



**School Activity Fund Report –  
Suitland Elementary School  
June 1, 2018 – January 31, 2025**



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**PGCPS Internal Audit Report  
School Activity Fund – Suitland Elementary School  
For Period Ended January 31, 2025**

**Internal Auditor's Report**

We have examined the School Activity Funds (SAF) of Suitland Elementary School for the period June 1, 2018 through January 31, 2025. Suitland 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:

- *Mismanagement of Funds Received*
- *Administration of Checks*
- *Delinquent Monthly Bank Reconciliations*
- *Administration of Fund Transfers*
- *Administration of Annual Fundraising Reports*
- *Administration of Donations*

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 Public Schools' (PGCPS) 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 January 31, 2025.



Deana Thorps, CPA, Director  
Internal Audit

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## **SUMMARY**

Internal Audit completed an audit on the school activity funds (SAF) for Suitland Elementary School for the period June 1, 2018, through January 31, 2025. The audit was conducted as part of the department's annual audit plan.

This audit report includes **six** findings which occurred under the leadership of the former and current principals. A listing of the findings and the personnel responsible are 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 the 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 and all voided checks and available Monetary Transmittal Form (MTF) envelopes submitted by staff for the period June 1, 2018 through January 31, 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: Mismanagement of Funds Received**

The following exceptions were noted regarding the administration of funds received:

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- A. *End Of Year MTF Envelopes Submission*: MTF envelopes were not available for review for FY 2018, FY 2020 – FY 2024 to ascertain compliance with the submission requirement.
- B. *Missing MTFs*: There were **three** instances where MTFs could not be located to substantiate funds received (MTF 414755, 414725 and 414727).

The APM provides the following guidelines for administering deposits:

- A. Section 4.5.2.2 *Collecting Funds: Completing the Monetary Transmittal Form* states that prior to departing at year-end, faculty and program managers are to submit the pink and yellow copies of the MTF(s) in a sealed envelope (with their signature over the seal) to the designated administrator.
- B. *Section 6.12 Record Retention*, requires all SAF records to be retained for a period of seven years or until audited including the current fiscal year.

The following explanations were provided for the noted deficiencies:

- A. *End of Year MTF Envelopes Submission*: The principal and recordkeeping staff explained that the teachers failed to submit the MTF receipts at the end of the school year. The teachers stated the forms were misplaced. This has been the case each year even though they are informed throughout the year how important it was to turn them in at the end of the year.
- B. *Missing MTFs*: The MTFs were misplaced as procedures were not in place to ensure that MTF documentation to substantiate funds collected was properly safeguarded.

Mismanagement of cash receipts constitute noncompliance with BOE policies and procedures and can adversely impact the school's cashflow. Specifically:

- A. Failure to comply with the procedures for managing End of Year MTF remittances impact the quality of compensating evidence that should be available to support collections.
- B. The absence of cash receipt documentation makes it difficult to verify the accuracy of transactions recorded in Student Funds Online (SFO). This makes it impossible to detect errors and possible fraud in a timely manner.

**Recommendations:** The following steps are recommended to improve the management of cash receipts:

1. The principal should conduct training to review year-end MTF submission procedures with staff.
2. The principal and recordkeeping staff should implement an effective records management system to ensure adequate retention of cash receipt documentation, specifically, MTFs.

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Periodic reviews of collection documentation should be performed by the principal to ensure compliance.

**2026.02: Administration of Checks**

There were **nine** instances noted where cancelled checks requested for review were not made available to the auditor. The following cancelled checks were not included with the disbursement records: check numbers 963, 964, 966, 967, 975, 976, 987, 1016 and 1047.

The APM Section 6.12, *Record Retention* requires all SAF records to be retained for a period of seven years or until audited, including the current fiscal year. The bookkeeper or financial secretary is responsible for accurately recording and reporting the school's financial transactions.

According to the principal, the bank failed to include the cancelled checks with the school's monthly bank statements.

The absence of disbursement documentation undermines the established internal controls for ensuring effective processing of funds expended by the school and increases the potential for fraud.

**Recommendation:** The principal and recordkeeping staff should contact the bank to initiate inclusion of cancelled checks or microfilms of cancelled checks with the school's monthly bank statements. The cancelled checks should be retained with the school's financial records and made available for audits.

**2026.03: Delinquent Monthly Bank Reconciliations**

There were **three** instances where monthly bank reconciliations (*July 2024, Sept 2024 and December 2024*) were not prepared and reviewed timely as required. The delinquency ranged from eight to 34 days.

The APM Section 4.2.2, *Bank Account Procedures*, requires the school's bank account to be reconciled within 7 days of receipt of the bank statement. The monthly bank reconciliation process, which includes the principal's review, is required to be completed by the 15th day of the subsequent month.

