PGCPS
OFFICE OF INTERNAL AUDIT
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MEMORANDUM

April 28, 2026

To: Daria Valentine, Ed.D., Instructional Director
Cluster 11

Taryn Washington, Ed.D., Principal
Dr. Henry A. Wise Jr. High School

From: Deana Thorps, CPA, Director
Internal Audit

Re: Dr. Henry A. Wise Jr. HS Financial Audit for the Period July 1, 2021, through August 31, 2025

An audit of the financial records of **Dr. Henry A. Wise Jr. High School** was completed for the period July 1, 2021, through August 31, 2025. The audit indicates that the school's financial records and procedures require improvement to be in accordance with the Accounting Procedures Manual for School Activity Funds (APM) and Prince George's County Board of Education (BOE) policies and procedures. The exceptions noted are included in the attached report.

As principal of the school, you will be responsible for preparing an action plan by **May 29, 2026,** indicating steps that will be taken to ensure compliance with the APM. Please note that you are required to provide your action plan using the attached Microsoft Word template and any other correspondence to the Internal Audit Office, email address *internal.audit@pgcps.org*. Please forward this template as a Microsoft Word document. A copy of your action plan should also be forwarded to Shaquana Mitchell, Business Analyst, email address: *shaquana.mitchell@pgcps.org*, Roderick Adams, Administrator, Compliance and Procedures, email address: *roderick.adams@pgcps.org* and Katrina Greene, School Activity Funds Support Specialist, email address: *katrina.greene@pgcps.org*.

cc: Branndon Jackson, Chair, Board of Education
Members, Board of Education
Shawn Joseph, Ed.D., Interim Superintendent
Deann Collins, Ed.D., Chief of Staff
Carletta Marrow, Ed.D., Chief of Schools
Lisa Howell, Chief Financial Officer
Ed Ryans, Ed.D., Associate Superintendent, Area 3
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PRINCE GEORGE'S COUNTY
PUBLIC SCHOOLS

School Activity Fund Report –
Dr. Henry A. Wise, Jr. High School
July 1, 2021 – August 31, 2025

Table of Contents

INTERNAL AUDITOR'S REPORT.....3

BACKGROUND 4

OBJECTIVES..... 4

SCOPE 4

FINDINGS AND RECOMMENDATIONS..... 5

STATUS OF PRIOR AUDIT FINDINGS.....13

ACKNOWLEDGEMENT 15

Internal Auditor's Draft Report

We have examined the School Activity Funds (SAF) of Dr. Henry A. Wise, Jr. High School for the period July 1, 2021, through August 31, 2025. Dr. Henry A. Wise, Jr. High School's principal, is responsible for the administration of the SAF. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and Generally Accepted Government Auditing Standards and, accordingly, included examining, on a test basis, evidence supporting SAF, and performing such other procedures, as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Our examination disclosed the following **nine** findings:

- *Restricted Fund Account Deficits*
- *Mismanagement of Funds Received*
- *Mismanagement of Disbursements*
- *Administration of Fund Transfers*
- *Administration of End-of-Year Monetary Transmittal Forms*
- *Administration of Class and Club Accounts*
- *Delinquent Monthly Bank Reconciliations*
- *Administration of Vending Contracts*
- *Records Retention*

In our opinion, except for the deviation from the criteria described in the preceding paragraph, the SAF referred to above was administered in compliance with Prince George's County Board of Education (BOE) policies and procedures and the Accounting Procedures Manual for School Activity Funds (APM), in all material respects, for the period ended August 31, 2025.

Deana Thorps, CPA, Director
Internal Audit

BACKGROUND

Internal Audit completed an audit of the school activity funds (SAF) for Dr. Henry A. Wise, Jr. High School for the period July 1, 2021, through August 31, 2025. The audit was conducted as part of the department's annual audit plan.

This audit report includes **nine** findings that occurred under the leadership of the current principal. A listing of the findings and the personnel responsible is included in the appendix at the end of the audit report. Detailed findings from the current audit are cited on the following pages with accompanying recommendations for corrective action.

