



**Prince George's County Public  
Schools**  
**(A Component Unit of Prince George's  
County, Maryland)**

Schedule of Expenditures of Federal  
Awards and Reports Required by  
*Government Auditing Standards* and  
the Uniform Guidance  
Year Ended June 30, 2022

**Prince George's County Public Schools**  
**(A Component Unit of Prince George's County)**

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Schedule of Expenditures of Federal Awards  
and Reports Required by *Government Auditing*  
*Standards* and the Uniform Guidance  
Year Ended June 30, 2022

# Prince George's County Public Schools

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## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Education  
Prince George's County  
Upper Marlboro, Maryland

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Prince George's County Public Schools (the School System), a component unit of Prince George's County, Maryland, as of and for the year June 30, 2022, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements, and have issued our report thereon dated February 16, 2023.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School System's internal control. Accordingly, we do not express an opinion on the effectiveness of the School System's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School System's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in greater detail in the accompanying schedule of findings and questioned costs as Finding 2022-001 to be material weakness.



A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in greater detail in the accompanying schedule of findings and questioned costs as Finding 2022-022, Finding 2022-003, and Finding 2022-004 to be significant deficiencies.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in greater detail in the accompanying schedule of findings and questioned costs as Finding 2022-003.

### **School System's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the School System's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs and management's corrective action plan. The School System's responses described in Appendix B were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP  
February 16, 2023



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## **Independent Auditor’s Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Board of Education  
Prince George’s County  
Upper Marlboro, Maryland

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited the Prince George’s County Public Schools’ (the School System), a component unit of Prince George’s County, Maryland, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School System’s major federal programs for the year ended June 30, 2022. The School System’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School System complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School System and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School System’s compliance with the types of compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School System’s federal programs.



**Auditor’s Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School System’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School System’s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School System’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School System’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School System’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs, and as identified in Table I below. Our opinion on each major federal program is not modified with respect to these matters.

Table I - Other Instances of Noncompliance				
Federal Awarding Agency	Assistance Listing Number (s)	Major Federal Program	Compliance Requirement	Finding Number
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Allowable Costs/Cost Principles - Payroll Activities	2022-005



Table I - Other Instances of Noncompliance				
Federal Awarding Agency	Assistance Listing Number (s)	Major Federal Program	Compliance Requirement	Finding Number
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Procurement and Suspension and Debarment	2022-006
Education	84.181A	Special Education-Grants for Infants and Families	Period of Performance	2022-007
Education	84.425	COVID-19 - Education Stabilization Fund	Allowable Costs/Cost Principles	2022-008
Education	84.010	Title I Grants to Local Educational Agencies	Allowable Costs/Cost Principles	2022-008
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.010	Title I Grants to Local Educational Agencies	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.181A	Special Education-Grants for Infants and Families	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.365A	English Language Acquisition State Grants	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.367	Supporting Effective Instruction State Grants	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.425	COVID-19 - Education Stabilization Fund	Data Collection Form and Single Audit Reporting Package	2022-009

*Government Auditing Standards* requires the auditor to perform limited procedures on the School System’s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The School System’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The School System is responsible for preparing a corrective action plan to address each audit finding included in our auditor’s report. The School System’s corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

### Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.





However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as identified in Table II below, to be significant deficiencies.

<b>Federal Awarding Agency</b>	<b>Assistance Listing Number (s)</b>	<b>Major Federal Program</b>	<b>Compliance Requirement</b>	<b>Finding Number</b>
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Allowable Costs/Cost Principles - Payroll Activities	2022-005
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Procurement and Suspension and Debarment	2022-006
Education	84.181A	Special Education-Grants for Infants and Families	Period of Performance	2022-007
Education	84.425	COVID-19 - Education Stabilization Fund	Allowable Costs/Cost Principles	2022-008
Education	84.010	Title I Grants to Local Educational Agencies	Allowable Costs/Cost Principles	2022-008
Treasury	21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.010	Title I Grants to Local Educational Agencies	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.181A	Special Education-Grants for Infants and Families	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.365A	English Language Acquisition State Grants	Data Collection Form and Single Audit Reporting Package	2022-009
Education	84.367	Supporting Effective Instruction State Grants	Data Collection Form and Single Audit Reporting Package	2022-009



Table II - Significant Deficiencies in Internal Control over Compliance				
Federal Awarding Agency	Assistance Listing Number (s)	Major Federal Program	Compliance Requirement	Finding Number
Education	84.425	COVID-19 - Education Stabilization Fund	Data Collection Form and Single Audit Reporting Package	2022-009

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the School System's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School System's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. The School System is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The School System's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School System as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements. We issued our report thereon dated February 16, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**BDO USA, P.C.**  
(formerly known as BDO USA, LLP)

