety and inaccuracy in amounts posted.

Recommendations:

We recommend funds be deposited intact.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

1e – Timely Deposit

On one or more occasions, funds were not deposited in the bank in a timely manner at eight schools. Regulation 5810, School Activity Funds Management, states that, "...significant amounts should not be allowed to accumulate and should not be retained on hand overnight. Amounts totaling \$25 or less shall be deposited within ten business days. Amounts exceeding \$25 shall be deposited within five business days." Timely deposits reduce the risk of loss.

Recommendations:

We recommend that all receipts be deposited in a timely manner.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

Finding No. 2: Cash Disbursements

2a – Insufficient Documentation

Thirty-five schools had missing or incomplete documentation for one or more cash disbursements. Properly completed purchase orders and/or original itemized receipts were not on file for all disbursements tested. Regulation 5810, School Activity Funds Management, states, “All expenditures must be supported by proof of purchase such as an original invoice, sales ticket, sales receipt, or cash register tape.” In addition, the regulation states, “All purchases of goods or services made from school activity accounts, including advanced appropriated funds, shall be supported by the prior submission of an approved school purchase order...Exceptions...if approved by the principal...purchases not exceeding \$100 and forwarding funds to FCPS.” Disbursements made without proper supporting documentation prevent verification of the appropriateness of the amount and items purchased.

Recommendations:

We recommend all expenditures be supported by a properly completed approved purchase order and an original itemized receipt.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

2b – Competitive Bids

Fourteen schools had disbursements in excess of \$5,000, but did not have bid documentation or a FCPS contract associated with the purchase. Regulation 5012, Purchasing Goods and Services Using Appropriated and Nonappropriated Funds, states, “Competition is required for all procurement activities that exceed \$5,000.00...Requirements that cost between \$5,000.00 and \$50,000.00 require soliciting at least four (4) written competitive bids...Requirements may NOT be split into smaller orders to avoid the \$5,000 small purchase order limit.” Competitive bidding allows schools to obtain goods and services at the lowest prices by stimulating competition and preventing favoritism.

Recommendations:

We recommend that appropriate procurement procedures be followed for all purchases.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: “School Datebooks is on a 3 year contract with an approval from the school principal. This year is the 3rd year of the contract. Bids were attached when the original bids went out.”

2c – Prompt Payment of Obligations

Thirty-five schools did not submit payments to vendors in a timely manner resulting in delinquent vendor payments and the incurring of finance charges:

- Finance charges, totaling \$1,554.52, were paid to J.P. Morgan Chase at 34 schools
- FCPS was required to pay the full invoice for one school that was three billing cycles past due and during the audit period, the school received six past due statements from J.P. Morgan Chase totaling \$9,407.16

- Ten vendor payments, totaling \$5,628.98, were either paid late or remained unpaid at the time of the audit at three schools

Regulation 5810, School Activity Funds Management, states, "Payment obligations should be timely in order to...avoid unwarranted late payment penalties." Paying late fees results in the ineffective use of funds and decreases the funds available to support students. Additionally, late payments to vendors may result in the denial of future goods and services for students.

Recommendations:

We recommend obligations be paid promptly to avoid penalty fees

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: "We will ensure that we do not have any late fees going forward."

2d – Split Transactions/Circumventing Controls

Three schools circumvented controls established by procurement card limits by splitting one purchase into multiple transactions:

- \$1,672.15 on a card with a transaction limit of \$1,000
- \$635.00 on a card with a transaction limit of \$500
- \$1,107.30 on a card with a transaction limit of \$800

Regulation 5350 *Procurement Card Management* states, "Procurement cards shall be used in accordance with established procurement policies and regulations." When card limits are insufficient to allow for proper procurement of goods/services, a limit increase should be considered or in the event the increase is needed only for a particular purchase, advance permission should be obtained from the Office of Finance to authorize a one-time increase in the limit.

Recommendations:

We recommend that card limits be reviewed for reasonableness.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

2e – Prior Approval

There was no evidence to indicate that 103 purchases, totaling \$79,631.92, made at 44 schools were properly preapproved. Regulation 5810, School Activity Funds Management, states, "All purchases of goods or services made from school activity accounts, including advanced appropriated funds, shall be supported by the prior submission of an approved school purchase order...Exceptions...if approved by the principal...purchases not exceeding \$100 and forwarding funds to FCPS." When a school uses purchase orders for all transactions, both greater and less than \$100, it implies that the principal expects a purchase order for all purchases. Purchases made or committed without the prior submission of a school purchase order are subject to the principal's declining the responsibility for payment and having the vendor concerned seek settlement from other sources.