OBJECTIVES

The objectives of the audit were to determine the effectiveness of the system of internal controls and whether the school was in compliance with the policies and procedures of the Accounting Procedures Manual for School Activity Funds (APM) and Prince George's County Board of Education (BOE). It is important to recognize that, while the audit report focused on deficiencies, it was intended to be constructive. The audit was not designed and conducted to evaluate the effectiveness of the educational programs in the school. Therefore, the absence of comments related to the educational programs should not be construed to imply that these programs are either adequate or deficient.

SCOPE

The audit was based on our examination of selected bank statements, financial reports, cancelled checks, all voided checks and available Monetary Transmittal Form (MTF) envelopes submitted by staff for the period July 1, 2021, through August 31, 2025. Also, available receipts, disbursements and supporting documentation were reviewed for the said period. Audit results were based on available documentation as some financial records were not available for review ***(Refer to Finding 2026.09 regarding Records Retention)***.

This is an audit of funds related to students' activities at the school and does not include School Operating Resources (SOR) funds or any funds not derived from students' activities for the audit period.

FINDINGS AND RECOMMENDATIONS

The audit resulted in the following findings and recommendations:

2026.01: Restricted Fund Account Deficits

The following **seven** restricted fund accounts had deficits totaling **($18,792.97)** as of August 31, 2025.

Account Number	Account Name	Amount
201.40	Athletic-Non Sport Special Equipment/Supplies	($14,545.17)
304.71	Class of 2024-Fundraisers	($130.98)
304.98	Class of 2029-Fundraisers	($947.50)
335.00	National Technical Honor Society (NTHS)	($22.48)
520.10	Future Business Leaders of America (FBLA)	($3,040.53)
522.00	Choir	($65.42)
560.00	Library	($40.89)
Total Deficits Balances		**($18,792.97)**

The APM Section 4.5.3.1 *Procedures* requires expenditures for all restricted accounts to be limited to the amount of funds collected for those activities. However, if restricted fund accounts exceed the available cash balance, the account is insolvent. As the fiduciary agent for SAF, the principal should ensure SAF accounts are always solvent.

The school has not developed a proper planning and budgeting process for clubs and organizations (see finding **2026.06** regarding *Mismanagement of Class and Club Accounts*). The following account activities were also identified:

- ***201.40 Athletic Non-Sport Special Equipment/Supplies*** – A disbursement was mistakenly processed for $16,000 instead of $4,049.00 causing the deficit of ($14,545.17) This error was corrected after the audit period, 8/31/2025.

- ***304.71 Class of 2024-Fundraisers*** – This deficit predates current recordkeeping staff, and an explanation could not be provided. The current principal has been taking the initiative to eliminate this deficit by making periodic fund transfers.

- ***304.98 Class of 2029-Fundraisers*** – T-shirts were purchased for a Club fundraising activity; the anticipated sales are expected to cover the t-shirts cost.

- ***335.00 NTHS*** – This deficit predates current recordkeeping staff, an explanation could not be provided.520.10 FBLA – Reportedly, the FBLA sponsor was advised to continue the

club's activities while the principal and recordkeeping staff initiate the transfer of funds to resolve that fund account deficit.

- ***522.00 Choir*** - T-shirts were purchased prior to transfer of the annual administrative allotment. The deficit was resolved after the end of the audit period when the transfers were processed.

- ***560.00 Library*** – A laminator was purchased in October 2024, and available funds were $40.89 short. Once the deficit was discovered a fundraiser was planned to offset the balance but did not occur as of the audit period end date.

Excessive spending in restricted accounts constitutes noncompliance with BOE policies and procedures. There is a risk of insolvency when restricted funds are not properly administered. Funds that are intended for students' activities are not available when there is overspending from restricted funds accounts.

Recommendation: The principal and the current recordkeeping staff must take the initiative to ensure that the restricted fund account deficits are resolved. The accounts should be reviewed with Accounting and Financial Reporting Office (AFRO) to determine appropriate source of funds to cover the deficits. Spending from the restricted fund accounts with deficits must cease until the negative balances are eliminated.