March 11, 2024

**Schedule of Expenditures  
of Federal Awards**

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**Prince Georges County Public Schools**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number/Grant Award Number	Total Federal Expenditures
<b>U.S. Department of Education</b>			
Direct Program:			
Impact Aid			
PL-384 Federal Impact Aid	84.041	N/A	\$ 44,888
Pass-through program:			
Pass-through from Maryland State Department of Education:			
<u>Special Education Cluster (IDEA):</u>			
Special Education Grants to States			
SPED Family Partnerships Grant	84.027	22019505	19,360
SPED Family Partnerships Grant	84.027	21026805	5,901
2020 LAFF SE Citizens Advisory Committee	84.027	21026804	1,975
2022 LAFF SE Citizens Advisory Committee	84.027	22019504	2,500
2021 LAFF Part B 611 Pass-through PPPSS	84.027	21026802	109,429
2021 LAFF Part B 611 Pass-through CEIS	84.027	21026803	1,030,530
2022 LAFF Part B 611 Pass-through	84.027	22019501	23,768,603
2022 LAFF Part B 611 Pass-through PPPSS	84.027	22019502	55,182
2022 LAFF Part B 611 Pass-through CEIS	84.027	22019503	3,000,919
2019 LAFF Part B 611 Pass-through	84.027	19034301	(170)
2019 LAFF Part B 611 Pass-through CEIS	84.027	19034303	(144)
2020 CLIG Part B 611 Discretionary Grant	84.027	20037001	5,483
2021 CLIG Part B 611 Discretionary Grant	84.027	20182301	4,721
2022 CLIG Part B 611 Discretionary Grant	84.027	22015301	429,736
2020 SPED LIR- Early Childhood	84.027	20110501	30,676
2021 SPED LIR- Early Childhood	84.027	21110501	71,586
2019 SPED LIR- Early Childhood	84.027	19034306	(1,007)
2020 SPED LIR- Secondary Transition Grant	84.027	20110502	30,423
2021 SPED LIR- Secondary Transition Grant	84.027	21110502	196,151
2021 SPED LIR-Access, Equity, and Progress Grant	84.027	2110503	327,139
2022 SPED LIR-Access, Equity, and Progress Grant	84.027	22116901	29,252
COVID 19 American Rescue Plan Passthrough	84.027	22125501	773,200
COVID 19 American Rescue Plan Passthrough	84.027	22125502	349
COVID 19 American Rescue Plan Passthrough	84.027	22125503	424,665
			<u>30,316,459</u>
Special Education Preschool Grants			
2021 CLIG Part B 619 Discretionary	84.173	20184801	1,077
2022 CLIG Part B 619 Discretionary	84.173	22051101	5,618
2022 CLIG Part B 619 Extended Option	84.173	22051102	21,245
2022 LAFF Part B 619 Preschool CEIS	84.173	22036001	626,779
2019 LAFF Part B 619 Preschool CEIS	84.173	19025501	(364)
2019 LAFF Part B 619 Preschool CEIS	84.173	19025503	(84)
COVID 19 American Rescue Plan Preschool Passthrough	84.173	22125701	191,564
2021 Infants & Toddlers -Medical Assistance	84.173	N/A	19,511
2022 Infants & Toddlers -Medical Assistance	84.173	N/A	161,759
			<u>1,027,105</u>
<u>Total Special Education Cluster (IDEA)</u>			<u>31,343,564</u>
Special Education-Grants for Infants and Families			
Infants & Toddlers -State Priority 2021 CLIG Part C	84.181A	21029901	199,948
Infants & Toddlers -State Priority 2022 CLIG Part C	84.181A	22013401	969,018
			<u>1,168,966</u>

**Prince Georges County Public Schools**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number/Grant Award Number	Total Federal Expenditures
<b>U.S. Department of Education (continued)</b>			
Title I Grants to Local Education Agencies			
Title I Part A - FY 19	84.010	19062101	921,039
Title I Part A - FY 20	84.010	201015	1,473,609
Title I Part A - FY 21	84.010	21116901	733,919
Title I Part A - FY 22	84.010	22151001	42,807,204
Title I CSI School- FY19	84.010	19172501	12,801
Title I CSI Grant- FY20	84.010	20197901	787,280
Title I CSI Grant- FY21	84.010	21193201	1,298,773
Title I CSI Grant	84.010	19172502	343,766
			<b>48,378,392</b>
Career and Technical Education --Basic Grants to States			
Career and Technology Education-Title IC Program Improvement- FY21	84.048	21135901	147,699
Career and Technology Education-Title IC Program Improvement- FY22	84.048	22167901	1,338,680
Perkins CTE Reserve Grant	84.048A	22083101	3,448
			<b>1,489,827</b>
School Safety National Activities			
Brick for Mental Health	84.184	S184X190037	173,626
Education for Homeless Children and Youth Cluster			
Educating Homeless Children & Youth -FY21	84.196	21131701	95,915
Educating Homeless Children & Youth - FY22	84.196	22176501	8,176
			<b>104,091</b>
Javits Gifted and Talented Students Education			
TAG Jacob Javits Grant	84.206	N/A	449
Education Research, Development and Dissemination			
JHU-Developing Spatially Enhanced EC Training Series	84.305A	R305A170411	135,646
JHU-Developing Spatially Enhanced EC Training Series	84.305A	R305A170411	152
			<b>135,798</b>
English Language Acquisition State Grants			
FY 20 Title III-English Language Acquisition	84.365A	20074202	60,227
FY 19 Title III-English Language Acquisition	84.365A	19037102	19,826
FY 20 Title III-English Language Acquisition	84.365A	20074201	37,200
FY 21 Title III-English Language Acquisition	84.365A	21048201	1,171,550
FY 22 Title III-English Language Acquisition	84.365A	22068301	1,923,371
			<b>3,212,174</b>
Supporting Effective Instruction State Grants <i>(formerly Improving Teacher Quality State Grants)</i>			
FY 19 Improving Teacher Quality-Title II	84.367	19137001	299,404
FY 20 Improving Teacher Quality-Title II	84.367	20107801	333,561
FY 21 Improving Teacher Quality-Title II	84.367	21078601	1,442,921
FY 22 Improving Teacher Quality-Title II	84.367	22104701	1,483,682
Teach to Lead Grant	84.367	22106801	7,026
Achieving Academic Excellence for Black Boys	84.367	21173301	53,345
			<b>3,619,940</b>
Comprehensive Literacy Development			
Striving Readers Comprehensive Literacy	84.371	20124301	250,845
Teacher and School Leader Incentive Grants <i>(formerly Teacher Incentive Fund)</i>			
Teacher & School Leader Incentive Grant	84.374A	U374A170024	144,308

