OFFICE OF INTERNAL AUDIT
Deana Thorps, Director | internal.audit@pgcps.org
14201 School Lane | Upper Marlboro, MD 20772 | 301-780-6887

MEMORANDUM

August 13, 2026

To: Niki Brown, Ed.D., Instructional Director
Cluster 4

Richard McKee, Jr., Ed.D., Principal
Hyattsville Elementary School

From: Deana Thorps, CPA, Director
Office of Internal Audit

Re: Hyattsville Elementary School Financial Audit for the Period June 1, 2017, through December 31, 2025

An audit of the financial records of **Hyattsville Elementary School** was completed for the period June 1, 2017, through December 31, 2025. The audit indicates that the school's financial records and procedures require improvement to be in compliance with the Accounting Procedures Manual for School Activity Fund (APM) and Prince George's County Board of Education (BOE) 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 **September 15, 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 and 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., Superintendent
Deann Collins, Ed.D., Chief of Staff
Shavonne Smith, Chief Financial Officer
Carletta Marrow, Ed.D., Chief of Schools
Kassandra Lassiter, Ed.D., Associate Superintendent, Area I
Peggy J. Harrison, CPA, Director, Financial Services
Katrina Greene, School Activity Funds Support Specialist
Robin Welsh, Esq., Director, Office of Government Relations, Compliance and Procedures
Roderick Adams, Administrator, Compliance and Procedures
Janice Walters-Semple, CPA, Supervisor, Internal Audit
Iyamide Oduyoye, CIA, Internal Auditor II

PRINCE GEORGE'S COUNTY
PUBLIC SCHOOLS

School Activity Funds Audit Report
Hyattsville Elementary School
June 1, 2017 – December 31, 2025

Table of Contents

Internal Auditor's Draft Report

We have examined the School Activity Funds (SAF) of Hyattsville Elementary School for the period June 1, 2017 through December 31, 2025. Hyattsville 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 **three** findings:

- *Records Retention*
- *Administration of Funds Transfers*
- *Administration of Donations*

In our opinion, except for the deviation noted, the SAF referred to above has been administered in compliance with Prince George's 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 December 31, 2025.

Deana Thorps, CPA
Director, Internal Audit

BACKGROUND

Internal Audit completed an audit on the school activity funds (SAF) for Hyattsville Elementary School for the period June 1, 2017, through December 31, 2025. The audit was conducted as part of the department's annual audit plan.

This audit report includes **three** findings which occurred under the leadership of the former and current principals. 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 to determine 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 Monetary Transmittal Form (MTF) envelopes submitted for the period June 1, 2017, through December 31, 2025. Also, available receipts, disbursements, and supporting documentation were reviewed for the said period. 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

2027.01: Records Retention

The following exceptions related to the management of financial documentation were identified:

- ***MTFs*** **–** There were **six** instances where MTFs for documenting the collection of funds from students in Fiscal Year (FY) 2023 and FY 2024 could not be located for review.

- ***Cancelled Checks*** – There were **12** instances where cancelled checks from the period June 1, 2017 - June 30, 2022, were not available to substantiate payments processed.

- ***Voided Checks*** **–** There were ***22*** instances where voided checks were not available for review.

The APM Section 6.12 *Record Retention* requires all SAF records to be retained for a period of seven years and/or until audited including the current fiscal year.

The principal and recordkeeping staff outlined the following reasons for the inadequate recordkeeping. An effective recordkeeping system was not implemented to ensure that financial records were properly maintained and retrieved when required. High turnover rates among staff with responsibility for administering financial records also contributed to unlocated files. Also, the current recordkeeping staff was not adequately trained to ensure proper maintenance of the school's financial records.

Poor record retention makes it difficult to validate financial transactions regarding the receipt and disbursement of SAF. Moreover, the absence of underlying documentation obscures the detection of errors and possible fraud. It also undermines the internal controls that are pertinent to safeguarding the school's resources.

Recommendations: The following are recommended to improve management of financial records:

1. The principal should coordinate refresher training to bring awareness of the school's financial procedures to all staff members who are responsible for administering SAF.

