



Management
Prince George's County Public Schools
Prince George's County, Maryland

In planning and performing our audit of the financial statements of Prince George's County Public Schools (School System) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the entity'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 entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below. This letter does not affect our report on the financial statements dated November 11, 2025, nor our internal control communication dated November 11, 2025.

Cash Reconciliation

CLA noted that the Cash Payroll Garnishment had a variance difference of \$385,285; in addition, CLA noted that the Cash Payroll Account had unaccounted reconciling items totaling \$531,669. Although the variances were not material to the financial statements, variances within the reconciliation could allow errors to exist and go undetected.

We recommend that all the bank accounts be reconciled monthly to the general ledger and suspicious reconciling items be promptly investigated and adjusted with adequate explanations.

Revenue Recognition

During our audit procedures, we identified a misclassification in the accounting treatment of prior year revenue adjustments related to three grants. Specifically, the adjustments were recorded as current year revenue rather than as reductions to unearned revenue in the prior year. This resulted in an understatement of revenue for the prior year totaling \$4,684,925. We recommend that management review its procedures for revenue recognition related to grants.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
November 11, 2025