

Prince George's County Public Schools  
Internal Audit Department  
School/Office: Edward M. Felegy ES

*JK* 11/1/19

Response Date: October 30, 2019

	Findings	Recommendations	Concur Non- Concur Partially Concur	Action Plan	Corrective Action Date	Status Implemented Partially Implemented Not Implemented
1.	<u>2020.01 Funds Not Deposited</u>	<p>A. The financial recordkeeping staff should ensure that all deposits made in SFO are supported by validated bank deposit slips to ensure that all funds collected have been properly deposited.</p> <p>B. The Principal and financial recordkeeping staff should better utilize the bank reconciliation process to ensure bank and SFO balances are appropriately reconciled. Deposits in transit should always be investigated prior to signature and the financial recordkeeping staff must be held accountable for compliance.</p> <p>C. Accounting and Financial Reporting should ensure that deposits in transit are properly investigated when identified on reconciliations submitted during the trimester reporting process especially when included on bank reconciliations for more than one month.</p>	Concur	<p>A. The deposit receipts from the bank will be attached to all MTFs.</p> <p>B. Particular attention is being given to all deposits.</p> <p>C. Now that we are fully aware as to what deposits and transits are, Deposits in transit are being reviewed by principal and secretary prior to signature. It is not our intention to hold any deposits in the building without sending to the bank and posting.</p>	8/26/2019	Implemented
2.	<u>2020.02 Mismanagement of Funds</u>	<p>A. The principal and financial recordkeeping staff should familiarize themselves with the APM requirements for cash collections, and develop internal controls that ensure</p>	Concur	<p>Both the principal and secretary have reviewed the APM requirements for cash collection, and have developed internal</p>	8/26/2019	Implemented

Principal Signature

*Praver A. Siburd*

Date

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	<u>Received</u>	<p>compliance. Specifically, staff should be trained to remit funds on the day of collection, with full support for remittance amount. Validated deposit slips should support all recorded deposits.</p> <p>B. The financial recordkeeping staff should ensure that receipts are entered correctly into SFO when funds documented on the MTF are from students or external entities.</p> <p>C. The principal should arrange for the purchase and installation of a drop safe. The safe should be accompanied by a safe log where staff members record their name and date of any funds dropped.</p>		controls for cash collection and deposits.		
3.	<u>2020.03</u> <u>Mismanagement of Disbursements</u>	<p>A. The principal and financial recordkeeping staff should immediately familiarize themselves with the specific requirements for expenditures as outlined in the APM. The principal should develop and document specific internal controls to mirror those requirements. The internal controls should include responsibilities for staff members, the financial recordkeeping staff, and the principal, specifically as it pertains to pre-approving expenditures and ensuring timely payments. The controls should be established followed by prompt training of staff.</p> <p>B. The financial recordkeeping staff should ensure that allowable transfers are made to ensure that all expenditures are posted to the most appropriate account.</p> <p>C. The principal must hold the financial recordkeeping staff accountable for compliance.</p>	Partially Concur	<p>A. Both the principal and secretary have reviewed the APM requirements for cash collection, and have developed internal controls for cash collection and deposits.</p> <p>B. Monies are always posted to accounts that are specified by persons providing MTFs.</p> <p>C. The drop safe has been purchased and delivered to school. A work order has been requested to install drop safe.</p>	8/26 '2019	Implemented

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4.	<b><u>2020.04</u></b> <b><u>Mismanagement of Bank Reconciliations</u></b>	The principal and financial recordkeeping staff should establish and document a process for reviewing and approving bank reconciliations timely. A set meeting should be scheduled each month to review reports and discuss the SAF. Any questions regarding questionable items on the report should be forwarded to the Accounting and Financial Reporting Office or Internal Audit prior to signatory approval of the reconciliations.	Concur	The principal and the secretary have instituted monthly meetings to review and approve all bank reconciliations in a timely fashion.	8/26/2019	Implemented
5.	<b><u>2020.05</u></b> <b><u>Misclassification of Bank Charges</u></b>	The financial recordkeeping staff should transfer \$132.88 from the Bank Charges account to the Sales Tax account to correct the previous journal entry misclassifications and bring the Sales Tax account to solvency. The financial recordkeeping staff should ensure that all journal entries are properly recorded in the future. Questions regarding charges on bank statements should be forwarded to Accounting and Financial Reporting prior to recording.	Concur	The \$132.88 has been transferred from the Bank Charges account to the Sales Tax account.	8/26/2019	Implemented
6.	<b><u>2020.06 Year-End Monetary Transmittal Form Procedures Not Followed</u></b>	The principal and financial recordkeeping staff should immediately familiarize themselves with the specific requirements for end-of-year MTF collection in the APM. The principal should develop and document specific internal controls to mirror those requirements. The internal controls should include responsibilities for staff members, the financial recordkeeping staff, the designated administrator, and the principal. The principal should provide enforcement of controls to ensure envelopes are properly collected, sealed, and signed.	Concur	The principal has instituted a plan for MTF recordkeeping to include the principal, assistant principal (Mr. Kenny), and staff member maintaining separate colored copies of MTF for quality assurance.	8/26/2019	Implemented
7.	<b><u>2020.07</u></b> <b><u>Insolvency Report Not Properly Completed</u></b>	The principal and financial recordkeeping staff should familiarize themselves with the specific requirements for monthly reporting in the APM. They should collaboratively review open invoices during the monthly financial reporting process to ensure the unpaid bills spreadsheet is completed properly and that it is incorporated	Concur	The principal and secretary will discuss any open-ended invoices during each monthly meeting, and determine appropriate next steps.	8/26/2019	Implemented

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		into the Insolvency calculation.				
8.	<b><u>2020.08 Fundraiser Forms Not Completed</u></b>	The principal and financial recordkeeping staff should establish a process to ensure that fundraising forms are completed as required. The principal should review all Completion Reports to complete an annual fundraising summary and to ensure that all forms have been completed as required.	Concur	Fundraising forms and AP 5135.1 will be issued to all staff requesting approval for fundraising activities. Staff will complete and submit Fundraising Closing Report one day after completing the activity.	8/26/:019	Implemented
9.	<b><u>2020.09 Voided Checks Not Properly Defaced</u></b>	The financial recordkeeping staff should begin to deface all voided checks. The principal should provide oversight to this process when approving voided checks.	Concur	The principal and secretary will now cut and shred the signature lines from all voided checks.	8/26/:019	Implemented
10.	<b><u>2020.10 Club Budgets Not Developed</u></b>	The principal and financial recordkeeping staff should develop a budget template for club sponsors to use during the 2019-2020 school year. Responsible staff should be held accountable for compliance.	Concur	A budget sheet has been developed for all clubs.	8/26/:019	Implemented
11.	<b><u>2020.11 Failure to Maintain a Current Vending Contract</u></b>	The financial recordkeeping staff should contact the vendor and obtain a signed contract for the vending machine operations. The contract should stipulate the frequency and percentage of commissions. The contract should be renewed annually. In the absence of securing a signed vending machine contract, Purchasing and Supply Services should be contacted to identify a new vending company.	Concur	A contract was requested by the company. Contract was received. Contract was submitted to Purchasing for review and approval. Awaiting decision.	8/26/:019	Implemented

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