

**Prince George's County Public Schools  
Internal Audit Department  
School/Office: Bladensburg HS**

Response Date September 13, 2019

	<b>Findings</b>	<b>Recommendations</b>	<b>Concur Non- Concur Partially Concur</b>	<b>Action Plan</b>	<b>Corrective Action Date</b>	<b><u>Status</u> Implemente d Partially Implemente d Not Implemente d</b>
1.	<b><u>2020.01 Mismana gement of Disburse ments</u></b>	<p>principal must ensure staff members are aware that pre-approval is required prior to the purchase of products or services and be held accountable for compliance. SFEFs should be entirely completed by staff. The principal should ensure all pre-approval details are provided on SFEFs prior to approving expenditures.</p> <p>principal and recordkeeping staff should ensure that all transactions are accurately entered into the automated financial system</p> <p>recordkeeping staff must ensure vendor payments are issued timely, within 30 days of receipt or by due date on invoice.</p> <p>supporting documentation deemed acceptable for substantiating disbursements must consist of receipts or invoices substantiating the amounts expended that are properly maintained to ensure retrieval.</p> <p>internal controls to ensure that all voided checks are defaced, filed in check number order with cancelled check images, entered into the SFO accounting system and VCPS approved by the principal must be established. The principal should perform periodic oversight to ensure this process is performed.</p> <p>voided statements must be retained to substantiate checks issued in advance to help establish accountability. The principal must ensure that employees with outstanding amounts from advances immediately return those funds to the recordkeeping staff.</p> <p>internal controls must be established to ensure that the principal, as the fiduciary agent of the school, approves and sign all agreements and contracts entered</p>	partially concur	A. Financial guidelines reviewed with the entire staff during pre-service week. Additionally, all staff members that are interested in leading a club or extracurricular activity will participate in a small group session with principal and school accountant regarding proper completion and procedures for all financial	September 2019	Implemented

Principal Signature \_\_\_\_\_

Date \_\_\_\_\_

		into for all school activities. Staff must be made aware that they do not have authority to sign contracts on behalf of the school.		paperwork to include contracts and remission of funds.		
2.	<b><u>2020:02</u></b> <b><u>Management of Funds Received</u></b>	<p>recordkeeping staff must ensure that all MTF documentation is complete, to include verifying all supporting documentation is attached to MTFs prior to acceptance and deposit of funds. The recordkeeping staff should not accept the MTF if changes are not initialed.</p> <p>principal must ensure proper custody of all records relating to SAF until audited. The recordkeeping staff must establish an appropriate filing system to help ensure that financial documents are available for retrieval upon request.</p> <p>recordkeeping staff must be reminded that all funds collected and remitted should be deposited on a daily basis especially funds in excess of \$250.00. Teachers must be informed that funds collected cannot be held overnight. The principal must provide adequate time for verification and timely deposit of funds. The principal should perform periodic review of deposit records to monitor whether deposits are made as required. The principal should hold all staff accountable for compliance.</p>	Partially concur	A. MTF's will not be accepted from school accountant if the form has not been completed thoroughly or correctly. The school Accountant and I have put together a Staff Policies & Procedures Manual for Student Activity Funds. This information was based off of information obtained from the Student Activity Funds manual. Each teacher also receive a copy via school mailbox. All individuals who will be collecting money (i.e: club sponsor, field trips etc.) will be held	September 2019	Implemented

Principal Signature \_\_\_\_\_

Date \_\_\_\_\_

				accountable for following these procedures. First violation staff member will be provided a refresher session with myself and the school accountant. Second offense will involve a formal write up and money handling privileges revoked.		
3.	<b><u>2020:03 Administration of Sales Tax</u></b>	Recordkeeping staff should ensure that appropriate sales tax is collected and remitted to the State of Maryland for all applicable sales taxable items sold by the school. The recordkeeping staff should review AP 5137 to become familiar with sales taxable items.	Partially Concur	Staff policies and procedures will be shared with all staff/fund handlers. To ensure sales tax is applied to all applicable items. And I have instructed the school accountant to review AP 5137 as well.	August/September 2019	Implemented
4.	<b><u>2020.04 Year-End Monetary Transmittal Form (MTF)</u></b>	Staff must be reminded of their responsibility relative to MTF envelopes submission during the year-end checkout process. The recordkeeping staff should print the "Receiptee History" report from the accounting system and provide it to the administrator responsible for collecting MTF envelopes. The principal should instruct the administrator to obtain MTF envelopes based on the printed report. Each employee must be held accountable for returning MTF envelopes, including all processed MTFs, as part of the year-end checkout process.	Partially Concur	I will share the staff policies & procedures for student activity funds with my Admin team. The administrative team has been instructed that a receiptee report will be provided to ensure that all	October 2019 February 2019 June 2019	Partially Implemented