2026.02 Mismanagement of Funds Received

There were at least **103** instances of non-compliance regarding the administration of funds received:

A. ***Delinquent Deposits:*** There were **60** instances where funds were not deposited in a timely manner. Delinquencies ranged from **1** to **109** days. Of these, 37 instances involved funds exceeding $250.00 held in the school overnight. The remaining 29 instances represent delinquencies from 4 to 109 days.

B. ***Incomplete Monetary Transmittal Forms:*** There were **22** instances where MTFs were not properly completed. The information listed on MTFs was either missing or sections one and two did not agree.

C. ***Improper Changes to MTFs:*** There were **10** instances where changes were not properly documented on MTFs. Changes were either not initialed or were not legible.

D. ***Inaccurate Accounting System Coding:*** There were **seven** instances where deposit information recorded in School Funds Online (SFO) accounting system did not match the information contained in the corresponding MTFs and supporting documents.

E. ***Inadequate Approval of MTFs:*** There were **four** instances where MTFs were not properly signed and or dated by the receiptees and the recordkeeping staff.

The following criteria are established in the APM for administering funds received:

A. Section 4.5.2.2 (2) *Guidelines for Bank Deposits* require the recordkeeping staff to deposit all funds received at least every other day, however, no more than $250 should be kept in the building overnight.

B. Section 4.5.2.2 (1) *Collecting Funds: Completing the Monetary Transmittal Form (MTF)* requires each MTF to be entirely completed with the following information: who collected money, when it was collected, from whom it was collected, the amount and form of the collection, and the reason for collecting. At the top of the MTF are specific instructions for completing the form. The person collecting funds is responsible for filling in all required information, including signing and dating the form.

C. Section 4.5.2.2 (3) *Preparing Bank Deposits* states that if a correction to an MTF is necessary, the originator of the MTF must make the correction by drawing a line through the original entry and rewriting the correct entry next to the incorrect entry. The originator is also required to sign the correction.

D. Section 4.3.2.2 *Fund Accounts Procedures* require accounting transactions to be recorded in the most specific account relating to the activity for which funds were collected.

The recordkeeping staff position was vacant from December 2023 until August 2025. During this period the principal assumed responsibility for depositing funds collected by school staff and was not familiar with the MTF processing requirements as prescribed by the APM.

Delinquent deposit of funds impacts the timeliness of processing financial transactions and increases the risk of loss to the school. Inadequate documentation, approval and recording of deposit transaction impacts the reliability of financial records to assist in substantiating fund received.

Recommendation: The principal must review the APM to become familiar with the requirements regarding the processing of remitted funds to satisfactorily process deposit transactions in the recordkeeping staff's absence. The recordkeeping staff and principal should implement internal controls to ensure that funds received are documented, approved, recorded and deposited as required.

2026.03 Mismanagement of Disbursements

There were at least **56** instances of non-compliance regarding the administration of disbursements:

A. ***Pre-Approval of Disbursements:*** There were **23** instances where disbursements were not adequately approved by the principal. This includes **10** instances where the School Funds Expenditure Forms (SFEFs) retained with disbursement records was incomplete, **nine** instances where the SFEFs were missing the principal's or recordkeeping staff's signature and/or date, **three** instances where SFEFs were pre-approved after reporting inadequate funds available to fund the disbursement, and **one** instance where a change was made to the SFEF after the principal's pre-approval was recorded.

B. ***Inadequate Supporting Documentation:*** There were **18** instances) where disbursements were not adequately supported. This includes **nine** instances where supporting documentation did not substantiate the amount that was disbursed and **nine** instances where the documentation retained to substantiate disbursement amounts is not acceptable (price quote, online shopping cart, personal credit card statement).

C. ***Untimely Disbursements:*** There were **15** instances where disbursements were not issued in a timely manner. Delinquencies ranged from **four** to **316** days.

The following criteria are established in the APM for administering disbursements:

A. Section 4.5.3 (1) *Pre-Approval by the Principal* states that, prior to ordering goods and services, an SFEF must be completed, and the principal must pre-approve all expenditures by signing the SFEF.

