



OFFICE of INTERNAL AUDIT

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MEMORANDUM

March 11, 2026

To: Judith Haughton-Williams, Ed.D., Instructional Director
Cluster 1

Mary Wall, Principal
Deerfield Run Elementary School

From: Deana Thorps, CPA
Director, Internal Audit

Re: Deerfield Run ES Financial Audit for the Period May 1, 2018, through April 30, 2025

An audit of the financial records of **Deerfield Run Elementary School** was completed for the period May 1, 2018, through April 30, 2025. The audit indicates that the school's financial records and procedures require improvement to be in accordance with the Accounting Procedures Manual for School Activity Funds (APM) and Prince George's County Board of Education policies and procedures. The exceptions noted are included in the attached report.

As principal of the school, you will be responsible for preparing an action plan by **April 10, 2026**, indicating steps that will be taken to ensure compliance with the APM. Please note that you are required to provide your action plan using the attached Microsoft Word template and any other correspondence to the Internal Audit Office, email address: internal.audit@pgcps.org. Please forward this template as a Microsoft Word document. A copy of your action plan should also be forwarded to Shaquana Mitchell, Business Analyst, email address: Shaquana.mitchell@pgcps.org, Roderick Adams, Administrator, Compliance Procedures, email address: Roderick.adams@pgcps.org, and Katrina Greene, School Activity Funds Support Specialist, email address: katrina.greene@pgcps.org.

cc: Branndon Jackson, Chair, Board of Education
Members, Board of Education
Shawn Joseph, Ed.D., Interim Superintendent
Deann Collins, Ed.D., Chief of Staff
Kassandra Lassiter, Ed.D., Associate Superintendent, Area 1
Lisa Howell, Chief Financial Officer
Peggy J. Harrison, CPA, Director, Financial Services
Robin Welsh, Esq., Director, Office of Government Relations, Compliance and Procedures
Roderick Adams, Administrator, Compliance and Procedures
Katrina Greene, School Activity Funds Support Specialist
Cindy Adlien, Executive Director, Board of Education
Janice Walters-Semple, CPA, Supervisor, Internal Audit
Theodore Dzodzomenyo, Internal Auditor II



School Activity Fund Report-
Deerfield Run Elementary School
May 1, 2018 – April 30, 2025

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PGCPS Internal Audit Report
School Activity Fund
Deerfield Run Elementary School
For Period Ended April 30, 2025

Internal Auditor's Draft Report

We have examined the School Activity Funds (SAF) of Deerfield Run Elementary School for the period May 1, 2018, through April 30, 2025. Deerfield Run Elementary School's principal is responsible for the administration of SAF. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and Generally Accepted Government Auditing Standards and, accordingly, included examining, on a test basis, evidence supporting SAF, and performing such other procedures, as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Our examination disclosed the following **four** findings:

- *Delinquent Deposits*
- *Non-Compliance with Collection Procedures*
- *Delinquent Monthly Bank Reconciliations*
- *Administration of End-of-Year Monetary Transmittal Forms*

In our opinion, except for the deviation from the criteria described in the preceding paragraph, the SAF referred to above was administered in compliance with Prince George's County Board of Education (BOE) policies and procedures and the Accounting Procedures Manual for School Activity Funds (APM), in all material respects, for the period ended April 30, 2025.



Deana Thorps, CPA, Director
Internal Audit

PGCPS Internal Audit Report
School Activity Fund
Deerfield Run Elementary School
For Period Ended April 30, 2025

SUMMARY

Internal Audit completed an audit of the school activity funds (SAF) for Deerfield Run Elementary School for the period May 1, 2018, through April 30, 2025. The audit was conducted as part of the department's annual audit plan.

This audit report includes **four** findings which occurred under the leadership of the current principal. A listing of the findings and the personnel responsible is included in the appendix at the end of the audit report. Detailed findings from the current audit are cited on the following pages with accompanying recommendations for corrective action.

OBJECTIVES

The objectives of the audit were to determine the effectiveness of the system of internal controls and whether the school was in compliance with the policies and procedures of the Accounting Procedures Manual for School Activity Funds (APM) and Prince George's County Board of Education (BOE). It is important to recognize that, while the audit report focused on deficiencies, it was intended to be constructive. The audit was not designed and conducted to evaluate the effectiveness of the educational programs in the school. Therefore, the absence of comments related to the educational programs should not be construed to imply that these programs are either adequate or deficient.

SCOPE

The audit was based on our examination of selected bank statements, financial reports, cancelled checks, all voided checks and available Monetary Transmittal Form (MTF) envelopes submitted for the period May 1, 2018, through April 30, 2025. Also, selected receipts, disbursements and supporting documentation were reviewed for the said period. The audit results were based on available documentation.

This is an audit of funds related to students' activities at the school and does not include School Operating Resources (SOR) funds or any funds not derived from students' activities for the audit period.

FINDINGS AND RECOMMENDATIONS

The audit resulted in the following findings and recommendations:

2026.01: Delinquent Deposits

There were **six** instances where the remitted funds were not deposited in a timely manner. The delinquencies range from **seven** to **17** days.

The APM Section 4.5.2.2 (1) *Collecting Funds and Guidelines for Bank Deposits, Completing the MTF, and Preparing Bank Deposits*, requires all funds collected to be remitted to the bookkeeper on the day of collection. The bookkeeper is also required to make timely deposits with the financial institution. No more than \$250.00 should be kept in the building overnight. The MTF must be entirely completed, and documentation provided for all funds received.