**Prince Georges County Public Schools**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number/Grant Award Number	Total Federal Expenditures
<b>U.S. Department of Education (continued)</b>			
Student Support and Academic Enrichment Program			
Student Support & Academic Enrichment Grants-FY19	84.424A	19128301	176,338
Student Support & Academic Enrichment Grants- FY20	84.424A	20157201	296,897
Student Support & Academic Enrichment Grants-FY21	84.424A	21137601	1,079,786
Student Support & Academic Enrichment Grants-FY22	84.424A	22153302	733,057
			<u>2,286,078</u>
Education Stabilization Fund			
COVID-19 - Governor's Emergency Education Relief (GEER)			
COVID-19 - Governor's Emergency Economic Relief Grant	84.425C	20187201	1,280,059
COVID-19 - GEER Innovative Approaches Grant	84.425C	20201401	147,446
COVID-19 - GEER II/ Innovative Approaches/ CRRSA Act	84.425C	20212801	735,709
			<u>2,163,214</u>
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund			
COVID-19 - ESSER Foodservice Grant	84.425D	20208801	6,305
COVID-19 - ESSER/Cares Act Grant	84.425D	20178801	5,144,054
COVID-19 - ESSER II/CRRSA Act	84.425D	20211901	38,473,175
			<u>43,623,534</u>
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)			
COVID-19 - ARP ESSER III Grant	84.425U	21194101	56,358,741
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth			
COVID-19 - American Rescue Plan Homeless Education Grant	84.425W	22158401	71,408
COVID-19 - ARP Homeless Ed I	84.425W	22178801	10,924
			<u>82,332</u>
<i>Total Education Stabilization Fund</i>			<u>102,227,821</u>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>194,580,767</b>
<b>U.S. Department of Agriculture</b>			
Pass-through program:			
Pass-through from Maryland State Department of Education:			
<u>Child Nutrition Cluster</u>			
National School Lunch Program			
Food Commodities	10.555	N/A	6,311,787
National School Lunch Program	10.555	N/A	6,969,490
			<u>13,281,277</u>
Fresh Fruit and Vegetable Program	10.582	N/A	1,206,434
Summer Food Service Program for Children	10.559	N/A	80,031,965
<i>Total Child Nutrition Cluster</i>			<u>94,519,676</u>
Child and Adult Care Food Program			
At Risk Supper/NWCC	10.558	N/A	3,380,070
Child & Adult Care Food Program	10.558	N/A	1,298,875
			<u>4,678,945</u>
Child Nutrition Discretionary Grants Limited Availability Equipment Assistance Grant	10.579	20206201	61,909
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>99,260,530</b>

**Prince Georges County Public Schools**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number/Grant Award Number	Total Federal Expenditures
<b>U.S. Department of Treasury</b>			
Pass-through program:			
Pass-through from Maryland State Department of Education:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			
COVID-19 - American Rescue Plan Tutoring Grant	21.027	21184901	20,410,627
COVID-19 - ARP Supplemental Instruction Grant	21.027	21186501	3,427,127
COVID-19 - ARP State Supplemental Trauma/Mental Health	21.027	21180701	1,235,412
COVID-19 - ARP State Supplemental Reopening School	21.027	21179501	1,147,290
COVID-19 - ARP State Supplemental Summer School Grant	21.027	21189601	9,499,062
			<b>35,719,518</b>
<b>TOTAL U.S. DEPARTMENT OF TREASURY</b>			<b>35,719,518</b>
<b>U.S. Department of Health and Human Services</b>			
Direct Program:			
<i>CCDF Cluster</i>			
Child Care Development Block Grant			
CLIG Blueprint for MD's future	93.575	22023502	522,321
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>522,321</b>
<b>U.S. Environmental Protection Agency</b>			
Direct program:			
Environmental Education Grants Program			
ECO City Farms Grant	66.951	96363301	8,324
Geographic Programs - Chesapeake Bay Program			
MD Department of Natural Aquatic Resources Education Grant	66.466	14-22-2985 CBG 8501	26,075
<b>TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			<b>34,399</b>
<b>U.S. Department of Defense</b>			
Direct Program:			
Language Grant Program			
JROTC	12.900	N/A	1,627,076
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			<b>1,627,076</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 331,744,610</b>

# Prince George's County Public Schools

## Notes to Schedule of Expenditures of Federal Awards

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### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the School System under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School System, it is not intended to and does not present the financial position, changes in net position or cash flows of the School System.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. This basis of accounting is fully described in the Summary of Significant Accounting Policies to the School System's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

### 3. Indirect Cost Rate

The School System elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

### 4. Subrecipients

There were no awards provided to subrecipients for the year ended June 30, 2022.

### 5. Relationship to the Federal Financial Reports

The Regulations and guidelines governing the preparation of federal financial Reports vary by Federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with amounts reported in the accompanying Schedule, which are prepared on the basis explained in Notes 2.



## Schedule of Findings and Questioned Costs

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# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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### Section I - Summary of Auditor's Results

#### *Financial Statements*

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiency(ies) identified?   X   Yes        None reported
- Noncompliance material to financial statements noted?   X   Yes        No

#### *Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified?   X   Yes        None reported

Type of auditor's report issued on compliance for major federal programs:

#### Assistance

<u>Listing Number</u>	<u>Name of Federal Program</u>	<u>Opinion</u>
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Unmodified
84.010	Title I Grants to Local Educational Agencies	Unmodified
84.181A	Special Education-Grants for Infants and Families	Unmodified
84.365A	English Language Acquisition State Grants	Unmodified
84.367	Supporting Effective Instruction State Grants	Unmodified
84.425	COVID-19 - Education Stabilization Fund	Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

  X   Yes        No

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
84.010	Title I Grants to Local Educational Agencies
84.181A	Special Education-Grants for Infants and Families

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.365A	English Language Acquisition State Grants
84.367	Supporting Effective Instruction State Grants
84.425	COVID-19 - Education Stabilization Fund

Dollar threshold used to distinguish  
between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee?  Yes  No

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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### Section II - Financial Statement Findings

#### Finding 2022-001: Safeguarding of Assets

**Criteria:** Organizations must maintain financial management systems that provide effective controls over accountability for all funds, assets, and liabilities. These controls should be in compliance with the internal controls integrated framework. The School System's Treasury Department's cash management standard operating procedures (the Manual) requires that any Automatic Clearing House (ACH) payments to any vendor must have an ACH Authorization Form completed by the vendor and (1) signed by an authorized bank official, or (2) accompanied by a voided check image.