B. Section 4.5.3 (2) *Inclusion of Supporting Documentation* requires that itemized documentation be attached to each SFEF to support the expenditure. Examples of acceptable supporting documents include cash register receipts, invoices, and bills of sale. Examples of supporting documents that are not accepted include credit card receipts, statements, order confirmations, price quotes, and packing slips.

   Additionally, invoices should be paid within 30 days of receipt in cases where the invoice does not specify a due date.

The following summarizes the causes of the deficiencies noted:

The recordkeeping staff position was vacant from December 2023 until August 2025. During this time the principal assumed responsibility for administering the SAF and was not familiar with the disbursement requirements as prescribed by the APM.

The following are the potential effects of the mismanagement of disbursements:

A. Mismanagement of disbursements constitutes non-compliance with BOE policies and procedures and increases financial risk to the school and staff. Failure to obtain pre-approval of the principal could result in inappropriate and unauthorized purchases.

B. Failure to maintain financial records negates the audit trail required for determining the school's compliance with policies and procedures.

C. Delinquent payments can affect the availability of funds as reported in the school's financial reports and impact the principal's ability to make fiscal decisions. It can also impact the school's relationship with vendors.

Recommendation: The following are recommendations suggested for proper management of disbursements:

A. The principal must review the APM to become familiar with the requirements regarding the processing of disbursements to satisfactorily process payments in the recordkeeping staff's absence.

B. The current recordkeeping staff must provide communication to staff members, their responsibility to seek authorization prior to obligating the school's resources. Also, reminders should be provided regarding what constitutes appropriate supporting documentation.

C. The principal and recordkeeping staff should develop and implement internal controls to ensure that SFEFs are always pre-approved before school funds are obligated, expenditures are adequately supported and that payments are processed timely.

D. Staff members must be held accountable for compliance.

2026.04 Administration of Fund Transfers

There were **five** instances (13% of sample) where Journal Entry Proof Sheets supporting the transfer of restricted funds did not include the principal's signature or date of approval to transfer restricted funds.

APM Section 4.5.4.2 *Transfers between restricted and unrestricted/net accounts* states that transfers between restricted accounts are only authorized if reviewed and approved by the principal and the sponsors of the restricted accounts.

The noted exceptions resulted from the recordkeeping staff's oversight.

The principal cannot make informed fiscal decisions when transfers are not properly approved. There is an increased risk of unauthorized transfers if the guidelines for administering fund transfers are not followed.

Recommendations: The principal and recordkeeping staff should ensure that all fund transfers are reviewed and approved as required at the time the transfer is completed. The principal should require the recordkeeping staff to print the *Fund Transfer Journal Entry Proof Sheet* to facilitate review and approval as required. The recordkeeping staff must be held accountable for compliance.

2026.05 Administration of End-of-Year Monetary Transmittal Forms

The end-of-year Monetary Transmittal Form (MTF) submission process was not operating as required. There were at least **14** instances where staff members' end-of-year MTF envelopes were not properly signed and/or sealed. Additionally, end-of-year MTF envelopes were stored in a shared records vault that was accessible to the recordkeeping staff.

The APM 4.5.2.2 *Cash Receipts, Procedures*, requires that faculty and program managers submit the pink and yellow copies of MTFs in sealed MTF envelopes with their signatures affixed over the seal. MTF envelopes are required to be submitted to the designated administrator prior to departing the school at year-end.

The principal and recordkeeping staff were not familiar with the requirement for securing end-of-year MTF envelopes. Also, staff members were not held accountable for submitting their end-of-year MTFs as required.

Failure to comply with the procedures for managing end-of-year MTF submission impacts the quality of compensating evidence necessary to provide support for collections.

Recommendation: The principal and recordkeeping staff should contact the AFRO to request training regarding the administration of funds collected by the school. The principal must establish internal controls regarding the retention of year-end MTF envelopes. The principal or designee must ensure that a *Receiptee History Report* is obtained from the recordkeeping staff to facilitate collection of staff members' MTF envelopes during the year-end close-out process.