According to the recordkeeping staff, the delinquencies occurred because additional documentation was required from staff members to substantiate the funds that accompanied the MTFs. Other delinquencies occurred during the recordkeeping staff's absence.

Internal controls are compromised and there is the risk of loss of funds when funds are not deposited as required.

Recommendations: The principal and recordkeeping staff must communicate the importance of remitting funds with proper documentation to the recordkeeping staff timely. Staff members must be held accountable for compliance.

2026.02: Non-Compliance with Collection Procedures

There were **ten** instances where the recordkeeping staff did not acknowledge verification of the funds remitted as evidenced by a signature. The signature was instead appended to the MTFs at end of the school year.

The APM Section 4.5.2.2 (1) *Completing the Monetary Transmittal Form* requires the bookkeeper to approve the MTF prior to returning the yellow copy to the originator. It is also emphasized that the bookkeeper verifies and signs the MTF acknowledging accuracy of remitted funds.

According to the recordkeeping staff, she was not aware that a signature was necessary as an acknowledgement that the remittance was accurate.

Internal controls are compromised when evidence to substantiate the accuracy of remittances is not documented timely.

Recommendations: The recordkeeping staff should become familiar with the guidelines for administering deposits as outlined in the APM. The principal must hold the recordkeeping staff accountable for following the procedures for receiving funds from staff as delineated in the APM.

2026.03 Delinquent Monthly Bank Reconciliations

There were at least **two** instances where monthly bank reconciliations were not completed and reviewed by the recordkeeping staff and the principal timely. The delinquency ranged from **nine** to **21** days.

The APM Section 5.1.2 *Monthly Reconciliation and Financial Reporting* states that the bookkeeper is required to complete the monthly bank reconciliation within seven days after receiving the statement from the bank. All financial reports are required to be completed by the 15th of the subsequent month and submitted to the principal for review and approval.

According to the recordkeeping staff, School Funds Online (SFO) was closed from July until mid-August 2024 to facilitate the annual roll-over process which impacted the reconciliation process in one instance. The other delinquency occurred due to inclement weather closings and the unavailability of the principal because of administrative meetings.

The principal's fiscal responsibility is compromised when monthly bank reconciliations are not prepared or reviewed timely. Timing differences or other errors may not be detected and corrected promptly when the reconciliation process is not performed as intended.

Recommendation: The principal and recordkeeping staff should implement internal controls to ensure that the monthly bank reconciliation process is performed in accordance with the schedule requirements included in the APM (bank reconciliation within seven days of receiving the statement from the bank and the completion of financial reports by the 15th of each month).

2026.04 Administration of End-of-Year Monetary Transmittal Forms

The year-end MTF submission process was not administered as required. Staff members' MTF remittances, (yellow and pink) were maintained in an envelope by the recordkeeping staff for fiscal year 2023 and fiscal year 2024 instead of by individual staff members.

According to the APM Section 4.5.2.2 *Cash Receipts Procedures*, the pink copy of the MTF is retained by the preparers of the form. The white and yellow copies are submitted to recordkeeping staff with remitted funds. After approving a MTF, the recordkeeping staff returns the yellow copy to the originator. Prior to departing at year-end, faculty and program managers are required to submit the pink and yellow copies of their MTFs in a sealed envelope (with their signature over the seal) to the designated administrator.

PGCPS Internal Audit Report
School Activity Fund
Deerfield Run Elementary School
For Period Ended April 30, 2025

Reportedly, the school administrators did not understand the requirements for administering MTFs.

Failure to comply with the procedures for managing year-end MTF submission impacts the quality of compensating evidence necessary to provide support for collections.

Recommendation: The principal and recordkeeping staff should contact the Accounting and Financial Reporting Office (AFRO) to request training regarding the administration of funds collected by the school. The principal must establish internal controls regarding the retention of year-end MTF envelopes. The principal or designee must ensure that a *Receiptee History Report* is obtained from the recordkeeping staff to facilitate collection of staff members' MTF envelopes during the year-end close-out process. The recordkeeping staff must refrain from having the pink and yellow MTF remittances in her possession.

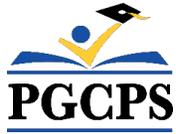
STATUS OF PRIOR AUDIT FINDINGS

The previous audit report for Deerfield Run Elementary School was issued for the period ended April 30, 2018. The principal was in the current position during that audit; however, the recordkeeping staff's tenure began after the previous audit. The previous audit included **two** findings, and **one** was partially repeated in the current audit report. The following findings were noted as a result of that audit and the status is indicated below:

- **Mismanagement of Funds Received** – The condition partially exists. See finding **2026.01** regarding *Delinquent Deposits*.
- **Transfers Not Properly Approved** – The Condition was not noted during this audit.

ACKNOWLEDGEMENT

We would like to thank the principal and staff of Deerfield Run Elementary School for their cooperation and assistance extended during the audit.



Deerfield Run Elementary School
School Activities Funds
Appendix - Findings Timeline
For the Period Ended April 30, 2025

| AUDIT FINDINGS | Mary Wall, Principal | Theresa Butler, Recordkeeping Staff |
|--|----------------------|-------------------------------------|
| <i>2026.01: Delinquent Deposits</i> | X | X |
| <i>2026.02: Non-Compliance with Collection Procedures</i> | X | X |
| <i>2026.03: Delinquent Monthly Bank Reconciliations</i> | X | X |
| <i>2026.04: Administration of End-of-Year Monetary Transmittal Forms</i> | X | X |
| Total | 4 | 4 |