The principal explained that the delinquency occurred when the main office was busy with the processing of registration applications. The main office was understaffed requiring the recordkeeping staff to be responsible for the duties of three staff.

Delinquent bank reconciliations constitute non-compliance with BOE policies and procedures and impacts timeliness and reliability of financial information used in the fiscal decision-making process. The principal's ability to promptly identify errors and possible fraud is eluded when monthly bank reconciliations are not performed timely.

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**Recommendation:** The principal should ensure that time is prioritized for completing the monthly bank reconciliations process as required as this would ensure timely correction of errors and serve as a deterrent to fraud.

**2026.04 Administration of Funds Transfers**

The financial reporting process was not administered as required. There were **three** instances where transfers from restricted fund accounts were not approved by the principal.

According to the *APM Section 4.5.4.2, Transfers Between Restricted and Unrestricted/Net Accounts* - Transfers between restricted accounts are only authorized if reviewed and approved by the principal.

Reportedly, the principal was not aware of the requirement for approving restricted fund transfers.

Improper management of fund transfers constitutes noncompliance with BOE policies and procedures and can result in the use of restricted funds being used for unauthorized expenditures without the principal's knowledge.

**Recommendation:** The principal should review the APM to become familiar with the requirements for administering fund transfers. The principal should require the recordkeeping staff to print the *Fund Transfer Journal Entry Proof Sheet* with transfers of restricted funds to be processed to facilitate review and approval as required.

**2026.05: Administration of Annual Fundraising Reports**

The school conducted **three** school-wide fundraisers during the audit period (*Read-a-Thon, Bookfair and School Pictures*). Annual reports summarizing the results of the fundraising activities were not prepared as required.

The APM Section 7.2.2, *Fundraiser Procedures* requires the principal to prepare an annual report summarizing all fundraising activities concluded during the year. The data in this annual report should be available for review by parents, other interested members of the community, and include the net amount retained as profit from each fundraising activity.

The principal is aware of the requirement for preparing annual fundraising reports; however, the principal did not appoint anyone to ensure that the required annual reports were prepared.

Failure to comply with the fundraiser reporting requirements constitutes non-compliance with BOE policies and procedures and weakens the internal controls for ensuring accountability and prompt review by parents and members of the school community.

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**Recommendation:** The principal should ensure a report which summarizes the school's fundraising activities is prepared at the end of each school year. The report should include the profits raised from each fundraiser and be made available to authorized personnel as required.

**2026.06: Administration of Donations**

The *School Grant Reporting Form* was not prepared and submitted to the Frants Financial management Office (GFMO) for the following donations received during the audit period: S. Lathern - \$275.00 in December 2018, Kaiser - \$2,500.00 in April 2019, Alliance Energy- \$500.00 in January 2021, Global Exxon - \$500.00 in January 2024 and Methodist Church - \$1,500.00 in October 2024.

The APM Section 9.3 *Accounting for Grants and Donations* requires all grants and donations made directly to schools, irrespective of amount, to be reported to the GFMO on a *School Grant Reporting Form*.

Reportedly, the principal and recordkeeping staff were not aware of the reporting requirement regarding grants and donations received by the school.

Failure to report the grants and donations received by the school constitutes noncompliance with the GFMO's reporting requirement and can result in the grant funds reported by GFMO being incomplete.

**Recommendation:** The principal and recordkeeping staff should familiarize themselves with the procedure for reporting grants and donations to GFMO and adhere to the requirement by ensuring that all grant and donations are reported to GFMO as required.

**STATUS OF PRIOR AUDIT FINDINGS**

The previous audit report for Suitland Elementary School was issued for the period ended May 31, 2018. The principal and recordkeeping staff were in their current positions during that audit. The previous audit included **11** audit findings and **four** are repeated in part or whole in the current audit report. The following findings were noted as a result of that audit and the current status indicated below:

- **Mismanagement of Disbursements** - This condition still partially exists. See finding **2026.02** regarding *Administration of Checks*.
- **Mismanagement of the Principal Sponsored Activities (PSA) Account** - This condition was not reported in the current audit.
- **Mismanagement of Funds Received** - The conditions were not reported in the current audit.

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- **Inappropriate Transfers of Funds** - This condition was not reported in the current audit.
- **Year-End Monetary Transmittal Form Procedures Not Followed** - This condition still exists. See finding 2026.01 regarding *Mismanagement of Fund Received*.
- **Fundraiser Forms Not Completed** - This condition was not reported in the current audit. See finding 2026.05 regarding *Administration of Fundraiser Forms*.
- **Voided Checks Not Properly Administered** - The conditions were not reported in the current audit.
- **Bank Reconciliations Not Completed or Approved Timely** - Still observed in this audit. See finding 2025.03 regarding *Delinquent Monthly Bank Reconciliations*.
- **Insolvency Report Not Properly Completed** - The condition was not reported in the current audit.
- **Insecure Location for Funds Awaiting Deposit** The condition was not reported in the current audit.
- **Management Oversight** - The condition was not reported in the current audit.



