

Prince George's County Public Schools
Internal Audit Department
School/Office: Imagine Foundations at Leeland Public Charter School

Response Date: Tuesday November 21, 2017

Findings	Recommendations	Concur Non- Concur Partially Concur	Action Plan	Corrective Action Date	Status Implemented Partially Implemented Not Implemented
<p>1. <u>2018.01</u> <u>Mismanagement</u> <u>of Funds</u> <u>Received</u></p>	<p>The bookkeeper and Principal should familiarize themselves with the APM's procedures for collection and processing of SAF. Internal controls to ensure compliance should be developed and documented. Staff should be trained on the documented controls, specifically as it relates to the MTF log, accurate remittance information, and timely deposits.</p>	<p>Non- Concur</p>	<p>- The bookkeeper and Principal will read the SAF manual. - The bookkeeper trained with Ms. Greene. She was able to address questions during the session. - Principal oversees MTF process by signing off when deposits are done.</p>	<p>11/15/17</p>	<p>Implemented</p>
<p>2. <u>2018.02</u> <u>Mismanagement</u> <u>of Disbursements</u></p>	<p>The bookkeeper and Principal should familiarize themselves with the APM's procedures for disbursements and develop and document internal controls to ensure compliance. A. The staff should be trained, specifically as it relates to submitting SFEFs prior to purchase, and completing them after purchase, to ensure principal's pre-approval and post approval.</p>	<p>Non- Concur</p>	<p>- Principal will attend available trainings. - Bookkeeper read the SAF manual and trained with Ms. Greene to become more familiar with the process. - Bookkeeper submits</p>	<p>11/15/17</p>	<p>Implemented</p>

Principal Signature _____
Date 11/21/17

	<p>B. The principal should provide oversight to the disbursement process, to include monthly reviews of open invoices to ensure that bills are paid to vendors timely.</p> <p>C. Review of financial records, including cancelled checks, should be performed to ensure that adequate evidence is maintained in an organized manner to provide a sufficient audit trail.</p> <p>D. The principal should ensure that the current bookkeeper is added as a check signer on the bank account.</p>		<p>expenditure forms for any invoices received as well as makes sure the Principal reviews what is in the account.</p> <ul style="list-style-type: none"> - Checks are cut in a timely manner to avoid late fees and charges. - Signature cards have been updated so that the new bookkeeper's signature is included. - Internal audits of bookkeeping are done quarterly to ensure everything is update. 	
<p>3. <u>2018.03 Financial Reports Not Approved by Principal</u></p>	<p>The current bookkeeper and Principal should familiarize themselves with the APM requirements for financial reporting and develop internal controls to ensure compliance. Specifically, the principal should set up monthly meetings with the current bookkeeper to review financial reports and resolve any discrepancy. Evidence of financial reports review must be documented.</p>	<p>Partially Concur</p>	<ul style="list-style-type: none"> - Bookkeeper read the SAF manual. - Meetings have been set for the second Monday of each month, before the due date of all reports. - Bookkeeper will stay current with monthly reports due date. - The Principal will monitor and ensure that aforementioned takes place. 	<p>11/15/17</p> <p>implemented</p>

Principal Signature *[Signature]*

Date 11/21/17

<p>4. <u>2018.04 Stale Dated Checks</u></p>	<p>The current bookkeeper and principal should familiarize themselves with the requirements for resolution of stale checks and develop internal controls to ensure compliance. Specifically, the new bookkeeper should investigate the circumstances of the 3 stale checks and attempt to determine from the payee why the check was not cashed. The current bookkeeper should consult with the Accounting and Financial Reporting Office or the TRA School Software Solutions helpdesk for instructions on how to write the checks off.</p>	<p>Concur</p>	<p>- The bookkeeper has removed the stale checks and has reviewed the procedural information to ensure that all checks are cleared in a timely manner. There will be follow-up for any check that has not been cleared in a specified time frame. - The Principal will monitor and ensure that aforementioned takes place.</p>	<p>11/15/17</p>	<p>Implemented</p>
<p>5. <u>2018.05 Fundraiser Form Not Completed</u></p>	<p>The principal and bookkeeper should familiarize themselves with the procedures for completing fundraiser forms and establish procedures to ensure compliance. The required reports must be maintained on file for public and auditor review.</p>	<p>Partially Concur</p>	<p>- The Principal and bookkeeper familiarized themselves with the SAF procedural. - Will provide staff with an outline regarding any necessary documentation that will support fundraising.</p>	<p>11/15/17</p>	<p>Implemented</p>

Principal Signature Jane Pace

Date 11/21/17

<p>6. <u>2018.06 Management Oversight</u></p>	<p>The principal should carefully review the policies and procedures as defined in the APM and develop internal controls to ensure compliance. He should be consistently involved in the daily operations as it relates to the administration of the school's resources. Improvement of the internal control environment should be emphasized by focusing on these five basic principles:</p> <ul style="list-style-type: none"> • Clearly Defined Lines of Authority and Responsibility; • Segregation of Duties; • Maintenance of Adequate Documents and Records; • Limited Access to Assets; and • Independent Checks on Performance. 	<p>Non-Concur</p>	<p>The principal will work closely with the bookkeeper to review all materials, as it pertains to the policies and procedures regarding applicable funds.</p> <ul style="list-style-type: none"> - The Principal has an understanding of the administrative procedures to ensure that the bookkeeper is following all procedures. Monthly meetings have been set up so that expense reports are clear and assets are properly reviewed. - The Principal will ensure that bookkeeper is up-to-date with all necessary documentation to ensure that all components are presented during an audit. 	<p>11/15/17</p>	<p>Implemented</p>
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Principal Signature *James Pace*
Date 11/21/17