



OFFICE of INTERNAL AUDIT

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MEMORANDUM

May 29, 2026

To: Eunice Humphrey, Instructional Director
Cluster 10

Miguel Chaçon, Ed.D., Principal
High Point High School

From: Deana Thorps, CPA, Director
Office of Internal Audit

Re: High Point High School Financial Audit for the Period July 1, 2021, through October 31, 2025

An audit of the financial records of **High Point High School** was completed for the period July 1, 2021, through October 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 Fund (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 **June 30, 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
Lisa Howell, Chief Financial Officer
Carletta Marrow, Ed.D., Chief of Schools
Ed Ryans, Ed.D., Associate Superintendent, Area III
Peggy J. Harrison, CPA, Director, Financial Services
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Janice Walters-Semple, CPA, Supervisor, Internal Audit
Iyamide Oduyoye, CIA, Internal Auditor II



**School Activity Fund Report -
High Point High School
*July 1, 2021 – October 31, 2025***

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Internal Auditor's Draft Report

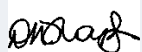
We have examined the School Activity Funds (SAF) of High Point High School for the period July 1, 2021 through October 31, 2025. High Point High School's principal is responsible for the administration of SAF. Our responsibility is to express an opinion based on our examination.

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:

- *Mismanagement of Funds Received*
- *Mismanagement of Disbursements*
- *Records Retention*
- *Administration of Checks*
- *Delinquent Monthly Bank Reconciliations*
- *Administration of Fund Transfers*
- *Administration of Grants and Donation*
- *Administration of Fundraisers*
- *Residual Class Funds Not Allocated*

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 October 31, 2025.



Deana Thorps, CPA, Director
Office of Internal Audit

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BACKGROUND

The Office of Internal Audit completed an audit of the school activity funds (SAF) for High Point High School for the period July 1, 2021, through October 31, 2025. The audit was conducted as part of the department's annual audit plan.

This audit report includes **nine** findings which occurred under the leadership of the former and current principals. 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 all bank statements, financial reports, cancelled checks, all voided checks, and available Monetary Transmittal Form (MTF) envelopes submitted for the period July 1, 2021 through October 31, 2025. Also, selected receipts, disbursements and supporting documentation were reviewed for the said period. The audit results were based on available documentation. *(Refer to Finding 2026.03 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.

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FINDINGS AND RECOMMENDATIONS

The audit resulted in the following findings and recommendations:

2026.01 Mismanagement of Funds Received

There were at least **58** instances of non-compliance regarding the administration of funds received:

- A. ***Delinquent Deposits*** – There were **38** instances where deposits were not deposited with the financial institution in a timely manner. The delinquency ranged from four to 31 days. There were also **two** instances where deposits more than \$250.00 were held overnight.
- B. ***Inadequate Supporting Documentation*** – There were **14** instances where documentation to substantiate deposits were not included with MTFs. This included **two** instances where inventory forms were not included with concessions funds and **12** instances where inventory forms and deposit slips were not available to support funds deposited. There were also **four** instances where MTF and other documentation was not included to support the deposit of funds

The APM provides the following guidelines for the management of funds received:

- A. The APM Section 4.5.2.2, *Guidelines for Bank Deposits*, require bookkeepers to make deposits of all funds received at least every other day. However, no more than \$250.00 should be kept in the building overnight.
- B. The APM Section 4.5.2.2, *(1) Collecting Funds and Guidelines for Bank Deposits, Completing the MTF, and Preparing Bank Deposits*, states that the MTF must be entirely completed with the following information. 1) who collected money; 2) when it was collected; 3) from whom it was collected; 4) the amount and form of the collection; and 5) the reason for collecting. If additional space is needed, a Student Remittance Report, Excel spreadsheet, class list, receipts, or ticket/report stubs, can be used as an attachment.

The following summarizes the causes of the deficiencies noted:

- A. ***Delinquent Deposits*** – The recordkeeping staff explained that staff members failed to remit funds to the administrative office on the day that the funds were received.
- B. ***Inadequate Supporting Documentation*** – The staff administering the concession stands were not aware of the requirement to maintain inventory forms as part of the support for sales. The missing supporting documentation was misplaced because of the school's inadequate filing system.

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The following are the potential effects of the mismanagement of funds received:

- A. Internal controls are compromised, and there is the risk of loss of funds when funds are not remitted and deposited as required.
- B. Inadequate financial documentation makes it difficult to verify the accuracy of transactions recorded in the school's financial accounting system. It also impacts the principal's and recordkeeping staff's ability to identify and correct errors and mitigate the risk of fraud in a timely manner.

