



November 7, 2024

**MEMORANDUM**

To: Kristil Fossett, Ed. D., Instructional Director  
Cluster 8

Tracy Spivey White, Principal  
Judith P. Hoyer Montessori

From: Janice Walters-Semple, CPA, Acting Director  
Internal Audit

Re: Financial Audit for the Period October 1, 2018 to April 30, 2024

An audit of the financial records of **Judith P. Hoyer Montessori** was completed for the period October 1, 2018 to April 30, 2024. 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 Board of Education policies and procedures. The exceptions noted are included in the attached report.

As the principal of the school, you will be responsible for preparing an action plan by **December 7, 2024** 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](mailto: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](mailto:Shaquana.mitchell@pgcps.org), Roderick Adams, Compliance Procedures Administrator, email address: [Roderick.adams@pgcps.org](mailto:Roderick.adams@pgcps.org) and Katrina Greene, School Activity Funds Support Specialist, email address: [katrina.greene@pgcps.org](mailto:katrina.greene@pgcps.org).

Enclosure

cc: Lolita E. Walker, Board Chair  
Millard House II, Superintendent  
Members, Board of Education  
Quincy Boyd, Chief of Staff  
Rahshene Davis Ed. D., Chief of Schools  
Lisa Howell, Chief Financial Officer  
Michael Dougherty, CPA, Director, Financial Services  
Amelia Coleman, Ed. D., Associate Superintendent for Middle Schools  
Robin Welsh, Director of Monitoring, Accountability and Compliance  
Roderick Adams, Compliance and Procedures Administrator  
Katrina Greene, School Activity Fund Support Specialist  
Theodore Dzodzomenyo, Internal Auditor II

**Prince George's County Public Schools  
Internal Audit Department**

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# Internal Audit Report

## Judith P. Hoyer Montessori School Activity Funds

For the Period Ended April 30, 2024

**Judith P. Hoyer Montessori  
School Activity Funds  
Internal Audit Report  
For Period Ended April 30, 2024**

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**Judith P. Hoyer Montessori  
School Activity Funds  
Internal Audit Report  
For Period Ended April 30, 2024**

**Internal Auditor's Report**

We have examined the School Activity Funds (SAF) of Judith P. Hoyer Montessori for the period October 1, 2018, to April 30, 2024. Judith P. Hoyer Montessori'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 findings:

- *Delinquent Deposits*
- *Inadequate Depository Safe*
- *Administration of Checks*

The findings documented in this audit report resulted in a material deviation from Board of Education (BOE) policies and procedures and the requirements of the Accounting Procedures Manual for the School Activity Funds (APM).

In our opinion, except for the exceptions noted, the SAF referred to above, has been administered in compliance with BOE policies and procedures and the APM, in all material respects, for the period ended April 30, 2024.



Janice Walters-Semple, CPA  
Acting Director, Internal Audit

**Judith P. Hoyer Montessori  
School Activity Funds  
Internal Audit Report  
For Period Ended April 30, 2024**

**SUMMARY**

Internal Audit completed an audit of the student activity funds (SAF) for Judith P. Hoyer Montessori for the period October 1, 2018, to April 30, 2024. The audit was conducted as part of the annual audit plan.

This audit report includes **3** findings that occurred under the leadership of the current principal. The personnel responsible are included in the appendix at the end of this 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 the 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 Monetary Transmittal Form (MTF) envelopes submitted for the period October 1, 2018, to April 30, 2024. Also, available receipts, disbursements and supporting documentation were reviewed for the said period. Audit results were based on available documentation.

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

**Judith P. Hoyer Montessori  
School Activity Funds  
Internal Audit Report  
For Period Ended April 30, 2024**

**FINDINGS AND RECOMMENDATIONS**

The audit resulted in the following findings and recommendations:

**2025.01: Delinquent Deposits**

There were 4 instances where funds collected for various school activities were not deposited in a timely manner. The delinquencies range from 7 to 21 days. In the noted instances, staff members did not remit funds to the recordkeeping staff for deposit on the day of collection.