Recommendations:

We recommend all purchases be properly approved to minimize the risk of inappropriate fund usage.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: "All PO's will have proper approval before order is placed."

2f – Improper Use of Vendor or Funds

One school did not utilize the FCPS established contract for the purchase of iPads. The school purchased three iPads, totaling \$1,499.97, from Best Buy. Regulation 5021 *Computer Hardware Standardization and Acquisition* states, "In partnership with other departments, schools, and offices, the Department of Information Technology (IT) and the Office of Procurement Services (OPS) are responsible for the standardization and acquisition of all computer hardware in the school system. IT is also responsible for maintaining the associated technology infrastructure and providing generally accepted levels of service. Therefore, it is imperative to have standardization of technology for purposes of supportability of computer hardware in the school system."

Recommendations:

We recommend that all purchases of computer technology follow the standard ordering procedures established by the Department of Information Technology and the Office of Procurement.

One school purchased gift cards totaling \$167.37. There was no evidence of the card recipients and the receipts contained items that had not been approved on the purchase order. Regulation 5810 *School Activity Funds Management* states, "A copy of the check, the file copy of the purchase order, if applicable, and supporting documents such as invoices and sales receipts shall be assembled and filed together in all appropriate fund account files as documentation of the disbursement." Disbursements made without proper supporting documentation prevents verification of the appropriateness of the amount and items purchased. The *Guidelines for the Presentation of Gifts* states, Gift cards may be purchased in lieu of an actual gift...A listing of gift card recipients...(and) a purpose for giving the gift card must be stated on the purchase order. A detailed receipt showing the number and amount of each gift card must be attached as backup."

Recommendations:

We recommend all expenditures be supported by appropriate detailed documentation.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

2g – Procurement Card Log

A procurement card log was not properly maintained and/or consistently completed at 27 schools. Regulation 5350 states, "The card custodian shall ensure that all procurement card transactions are recorded on a Procurement Card Log." The regulation further states, "The reconciler shall ensure all transactions on the statement are reconciled to the procurement

card log and properly posted in the financial system.” The log provides an initial record of charges and credits, as well as card users, serving as a control reference for transaction activity. The log reduces the risk of unauthorized purchases and incorrect use of funds. The log should indicate the card number, the date the card was issued, vendor, item purchased, amount, card user, signature of user, the date the card was returned, and the date of the transaction. Without this information, it may be difficult to detect unintended charges.

Recommendations:

We recommend that all transactions be recorded on the procurement card logs, as they occur, to accurately reflect all transactions.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

2h – Travel

Three schools did not comply with FCPS travel guidelines:

- One school purchased meals using the school’s procurement card. While appropriate documentation was returned with the card and no additional reimbursements were made for meals, FCPS regulations prohibit using the card for meal purchases.
- One school provided an inappropriate cash advance for travel. The advance lacked the proper travel request forms, as well as, information to determine if meals were being provided.
- While Online Travel was used, it was not a true reflection of the traveler’s activities at one school. In addition, a personal credit card was used to purchase airfare.

The *Guidelines for Nonlocal Travel Using Local School Activity Funds* outlines the steps that must be followed when approving and paying expenses for FCPS employees on official nonlocal travel using local school activity funds. The Guidelines state that “all expenditure documentation (should be) in compliance with Regulation 5310...(and) Reimbursement for meals and incidental expenses at the prevailing GSA per diem is allowed. The school’s SA Pcard may not be used to purchase meals.” Regulation 5310 *Travel – Local and Nonlocal* states, “The traveler must obtain prior approval consistent with the provisions of this regulation before incurring any financial obligations on behalf of FCPS...Travelers are required to use the most economical mode(s) of transportation during nonlocal travel...Air or rail transportation purchased at the lowest available coach rate is allowed. An FCPS credit card must be used to pay air or rail transportation expenses. An original itemized receipt is required.” Regulation 5310 also prohibits the use of a FCPS procurement card for the purchase of meals. The regulation does allow for travel advances under very specific circumstances and subject to a “maximum of 75% of the planned per diem...and for no less than \$200.” Nonlocal travel and cash advance procedures are in place to ensure funds are spent properly.

