

Prince George's County Public Schools
Internal Audit Department
School/Office: Stephen Decatur Middle School

Response Date November 29, 2017

Findings	Recommendations	Concur Non- Concur Partial ly Concur	Action Plan	Corrective Action Date	Status Implemented Partially Implemented Not Implemented
<p>1. <u>2018.01</u> <u>Mismanagement of</u> <u>Funds Received</u></p>	<p>A. The current principal and bookkeeper should develop and document specific internal controls for the receipt, remittance, and deposit of funds. This should include training of staff, specifically in the area of field trip funds collection. Further, the bookkeeper should begin using the night depository option at the bank to ensure all funds are deposited timely.</p> <p>B. The principal should ensure that internal controls regarding year-end MTF envelopes submission are established and documented to ensure the MTF envelopes submission process is effective. Specifically, procedures should be implemented to ensure that someone other than the bookkeeper is assigned responsibility for collecting year-end MTF envelopes.</p>	Concur	<p>A. Professional Development was given to staff on October 20, 2017 regarding updating procedures to meet BOE guidelines. Drop safe log has been established. All monies turned in or dropped are accompanied by an MTF. Monies are deposited the day of or the day after a drop. Night depository not yet set up with bank.</p> <p>B. Principal will assign administrator to collect end-of-year MTFs and designated as such on End-of-year check out sheet. Teachers will be provided an MTF envelope.</p>	Oct. 24, 2017	Implemented
<p>2. <u>2018.02</u> <u>Inadequate</u> <u>Approval of</u> <u>Disbursements</u></p>	<p>The current principal and bookkeeper should develop and document specific internal controls requiring advance signatory approval prior to expenditures and thorough completion of SFEEFs. This should include training of staff and accountability for compliance. The current principal should provide oversight and</p>	Concur	<p>Training given on October 20, 2017 regarding updated procedures for check requests. No checks will be written without prior approval by the principal. All lines will have required</p>	Oct. 2017	Implemented

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	enforcement of the new procedures.			information before sent for principal approval. Principal will date signature lines.		
3.	<u>2018.03 Misuse of Student Activity Funds by Former Principal</u>	The former principal is no longer employed by PGCPS. However, the bookkeeper and the current principal should establish procedures for ensuring adherence to requirements of the APM and reporting of abuse regardless of who is in violation. Internal Audit and Security Services should be notified immediately when misuse or abuse of SAF is identified. Staff should be made aware of the PGCPS Hotline for reporting fraud, waste and abuse anonymously. A. The current principal and bookkeeper should familiarize themselves with the procedures for voiding checks as outlined in the APM and demonstrate compliance by approving, recording, and removing signature lines for all voided checks. B. The current principal should provide oversight to the financial process at the school, to include reviewing cancelled checks returned from the bank.	Concur	If and when fraud is suspected the principal, Internal Audit, Security Services and Accounting and Finance will be notified immediately. Bookkeeper will have continued communication and collaboration with Internal Audit on financial issues or concerns.	Oct. 2017	Implemented
4.	<u>2018.04 Administration of Checks</u>		Concur	Both principal and bookkeeper will review cancelled checks upon reviewing monthly bank statements. Any missing checks will be flagged. Any voided checks will have a printed proof for principal approval. Signature lines of voided checks will be removed. All voided checks will be recorded in SFO.	Oct. 2017	Implemented
5.	<u>2018.05 Fundraiser Forms Not Completed</u>	The current principal and bookkeeper should familiarize themselves with the procedures for completing fundraiser forms and establish procedures to ensure compliance. Staff should be trained on the new procedures. The principal should provide oversight to ensure the appropriate forms are completed and maintained on file.		Principal and bookkeeper will become familiar with all Fundraiser forms. All school fundraisers will have a completed Fundraiser Request form. At the completion of fundraiser the Completed form will be filled out. At the end of the year a Fundraiser Summary sheet will be filled out.	Oct. 2017	Implemented

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<p>6. <u>2018.06 Inadequate Approval of Transfers</u></p>	<p>The current principal and bookkeeper should familiarize themselves with the procedures for transfer of funds. Additional procedures should be established to ensure compliance. Specifically, the bookkeeper should print transfer proof sheets from SFO when appropriate for signatory approval and the current principal should obtain approval from the Office of Business Operations before use of PY Carryover.</p>	<p>Concur</p>	<p>Bookkeeper will print transfer proof sheets from SFO when appropriate for signatory approval and the current principal should obtain approval from the Office of Business Operations before use of PY Carryover. No transfers between Restricted accounts without prior principal and sponsor approval. Principal will request approval by Office of Business Operations for use of PY Carryover funds.</p>	<p>Oct. 2017</p>	<p>Implemented</p>
<p>7. <u>2018.07 Deficit in the Principal Sponsored Activities Account</u></p>	<p>The current principal and bookkeeper should be diligent to ensure expenditures from the PSA fund account are discontinued until the deficit is resolved.</p>	<p>Concur</p>	<p>This recommendation for non - spending of PSA funds was already established in the 2014 Internal Audit review. There were three (3) checks written during the previous principal's tenure. The current principal and bookkeeper will continue to adhere to this procedure.</p>	<p>2014</p>	<p>Implemented</p>
<p>8. <u>2018.08 Lack of Budgeting for Clubs and Organizations</u></p>	<p>The current principal and bookkeeper should develop and document procedures for club sponsors to prepare and submit annual budgets. The budgeting process should include increased communication between the sponsors, bookkeeper and principal so that club activities can be effectively planned and executed.</p>	<p>Concur</p>	<p>Principal and bookkeeper will work closely with group/club sponsors. Bookkeeper will compile a list of clubs and groups and budgets will be provided by sponsors. Bookkeeper will maintain a Club financial notebook as part of the Trimester Review.</p>	<p>Dec. 2017</p>	<p>Implemented</p>

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<p>9. <u>2018.09 Vending Machine Contract</u></p>	<p>The current 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. The principal should consult with Purchasing and Supply services about contracting with an alternate vendor if the current vendor does not promptly comply.</p>	<p>Concur</p>	<p>Bookkeeper will contact representative from vending company to request meeting with current principal. Principal and bookkeeper will request an updated contract from vendor at said meeting. Once updated contract is obtained it will be submitted for approval to the Purchasing Office.</p>	<p>Jan. 2018</p>	<p>To be implemented</p>
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