Recommendations: The following are recommendations suggested for proper management of funds received:

- A. The principal must require timely remittance and deposit of funds. Staff members and the recordkeeping staff must be held accountable for compliance. The principal should perform periodic reviews of deposit records to ensure compliance.
- B. The recordkeeping staff must ensure that staff members include pertinent documentation such as inventory forms, MTFs and class list to support funds remitted.

2026.02 Mismanagement of Disbursements

There were at least **37** instances of non-compliance regarding the administration of disbursements:

- A. ***Delinquent Payments*** – There were **seven** instances where payments were not processed as required. The delinquency ranged from five to 122 days.
- B. ***Inadequate Documentation*** – There were **five** instances where expenditures were not adequately documented.
- C. ***Post-dated Approvals*** – There were **16** instances where purchases were made prior to the principal's approval.
- D. ***Inappropriate Use of Reimbursement Vendor Option*** – There were **nine** instances where checks that were issued to provide refunds to students/parents were inappropriately processed using the *Reimbursement Vendor Option*.

The APM provides the following guidelines for administering disbursements:

- A. The APM Section 4.5.3, (2) *Inclusion of Supporting Documentation*, requires reimbursements and/or invoices to be paid within 30 days of receipt.

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- B. The APM Section 4.5.3.1, *Inclusion of Supporting Documentation*, requires all checks must have itemized documentation attached to the School Funds Expenditure Form (SFEF) that supports the amount of the check. Examples of supporting documents are cash register receipts, invoices, bills of sale, etc.
- C. The APM Section 4.5.3, *Cash Disbursements*, require a SFEF to be completed and signed by the principal prior to ordering or purchasing goods or services.
- D. The APM Section 3.1.1, *Bookkeepers/Financial Secretaries*, indicate that the bookkeeper or financial secretary is responsible for accurately recording and reporting the school's financial transactions

The following summarizes the causes of the deficiencies noted:

- A. The recordkeeping staff explained that sometimes the invoices were submitted by staff members resulting in delinquent processing of vendor payments. There have also been instances when the principal needed additional information or to locate a vendor contract to proceed with check processing.
- B. According to the recordkeeping staff, documents were sometimes misplaced due to an ineffective records management system at the school.
- C. Staff members reportedly obtained verbal approval from the principal to make purchases.
- D. Reportedly, the recordkeeping staff was not aware that the reimbursements option in School Funds Online (SFO) could not be used to refund payments to students and parents.

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

- A. 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. Delinquent vendor payments can also impact the school's relationship with vendors.
- B. Inadequate documentation of disbursements negates the evidence necessary to determine the school's compliance with policies and procedures. It also obscures documentation that should be available to ensure accuracy of disbursement information needed to make financial decisions.
- C. Failure to obtain pre-approval from the principal could result in inappropriate and unauthorized purchases. Verbal pre-approval negates the audit trail necessary for auditors to determine compliance with disbursement guidelines.

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- D. Inappropriate use of vendor payment options impact the accuracy of financial reporting used by school administrators to make decisions that benefit the student population.

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

- A. Staff should ensure that invoices are remitted timely to the recordkeeping staff for payment. The recordkeeping staff should ensure that all invoices are paid in a timely manner. Reimbursements and invoices are required to be paid within 30 days of receipt or by the invoice due date. The principal must hold the staff and the recordkeeping staff accountable for compliance.
- B. The principal should conduct monthly review of financial records to ensure an adequate records management system is in place that ensures disbursement documentation is properly maintained to substantiate disbursement and is made available when requested by authorized personnel.
- C. The principal and recordkeeping staff must implement and enforce internal controls to ensure pre-approval is obtained and documented on SFEFs prior to purchases being made.
- D. The principal should conduct monthly review of disbursement records to ensure that the appropriate vendor payment option is used to process payments processed by the school. The recordkeeping staff must be held accountable for accurately recording disbursement transactions.

2026.03 Records Retention

There were at least **69** instances where documentation to support the administration of SAF were not available for review:

- A. **52** Cancelled Checks
- B. **10** MTF Remittances (Fiscal Year (FY) 2023 – **one** pink and **six** yellow; FY 2025 – **three** pink and yellow)
- C. **Three** Voided Checks
- D. **Two** SFEF and Disbursement Documentation
- E. **Two** MTF Envelopes

The APM Section 6.12, *Record Retention*, requires all SAF records to be retained for a period of seven years and/or until audited including the current fiscal year.