Recommendations:

We recommend that the travel regulation and guidelines be reviewed so that future trips can be properly arranged and paid.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

2i – Sales Tax

One school inappropriately paid Virginia sales tax on five purchases. Taxes paid totaled \$35.09. Regulation 5810, School Activity Funds Management, states, “Most purchases from school activity funds are exempt from payment of sales tax. Specifically, the following purchases may be made tax exempt by using a certificate of exemption: Tangible personal property purchased by school groups for the use, consumption or resale in fund-raising activities for the benefit of schools.” Paying sales tax when not necessary results in the ineffective use of funds.

Recommendations:

We recommend that sales tax not be paid or reimbursed when a purchase qualifies for tax exempt status.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

Finding No. 3: Accounting Procedures

3a – Incorrect Account Usage

Forty-one schools charged expenditures or posted revenue to the incorrect accounts. These forty-one schools had one or more of the following exceptions:

- Thirty schools purchased items for the benefit of staff, totaling \$16,212.40, using the Administrative-General Revenue/Expense or the Administrative-Donations fund. Purchases included, but were not limited to, nameplates, business cards, furniture, meals, flowers, coaches rings, lodging, transportation, greeting cards, t-shirts, water, etc. Regulation 5810, School Activity Funds Management, states, “Cash disbursements from an account shall reflect the purpose for which the account was established.” The *Guidelines for Using the Local School Activity Funds Administrative Account* states, “All decisions to spend funds from the administrative account should be made with the welfare of the student body in mind.” When donations are deposited in the Administrative-Donations fund they are subject to the same rules as the Administrative-General fund which prohibits the purchase of food, lodging, etc...for staff. When incorrect accounts are used for purchases, account integrity is lost and funds are not properly spent on students.
- Eight schools deposited or transferred funds, totaling \$6,161.90 into the Educational Contingency-General Revenue/Expense (ECA) account. The deposits were donations, rebates, and transfers from other funds. Regulation 5810, School Activity Funds Management, lists the sources of funds that can be transferred into ECA. These sources include, but are not limited to, retained fees, building use rental, commissions, interest earned on nonstudent funds, and lost and damaged textbook funds. When improper deposits occur, integrity is lost and funds are not properly spent on students.
- Seven schools purchased items and inappropriately charged advanced appropriated funds. Purchases for the benefit of staff, totaling \$1,906.44, included, but were not limited to, refreshments, staff development, luncheons, airfare, jackets, etc. Two purchases, totaling \$102.77, were made for ice cream floats for students. Regulation 5013 (old number 7412), Advanced Appropriated Funds Program, states, “Principals may purchase supplies and materials using the funds deposited in a special account designated for making direct purchases with advanced appropriated funds.” The Code of Virginia, Section 22.1-122.1, “grants a school board the authority to establish

accounts in each of its schools committed solely for the purchase of instructional materials and office supplies that are not stocked or purchased directly by the school division.” When incorrect accounts are used for purchases, account integrity is lost and funds are not properly spent on students.

- One school used the Towel-Service-General Revenue/Expense fund to reimburse \$1,499.97 for the purchase of iPads. Regulation 5922 *Student Fees* states, “All middle and high schools are encouraged to provide towel service for students enrolled in physical education classes. Fees collected shall be deposited in a school activity fund account for that purpose. All costs associated with laundry service shall be charged to and paid from that account...A notice shall be sent to parents explaining the use of profits and indicating that the primary purpose is to provide a service to students, that the service is optional, and that any remaining profit will be used to replace laundry equipment and/or to support student activities.” When incorrect accounts are used for purchases, account integrity is lost and funds are not properly spent on students.
- One school used a club account to pay for a portion of the registration fees for staff to participate in a golf tournament. The tournament was for the benefit of the students; however, there was no documentation to evidence that the disbursement was approved by the club. Regulation 5810 *School Activity Funds Management* states, club “funds are dedicated to the use of a distinct group of students...Revenue is derived from the students themselves via dues, specific sales, or revenue projects...Expenditure authority lies with the student members concerned through their elected officials, the fund sponsor, and the principal.”

Recommendations:

We recommend the purpose of the account be reviewed to ensure appropriate fund sources are used for purchases and guidelines are adhered to.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

3b – Inactive Accounts

Over five years ago, one school received a donation and a grant to help maintain a garden at the school. Both accounts have been inactive for the past two years and have a total balance of \$584.36. Regulation 5810 *School Activity Funds Management* states, “Revenue may be general or specific in nature, and allocations or distributions may be general or specific, as well.”

