

JSK 4/18/18

**Prince George's County Public Schools
 Internal Audit Department
 School/Office: Seabrook Elementary School**

Response Date April 10, 2018

PBC

	Findings	Recommendations	Concur Non- Concur Partially Concur	Action Plan	Corrective Action Date	Status Implemented Partially Implemented Not Implemented
1.	<u>2018.01 Errors on Bank Reconciliations</u>	Recordkeeping staff should ensure that all entries on the bank reconciliation are supported. Further, the Principal's monthly reviews, and Accounting and Financial Reporting's trimester reviews should include detailed reviews of the reconciliation to ensure that bank statement amounts are correct and that adjusting entries are valid.	Concur	The bookkeeper will make sure that all entries on the reconciliation are supported with proper documentation and entries. After each reconciliation is entered into the SFO accounting system, the bookkeeper and Principal will collectively review all documents to ensure that all entries are accounted for.	10/18/2017	Implemented
2.	<u>2018.02 Delinquent Deposits and Failure to Use the Endorsement Stamp</u>	The recordkeeping staff should continue to make timely deposits, and the principal should provide oversight of the process for depositing SAF. In addition, the principal should ensure recurring training is provided to staff to facilitate timely deposits. The principal should immediately obtain an endorsement stamp for the school.	Partially Concur	All MTF's will be given out upon request and returned to bookkeeper the same day, by 2:00 pm. Any money that is not deposited in the bank will be placed in the safe located in the Main Office. The bookkeeper will maintain a bank deposit log that will be shared with the Principal notifying her of any monies received so that oversight of the process for depositing SAF can be monitored by the Principal. The log will be shared by the bookkeeper with the Principal anytime a deposit needs to be made. The bookkeeper will make deposits by 2:30 pm daily	Stamp Implemented 02/16/2018 Review Financial In-service 01/03/2018 Initial Financial In-service 08/2017	Implemented

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				(as needed). This will allow for bank deposits to be made and entry into SFO accounting system in a timely manner. The Principal will require the bookkeeper to hold financial meetings with the staff where financial procedures will be presented and reviewed during the following months, August, January, and May. The school has obtained an endorsement stamp from the bank and it will be used for all future banking transactions.		
3.	<u>2018.03</u> <u>Mismanagement of Disbursements</u>	The principal should establish procedures to ensure that SFEFs are properly completed with information regarding funds available for requested expenditure. Further, SFEFs should not be pre-approved for purchases from vendors that are not approved in SFO. The current recordkeeping staff should ensure that copies of entire bank statements, with images of all cancelled checks, are maintained at the school.	Partially Concur	All disbursements forms will be reviewed first by the bookkeeper and the final review will be made by the Principal. The principal will not sign the reimbursement check unless the bookkeeper has completed the funds available section on the School Funds Expenditure Form. The bookkeeper has access to the banking program which identifies approved vendors the school system can make purchases from, therefore, the Principal will hold the bookkeeper responsible to make sure all vendors are on the approved list prior to drafting reimbursement checks to staff. The bookkeeper will ensure that all pages of the bank statements with images of all canceled checks are copied and maintained. A separate binder will be established for this information.	Ongoing	Implemented
					Funds available Line item started 01/03/2018	

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4.	<u>2018.04</u> <u>Deficit in the Principal Sponsored Activities Account</u>	The principal and current recordkeeping staff should conduct a detailed analysis of FY 2017 and FY 2018 fundraiser profits to ensure that all eligible funds are transferred to the PSA fund account. Accurate transfers from fundraising accounts to the PSA Account should be included in the school's new fundraising procedures (See Finding 2018.06). Expenditures out of the PSA fund account should be discontinued until the account is solvent.	Concur	The PSA account is no longer in the negative status. The bookkeeper and Principal will discuss all transfers from fundraising activities to ensure proper amounts are transferred prior to transfers occurring. The bookkeeper/ Principal will also cease on any spending from the PSA accounts unless they have balances to cover spending. In order to fund the PSA account, the school will increase the amount of fundraisers and partnerships.	03/16/2018	Implemented
5.	<u>2018.05</u> <u>Voided Checks Not Properly Administered</u>	The principal and current recordkeeping staff should familiarize themselves with the procedures for voiding checks as outlined in the APM and demonstrate compliance by approving, recording, and maintaining voided checks. The principal must include review of voided checks as part of the monthly reporting process to monitor the volume of voided checks.	Concur	The bookkeeper will properly void checks according to the procedures manual. The bookkeeper will follow up on all checks that were written checking on each status (cleared, outstanding, etc.). A voided check sheet will be generated by the bookkeeper and signed off by the Principal for every check voided in the system.	4/10/2018	Implemented
6.	<u>2018.06</u> <u>Fundraiser Forms Not Completed</u>	The principal and current recordkeeping staff should develop and document specific procedures for staff members that are organizing and completing fundraisers. Fundraiser Completion Reports should be prepared for all fundraisers. The recordkeeping staff should manage the process by distributing and maintaining the forms and the principal should enforce controls by holding staff members accountable. The principal should also compile an annual fundraising summary using the Fundraiser Completion Reports or	Concur	One chairperson has been assigned to manage all fundraisers. This individual will complete a Fundraiser Request Form, collect money, complete MTFs and Fundraiser Completion Form. This will be an effective and efficient way to ensure that the proper policies and procedures are being followed from the beginning to the end of each and every fundraiser. An annual fundraiser summary will be compiled at the end of each school year by the bookkeeper and Principal. The Principal will hold all appropriate	09/28/2017	Implemented

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		information within SFO.		staff members accountable.		
7.	<u>2018.07</u> <u>Failure to</u> <u>Maintain a</u> <u>Current</u> <u>Vending</u> <u>Contract</u>	The principal 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.	Concur	The vending contract is now current. The bookkeeper and the Principal will make sure by July 1st of every year, a new contract is submitted.	03/08/2018	Implemented

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