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An adequate records management system was not established to ensure that all financial records were secured and retrievable upon request. Staff members were not held accountable to maintain and submit their MTF envelopes during the year-end check-out process.

Failure to make financial records available for audit constitutes noncompliance with BOE policies and procedures and compromises the audit trail necessary for determining compliance with applicable requirements. Moreover, compensating evidence to ensure that deposits are accurate are not available in the absence of complete year-end MTF envelopes.

Recommendations: The principal must establish a standardized and consistent records management system, which ensures that all financial documents are secured, retained and retrievable upon request. The principal or a designee must obtain the *Receiptee History Report* from the recordkeeping staff during the year-end check-out process and ensure that staff members involved in the collection of funds during the school year submit the required MTF remittances in accordance with the requirements of the APM.

2026.04 Administration of Checks

There were **three** instances where the signature portion was not removed from voided checks as required.

The APM Section 4.5.3.2, *Summary of Check Disbursement Procedures*, requires voided checks to be defaced.

The recordkeeping staff explained that the failure to remove the signature portion from the voided checks occurred prior to her tenure. As a result, an explanation for the internal control weakness could not be determined.

When signed checks are not properly voided the risk of check fraud increases.

Recommendation: The recordkeeping staff must ensure that checks are voided in accordance with the requirements of the APM.

2026.05 Delinquent Monthly Bank Reconciliations

There were **four** instances where monthly bank reconciliations were not completed and or reviewed timely by the recordkeeping staff and the principal. The reconciliations were completed and reviewed between **five** and **31** days after the due dates.

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The APM Section 5.1.2, *Monthly Reconciliation and Financial Reporting*, states that the bookkeeper 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 explained that the bank statements sometimes arrived late through the mail. The school does not currently have access to online banking. There were also times when monthly bank reconciliations were prepared on time but were reviewed late due to the principal's competing responsibilities.

The principal's fiscal responsibility is compromised when the monthly bank reconciliation process is not performed in a timely manner. Timing differences or other errors may not be detected and corrected promptly when the reconciliation process is not performed as intended.

Recommendations: The recordkeeping staff and principal must implement internal controls to ensure that monthly bank reconciliations are completed as required. The principal must coordinate with the Assistant Treasurer to ensure that online access to the bank statements is obtained.

2026.06 Administration of Fund Transfers

There were **33** instances where the principal's approval was not documented on the *Fund Transfers Journal Entry Proof Sheets* (FTJEPS) provided.

The 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.

The recordkeeping staff explained that the FTJEPS were approved; however, evidence of the principal's approval was not made available for review.

Unavailable approved FTJEPS hinders effective review of financial transactions posted to SFO. It also removes evidence that the journal entries posted to the SFO were approved by the principal as required.

Recommendation: The principal and recordkeeping staff must implement procedures to ensure easy access to documentation that supports financial transactions posted to SFO.

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2026.07 Administration of Grants and Donations

The school received **four** donations and grants that totaled **\$26,221.56** during the audit period that were not administered as required. The following grants and donations were not reported to the Grants Financial Management Office (GFMO):

- *Christmas Donations - \$5,000.00*
- *Holiday at High Point Donations - \$1,329.51*
- *Education Grant - \$2,750.00*
- *Dorothy Gonthier Memorial Fund Donations - \$17,142.05*

The APM Section 9.3, *Accounting for Grants and Donations*, states that all grants and donations made directly to schools, irrespective of amount, should be reported to the Grants Financial Management Office (GFMO) on a School Grant Reporting Form.

The recordkeeping staff attributed this noncompliance to unawareness of the requirement for administering grants and donations.

Failure to report the school's grants and donations to GFMO constitutes non-compliance with BOE policies and procedures. Specifically, Failure to report the grants and donations received may increase financial risk to the school and staff.

Recommendations: The principal and recordkeeping staff must review the APM to become familiar with the reporting requirements for grants and donations received at the school. The principal must establish procedures to ensure that all future grants and donations are properly documented and reported to GFMO by the recordkeeping staff. The recordkeeping staff must be held accountable for compliance.

2026.08 Administration of Fundraisers

The school did not comply with the requirements for administering fundraisers during the audit period for fundraising activities that occurred from FY 2022 through FY 2025. *Fundraiser Request and Authorization Forms* and *Fundraiser Completion Reports* were not documented for sponsored fundraisers. Also, annual reports summarizing fundraising activities for all fundraisers were not available for review.