Recommendations:

We recommend the school determine and utilize funds in accordance with the original letter of intent received from the donor.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

3c – Use of Open Purchase Orders

Open purchase orders did not properly track each purchase to monitor funds available at four schools. The *Guidelines for Purchase Orders* states, “An open purchase order may be used as a convenient method when an order is established against an individual vendor for

frequently recurring expenditures to one vendor for a specified period of time.” The purchase order should “specify the name of the vendor...timeline and amount of the purchase order...and be attached, with proof of receipt, to the invoice and check stub.” Failure to indicate the funds available and track purchases increases the risk of over spending. We recommend open purchase orders be properly completed.

Recommendations:

We recommend open purchase orders be properly completed.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

3d – Employee Disclosure Forms

Employee Acknowledgement Disclosure Forms were not on file for all procurement card users at fourteen schools. Regulation 5350, Procurement Card Management, states, “The program manager shall ensure that each employee reads and signs the Procurement Card Employee Acknowledgement Disclosure form before initial use of any procurement card.” The agreement provides assurance that the employee is aware of the responsibilities and obligations associated with card use.

Recommendations:

We recommend that each employee who initiates a charge should read and sign a Procurement Card Employee Acknowledgement Disclosure Form.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

3e – Reconciliation

Bank reconciliations were not properly completed, and/or reconciling items cleared, at 17 schools. These 17 schools had one or more of the following exceptions:

- One school did not complete year-end reconciliations in a timely manner.
- Four schools had deposits outstanding over 30 days:
 - Two schools had posted a receipt twice in the system and had not corrected the erroneous entry in a timely manner
 - Two schools had deposits outstanding from the prior year and had not taken appropriate steps to research and clear the items
- Four schools had voided checks that subsequently cleared the bank, so the checks were therefore listed as outstanding on the reconciliation
- Five schools did not compare their 06/30/13 adjusted balance with the school’s trial balance, so differences went unidentified and uncorrected
- Five schools’ testing of procurement card bank statement reconciliations could not be completed as the statements and/or supporting documentation could not be located

Regulation 5810, School Activity Funds Management, states, “The checking account balance shown on the bank statement and the checking balance shown in the accounting records at the end of the month must be reconciled promptly upon receipt of the bank statement.” Regulation 5350 *Procurement Card Management* states, “The reconciler shall reconcile each transaction on the monthly statement...to the original detailed receipts...(and) shall ensure all transactions on the statement are reconciled to the...log and properly posted in the

financial system.” Reconciliations reduce the risk of undetected errors and increase the timeliness of corrections. Additionally, reconciliations provide a confirmation of funds available to be spent for the benefit of students. Reconciliations reduce the risk of undetected errors and increase the timeliness of corrections. Additionally, reconciliations provide a confirmation of funds available to be spent for the benefit of students.

Recommendations:

We recommend that all bank statements be reconciled, and reconciling items cleared, in a timely manner.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: “Reconciliations will be properly completed and compared to the school’s trial balance in a timely manner. It is recommended that the FAST Team send a representative out to schools that are in the transition process to ensure financial procedures are still being completed and deadlines are still being met.”

3f – Advanced Appropriated Funds Return

One school had a 06/30/13 advanced appropriated funds account balance of \$11.86. Regulation 5013, Advanced Appropriated Funds Program, and Regulation 5810, School Activity Funds Management, states, “All unobligated funds remaining in the accounts at the end of each fiscal year shall be returned to financial services by the date specified in the annual fiscal year closeout Notice 5110, provided the unobligated funds are in excess of ten dollars.” The Code of Virginia, section 22.1-122.1, states, “all funds remaining in the account shall be returned to the school board.”

Recommendations:

We recommend that Financial Services be contacted to determine the proper procedure to follow regarding the remaining fiscal year 2013 funds. Additionally, we recommend controls be implemented to prevent a reoccurrence of noncompliance.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

3g – Fund & Deficit Balances

The balances of funds at seven schools were not in compliance with regulations. These seven schools had one or more of the following exceptions:

Clearing accounts at five schools ended the year with balances that were not listed on the year-end reports. Regulation 5810 *School Activity Funds Management* states, “These (clearing) accounts normally have an end-of-year balance of zero. Deficit balances may be carried forward to the new academic year and shown on the Accounts Receivable Report. Positive balances may be carried forward to the new academic year and shown on the Accounts Payable Report.”

