



August 29, 2019

MEMORANDUM

To: **Kelvin Moore, M. Ed.**, Instructional Director
Cluster 9

Wendell Coleman, Principal
Oxon Hill Middle School

From: **Michele Winston, CPA**, Director
Internal Audit

Re: Financial Audit for July 1, 2016 through June 30, 2019

An audit of the financial records of **Oxon Hill Middle School** was conducted for the period July 1, 2016 through June 30, 2019. The audit indicated that the school's financial records and procedures require improvement to be in accordance with the Accounting Procedures for School Activity Funds (APM) and Board of Education policies and procedures. The exceptions noted in the audit are documented in the attached audit report.

As the principal of the school, you will be responsible for preparing an action plan by September 30, 2019, indicating steps that will be taken to ensure compliance with the APM. Please note that you are required to provide your **signed and dated** action plan using the attached Microsoft word template and any other correspondence to the Internal Audit Office, email address internal.audit@pgcps.org. A copy of your action plan should also be forwarded to Jerry Chandler, Business Analyst, email address: jerry.chandler@pgcps.org; Deborah Smalls, Business Operations Technician, email address: deborah.smalls@pgcps.org; and Joeday Newsom, Esq., Ethics Compliance Officer, email address: joeday.newsom@pgcps.org.

Enc.

sent to the emails listed
on 9/26/19 per instructions

cc:

Alvin Thornton, Ph. D., Chairman, Board of Education
Monica Goldson, Ed. D., Chief Executive Officer
Members, Board of Education
Helen Coley, Ed. D., Chief, School Support and Leadership
David Curry, Ed. D., Associate Superintendent, Middle Schools
Christian Rhodes, Chief of Staff
Michael Herbstman, Chief Financial Officer
James Dougherty, Director, Financial Services
Joeday Newsom, Esq., Ethics Compliance Officer
Suzann King, Esq., Executive Director, Board of Education
Derrick Martin, Internal Auditor II

Prince George's County Public Schools
 Internal Audit Department
 School/Office: Oxon Hill MS

Response Date 9-26-19

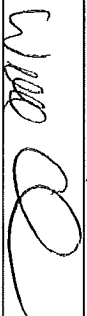
Findings	Recommendations	Concur Non- Concur Partially Concur	Action Plan	Corrective Action Date	Status Implemented Partially Implemented Not Implemented
1. <u>2020-01</u> <u>Restricted</u> <u>Account Deficits</u>	The principal should contact the Accounting and Financial Reporting Office for guidance on resolving the restricted account deficits that existed prior to their tenure. Regarding the Boys Basketball Game Worker account, which incurred a deficit during FY 2019, spending should cease until the deficit is resolved.		The Accounting and Financial reporting office has been contacted regarding the restricted accounts deficits from prior years before the current Principal. The Financial and accounting office transferred money out of this account for game workers from multiple schools. They sent an email advising that they made the account negative and Schools would need to do a funds transfer from B Basketball gate receipts or B Basketball allotment. Audit was done in the Summer this was correct for the current school year 2019-2020	8/28/19	Implemented
2. <u>2020-02</u> <u>Mismanagement</u> <u>of Funds</u> <u>Received</u>	A. The principal and recordkeeping staff should ensure the school store sponsor is aware of the school store inventory requirements. Internal controls for B. Administering school store inventory must be established to promote efficiency and mitigate the risk of loss due to fraud, waste and abuse of		Inventory has been taken of all supplies, products and all equipment in the School Store as well as an inventory list is displayed in the school store, in addition a copy is with the Bookkeeper and	9/4/19	Implemented

Principal Signature 

Date 9-26-19

		<p>school store inventory. In addition, the recordkeeping staff must familiarize herself with sales tax requirements and collection of sales tax should be immediately implemented for taxable items sold by the school.</p> <p>C. Hours for remitting funds must be established and staff members must be held accountable for compliance to reduce tardiness of deposits. Also, the recordkeeping staff must be held accountable for ensuring timely deposits, at least every other day as required by the APM.</p> <p>D. The recordkeeping staff must be held accountable for reviewing MTF packages to ensure that appropriate documentation is submitted to substantiate funds remitted along with MTFs.</p>	<p>The School store sponsor keeps a detail Inventory list of all transactions. A copy of the school store required was given to the school store sponsor. Book keeper is aware of the sales tax requirement regarding the school store and is following guidelines</p> <p>C. An email notifying staff of a specific time to remit funds has been established. Bookkeeper is currently making timely deposits every other day unless the deposit for the following day exceeds 250.</p> <p>D. Bookkeeper is meticulously reviewing documentation/receipts along with Mtf to insure accuracy.</p>	9/4/19	Implemented
3.	<p><u>2020.03 Year-end Monetary Transmittal Envelopes Submission</u></p>	<p>The designated administrator must be held accountable for ensuring ALL Year-end envelopes are collected from staff. Staff members who collected funds during the school year must be held accountable for submitting MTF remittance copies in signed, sealed envelope to the designated administrator. MTF envelopes must be secured in an area that is not accessible to the bookkeeper. The principal should include MTF requirements as part of the professional development program held at the beginning of each school year.</p>	<p>The Administrator responsible for collecting MTF's has been retrained as part of the review of the audit.</p>	8/20/19	Implemented
4.	<p><u>2020.04 Core Text Book Fines</u></p>	<p>The recordkeeping staff should ensure that core textbook fees are remitted to the BOE on a quarterly basis as required by the APM. The principal should hold the recordkeeping staff accountable for compliance.</p>	<p>Bookkeeper has reviewed the procedure for remittance of textbook fines and will do it in a timely manner to adhere to the</p>	9/26/19	Implemented

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			Administrative procedure.		
5.	<u>2020.05 Vending Machine Contract</u>	<p>The principal must establish procedures to ensure that current vendor contracts are established and maintained on file in compliance with BOE policies and procedures. The principal must either obtain a current vending contract or consult with Purchasing and Supply Service for identification of an alternate vendor.</p>	<p>Vendor contract was up for renewal at the time of the Audit, We have since Updated our Contract with the vendor and one will be held on record at the school.</p>	8/30/19	Implemented
6.	<u>2020.06 Transfers</u> <u>Not Properly</u> <u>Approved</u>	<p>The recordkeeping staff should ensure that all allowable transfers are completed with an approved Fund Transfer Journal Entry Proof Sheet signed by the principal prior to entering into SFO. Evidence of prior approval must be retained on file as evidence of compliance. The principal must hold the recordkeeping staff accountable for compliance.</p>	<p>A proof sheet has been established As Sfo does not have a prior proof sheet. Book keeper gets permission to transfer any funds designated for unrestricted accounts, and will get all transfers signed prior to transactions.</p>	8/30/19	Implemented

Principal Signature



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