**Condition:** The School System's Treasury Department incorrectly made payments to an unknown third-party posing as the genuine vendor company. This incident was perpetuated between May 16, 2022, through June 10, 2022. Total fraudulent payments amounting to approximately \$694,000 were made and as of the report date of which approximately \$302,000 has been recovered and returned to the School System's bank accounts.

The School System did not follow its policies and procedures as noted below:

- ACH Authorization Form that was provided to the Treasury Department did not have the required signature of an authorized Bank official or a voided check image.
- ACH Authorization Form was not properly reviewed and approved as required by the Manual before updating the payment system.
- The Manual requires that all ACH Authorization Form be physically mailed to the School System. However, ACH Authorization Form in question was electronically mailed to the Treasury Department.

**Cause:** The School System's personnel did not adhere to the School System's documented policies and procedures related to the Manual.

**Effect:** The School System is not in compliance with certain aspect of the Treasury Department's Manual. Failure to perform procedures in accordance with the School System's documented policies and procedures could result in further loss of School System's funds.

**Recommendation** We recommend that the School System consistently comply with the documented treasury policies and procedures and also enhance its Manual to implement fraud detection process. We also recommend any ACH change request should be confirmed by telephone by using the correct vendor telephone number and authorized named contact and confirmed with a different individual at the vendor other than the one requesting the ACH change.

**Views of Responsible Officials:** The School System agrees with the finding and recommendations set forth within. The School System plans to update and strengthen its Manual to prevent or detect fraud and further improve controls. Refer to School System's corrective action plan for further details.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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### Finding 2022-002: Quality of Census Data

**Criteria:** The measurement of certain financial statement elements of other postemployment benefit (OPEB) plans financial statements are dependent on plan members' demographic data, which is referred to as census data. Similarly, certain financial statement elements of employers that participate in defined benefit OPEB plans (that is, net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense) are also dependent on members' census data. Organizations must have proper control over maintenance of current and accurate records and statistics for plan member's data, not to mention other compliance with employment laws and regulations.

**Condition:** In testing a sample of twenty-five (25) active and retired employees, we identified the following exceptions:

- We noted two (2) instances where the date of hire of the retired employees per the census data provided to actuary did not match the date of hire of those employee's personnel records.

**Cause:** It appears that employee records for some employees were not accurately uploaded to the database when a new personnel database was implemented in prior years.

**Effect:** The employee data in the census information should be accurate or it could have a material effect on the School System's financial statements and the auditor's ability to opine on said financial statements.

**Recommendation:** Internal controls should ensure the accuracy of all active employees and retirees census data before submission for future valuations, calculations, or analysis. We recommend adequate resources be allocated to properly evaluate all census information provided to the actuarial service provider as they facilitate the School System in calculating the related liabilities.

**Views of Responsible Officials:** The School System agrees with the finding and recommendations set forth within. The School System's Benefit's Department plans to update procedures to reconcile the census data to underlying personnel files for accurate reporting. Refer to School System's corrective action plan for further details.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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### Finding 2022-003: Timely Reporting

**Criteria:** The State laws under the Annotated Code of Maryland, Education Article, Section 5-109 states that each county board shall provide for an annual audit of its financial transactions and accounts and report the results within three months after the close of the fiscal year to the Maryland State Department of Education and other regulatory agencies.

**Condition:** We noted a significant delay in the preparation of the year-end financial statements as a result of the adoption of a new significant accounting standard, GASB No. 87 - *Leases*. As a result, there was a delay in the audit of the financial statements of the School System.

**Cause:** It appears that policies and procedures, including review of new GASB standards, were not implemented in a timely manner to ensure that the School System complied with the reporting State laws.

**Effect:** The School System is not in compliance with State law noted above and as a result the State Superintendent could withhold 10% of the next installment and each subsequent installment due to the School System from the General State School Fund until the School System files the annual audit results.

**Recommendation:** We recommend that the management take proactive measures to analyze changes in accounting standards and or any other regulatory requirements to ensure strict adherence to the year-end closing schedule. This will allow for the year-end work and audit preparation to be a much less time-consuming and arduous process, without sacrificing the quality of the accounting records or minimizing existing internal controls.

**Views of Responsible Officials:** The School System agrees with the finding and recommendations set forth within. The School System is in the process of implementing software that will track all leases, and hire a dedicated employee to maintain the software ensuring all leases are accounted for and reviewed. Refer to School System's corrective action plan for further details.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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### **Finding 2022-004: Information Technology Environment**

**Criteria:** Segregation of duties is a key internal control intended to minimize the occurrence of errors or fraud by ensuring that no employee has the ability to both perpetrate and conceal errors or fraud in the normal course of their duties. This process helps the School System ensure that all financial transactions are properly recorded, appropriately supported, and subjected to supervisory review.

**Condition:** We noted the following with respect to segregation of duty conflicts:

- Administrative access rights to the School Funds Online general ledger software are provided to non-IT personnel within the Accounting Department. As an administrator, the employees have the ability to modify the general ledger information, including recording and posting journal entries, performing reconciliations, adding, deleting, or voiding transactions. Therefore administrator access creates a lack of segregation of duties.
- During our testing of sixteen (16) journal entries samples related to Student Activities, we noted that six (6) were not supported by proper approval. The entries were sufficiently supported but there was lack of approval.

**Cause:** The School System's personnel did not adhere to the School System's documented policies and procedures on reviewing and approving transactions.

**Effect:** Inappropriate or excess access may result in unauthorized data changes or transactions.

**Recommendation:** We recommend management restrict administrator access to personnel outside of the Accounting Department. The School System may consider evaluating its user access and administration (user addition, modification, and removed controls) in order to ensure that appropriate access is granted. All journal entries should be supported by supervisory review.