Recommendations:

We recommend appropriate steps be taken to clear accounts in a timely manner or to include them on the appropriate year-end report.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

Club accounts at two schools ended the year with a deficit balance. Regulation 5810 *School Activity Funds Management* states, "The funds are dedicated to the use of a distinct group of students...Accounts cannot hold a deficit balance longer than 30 consecutive days during the academic year or end the academic year with a deficit balance."

Recommendations:

We recommend that disbursements not be made when funds are not available for the expenditure.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

At one school, two field trip accounts ended the year with balances that were not represented on the year-end reports:

Field Trips/Grade K–General Revenue/Expense, \$744.00, maximum students in 2012-2013 was 125, approximate average \$5.95 per student

Field Trips/Grade 4–General Revenue/Expense, \$697.00, maximum students in 2012-2013 was 72, approximate average \$9.68 per student

Balances in both accounts exceeded the allowed \$1.00 per student excess. Regulation 5810 *School Activity Funds Management* states, "These (clearing) accounts normally have an end-of-year balance of zero. Deficit balances may be carried forward to the new academic year and shown on the Accounts Receivable Report. Positive balances may be carried forward to the new academic year and shown on the Accounts Payable Report." Regulation 5922 Revenue, Tuition, and Fees allows fees to be charged for instructional program and student activity field trips. Admission fees and transportation charges may be passed onto the students. Regulation 5810 also states, "Any part of an authorized deposit (fee)...not used to defray the cost...shall be refunded to the students, provided the amount is in excess of \$1 per student."

Recommendations:

We recommend appropriate steps be taken to clear accounts in a timely manner, to include them on the appropriate year-end report, refund unspent funds, or allocate funds to follow the associated students to their next grade.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

3h – Authorized Signatories & Dual Signatures

At one school the principal was an authorized signer on a check payable to him/herself. Regulation 5810, *School Activity Funds Management*, states, "Checks drawn...shall require dual signatures...The principal, alternate signatories, and cosigners shall not sign checks

payable to themselves.” Disbursements made without appropriate approved signatories increase the risk of impropriety and inappropriate distributions.

Recommendations:

We recommend purchases be approved and checks be signed by authorized individuals in accordance with the regulation.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

3i – Cash Accounts

One school maintained two school activity fund checking accounts, an account at BB&T with 06/30/13 balance of \$40,389.81 and an account at Wells Fargo with a 06/30/13 balance of \$18,744.37. Regulation 5810, School Activity Funds Management, states “Only one checking account shall be established for each school’s activity funds...” Multiple checking accounts increase the work required to maintain an accurate accounting record for receipts and disbursements. This is a repeat finding for this school.

Recommendations:

We recommend the school maintain one checking account for school activity funds.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

3j – Transfer Vouchers

Thirteen schools processed fund transfers without a properly completed and approved transfer voucher. Regulation 5810, School Activity Funds Management, states, “If funds of one account are to be used for an expenditure that benefits another account, the funds first should be transferred to the appropriate account, and the cash disbursement then will be made from the account that is to benefit from the expenditure.” Additionally, the regulation states, “Prior to entering the transfer into the automated accounting system, the Transfer Voucher Request shall be approved by the account sponsor(s) and the principal, or his or her designee, and shall include a description of the reason for the transfer.” The integrity of the account is reduced when inappropriate funds are transferred incorrectly. Transfer vouchers are used to reduce the risk of inappropriate fund transfers.

Recommendations:

We recommend account transfers be verified and properly approved before posting to ensure account accuracy and integrity.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: “All transfer vouchers are approved before they are transferred.”

3k – Voided Checks & Voided Cash Receipts

Voided checks could not be located or were not properly mutilated at thirteen schools. Additionally, cash receipts were voided without proper documentation at one school. Regulation 5810, School Activity Funds Management, states, “Voided checks shall be clearly annotated as void and retained in the voided check file. If the check has been signed, the signature should be mutilated or otherwise rendered unacceptable.” Mutilating the signature ensures the voided check cannot be negotiated.

Great Plains Training Guide states, “Print the *Cash Receipt Posting Journal*. File this report in the *Voided Cash Receipts* file along with the *Bank Deposit Posting Journal*...the *Bank Deposit Posting Journal* . . . **must** be attached to the original deposit documentation.”

