

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

Response Date May 8, 2020

	Findings	Recommendations	Concur Non-Concur Partially Concur	Action Plan	Corrective Action Date	Status Implemented Partially Implemented Not Implemented
1.	<u>2020.01 Missing Funds</u>	Recommendation: The principal and recordkeeping staff should be jointly accountable for missing bookfair funds of \$2,006.50 (\$1,003.25 each) and, in addition, the recordkeeping staff is accountable for a total of \$1,348.32 which includes \$345.07 missing candy fundraiser funds. The Employee and Labor Relations Office (ELRO) should determine appropriate disciplinary action against the Principal and recordkeeping staff to ensure restitution to the school gets resolved.	Non - Concur	*In the recommendations, we found an error in reference to the bookfair and candy fundraiser. We will provide detailed documentation in relation to fundraisers going forward. To include a profit & loss form. We have an excel to show the amount of money missing is the amount of money still owed to the school by unpaid students. The bookfair funds are calculated from a duplicate receipt. Former Librarian who handed in the bookfair funds has resigned and is out of the country. We are requesting that this be revisited with documents provided.	February 12th,2020	Implemented

Principal Signature *Jelene Shipley*

Date 5/7/2020

2.	<u>2020:02</u> <u>Mismanagement of Disbursements</u>	Recommendation: The Principal and recordkeeping staff must perform the following to improve the administration of disbursements: A. The principal must ensure staff members are aware that pre-approval is required prior to the purchase of products or services and are held accountable for compliance. SFEF's should always be entirely completed by staff. The principal should ensure all pre-approval details are provided on SFEF's prior to approving expenditures. B. The Principal and recordkeeping staff must ensure vendor payments are issued timely, within 30 days of receipt or by the invoice due date. C. Internal controls must be established to ensure that all SFEF's are complete and have adequate supporting documentation prior to issuance of payments. D. The principal and recordkeeping staff must make a concerted effort to read the APM	Concur	Going forward during the pre-service week, we will have a professional developmental focus on the pre-approval process. Staff will collect pre-approval forms, receive principal's signature, and bookkeepers clearance before purchasing items in return for reimbursement. All reimbursement payments will be issued within 30 days of receiving the receipt. Upon receiving the manual on February 11th, 2020 electronically, The principal and bookkeeper will read and implement all procedures.	February 12th, 2020	Implemented
3.	<u>2020:03</u> <u>Administration of Voided Checks</u>	Recommendation: The principal must implement the following corrective actions for administration of checks to be in accordance with BOE policies and procedures. The recordkeeping staff must be reminded of the importance of administering checks as required by the BOE. All voided checks must be entered in SFO and have "VOID" written across the face of the check. The signature line must be removed. The principal and recordkeeping staff must review the APM to become familiar with the requirements for administering checks.	Concur	Bookkeeper will cut out the signature lines from "VOIDED" checks going forward.	February 12th, 2020	Implemented
4.	<u>2020.04</u> <u>Mismanagement of Funds Received</u>	Recommendation: The following corrective actions should be implemented for Ridgecrest Elementary School receipts to be processed in accordance with BOE policies and procedures:	Concur	Going forward during the pre-service week, we will have a professional developmental focus on the policies and procedures for MTF'S. Principal will maintain all	February 12th, 2020	Implemented

Principal Signature *Jelene Shipley*

Date 5/7/2020

		<p>A. The recordkeeping staff must ensure that all MTF documentation is complete including verifying that all supporting documentation is attached along with the MTF prior to acceptance and deposit of funds. The recordkeeping staff should not accept the MTF if changes are not initialed.</p> <p>B. The principal must establish internal controls to ensure that staff completes the required fundraising forms for fundraising events held as required. These documents must be maintained on file for public and auditor review upon request.</p> <p>C. The recordkeeping staff must be reminded that all funds collected and remitted should be deposited on a daily basis especially funds in excess of \$250.00. Teachers must be informed that funds collected cannot be held overnight. The principal must provide the recordkeeping staff with adequate time to verify that funds collected are as indicated on the MTFs submitted and that deposits are made with the bank timely. The principal should perform periodic review of the deposit records to monitor whether deposits are made as required. The principal should hold all staff accountable for compliance.</p>		pre-approval forms in relation to fundraisers. Bookkeeper will maintain supporting documentation attached to all MTF's. Daily deposit will be made by 10 am each day. Principal will review records weekly.		
5.	<u>2020.05 Record Retention</u>	Recommendation: The principal must ensure proper management of all records relating to SAF until they are audited. An adequate filing system must be implemented to help ensure that in the absence of the recordkeeping staff or principal, financial documents would be filed properly for future review.	Concur	The Principal will implement a system to maintain records to prepare for any future audit reviews.	February 12th, 2020	Implemented
6.	<u>2020.06 Vending Machine Contract</u>	Recommendation: The principal must establish procedures to ensure that current vendor contracts are established, adhered to, and maintained on file in compliance with BOE policies and procedures. The principal should consult with Purchasing and Supply Services to identify an alternate vending company in absence of a contract.	Concur	The principal will create a system to maintain contracts in relation to vendors in accordance to policies and procedures. The bookkeeper will maintain these records.	February 12th, 2020	Implemented

Principal Signature Irene Shipley

Date 5/7/2020

7.	<u>2020.07 Monthly Reconciliation and Financial Reporting</u>	Recommendation: The principal must establish procedures to ensure that monthly bank reconciliations and financial reporting is completed by the 15 th of each month and related documentation is maintained on file. The principal should hold recordkeeping staff accountable for compliance and ensure that financial reports are promptly reviewed.	Concur	If the statement is not received by the 10th of the month. The bookkeeper will obtain a copy from the bank branch physically or electronically.	February 12th, 2020.	Implemented
8.	<u>2020.08 Excessive Spending in Restricted Accounts</u>	Recommendation: All potential expenditures must be evaluated with regard to available resources and care be exercised to ensure the resources are used for the maximum benefit of the students. Spending in these accounts must cease until the account deficits are resolved.	Concur	The deficit accounts have been resolved.	February 16th, 2020	
9.	<u>2020.09 Non-compliance with Authorized Signers Requirement</u>	Recommendation: The principal must take action to update authorized signatures on the school's bank account. This includes adding the current recordkeeping staff. Additionally, the principal must take time to familiarize herself with the requirements of the APM and establish internal controls to ensure that the bank signature card is updated.	Concur	This action has been corrected	February 8th, 2020	Implemented
10.	<u>2020.10 Year-End Monetary Transmittal Form (MTF) Envelope Collection Process</u>	Recommendation: Staff must be reminded of their responsibility relative to MTF envelope submission during the year-end checkout process. The recordkeeping staff should print the "Receiptee History" report from the accounting system and provide it to the administrator responsible for collecting MTF envelopes. The principal should instruct the administrator to obtain MTF envelopes based on the printed report. Each employee must be held accountable for returning MTF envelopes, including all processed MTFs, as part of the year-end checkout process.	Concur	Going forward during the pre-service week, we will have a professional developmental focus on the policies and procedures in relation to the MTF responsibilities. A designated person will be responsible for collecting and maintaining the sealed MTF envelopes prior to the school year ending.	February 12th, 2020	Implemented

Principal Signature Irene Shipley

Date 5/7/2020

Principal Signature Jelene Shuplin

Date 5/17/2020