**Views of Responsible Officials:** The School System agrees with the finding and recommendations set forth within. The School System has removed administrative access for those accounting staff which no longer perform duties within the School Funds Online (SFO) software. Furthermore, additional policies and procedures will be put in place to ensure all journal entries are properly reviewed. Refer to School System's corrective action plan for further details.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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### Section III - Federal Award Findings and Questioned Costs

**Finding Number:** 2022-005  
**Prior Year Finding Number:** N/A  
**Compliance Requirement:** Allowable Costs/Cost Principles - Payroll Activities

**Program:**

U.S. Department of Treasury

COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

ALN #: 21.027

Award #: Various

Award Year: 03/03/2021 - 12/31/2024

**Criteria** - The Uniform Guidance in 2 CFR Section 200.303, *Internal Controls*, requires that non-federal entities receiving Federal awards (i.e. auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Additionally, salaries and wages charged to Federal awards are subject to the standards of documentation as described by 2 CFR Section 200.430(i) and must be based on records that accurately reflect the work performed. These records must:

- Be incorporated into the organization's official records;
- Reasonably reflect the total activity for which the employee is compensated across all grant-related and non-grant related activities (100% effort); and
- Support the distribution of employee salary across multiple activities or cost objectives.

**Condition** - We sampled and selected 60 out of 10,079 payroll transactions and noted two instances where employee's salary for the period recorded in the general ledger did not reconcile with statement of earnings that supports the time and effort for the time charged to the program. As a result, payroll expense charged for the period were overstated.

**Questioned Costs** - Not determinable.

**Context** - This is a condition identified per review of School System's compliance with the specified requirements using a statistically valid sample. Total amount of payroll expenditures charged to the program in fiscal year 2022 were \$11,603,462 and the known amount of the overstated payroll expenses were \$14,525. The total amount of the 60 samples selected was \$261,550.

**Effect** - The School System is not in compliance with the stated provisions. Failure to properly review and support expenditures can result in noncompliance with laws and regulations along with loss of funding.

**Cause** - Payroll expense were not properly calculated and captured in the accounting system.

**Recommendation** - We recommend that School System improve internal controls to ensure adherence to Federal regulations related to the fiscal and administrative requirements for expending and accounting for payroll expenditures. In additions, OMB should review and reconcile cost to ensure accuracy.



# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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***Views of Responsible Officials*** - The School System concurs with the auditor's findings and recommendations. As an on-going effort, the process for creating pay elements for specialized compensation will be monitored for accuracy during the creation stages. Electronic alerts generated in the oracle system will be re-employed to notify appropriate finance personnel of changes. The planned corrective actions are presented in the School System's Corrective Action Plan attached as Appendix B to the Single Audit Report.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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**Finding Number:** 2022-006  
**Prior Year Finding Number:** N/A  
**Compliance Requirement:** Procurement and Suspension and Debarment

**Program:**

U.S. Department of Treasury

COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

ALN #: 21.027

Award #: Various

Award Period: 03/03/2021- 12/31/2024

**Criteria** - Recipients of Federal awards must have adequate policies and controls in place to ensure that the procedures are properly documented in the entity's files, provide full and open competition supported by a cost or price analysis, provide a vendor debarment or suspension certification, provide for retention of files, and that supporting documentation corroborate compliance with these requirements.

**Condition** - We sampled and selected 12 out of 20 procurement transactions during the fiscal year and noted the following:

- For 2 samples out of 12 transactions, the first invoice was issued before the contract was signed. In one of these exceptions, the purchase order was also issued before the contract was signed. Details of these two contracts are below:
  - One contract was dated September 2, 2021, whereas the first invoice processed for the contract was dated June 17, 2021, and the purchase order related to the contract was dated July 20, 2021.
  - The second contract was dated December 20, 2021, whereas the first invoice processed for the contract was dated December 8, 2021.

**Questioned Costs** - Not determinable.

**Context** - This is a condition identified per review of the School System's compliance with the provisions of the Procurement compliance requirement using a statistically valid sample. The total amount of procurement transactions for the program during the fiscal year was \$26,823,561. The amount of the 12 samples selected was \$23,665,988. The known amount of the two transactions was \$4,241,558.

**Effect** - The School System is not in compliance with the stated provisions.

**Cause** - The School System does not appear to have a process in place to adequately monitor and maintain completed contract files comprising of all supporting documents.

**Recommendation** - We recommend that the School System improves internal controls to ensure adherence to Federal relations relating to the procurements of goods and services and review current records retention policies to ensure that the required documentation is properly maintained.

**Views of Responsible Officials** - The School System concurs with the auditor's findings and recommendations. The district is evaluating a centralized contract management solution that would maintain all contracts and agreements upon execution, as well as manage renewals and amendments. The planned corrective actions are presented in the School System's Corrective Action Plan attached as Appendix B to the Single Audit Report.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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**Finding Number** 2022-007  
**Prior Year Finding Number** N/A  
**Compliance Requirement:** Period of Performance

**Program:**

U.S. Department of Education

Special Education-Grants for Infants and Families

ALN #: 84.181A

Award #: 210299, 220134

Award Period: 07/01/2020 - 09/30/2021

07/01/2021 - 09/30/2022

**Criteria** - A non-federal entity may charge to the Federal award allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award, only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency.

A non-federal entity may charge only allowable costs incurred during the approved budget period of a federal award's period of performance and any costs incurred before the federal awarding agency or pass-through entity made the federal award that were authorized by the federal awarding agency or pass-through entity (2 CFR sections 200.308, 200.309, and 200.403(h)).

**Condition** - We sampled and selected 7 out of 21 expenditures and noted 3 expenditures were not properly reviewed. For compliance with period of performance requirements; the three transactions were incurred before the beginning of the period of performance for the respective grants.

**Questioned Costs** - Not determinable.

**Context** - This is a condition identified per review of the School System compliance with the specified requirements using a statistically valid sample. The known amount of the 3 transactions incurred outside the grant period amounted to \$16,302. The total amount of the 7 samples selected was \$52,039. The total amount of the 21 expenditures was \$229,430.

**Effect** - The School System is not in compliance with the stated provisions. Failure to properly review and support expenditures can result in noncompliance with laws and regulations along with loss of funding.