According to the APM Section 7.2.2 *Fundraisers*, *Fundraiser Request and Authorization Forms* and *Fundraiser Completion Reports* are required for sponsored fundraisers. Annual reports summarizing fundraising activities are also required for all fundraisers.

The recordkeeping staff explained that the designated official responsible for administering the school's sponsored fundraising activities was contacted but was unable to provide the binders of the required fundraising documents. The annual fundraising reports were not produced because the principal was not aware of this reporting requirement.

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Failure to follow the reporting requirements for fundraisers constitutes non-compliance with BOE policies and procedures. In addition, it decreases the transparency of the school's fundraising activities and the associated profits to interested parents and community members. It could not be readily determined whether the school's fundraisers yielded an overall profit.

Recommendations: The principal must establish internal controls to monitor completion of all the fundraiser reports as required. *Fundraiser Request and Authorization Forms* and *Fundraiser Completion Reports* must be submitted for all sponsored fundraisers. Also, the principal or a designee should complete reports at the end of the school year to summarize fundraising activities held. Required reports must be maintained on file and made available for public and auditor review.

2026.09 Residual Class Funds Not Allocated

The Class of 2023 did not allocate its residual funds as required. There was \$920.00 in the Fundraiser account and \$50.00 in the Dues account for the Class of 2023 as of October 31, 2025.

The APM Section 7.0 Budgeting, Class Accounts and Athletics and Section 7.3 Class and Club Accounts states, "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. If residual funds are not designated by the senior class, these funds will be transferred to the materials of instruction account the following year. In no case shall funds be withdrawn from the SAF or retained therein for future class reunions or social functions".

Reportedly, the recordkeeping staff was new at the time and did not receive any instructions from the Class of 2023 on how the residual funds should be allocated. Moreover, the recordkeeping staff was not aware of the requirement for senior class funds.

BOE policies and procedures as established in the APM regarding the administration of class accounts were not followed. Students have not received the benefit that would have been derived from disposition of the residual funds.

Recommendations: The principal should contact the assigned Class President and or Treasury to prepare a letter authorizing the allocation of the residual funds. In the absence of that opportunity, Accounting and Financial Reporting Office (AFRO) should be contacted to request permission to move the remaining undesignated class funds to the Restricted Materials of Instruction account as specified by the APM.

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STATUS OF PRIOR AUDIT FINDINGS

The previous audit report for High Point High School was issued for the period ended June 30, 2021. During the previous audit, the current principal and recordkeeping staff were not on staff. There were **five** findings noted as a result of that audit and three which are repeated in the current audit as summarized below:

- **Mismanagement of Funds Received** – Condition still exists. See **Finding 2026.01** regarding *Mismanagement of Funds Received*.
- **Mismanagement of Disbursements** – Condition still partially exists. See **Finding 2026.02** regarding *Mismanagement of Disbursements* and **Finding 2026.04** regarding *Administration of Checks*.
- **Inadequate Segregation of Duties** – *This condition was not observed in the current audit.*
- **Administration of Contracts** – *This condition was not observed in the current audit.*
- **Delinquent Bank Reconciliations** – Condition still exists. See **Finding 2026.05** regarding *Delinquent Monthly Bank Reconciliations*.

ACKNOWLEDGEMENT

We would like to thank the principal and staff of High Point High School for their cooperation and assistance extended during the audit.



High Point High School
 School Activity Fund
 Findings Timeline
 October 31, 2025

AUDIT FINDINGS	Miguel Chacon, Principal July 2021- date (first as acting and now current)	Tiffany Thomas, Recordkeeping staff, July 2023 - date	William Branch, Recordkeeping staff, October 2025 - date	Lori N. Taylor, Former principal(on extended leave), FY21 - FY25	Glenda Tracy Pena, former Recordkeeping staff, June 2022 - August 2022,
2026.01: <i>Mismanagement of Funds Received</i>	X	X		X	
2026.02: <i>Mismanagement of Disbursements</i>	X	X	X	X	X
2026.03 <i>Records Retention</i>	X	X	X	X	X
2026.04 <i>Administration of Voided Checks</i>	X			X	
2026.05 <i>Delinquent Monthly Bank Reconciliation</i>	X	X			
2026.06 <i>Administration of Fund Transfers</i>	X	X		X	
2026.07 <i>Administration of Grants and Donations</i>	X	X		X	
2026.08 <i>Administration of Fundraisers</i>	X	X		X	
2026.09 <i>Residual Class Funds Not Allocated</i>	X			X	
Total	9	7	2	9	2