2026.06 Administration of Class and Club Accounts

The school has clubs that conduct financial activities that have not developed and submitted annual budgets to the recordkeeping staff and the AFRO as required. Additionally, **$452.83** and **$55.00** in residual funds were noted for the Class of 2020 and Class of 2023 accounts, respectively.

APM Section 7.3 *Class and Club Accounts* require principals and teachers to work closely with students in planning finances (budgeting) for their clubs and organizations. A copy of the clubs'

annual budget must be provided to the school's recordkeeping staff for submission to the AFRO. Additionally, no class account can extend beyond the academic life of a senior class. As a senior class nears the end of the school year, it must plan, with approval of the principal, for the final disposition of any residual class funds. The senior class planning and budgeting workbook includes a residual funds plan.

The principal and recordkeeping staff were not aware of the requirement for the clubs and organizations to develop and submit annual budgets to the recordkeeping staff and AFRO.

Failure to develop and submit annual club budgets constitutes non-compliance with BOE policies and procedures. Further, the absence of budgeting can lead to insolvent accounts or substandard experience for students in extracurricular activities.

Recommendation: The principal and recordkeeping staff should review the APM to understand the requirements for budgeting. Assistance in the preparation of the required budget documents should be obtained from the AFRO to ensure club sponsors comply with the requirements for development and the annual submission of budgets at the beginning of each school year. The budgeting process should include increased communication among the sponsors, recordkeeping staff, and the principal. Final approval should be provided by the principal.

2026.07 Delinquent Monthly Bank Reconciliations

There were at least **12** instances where the monthly bank reconciliations were not prepared by the recordkeeping staff or reviewed by the principal in a timely manner. Delinquencies ranged from **24** to **176** days.

According to the APM Section 5.1.2 *Monthly Reconciliation and Financial Reporting*, the recordkeeping staff is required to complete the monthly bank reconciliation within seven days after receiving the statement from the bank. All financial reports are required to be completed by the 15th of the subsequent month and submitted to the principal for review and approval.

The recordkeeping staff position was vacant from December 2023 until August 2025. The current recordkeeping staff received training from AFRO on September 9, 2025. AFRO prepared the school's monthly financial reports and reconciliations for the principal while the recordkeeping staff position was vacant. AFRO assists multiple schools with similar requests and typically processes a school's monthly financial reports in batches, resulting in delays in completing school's monthly bank reconciliations. The monthly reports for July 2025 and August 2025 were left as training resources for the current recordkeeping staff.

Delinquent monthly bank reconciliations impact the timeliness and reliability of financial information used in the fiscal decision-making process. Timing differences or other errors may not be detected and corrected promptly when the reconciliation process is not performed as intended.

Recommendation: The principal and recordkeeping staff should implement internal controls to ensure that the monthly financial reporting process is performed in accordance with the schedule requirements included in the APM (bank reconciliation within seven days of receiving the statement from the bank and the completion of financial reports by the 15th of each month).

2026.08 Administration of Vending Contract

The school currently has **six** snacks and soda vending machines. An approved contract was not available for review for **one** staff and **five** student vending machines in operation at the school.

The APM Section 9.8 *Vending Machine Sales* states that "All schools with vending machines must have a signed contract stipulating commissions due to the school and frequency these commissions are remitted. The contract term cannot exceed one year."

Prior years' vending contracts were retained by the previous recordkeeping staff. The current recordkeeping staff was not familiar with the requirements regarding the administration of vending contracts. A further cause for the absence of an approved vending contract could not be ascertained.

The absence of a valid vending contract removes responsibility from the vendor to provide vending commissions to the school and to ensure that the vending machines are operating in accordance with the terms usually agreed to by PGCPS

Recommendation: The principal must engage the vendor to provide an updated vending contract with the terms and conditions that are consistent with the requirements of the APM regarding vending machines administration. In the absence of a valid contract, Purchasing and Supply Services must be contacted to procure alternate vending machine service.