Principal Signature \_\_\_\_\_

Date \_\_\_\_\_

	<b><u>Envelope s Collectio n Process</u></b>			MTF envelopes are collected from each fund handler twice during the school year. Once as a mid year check in January/February and end of the year close out procedures.		
5.	<b><u>2020.05 Excessive Spending in Restrict ed Accounts</u></b>	Principal must evaluate potential expenditures with regard to available resources and care must be exercised to ensure the resources are used to provide maximum benefit of the students. The principal should consult with Accounting and Financial Reporting Office to discuss options for resolution of deficits. Spending in these accounts must cease until the accounts' deficits are resolved.	Partially Concur	I will meet with my school accountant on a bi-weekly basis to discuss budget/financial. To ensure there's no over spending in the school check book. A portion of this deficit was incurred due to low yearbook sales over two consecutive school years. As a result we have reduced the number of yearbooks ordered for SY2020.		Implemented
6.	<b><u>2020.06 Vending Machines Contract s</u></b>	Principal must immediately obtain an appropriate signed contract from the vending machine vendor(s) that complies with APM, Section 9.8, Vending Machine Sales. The principal should consult with Purchasing and Supply Services to identify an alternate vending company in absence of a contract.	Partially Concur	I will obtain a signed contract from our vending machine company. I will make sure that it complies with section 9.8 of APM.	September 2019	Partially Implemented
7.	<b><u>2020.07 Dispositi on of Senior</u></b>	Principal should provide a plan for disposition to the Office of Accounting and Financial Reporting for approval if the senior class officers are no longer available. A copy of the approved disposition plan should be sent to Internal Audit. The principal, recordkeeping staff and class sponsors must familiarize themselves with the requirements for administration of the	Partially Concur	I will work closely with the School Accountant and the Senior Class Sponsor, to ensure a proper	August 2019 – May 2020	Partially Implemented

Principal Signature \_\_\_\_\_

Date \_\_\_\_\_

	<b><u>Class Accounts</u></b>	senior class accounts and ensure to promptly obtain a disposition plan from class officers prior to graduation.		disposition plan for all senior funds is completed prior to graduation.		
8.	<b><u>2020.8 Inappropriate Use of Advance, Reimbursement and Refund Vendor Options</u></b>	Principal must establish procedures to ensure that financial recordkeeping staff properly post all future cash disbursements accurately in SFO. Staff should be advised that use of vendors that have not been approved by PGCPSS is not permitted and could result in non-reimbursement for purchases made. Staff should be held accountable for compliance. Additionally, correcting entries must be made for the improper postings to ensure accurate accounting of all transactions.	Partially Concur	Financial policies & procedures will be reviewed with all staff members during the pre-service week for the school year. I will also share the policies & procedures with all club sponsors and fund handlers.	August 2019	Implemented
9.	<b><u>2020.09 Improvement Needed in Management Oversight</u></b>	Principal should carefully review the policies and procedures as defined in APM. The principal should be consistently involved in the daily operations as it relates to the administration of the school's resources. Improvement of the internal control environment should be emphasized by focusing on these five basic principles: <ul style="list-style-type: none"> <li>1. Clearly Defined Lines of Authority and Responsibility;</li> <li>2. Segregation of Duties;</li> <li>3. Maintenance of Adequate Documents and Records;</li> <li>4. Restricted Access to Assets, and</li> <li>5. Independent Checks on Performance.</li> </ul>	Partially Concur	I will first review the policies and procedures per APM and then review them with my school accountant during our bi-weekly meetings.	August 2019	Implemented

Principal Signature \_\_\_\_\_

Date \_\_\_\_\_