Recommendations:

We recommend all voided checks be properly mutilated. Additionally, we recommend that the reason for voiding cash receipts be maintained on file to provide evidence of the disposition of funds.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: “Will be voided after 180 days.”

3l – Safeguarding of Assets

Goods, benefiting the school, were purchased at two schools, but shipped to individual staff members’ personal addresses. While there is no specific regulation which prohibits the shipment of goods to a personal address, having school property shipped to a personal address increases the risk of misappropriation or misuse of school assets.

Recommendations:

We recommend that all purchases be delivered directly to the school to increase the accountability of school assets.

Principals’ Response:

The principal(s) concur(s) with the recommendation(s).

At seven schools, administrators and all front office staff can access items in the safe, which include all cash receipts and the school’s procurement cards. Regulation 5810 *School Activity Funds Management* states, “Great care must be exercised in the control and safeguarding of cash and instruments convertible to cash...Funds shall not be accessible to unauthorized persons and shall be protected by lock when not being counted or otherwise processed.” Regulation 5350 *Procurement Card Management* states, “The card custodian shall maintain procurement cards in a locked location while not in use. Access to the location shall be limited to those with authorization to access the cards.” Failure to limit the number of individuals with access to the safe increases the risk of impropriety and decreases accountability. We recommend limiting the number of individuals who can access the safe.

During the course of the audit, it appeared that access to school safes had been modified as a result of the 2012 distribution of EpiPens. EpiPens should be housed in the wall mount holder. Field trip kits should be in a locked location and a sign out log is required. If a school

received additional pens, they should also be kept in a locked location. This locked location does not need to be the school safe.

Recommendations:

We recommend limiting the number of individuals who can access the safe. If access to the safe was modified to accommodate the distribution of EpiPens, we recommend the school contact the FCPS health services specialist for information on EpiPen security.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

One principal provided a response: "We are acting based on the recommendation for increased security for credit cards and money handled by the finance officer. We will purchase a second safe to be located in the vault. The principal and finance officer will be the only people with access."

3m – Vendor Payment Process

One school made a duplicate payment to Guernsey Office Products for \$262.05. The school mistakenly voided the original check, but the check had already cleared the bank. Subsequently, a second check was reissued to the vendor which resulted in the duplicate payment. Regulation 5810 *School Activity Funds Management* states, "A copy of the check, the file copy of the purchase order, if applicable, and supporting documents such as invoices and sales receipts shall be assembled and filed together in all appropriate fund account files as documentation of the disbursement."

Recommendations:

We recommend that the amount due is verified before a payment is made to insure that the payment does not result in overpayment of the vendor.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

3n – Checks over 180 days

Seventeen schools had checks outstanding over 180 days. Regulation 5810, *School Activity Funds Management*, states, "Un-negotiated checks shall be written back into the records when it becomes clear that they will probably not clear the bank...after 180 days."

Recommendations:

We recommend voiding checks that are outstanding over 180 days.

Principals' Response:

The principal(s) concur(s) with the recommendation(s).

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

High Schools:

Annandale		1					3		2											3				1					
Centreville			1																										
Chantilly		2							2					2															
Edison			12	3			2		1	3		7		4	4										2				
Fairfax			1		1		3		9					4						1									2
Falls Church	X																												
Hayfield				3			1																						
Herndon		6					6		2			2		3				1		1						1			
Lake Braddock			2	2			1																						
Langley		3					12	6	5			7													1				1
Lee					1				6																				
Madison		2		1			4	1		2		13			11										1				
Marshall			1				9	1	3			1	1	1	1	5									1				
McLean										1																			

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures															
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets	Vendor Payment Process	Checks >180 days
Note: Locations in <i>italic</i> had a desk audit. All others had a full audit.																													

High Schools, continued:

Mount Vernon													3																1	
Oakton			1	1									2					2												
Robinson						1			2				2					15												
South County			11						3				3			1														
South Lakes				2									15																	
Stuart													4							2							7			1
Thomas Jefferson				3									3						2											
<i>West Potomac</i>	X																													
West Springfield		7											4						3											
Westfield				2										1				2												
Woodson																		1												

Middle Schools:

Carson				3																											
Cooper																			1												

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Middle Schools, continued:

Franklin						1																								
Frost											3			1																
<i>Glasgow</i>	X																													
<i>Herndon</i>	X																													
<i>Holmes</i>	X																													
Hughes	X																													
Irving			1			2	3	1	3															1						16
<i>Key</i>	X																													
Kilmer						2																								
Lanier					1	7	3		1		4			1										5						
<i>Liberty</i>	X																													
Longfellow							1	4		1				1																
<i>Luther Jackson</i>	X																													
<i>Poe</i>	X																													

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures														
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets	Vendor Payment Process
Note: Locations in <i>italic</i> had a desk audit. All others had a full audit.																												