2. The principal and recordkeeping staff must implement an effective records management system to ensure that the school's financial records are maintained in an organized manner and are retrievable in the recordkeeping staff's absence when requested by authorized individuals.

3. The principal should conduct periodic review of the school's financial records to ensure completeness.

2027.02: Administration of Fund Transfers

Fund transfers to ensure the school's financial statements are accurately presented were not always administered as required. Specifically,

- ***Inadequate Approval:*** There were **six** instances where evidence to support the principal's approval of fund transfers was not available for review. *The Fund Transfer Journal Entry Proof Sheets* (FTJEPS) were not available for review.

- ***Fund Transfer Documentation*** – There were **two** instances where available FTJEPS did not include evidence of the principal's approval of fund transfers.

According to the APM Section 4.5.4.2 *Transfers Between Restricted and Unrestricted/Net Accounts, t*ransfers between restricted accounts are only authorized if reviewed and approved by the principal. Section 6.12 *Record Retention* requires all SAF records to be retained for a period of seven years and or until audited including the current fiscal year.

The recordkeeping staff acknowledged that a lack of training contributed to the improper administration of the school's journal entry transactions.

Improper management of fund transfers constitutes noncompliance with BOE policies and procedures and can adversely impact the school. When transactions that are posted to restricted funds accounts are not properly reviewed and approved, the result can lead to misappropriation of funds, or inaccurate financial reporting.

Recommendations: The recordkeeping staff must contact the Accounting and Financial Reporting Office (AFRO) to schedule training for administering SAF including journal entries. The recordkeeping staff must also review the APM for guidance on administering the school's financial transactions.

2027.03 Administration of Donations

The school received donations that totaled **$6,608.82** during the audit period. The following donations were not reported to the Grants Financial Management Office (GFMO) as required:

- **FY 2022** $1,836.82 -MTF 427208
- **FY 2023** $3,800.00 – MTF 427220 and 427238
- **FY 2024** $972.00 – MTF 427246 and 427254.

The APM Section 9.3 *Accounting for Grants and Donations* includes the following reporting requirement for donations administering donations. All grants and donations made directly to schools, irrespective of amount, should be reported to the GFMO on a School Grant Reporting Form.

According to the principal and recordkeeping staff they were not aware of the reporting requirement for donations.

Failure to report the donations received by the school constitutes noncompliance with the GFMO's reporting requirement and impact the completeness of GFMO's reporting.

Recommendation: The principal and recordkeeping staff should review the APM to familiarize themselves with the reporting requirements regarding donations received at the school to ensure that they are in compliance.

STATUS OF PRIOR AUDIT FINDINGS

The previous audit report for Hyattsville Elementary School was issued for the period ended May 31, 2017. The principal and recordkeeping staff were not in their current positions during that audit. The previous audit included **seven** audit findings and **two** are repeated in the current audit report.

- **Mismanagement of Receipts –** The condition was not noted in this audit.
- **Mismanagement of Disbursements –** The condition was partially noted during this audit. **See Finding 2026.01** regarding *Records Retention: Cancelled Checks.*
- **Financial Reporting Requirements –** The condition was not noted in this audit.
- **Year End MTF Envelope Submission Process –** The condition was not noted in this audit.
- **Sales Tax Not Paid for Items Sold –** The condition was not noted in this audit.
- **Administration of Voided Checks** - The condition was partially noted during this audit. **See Finding 2026.01** regarding *Records Retention: Voided Checks.*
- **Fundraiser Forms/Reports Not Completed –** The condition was not noted in this audit.

ACKNOWLEDGEMENT

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

PGCPS

Hyattsville Elementary School
School Activity Fund
Findings Timeline
December 31, 2025

AUDIT FINDINGS	Teresa Bey, Former Principal 2017 - 2020	John Swann, Former Recordkeeping staff, 2017 - 2019	Tawanda Wade, Former Recordkeeping staff, 2019 - 2023	Richard McKee, Principal, 2020 - Present	Sindy Umanzor, Recordkeeping staff 2023 - present
2027.01: Records Retention	X	X	X	X	
2027.02: Administration of Fund Transfers			X	X	X
2027.03 Administration of Donations			X	X	X
Total	1	1	3	3	2