PGCPS
OFFICE OF INTERNAL AUDIT
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MEMORANDUM

November 11, 2026

To: Maryam Thomas, Ed.D., Instructional Director
Cluster 15

Jessica Coley, Principal
Princeton Elementary School

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

RE: Princeton Elementary School Financial Audit for the Period September 1, 2019, through January 31, 2026

An audit of the financial records of Princeton Elementary School was completed for the period September 1, 2019, through January 31, 2026. 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 **December 11, 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, Compliance Procedures Administrator, 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., Superintendent
Deann Collins, Ed.D., Chief of Staff
Carletta Marrow, Ed.D., Chief of Schools
Shavonne Smith, Chief Financial Officer
Kasandra Lassitter, Ed.D., Associate Superintendent for Elementary Schools
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Roderick Adams, Administrator, Compliance and Procedures
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Benjamin Hanks, CIA, Internal Auditor II

PRINCE GEORGE'S COUNTY
PUBLIC SCHOOLS

School Activity Fund Report – Princeton Elementary School

September 1, 2019 – January 31, 2026

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Internal Auditor's Report

We have examined the School Activity Funds (SAF) of Princeton Elementary School for the period September 1, 2019 through January 31, 2026. Princeton Elementary 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 two findings:

- *Mismanagement of Funds Received*
- *Record 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 January 31, 2026.

Deana Thorps, CPA, Director
Office of Internal Audit

BACKGROUND

Internal Audit completed an audit on the school activity funds (SAF) for Princeton Elementary School for the period September 1, 2019, through January 31, 2026. The audit was conducted as part of the department's annual audit plan.

This audit report includes **two** 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.

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 the 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 September 1, 2019, through January 31, 2026. Also, selected receipts, disbursements and supporting documentation were reviewed for the said period. The audit results were based on available documentation.

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:

2027.01: Mismanagement of Funds Received

There were at least **21** instances of non-compliance regarding the management of funds received:

A. ***Delinquent Deposits:*** There were **13** instances where funds were not deposited in a timely manner, including **three** instances where cash in excess of $250.00 was held overnight. Delinquencies ranged from **one** to **26** days.

B. ***Year-end MTF Envelopes Not Signed:*** there were at least **two** instances where a staff member's year-end MTF envelope was not signed when sealed for retention.

C. ***MTFs Not Adequately Completed:*** There were **six** instances where MTFs were not entirely completed prior processing of funds received

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

A. Section 4.5.2.2 (2) *Guidelines for Bank Deposits* requires 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) *Colleting Funds: Completing the Monetary Transmittal Form (MTF)* outlines the requirement for faculty and program managers to submit pink and yellow MTF remittances for all funds collected in sealed envelopes, with their signature over the seal, to the designated administrator prior to departing the school at year-end.

C. It also requires that each MTF is entirely completed with the following information: who collected funds; the date of collection; from whom funds were collected; the amount and form of collection; and the purpose of the collection.

The following summarizes the causes of deficiencies noted:

A. Staff members who collect funds for deposit frequently receive MTFs from the recordkeeping staff in advance of anticipated receipt of funds and subsequently held the MTF and funds for multiple days before remittance to the recordkeeping staff.

B. Staff signatures on the noted year-end MTF envelopes were overlooked by the staff designated to collect MTF envelopes during the year-end close-out process.

C. According to the recordkeeping staff, the noted instances of incomplete MTF documentation occurred because of the recordkeeping staff oversight.

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

A. Delinquent deposits of funds impact the timeliness of processing financial transactions and increase the risk of loss to the school.

B. Integrity of the audit trail is impacted when documented policies for preserving compensating evidence relative to the collection process are not always followed.

C. MTF documentation is compromised when required information is not properly documented and retained.

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

A. The recordkeeping staff and principal should continue to emphasize the requirement for the timely remittance of collected funds to the recordkeeping staff during staff trainings. Staff members must be held accountable for compliance.

B. The principal should provide guidance to the staff with responsibility for collecting year-end MTF envelopes so that all procedures are followed by staff prior to acceptance and filing.

C. The recordkeeping staff and principal should implement more stringent internal controls to ensure that funds collected by staff members are properly documented on MTFs. The recordkeeping staff must carefully review the MTFs for completeness prior to acknowledging the remittance of funds.

2027.02 Record Retention

There were **nine** instances where canceled check images could not be located for review.

The APM Section 6.12 *Record Retention* requires the retention of all SAF records for a period of seven years and until audited, including the current fiscal year. This includes but is not limited to canceled check images.

In or around February 2022, the school's bank account changed from SunTrust to Truist. Canceled check images were included with the school's monthly bank statements from SunTrust, but this service was not automatically carried over when the change in banking institution occurred. Truist started providing canceled check images several months later when requested.

The absence of important documentation to substantiate payments negates the audit evidence required to ensure that policies and procedures regarding disbursements are followed.

Recommendation: The principal and recordkeeping staff should continue to perform a periodic review of SAF records to ensure that all disbursement transactions are adequately supported and that the documentation is properly retained.

STATUS OF PRIOR AUDIT FINDINGS

The previous audit report for Princeton Elementary School was issued for the period ended August 31, 2019. The principal and recordkeeping staff were in their current positions during that audit. There were **three** reportable conditions noted during that audit and **one** is repeated in this audit.

- **Drop Safe Not Acquired to Secure Funds Awaiting Deposit** – The condition was not noted during this audit.
- **Delinquent Financial Reporting** – The condition was not noted during this audit.
- **Financial Documents Not Retained** – The condition still exists. See Finding **2027.02** regarding *Records Retention.*

ACKNOWLEDGEMENT

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

Princeton High School
School Activity Funds - September 1, 2019 through January 31, 2026
Appendix - Findings Timeline

AUDIT FINDINGS	Jessica Lee	Kim Cox
2027.01 Mismanagement of Funds Received	X	X
2027.02 Record Retention	X	X
Total	2	2