2026.09 Records Retention

There were **54** instances where records to substantiate financial transactions were not available for review:

- **Three** disbursements' approval documentation (SFEF, supporting documents, cancelled check images)
- **Three** restricted fund transfers' Journal Entry Proof Sheet with principal's signature
- **Four** bank deposits' duplicate deposit tickets
- **Five** staff members' MTF pink/yellow remittance copies
- **Five** MTFs' underlying/supporting documentation
- **Six** staff members' End-of-Year MTF Envelopes
- **13** cancelled check images
- **15** voided checks

The APM Section 6.12, *Record Retention,* requires the retention of all financial records for seven years and or until audited, including the current fiscal year. This includes but is not limited to financial reports, bank statements, receipts, disbursement authorities, monetary transmittal forms, school funds expenditure forms, canceled checks, and contracts.

The recordkeeping staff position was vacant from December 2023 until August 2025. Reportedly, the principal assumed responsibility for administering the SAF where possible and was not familiar with the records retention requirements as prescribed by the APM. During that period an effective records management system was not maintained at the school.

The absence of a reliable records management system affects the retrieval and accessibility of requested documentation to substantiate the school's financial transactions. The audit fieldwork was impacted by the school's inability to support financial transactions. Evidence for determining that relevant policies and procedures were followed is removed when financial records are unavailable for review.

Recommendation: The current principal and recordkeeping staff must establish an effective records management system, which ensures that all financial documents are retained by fiscal year and are retrievable upon request. The principal should review the APM to understand what comprises an adequate records management system and perform periodic reviews of financial records to determine proper organization, retention and retrieval when necessary.

STATUS OF PRIOR AUDIT FINDINGS

The previous audit report for Dr. Henry A. Wise, Jr. High School was issued for the period ended June 30, 2021. The current principal and recordkeeping staff were not in their positions during the previous audit period. There were **10** findings noted during that audit, and **five** are repeated in this current audit report.

- **Mismanagement of Funds Received** – Condition still exists. **See Finding 2026.02** regarding *Mismanagement of Funds Received.*
- **Mismanagement of Disbursements** – Condition still exists. **See Finding 2026.03** regarding *Mismanagement of Disbursements.*
- **Administration of Checks** – Condition was not noted during this audit.
- **Financial Reporting Non-Compliance** – Condition still exists. **See Finding 2026.07** regarding *Delinquent Monthly Bank Reconciliations.*
- **Athletic Allotment Not Distributed** – Condition was not noted during this audit.
- **Mismanagement of Class Accounts** – Condition still exists. **See Finding 2026.06** regarding *Administration of Class and Club Accounts.*

- **Unremitted Funds** – Condition was not noted during this audit.
- **Assets Purchased with SAF Not on School's In-house Inventory Listing** – Condition was not noted during this audit.
- **End of Year Monetary Transmittal Form Procedures Not Followed** – Condition still exists. **See Finding 2026.05** regarding *Administration of End-of-Year Monetary Transmittal Forms.*
- **Fundraiser Forms Not Completed –** Condition was not noted during this audit.

ACKNOWLEDGEMENT

We would like to thank the principal and staff of Dr. Henry A. Wise, Jr. High School for their cooperation and assistance extended during the audit.

PGCPS

Dr. Henry A. Wise, Jr. High School
Student Activities Funds
Audit Report Appendix - Findings Timeline
August 31, 2025

AUDIT FINDINGS	Dr. Taryn Washington Current Principal 7/25/2022 - Present	Jeffery Parker Prior Principal 2/6/2019 - 7/31/2022	Melva Cramer Current Recordkeeping Staff 8/11/2025 - Present	Henrietta Jamison Prior Recordkeeping Staff 10/8/2018 - 12/03/2023
2026.01: Restricted Fund Account Deficits	X		X	
2026.02 Mismanagement of Funds Received	X		X	X
2026.03 Mismanagement of Disbursements	X		X	X
2026.04 Administration of Fund Transfers	X			X
2026.05 Administration of End-of-Year Monetary Transmittal Forms	X			
2026.06 Administration of Class and Club Accounts	X		X	
2026.07 Delinquent Monthly Bank Reconciliations	X		X	
2026.08 Administration of Vending Contracts	X		X	
2026.09 Records Retention	X	X	X	X
Total	9	1	7	4