Middle Schools, continued:

<i>Rocky Run</i>	X																											
Sandburg		3	5	2				9		3				1														
<i>South County</i>	X																											
<i>Stone</i>	X																											
Thoreau						2	2			2				2														
Twain				5						6														1				
Whitman			3					4		3																		

Elementary Schools:

<i>Aldrin</i>	X																											
<i>Annandale Terrace</i>	X																											
Armstrong						4			1	2																		
Bailey's			3			1				3				2														
<i>Beech Tree</i>	X																											
<i>Belle View</i>	X																											

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

<i>Belvedere</i>	X																														
Bonnie Brae				1																								1			
<i>Braddock</i>	X																														
<i>Bren Mar Park</i>	X																														
<i>Brookfield</i>	X																														
Bucknell			1		1	7					1				2				2							1				4	
Bull Run							4																								
<i>Bush Hill</i>															2																
Camelot			2																												2
Cameron						1					1																				1
<i>Canterbury Woods</i>	X																														
<i>Cardinal Forest</i>	X																														
Centre Ridge											3				4																
Centreville		2					5																								

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

Cherry Run				5		7		4		5		5			3						1				1	11				
<i>Chesterbrook</i>	X																													
<i>Churchill Road</i>															1															
<i>Clearview</i>	X																													
<i>Clermont</i>																				1										
Coates	X																													
<i>Columbia</i>	X																													
Colvin Run						3		8																						
<i>Crestwood</i>	X																													
<i>Crossfield</i>	X																													
<i>Cub Run</i>															1															
Cunningham Park		1	6	1		2				1				2												2				
Daniels Run								1		1		5																		
<i>Deer Park</i>	X																													

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

Dogwood				1			2	1																						
<i>Dranesville</i>	X																													
Eagle View								5									2							1						
<i>Fairfax Villa</i>	X																													
Fairhill			3			4		5	1		4			3				5												
Fairview		2	6	5		4			7		5			2				3						5	5				3	
<i>Flint Hill</i>	X																													
<i>Floris</i>	X																													
Forest Edge			1	1		11		1	2		5			1										3						
<i>Forestdale</i>																														3
<i>Forestville</i>	X																													
Fort Belvoir						1			2					2			2													
<i>Fort Hunt</i>	X																													
Fox Mill	X																													

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements								Accounting Procedures												
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

<i>Franconia</i>																											1	
<i>Franklin Sherman</i>	X																											
Freedom Hill		3	3						1																			
<i>Garfield</i>	X																											
<i>Glen Forest</i>	X																											
<i>Graham Road</i>	X																											
Great Falls	X																											
<i>Greenbriar East</i>	X																											
<i>Greenbriar West</i>	X																											
<i>Groveton</i>																												1
Gunston				3		1																						
<i>Halley</i>	X																											
Haycock		11				4	1		1								1				1							2
<i>Hayfield</i>	X																											

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

<i>Herndon</i>	X																												
<i>Hollin Meadows</i>	X																												
<i>Hunt Valley</i>	X																												
Hunters Woods											4						2												
Hutchison				2				7																				6	
<i>Hybla Valley</i>	X																												
<i>Island Creek</i>	X																												
<i>Keene Mill</i>	X																												
Kent Gardens				1		9		4		1	2	31		5				7							1	4			
<i>Kings Glen</i>															1														
<i>Kings Park</i>	X																												
<i>Lake Anne</i>	X																												
Lane			12	1	10		6			1					2			1											
<i>Laurel Hill</i>	X																												

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

Laurel Ridge		1	5	5		5				1				2																
<i>Lees Corner</i>	X																													
Lemon Road											1			1																
<i>Little Run</i>																											1			
<i>London Towne</i>	X																													
Lorton Station	X																													
<i>Louise Archer</i>	X																													
<i>Lynbrook</i>	X																													
<i>Mantua</i>	X																													
Marshall Road						11		8						11								1								
Mason Crest				8										2																
McNair		1	8	1	5	5		13		3							5						1	10	2		8			
<i>Mosby Woods</i>	X																													
<i>Mount Eagle</i>																		1												