**Cause** - The School System does not appear to have adequate policies and procedures in place to ensure compliance with the required period of performance stipulations.

**Recommendation** - We recommend that the School System strengthen its processes with respect to setting up and charging expenditures between various grant awards. We also recommend that DOE enhance its review process to properly determine the activities of each grant relative to the appropriate period of performance.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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***Views of Responsible Officials*** - The School System concurs with the auditor's findings and recommendations. The Infants and Toddlers Supervisor will conduct monthly reviews of outstanding purchase orders in Oracle, addressing issues promptly with the Business Operation Officer/Financial Analyst. The planned corrective actions are presented in the School System's Corrective Action Plan attached as Appendix B to the Single Audit Report.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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**Finding Number** 2022-008  
**Prior Year Finding Number** N/A  
**Compliance Requirement:** Allowable Costs/Costs Principles

**Program:**

U.S. Department of Education

Title I Grants to Local Educational Agencies

ALN #: 84.010

Award #: Various

Award Period: Various

COVID-19 - Governor's Emergency Education Relief (GEER)

ALN #: 84.425C

Award #: Various

Award Period: Various

COVID-19 - Elementary and Secondary School Emergency Relief  
(ESSR) Fund

ALN #: 84.425D

Award #: Various

Award Period: Various

COVID-19 - American Rescue Plan - Elementary and Secondary  
School Emergency Relief (ARP ESSR)

ALN #: 84.425U

Award #: 211941

Award Period: 03/24/2021 - 09/30/2023

COVID-19 - American Rescue Plan - Elementary and Secondary  
School Emergency Relief - Homeless Children and Youth

ALN #: 84.425W

Award #: Various

Award Period: Various

**Criteria** - In accordance with §200.302 Financial Management, a non-federal entity's financial management systems, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the federal award. The financial management system of each non-federal entity must provide for the following:

1. Identification, in its accounts, of all federal awards received and expended and the federal programs under which they were received.
2. Accurate, current, and complete disclosure of the financial results of each federal award or program in accordance with the reporting requirements set forth in §200.327 Financial Reporting and §200.328 Monitoring and Reporting Program Performance.
3. Records that identify adequately the source and application of funds for federally funded activities.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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4. Effective control over, and accountability for, all funds, property, and other assets.

The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Further, CFR Section 200.510 (b) requires the auditee must also prepare a Schedule of Expenditures of Federal awards (SEFA) for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with 2 CFR section 200.502, Basis for determining Federal awards expended.

**Condition** - The amounts recorded in the Schedule of Expenditures of Federal Awards (SEFA) agree to the total amount recorded in the general ledger. The summary level payroll transactions recorded in the general ledger could not be reconciled to the transaction level detail provided from the payroll system. When comparing the two populations, we identified the following differences:

- ALN 84.425 - For ALN 84.425 sub-program D, we noted a variance of \$1,828,609. Total payroll expenditures per the payroll system details amounted to \$18,437,724 whereas payroll expenditures per SEFA amounted to \$16,609,116.

In addition to the above, for ALN 84.425 sub-program U, we noted a variance of \$301,432. Total payroll expenditures per the payroll system details amounted to \$3,607,738 whereas payroll expenditures per the SEFA amounted to \$3,909,170.

- ALN 84.010 - We noted a variance of \$752,503. Total payroll expenditures per the payroll system details amounted to \$40,549,584 whereas payroll expenditures per the SEFA amounted to \$39,797,081.

**Questioned Costs** - Not Determinable.

**Context** - This is a condition identified per review of the School System's population completeness over the compliance requirements for each program. The prevalence of these findings is detailed in the condition section above.

**Effect** - The SEFA may not be completely and accurately stated. In addition, the lack of established internal controls policies and procedures to ensure the SEFA is completely and accurately stated can lead to noncompliance with federal statutes, regulations, and provisions of grant agreements.

**Cause** - The School System did not adhere to their internal policies and procedures to ensure the accuracy of the SEFA.

**Recommendation** - We recommend that the School System develop policies and procedures and enhance their existing reconciliation process to ensure the completeness and accuracy of the SEFA, and that amounts reported on the SEFA are supported by transaction level detail.

**Views of Responsible Officials** - The School System does not concur with the auditor's findings and recommendations. The total expenditures for all federal programs recorded in the Schedule of Expenditures for Federal Awards are accurately presented and tie to the general ledger. The payroll sub-ledger is corrected before posting to the general ledger every two weeks.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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The resulting differences are most often immaterial but can be traced to corrections made by the Accounting Office after payroll is reviewed by the grants Restricted Funds Supervisor to ensure payroll is not posted to expired grants. The planned corrective actions are presented in the School System's Corrective Action Plan attached as Appendix B to the Single Audit Report.

***BDO Response*** - We have reviewed management's response and our finding remains as indicated, since we could not validate the details of the differences.

# Prince George's County Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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**Finding Number:** 2022-009  
**Prior Year Finding Number:** N/A  
**Compliance Requirement:** Data Collection Form and Single Audit Reporting Package

**Program:**

ALN # 21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
ALN # 84.010	Title I Grants to Local Educational Agencies
ALN # 84.181A	Special Education-Grants for Infants and Families
ALN # 84.365A	English Language Acquisition State Grants
ALN # 84.367	Supporting Effective Instruction State Grants
ALN # 84.425	COVID-19 - Education Stabilization Fund

**Criteria** - The Uniform Guidance in 2 CFR Section 200.512, *Report Submission*, establishes that the audit shall be completed and the data collection form and reporting package shall be submitted to the Federal Audit Clearinghouse (FAC) within the earlier of 30 days after receipt of the auditor's report or nine (9) months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

The Uniform Guidance in 2 CFR Section 200.303, Internal Controls, requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

**Condition** - The School System did not comply with the required submission date of the data collection form and reporting package to the FAC for the fiscal year ended June 30, 2022.