### **ACKNOWLEDGEMENT**

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



Suitland ES  
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Appendix - Findings Timeline

AUDIT FINDINGS	Pamela Preston Boylan, Principal before June 2018 - date	Dorothy White, Recordkeeping staff, before June 2018 - date
<i>2026.01: Mismanagement of Funds Received</i>	X	X
<i>2026.02: Administration of Checks</i>	X	X
<i>2026.03: Delinquent Monthly Bank Reconciliations</i>	X	X
<i>2026.04: Administration of Fund Transfers</i>	X	X
<i>2026.05 Administration of Annual Fundraising Report</i>	X	X
<i>2026.06 Administration Donations</i>	X	X
<b>Total</b>	<b>6</b>	<b>6</b>

Prince George's County Public Schools

Internal Audit Department

School/Office: Suitland Elementary

Response Due Date: September 7, 2025

	Findings	Recommendations	Concur Non-Conc ur Partially Concur	Action Plan	Corrective Action Date	<u>Status</u> Implemented Partially Implemented Not Implemented
2026 .01	<b>Mismanagement of Funds Received</b>	<p>The following steps are recommended to improve the management of cash receipts:</p> <p>The principal should conduct training to review year-end MTF submission procedures with staff.</p> <p>The principal and recordkeeping staff should implement an effective records management system to ensure adequate retention of cash receipt documentation, specifically, MTFs. Periodic reviews of collection documentation should be performed by the principal to ensure compliance.</p>	Concur	<ul style="list-style-type: none"><li>• Discuss MTF Process with teachers a launch of the school year</li><li>• Principal will keep a copy of MTF in a file cabinet</li><li>• Principal and recordkeeper will meet monthly to review status of MTF collected</li></ul>	9/17/25	Implemented Partially

Department Head Signature Dr. Pamela Preston Boylan

Date 9/1/2025

2026 .02	<b>Administration of Checks</b>	The principal and recordkeeping staff should contact the bank to initiate inclusion of cancelled checks or microfilms of cancelled checks with the school's monthly bank statements. The cancelled checks should be retained with the school's financial records and made available for audits.	Partially Concur	<ul style="list-style-type: none"> <li>Secretary contracted bank for missing checks</li> <li>Image of checks are included moving forward for data keeping</li> </ul>	7/1/25	Implemented
2026 .03	<b>Delinquent Monthly Bank Reconciliations</b>	The principal should ensure that time is prioritized for completing the monthly bank reconciliations process as required as this would ensure timely correction of errors and serve as a deterrent to fraud.	Partially Concur	<ul style="list-style-type: none"> <li>Secretary has time to complete reports immediately upon receiving statement</li> <li>Secretary has been relieved of many registrar duties to focus on reconciliation reports</li> </ul>	7/1/25	Implemented

Department Head Signature Dr. Pamela Preston Boylan

Date 9/1/2025

2026 .04	<b>Administration of funds Transfers</b>	The principal should review the APM to become familiar with the requirements for administering fund transfers. The principal should require the recordkeeping staff to print the <i>Fund Transfer Journal Entry Proof Sheet</i> with transfers of restricted funds to be processed to facilitate review and approval as required.	Concur	<ul style="list-style-type: none"> <li>The recordkeeper and principal will meet prior to approving any funds request.</li> </ul>	7/1/25	Partially met
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Department Head Signature Dr. Pamela Preston Boylan

Date 9/1/2025

2025 .05	<b>Administration of Annual Fundraising Reports</b>	The principal should ensure a report which summarizes the school's fundraising activities is prepared at the end of each school year. The report should include the profits raised from each fundraiser and be made available to authorized personnel as required.	Concur	<ul style="list-style-type: none"> <li>Assistant Principal will ensure fundraiser reports are completed upon completion of the fundraiser</li> </ul>	7/1/25	Implemented
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Department Head Signature Dr. Pamela Preston Boylan

Date 9/1/2025

2026 .06	<b>Administrations of Donations</b>	The principal and recordkeeping staff should familiarize themselves with the procedure for reporting grants and donations to GFMO and adhere to the requirement by ensuring that all grant and donations are reported to GFMO as required.	Concur	<ul style="list-style-type: none"> <li>• Review administrative procedures regarding Grants</li> <li>• Ensure Community Schools Coordinator is aware of receiving grants</li> </ul>	7/1/25	Implementation
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Department Head Signature Dr. Pamela Preston Boylan

Date 9/1/2025