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

Mount Vernon Woods		2		3		11		2				4						2	2		1			5					
<i>Navy</i>																													1
<i>Newington Forest</i>	X																												
<i>North Springfield</i>	X																												
<i>Oak Hill</i>														4															
<i>Oak View</i>	X																												
<i>Oakton</i>	X																												
<i>Olde Creek</i>	X																												
<i>Orange Hunt</i>	X																												
<i>Parklawn</i>	X																												
<i>Pine Spring</i>	X																												
<i>Poplar Tree</i>	X																												
Powell						1		2		3				1	2		1												2
<i>Providence</i>	X																												

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

<i>Ravensworth</i>	X																															
<i>Riverside</i>																			1													
<i>Rolling Valley</i>	X																															
Rose Hill														1																		
<i>Sangster</i>	X																															
<i>Saratoga</i>	X																															
<i>Shreveewood</i>	X																															
<i>Silverbrook</i>																												1				
<i>Sleepy Hollow</i>														2														1				
<i>Spring Hill</i>	X																															
<i>Springfield Estates</i>	X																															
Stenwood		3				11		6						1			1	1														
<i>Stratford Landing</i>	X																															
<i>Sunrise Valley</i>	X																															

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures														
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets	Vendor Payment Process
Note: Locations in <i>italic</i> had a desk audit. All others had a full audit.																												
Elementary Schools, continued:																												
<i>Terra Centre</i>	X																											
Terraset	X																											
<i>Timber Lane</i>	X																											
Union Mill														1														
Vienna						1	4		2																			
<i>Virginia Run</i>																										1		
<i>Wakefield Forest</i>												1		1				1										
<i>Waples Mill</i>	X																											
Washington Mill		1	2	2																								
Waynewood		2	1	1		12		9		2		2						1	1		2			1				
<i>West Springfield</i>																										1		
Westbriar						1		9				5																
<i>Westgate</i>														1														
<i>Westlawn</i>	X																											

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures													
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets

Note: Locations in *italic* had a desk audit. All others had a full audit.

Elementary Schools, continued:

Weyanoke	X																											
<i>White Oaks</i>	X																											
Willow Springs						5	1	2															2				4	
Wolftrap					1		2																					
<i>Woodburn</i>	X																											
<i>Woodlawn</i>	X																											
Woodley Hills		3		2		9	6			2				1			5	1			2				3		1	

Other Schools:

Bryant Alternative					2		4																				
<i>Burke (Center) School</i>	X																										
Cedar Lane Center			1						2																		
Chantilly Academy			3				1	6		1			1														
<i>Davis Career Center</i>	X																										
Edison Academy							1								1												

SUMMARY AUDIT RESULTS BY SCHOOL
For the Year Ended June 30, 2013

Location Audited	Clean Audit	Cash Receipts					Cash Disbursements							Accounting Procedures															
		Funds Verification	Timely Receipt	Insufficient Documentation	Deposit Intact	Timely Deposit	Insufficient Documentation	Competitive Bids	Prompt Payment Obligations	Split Transactions Circumventing Controls	Prior Approval	Improper Use of Vendor or Funds	Procurement Card log	Travel	Sales Tax	Incorrect Account Usage	Inactive Accounts	Use of Open Purchase Orders	Employee Disclosure Forms	Reconciliation	Advanced Appropriated Funds Return	Fund & Deficit Balances	Authorized & Dual Signatures	Cash Accounts	Transfer Voucher	Voided Checks & Cash Receipts	Safeguarding of Assets	Vendor Payment Process	Checks >180 days
Note: Locations in <i>italic</i> had a desk audit. All others had a full audit.																													
Other Schools, continued:																													
<i>Key Center</i>																			1									1	
Kilmer Center				2						5					2														
<i>Mountain View Alternative</i>															1														
<i>Pulley Center</i>	X																												
<i>Quander Road School</i>	X																												
<i>Fairfax County Adult High</i>	X																												
Departments:																													
<i>Adult & Community Education</i>	X																												
Special Services				2						1																			
Total Findings Noted	N/A	54	87	76	21	22	184	23	157	3	103	3	168	5	5	82	2	17	40	32	1	1	1	1	28	49	10	1	58
Number of Schools w/finding	96	17	24	29	8	8	35	14	35	3	44	2	27	3	1	41	1	4	14	17	1	7	1	1	13	13	9	1	17