The APM, Section 4.5.2.2, *Cash Receipts, Procedures* states that bookkeepers must make deposits of all funds received at least every other day. However, no more than \$250 should be kept in the building overnight. In addition, staff members are prohibited from holding funds overnight.

The recordkeeping staff admitted that she was not familiar with the requirement for timely deposit of funds. Specifically, the recordkeeping staff was not aware that staff members were prohibited from holding funds overnight, resulting in staff members holding onto funds until all student payments were received for school activities.

Delinquent deposits constitute non-compliance with BOE policies and procedures and increase financial risk to school activity funds. In addition, the funds received are not immediately available for student use.

**Recommendation:** The recordkeeping staff must familiarize herself with the APM requirements regarding the timely deposit of SAF. Staff members must be reminded of the requirement to remit funds collected to the recordkeeping staff on the day of collection.

**2025.02: Inadequate Depository Safe**

The school has a depository (drop) safe to store funds remitted by staff members after normal business hours or in the absence of the recordkeeping staff. However, the depository safe is not properly secured. It is not bolted to the floor as required. It is also inaccessible to the staff.

The APM section 4.5.2.2 (3) *Cash Receipts Guidelines for Bank Deposits* requires each school to secure funds in a locked fireproof safe that is only accessible to the principal and bookkeeper. Drop safes are required for every school. The safe is also required to be bolted to the floor in a location accessible to the staff.

**Judith P. Hoyer Montessori**  
**School Activity Funds**  
**Internal Audit Report**  
**For Period Ended April 30, 2024**

According to the school administration, the school has a drop safe that was purchased by the BOE. However, the combination key instructions were not available, preventing access to the safe.

The security of SAF is impacted in the absence of a properly secured and accessible drop safe.

**Recommendations:** The school should contact the depository safe manufacturer for directions on resetting the combination code to access the safe. After resolving the combination code issue, the principal must contact the Maintenance Department to schedule an appointment for the depository safe to be bolted to the floor as required by the APM.

**2025.03: Administration of Checks**

There were **5** instances where voided check documentation could not be located. There were also **5** instances where canceled checks were not available for review.

According to the APM Section 6.12 Record Retention, All SAF records must be retained for 7 years and or until audited, including the current fiscal year. This includes but is not limited to financial reports, bank statements, receipts, disbursements, Monetary Transmittal Forms, School Funds Expenditure Forms, canceled checks, and contracts.

The school's records management system was not robust enough to ensure that all financial records were retained during the transition of the recordkeeping staff position. The unavailable documents were processed prior to the recordkeeping staff's tenure, and as such, an explanation was not obtained for the missing check documentation.

The absence of underlying documentation negates evidence that the checks were processed in accordance with the requirements of the APM and increases the risk of check fraud.

**Recommendations:** The principal and financial secretary must implement an adequate records management system that ensures all financial records are properly maintained and are retrievable until they are audited and or required for review by any approved individual of organization in accordance with the APM.

**Judith P. Hoyer Montessori  
School Activity Funds  
Internal Audit Report  
For Period Ended April 30, 2024**

**STATUS OF PRIOR AUDIT FINDINGS**

The previous audit report for Judith P. Hoyer Montessori was for the period ended September 30, 2018. During that period, the principal was in the current position; however, the recordkeeping staff's tenure began in September 2021. There were **8** findings noted in the previous audit report, **2** of which is repeated in the current audit. The status of the prior audit findings is indicated below.

- ***Monetary Transmittal Forms Not Properly Used*** - Condition was not noted during this audit
- ***Inadequate Approvals*** - Condition was not noted during this audit
- ***Voided Checks Not Properly Approved or Maintained*** - Condition partially exists. See **Finding 2025.03** regarding the *Administration of Checks*.
- ***Fundraiser Forms Not Completed***- Condition was not noted during this audit
- ***Insolvency Report Not Properly Completed***- Condition was not noted during this audit
- ***Record Retention*** - Condition partially exists. See **Finding 2025.03** regarding the *Administration of Checks*.
- ***Unapproved Transfers from the Prior Year Carryover Account***- Condition was not noted during this audit
- ***Management Oversight*** - Condition was not noted during this audit

**ACKNOWLEDGEMENT**

We would like to thank the principal and staff of Judith P. Hoyer Montessori for their cooperation and assistance extended during the audit. the audit.