**Questioned Costs** - Not applicable.

**Context** - This is a condition identified per review of the School System's compliance with the specified requirements.

**Effect** - The School System could be exposed to a reduction or elimination of funds by the Federal awarding agencies.

**Cause** - The School System did not have controls in place to ensure that the reporting package was submitted to the FAC within the required timeframe.

**Recommendation** - We recommend that the School System establishes controls to ensure the reporting package is submitted to the FAC annually within the required timeframe.

**Views of Responsible Officials** - The School System does not concur with the auditor's findings and recommendations. The fiscal year 2022 single audit was not completed for the auditors to provide a final report to certify in the Federal Audit Clearinghouse within the specified timeframe as noted in the Uniform Guidance in 2 CFR Section 200.512. The planned corrective actions are presented in the School System's Corrective Action Plan attached as Appendix B to the Single Audit Report.

**BDO Response** - We have reviewed management's response and our finding remains as indicated, the School System did not have the established controls to ensure the reporting package is submitted to the FAC annually within the required timeframe.



## **Management's Appendix**

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## **Appendix A: Summary Schedule of Prior Audit Findings**



## BUSINESS MANAGEMENT SERVICES

Lisa Howell, Chief Financial Officer | [lisa.howell@pgcps.org](mailto:lisa.howell@pgcps.org)  
14201 School Lane | Upper Marlboro, MD 20772 | 301-952-6382

### Appendix A: Summary Schedule of Prior Audit Findings Year Ended June 30, 2022

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Finding Number	Nature of Finding	Type of Finding in Fiscal Year 2021	Current Year Status
2021-001	Procurement Regulations	Significant Deficiency	Corrected

## Appendix B: Corrective Action Plan

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## BUSINESS MANAGEMENT SERVICES

Lisa Howell, Chief Financial Officer | [lisa.howell@pgcps.org](mailto:lisa.howell@pgcps.org)  
14201 School Lane | Upper Marlboro, MD 20772 | 301-952-6382

### Appendix B: Corrective Action Plan Year Ended June 30, 2022

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#### **Finding 2022-001: Safeguarding of Assets**

**Corrective Action:** Treasury Department is currently updating and strengthening its Manual to prevent or detect fraud. ACH Authorization Forms (Form) must be physically mailed to the School System's Treasury Department since electronically mailed forms will not be accepted. The Form must be signed by an authorized Bank official or have an attached voided check. The Form must state an authorized individual and a current phone number as the ACH Form request will be confirmed by telephone.

**Contact:** J. Michael Dougherty, Director of Financial Services

**Completion Date:** May 1, 2023

If you have any questions, please contact J. Michael Dougherty at 301-780-6737 or by email at [james.dougherty@pgcps.org](mailto:james.dougherty@pgcps.org).

#### **Finding 2022-002: Quality of Census Data**

**Corrective Action:** The conflicting hire dates identified are for employees who have terminated employment and then have been rehired at a future date. For OPEB validation purposes, the original hire date is irrelevant if the employee terminated and then was rehired. In summary, the Census Data reflects the hire/rehire date for the current employment tenure and the Personnel File reflects original hire dates for employees who have been hired, terminated, and then rehired at a future date.

**Contact:** Nick Venturini, Director of Benefits

If you have any questions, please contact Nick Venturini at 301-952-6043 or by email at [nick.venturini@pgcps.org](mailto:nick.venturini@pgcps.org).



## BUSINESS MANAGEMENT SERVICES

Lisa Howell, Chief Financial Officer | [lisa.howell@pgcps.org](mailto:lisa.howell@pgcps.org)  
14201 School Lane | Upper Marlboro, MD 20772 | 301-952-6382

### Appendix B: Corrective Action Plan Year Ended June 30, 2022

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#### Finding 2022-003: Timely Reporting

**Corrective Action:** The implementation of GASB 87 delayed timely reporting for many school systems across the nation, including several in the State of Maryland. We concur that the delay in implementation contributed to our ACFR being submitted late. In FY 2023, the School System is in the process of implementing software that will track all leases, and there will be a dedicated employee to maintain the software ensuring all leases are accounted for and reviewed for GASB 87 implications.

**Contact:** J. Michael Dougherty, Director of Financial Services

**Completion Date:** July 2023

If you have any questions, please contact J. Michael Dougherty at 301-780-6737 or by email at [james.dougherty@pgcps.org](mailto:james.dougherty@pgcps.org).

#### Finding 2022-004: Information Technology Environment

**Corrective Action:** Since the initial finding in July 2022, the Accounting Office has now removed administrative access for those accounting staff which no longer perform duties within the School Funds Online (SFO) software. The applicable staff maintained SFO access for administration and support of schools. Accounting supervision will (1) contact the software vendor to determine what if any, measures can be taken regarding restriction of responsibilities for segregation of duties; and (2) will generate and review SFO audit reports quarterly for the applicable SAF staff transactions.

Currently, all SAF journal entries prepared by Accounting Office staff are submitted to schools with the instructions that the journal obtain the approval of the Bookkeeper and Principal, and a copy be retained for the school's files. Additional instruction will now be communicated to schools, that an approved copy be submitted directly back to Accounting Office, as well as continuing to retain a copy for the school's file. The Accounting Office's SAF team will create a log to verify that all approved journals are received back from the schools, to serve as Accounting's verification. The Assistant Controller with oversight for the SAF fund will review the log quarterly.

**Completion Date:** March 31, 2023

**Contact:** J. Michael Dougherty, Director of Financial Services

If you have any questions, please contact J. Michael Dougherty, at 301-780-6737 or by email at [james.dougherty@pgcps.org](mailto:james.dougherty@pgcps.org).



