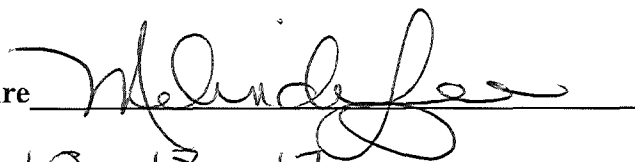


**Prince George's County Public Schools
Internal Audit Department
School/Office: Laurel ES**

Response Date: October 18, 2017

	Findings	Recommendations	Concur Non-Co ncur Partial ly Concur	Action Plan	Corrective Action Date	Status Implemented Partially Implemented Not Implemented
1	<u>2018.01</u> <u>Missing</u> <u>Funds</u>	<p>1. Policies and procedures must be immediately implemented to ensure that the principal is consistently monitoring SAF.</p> <p>2. The bookkeeper is responsible for full restitution of SAF removed from the school in the amount of \$11,491.35. The principal should provide Internal Audit a copy of the MTF and deposit slip evidencing payment of these funds.</p> <p>3. Employee and Labor Relations should take appropriate disciplinary action regarding the bookkeeper.</p>	Concur	<p>Provided professional development to staff on 10-11-17, based on fundings from audit.</p> <p>Principal will consistently monitor SAF.</p> <p>Principal will provide Internal Audit copy of MTF and deposit slip showing evidence of restitution from bookkeeper.</p>	October 11, 2017	Partially Implemented
2	<u>2018.02:</u> <u>Mismanagement of</u> <u>Disbursements</u>	<p>A. The principal should request training from the Accounting and Financial Reporting Office for all school staff and administration relative to the SAF cash disbursement process.</p> <p>B. Emphasis must be placed on management oversight over the disbursement of SAF including ensuring that checks are reviewed and signed by two authorized signatories.</p>	Concur	<p>Provided professional development to staff on 10-11-17, based on fundings from audit.</p> <p>Principal will monitor the authorization of two signatures on checks.</p>	October 11, 2017	Implemented

Principal Signature

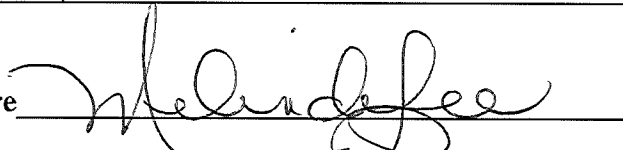


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		<p>C. The principal should specifically focus on adequate completion of SFEEs for adequate and timely approval of expenditures. The bookkeeper and principal should ensure that SFEEs are supported with appropriate supporting documentation.</p> <p>D. The principal should provide management oversight and require that invoices are paid within 30 days or by the due date on the invoice.</p> <p>E. The principal must contact Business Operations to request assistance for payments of outstanding invoices.</p>		<p>The principal focus on adequate completion of SFEEs for adequate and timely approval of expenditures. The principal should ensure that SFEEs are supported with appropriate supporting documentation.</p> <p>The principal will provide management oversight and require that invoices are paid within 30 days or by the due date on the invoice.</p> <p>The principal contacted Business Operations on 10-19-17 to request assistance for payments of outstanding invoices.</p>		
3	<p><u>2018.03</u> <u>Mismanagement of Funds Received</u></p>	<p>The Principal should ensure that oversight is provided to the bookkeeping process. Further, improvement in internal controls is needed by documenting procedures that outline documentation required to substantiate funds collected including completed MTFs and substantiating documentation. These procedures should also include the use of an MTF log. Staff should be held accountable for compliance.</p>	Concur	<p>The principal will provide oversight the bookkeeper to improve the process of issuing and collecting MTFs. Staff will be held accountable for compliance.</p>	September 15,, 2017	Implemented

Principal Signature

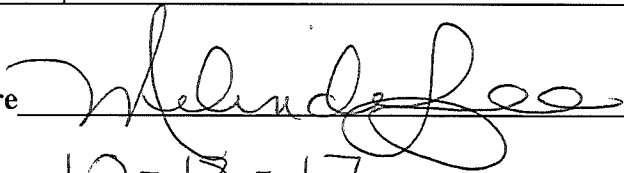


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4	<u>2018.04 Restricted Account Deficits</u>	The principal should contact the office of Business Operations to request assistance in resolving the deficits. The principal should also discontinue principal sponsored activity spending until the deficits are fully resolved.	Concur	The principal contacted Business Operations on 10-19-17 to request assistance for payments of outstanding invoices. The principal will not spend any funds on principal sponsored activities.	October 19, 2017	Implemented
5	<u>2018.05: Fundraiser Forms</u>	The bookkeeper should generate reports of all fundraising activities to facilitate completion of an annual report summarizing fundraising activities for the period at the end of each school year. An adequate filing system must be implemented to facilitate the retrieval the reports upon request of Internal Audit or anyone with reviewing authority.	Concur	An adequate filing system has been implemented to facilitate the retrieval of reports upon request.	September 15, 2017	Implemented
6	<u>2018.06 Record Retention</u>	The principal must ensure that financial records are retained for the stipulated period of 7 years and in an organized manner. The principal should oversee the process for ensuring school records are properly maintained and secured. The bookkeeper should be held accountable for compliance.	Concur	The principal will ensure that financial records are retained for the stipulated period of 7 years, in an organized manner. The principal will oversee the process for ensuring school records are properly maintained and secured. The bookkeeper will be held accountable for compliance.	September 15, 2017	Implemented
7	<u>2018.07: Drop Safe Not on Premises</u>	The principal and administrative staff should familiarize themselves with the requirements for safekeeping of cash on hand. The principal should immediately purchase a drop safe to ensure compliance with the APM. The principal should establish cash collection controls to ensure that a log is effectively maintained to record the date, time, individual and the amount of funds dropped into the safe.	Concur	Provided professional development to staff on 10-11-17, based on fundings from audit. A drop safe was purchased, however, it is too small, need to purchase a larger drop safe and have it installed.	October 11, 2017	Partially Implemented

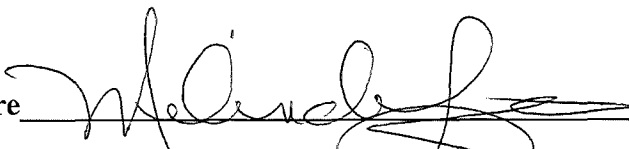
Principal Signature



Date

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8	<u>2018.08</u> <u>Management</u> <u>Oversight</u>	<p>The principal should carefully review the policies and procedures as defined in the APM and develop internal controls to ensure compliance. She should be consistently involved in the daily operations as it related to the administration of the school's resources. Improvement of the internal control environment should be emphasized by focusing on these 5 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. 	Concur	<p>The principal will carefully review the policies and procedures as defined in the APM and has developed internal controls to ensure compliance. I will be consistently involved in the daily operations as it related to the administration of the school's resources.</p>	September 15, 2017	Implemented
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Principal Signature 

Date 10-18-17