Judith P. Hoyer Montessori  
Student Activities Funds  
Appendix - Findings Timeline  
April 30, 2024

AUDIT FINDINGS	Tracey Spivey White, Principal - Since July 2020	Zaidy Rosario-Santana, School Accounting Secretary - September 2021-Present	Chikel Coleman, Previous Recordkeeping Staff (now Secretary at Transportation and Central Garage)
2025. 01 Untimely Deposits	X	X	
2025. 02 Inadequate Depository Safe	X	X	X
2025. 03 Administration of Checks	X		X
Total	3	2	2

**Prince George's County Public Schools**  
**Internal Audit Department**  
**School/Office: Judith P. Hoyer Montessori – School Activity Funds**  
**Response Due Date: December 7, 2024**

	Findings	Recommendations	Action Plan	Corrective Action Date	Implemented	Status Partially Implemented	Not Implemented
<b><u>2025.01: Delinquent Deposits</u></b>	There were 4 instances where funds collected for various school activities were not deposited in a timely manner. The delinquencies range from 7 to 21 days. In the noted instances, staff members did not remit funds to the recordkeeping staff for deposit on the day of collection.	The recordkeeping staff must familiarize herself with the APM requirements regarding the timely deposit of SAF. Staff members must be reminded of the requirement to remit funds collected to the recordkeeping staff on the day of collection.	See Attached Action Plan Sheet	Effective 05/27/24	Yes		
<b><u>2025.02: Inadequate Depository Safe</u></b>	The school has a depository (drop) safe to store funds remitted by staff members after normal business hours or in the absence of the recordkeeping staff. However, the depository safe is not properly secured. It is not bolted to the floor as required. It is also inaccessible to the staff.	The school should contact the depository safe manufacturer for directions on resetting the combination code to access the safe. After resolving the combination code issue, the principal must contact the Maintenance Department to schedule an appointment for the	See Attached Action Plan Sheet	Effective 05/27/24	Yes		

**CFO/Principal/Director's Signature** *Tracey Spivey White*  
**Date** 2/28/25

		depository safe to be bolted to the floor as required by the APM.						
<b><u>2025.03:</u></b> <b><u>Administration of</u></b> <b><u>Checks</u></b>	There were <b>5</b> instances where voided check documentation could not be located. There were also <b>5</b> instances where canceled checks were not available for review.	The principal and financial secretary must implement an adequate records management system that ensures all financial records are properly maintained and are retrievable until they are audited and or required for review by any approved individual of organization in accordance with the APM.	See Attached Action Plan Sheet	Effective 05/27/24	Yes			

CFO/Principal/Director's Signature Gregory Spring White  
Date 2/28/25

# Judith P. Hoyer Montessori School Internal Audit Action Plan

## 2/28/25

### 1. Delinquent Deposits:

- **Timely Deposits:** We will ensure that all funds received are deposited into the school's bank account within 24 hours to reduce the risk of theft or loss. We will make prompt and timely deposits.
- **Staff Training:** Educate all staff involved with handling funds on the importance of timely deposits and the procedures to follow.
- **Monitoring and Compliance:** We will Implement a system to monitor deposit timelines and hold staff accountable for delays.

### 2. Inadequate Deposit Safe:

- **Secure Installation:** Ensure the depository safe is securely installed.
- **Accessibility:** Ensure the safe is positioned in an area accessible to authorized staff members, allowing them to deposit funds after hours or during the record-keeping staff's absence.
- **Regular Inspections:** We will conduct periodic inspections of the safe to ensure its integrity and functionality.

### 3. Administration of Checks:

- **Retention of Voided Checks:** All voided checks will be retained with the signature block physically removed and "VOID" clearly written across the face.
- **Record Maintenance:** Maintain a log of all voided and canceled checks, including details such as check number, date, payee, and reason for voiding.
- **Secure Storage:** We will store all voided and canceled checks in a secure location.

*Tracy Spry Whit* 2/28/25