## BUSINESS MANAGEMENT SERVICES

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### Appendix B: Corrective Action Plan Year Ended June 30, 2022

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#### Finding 2022-005:

**Compliance Requirement:** Activities Cost/Cost Principles - Payroll Activities

**Correction Action:** As an on-going effort, the process for creating pay elements for specialized compensation will be monitored for accuracy during the creation stages. Electronic alerts generated in the oracle system will be re-employed to notify appropriate finance personnel when new elements are created by the Payroll Department to ensure the distribution accuracy of salary expenses along with applicable fringes to the appropriate grant accounts. This will prevent manual journal entry realignment postings of large data sets of salary and fringes to the primary assignment costing versus accounts created specifically for specialized pay that is approved in the respective grant application as an allowable cost.

**Completion Date:** June 30, 2024

**Name(s) of the contact person(s) responsible for corrective action:**

Grants Financial Management Office:

Darrell M. Haley, Supervising Budget Analyst  
Claire Taylor, CPA Restricted Funds Supervisor  
J. Michael Dougherty, Esq., CPA Director of Finance

Department of Payroll

Frieda Waithe, Director, Payroll Services



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### Appendix B: Corrective Action Plan Year Ended June 30, 2022

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#### Finding 2022-006:

**Compliance Requirement:** Procurement/Suspension and Debarment

**Corrective Action:** The district is evaluating a centralized contract management solution that would maintain all contracts and agreements upon execution, as well as manage renewals and amendments. This tool will be leveraged during the procurement process with a copy of the current executed contract uploaded by the Grant Program Manager at the time requisitions are created to encumber funds. In addition, we are also considering modifications in the Oracle Financial System to add validation controls when matching contractual services invoices for payment to ensure alignment with the service period outlined in the executed contract. Finally, additional training opportunities for Grant Program Managers will be offered to ensure services outlined in contractual agreements will not be authorized before they are approved and signed by the Director of Purchasing.

**Completion Date:** June 30, 2024

**Name(s) of the contact person(s) responsible for corrective action:**

Grants Financial Management Office:

Darrell M. Haley, Supervising Budget Analyst  
Claire Taylor, CPA Restricted Funds Supervisor  
J. Michael Dougherty, Esq., CPA Director of Finance

Department of Purchasing & Supply

Keith Stewart, Director, Department of Purchasing & Supply Services

Department of Information Technology

Andrew Zuckerman, Chief of Information Technology





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### Appendix B: Corrective Action Plan Year Ended June 30, 2022

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#### Finding 2022-007:

#### Compliance Requirement: Period of Performance

#### Corrective Action Plan and Completion Date:

The Infants and Toddlers Supervisor will conduct monthly reviews of outstanding purchase orders in Oracle, addressing issues promptly with the Business Operation Officer/Financial Analyst. Professional development sessions will be attended to enhance invoice scrutiny for allowable expenses within the grant period. Quarterly reminders and Financial Quarterly Review meetings will be instituted for supervisors, ensuring timely action on outstanding purchase orders. Following will be implemented:

1. Infants and Toddler Supervisor will hold monthly meetings with the Financial Analyst and the secretarial staff to ensure consistent actions are taken when generating purchase orders and processing invoices.
2. The Infants and Toddler secretary will review invoice dates against contracts and purchase orders to ensure they fall within grant timelines before submitting them to the supervisor for signature.
3. Infants and Toddler Supervisor will confirm that purchases made with grant funds are allowable and within the designated grant period. The Supervisor will cross-reference invoice dates against grant periods before signing and sending to accounts payable.
4. The infants and Toddler Supervisor will confirm the work being invoiced has been completed and vendor details are checked, and dates verified.
5. Grant Accountants will provide transaction detail reports (at least quarterly). The Infant and Toddlers Coordinating Supervisor will review and sign-off on the quarterly transaction reports
6. The Financial Analyst will meet monthly with the Infants and Toddler Supervisor and Coordinating Supervisor to ensure grant allowable expenses are adhered to and invoicing is updated and falls Within grant-specific timelines.

**Completion Date:** June 2024

**Contact person(s) responsible for corrective action:**

Office of Infant and Toddlers/Coordinating Supervisor & Fiscal Analyst  
Business Operation Office/Fiscal Analyst & Office of Infant and Toddlers/Coordinating Supervisor



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### Appendix B: Corrective Action Plan Year Ended June 30, 2022

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#### Finding 2022-008: Allowable Cost and Cost Principles

**Corrective Action Plan:** The School System does not Concur with the finding. The total expenditures for all federal programs recorded in the Schedule of Expenditures for Federal Awards are accurately presented and tie to the general ledger. The payroll sub-ledger is corrected before posting to the general ledger every two weeks. The resulting differences are most often immaterial but can be traced to corrections made by the Accounting Office after payroll is reviewed by the grants Restricted Funds Supervisor to ensure payroll is not posted to expired grants. To ensure all employees are paid according to pay dates established in our various labor agreements and recorded correctly in the general ledger, we will continue the payroll transaction validation process that assures the payroll expenses recorded are allowable and accurately stated in the SEFA and balance to the general ledger.

**Completion Date:** June 30, 2024

**Name(s) of the contact person(s) responsible for corrective action:**

**Grants Financial Management Office:**

Darrell M. Haley, Supervising Budget Analyst  
Claire Taylor, CPA Restricted Funds Supervisor  
J. Michael Dougherty, Esq., CPA Director of Finance



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### Appendix B: Corrective Action Plan Year Ended June 30, 2022

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#### Finding 2022-009:

#### Compliance Requirement: Data Collection Form and Single Audit Reporting Package

**Corrective Action Plan:** The School System does not Concur with the finding. The fiscal year 2022 single audit was not completed for the auditors to provide a final report to certify in the Federal Audit Clearinghouse within the specified timeframe as noted in the Uniform Guidance in 2 CFR Section 200.512. This is the first time that our auditors have not entered the appropriate information into the data collection form for us to certify. In the future, we will provide reminders as the date approaches in time to meet the deadline.

**Completion Date:** June 30, 2024

**Name(s) of the contact person(s) responsible for corrective action:**

Grants Financial Management Office:

Darrell M. Haley, Supervising Budget Analyst  
Claire Taylor, CPA Restricted Funds Supervisor  
J. Michael Dougherty, Esq., CPA Director of Finance