

Internal Audit Report

Laurel High School School Activity Funds

For the Period Ended March 31, 2024

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School Activity Funds
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For Period Ended March 31, 2024**

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Internal Auditor's Report

We have examined the School Activity Funds (SAF) of Laurel High School for the period July 1, 2022 to March 31, 2024. Laurel 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 finding: *Delinquent Deposits*.

This finding did not result in a material deviation from the 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 instance noted above, 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 March 31, 2024.



Janice Walters-Semple, CPA
Acting Director, Internal Audit

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SUMMARY

Internal Audit completed an audit of the student activity funds (SAF) for Laurel High School for the period July 1, 2022 to March 31, 2024. The audit was conducted as part of the annual audit plan.

This audit report includes 1 finding that occurred under the leadership of the current principal. The finding and the personnel responsible are 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 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, canceled checks, all voided checks, and Monetary Transmittal Form (MTF) envelopes submitted for the period July 1, 2022 to March 31, 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.

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FINDING AND RECOMMENDATION

The audit resulted in the following findings and recommendations:

2025.01: Delinquent Deposits

There were **12** instances where funds collected for various school activities were not deposited with the financial institution in a timely manner. The delinquencies range from 4 to 56 days. Staff members collected the funds over a period before remittance to the recordkeeping staff.

The APM, Section 4.5.2.2, *Cash Receipts, Procedures* requires bookkeepers to make deposits of all funds received at least every other day. It also prohibits the retention of funds in excess \$250.00. Moreover, staff members are prohibited from holding funds overnight.

According to the recordkeeping staff, a staff member who was on extended leave due to injury did not immediately submit funds in one instance. In the other situations, the staff members did not comply with the remittance requirements despite being made aware.

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

Recommendation: Staff members must be reminded through documented communication about the specific requirements for deposits as noted in the APM. Staff members must be held accountable for remitting funds collected to the recordkeeping staff on the day of collection.

STATUS OF PRIOR AUDIT FINDINGS

The previous audit report for Laurel High School was issued for the period ended June 30, 2022. During that period, the principal and recordkeeping staff were in their current positions. There were **2** findings in the previous audit, one of which is repeated in this audit report. The following findings were noted as a result of that audit and the current status is indicated below.

- ***Untimely Deposits*** - Condition still exists. See **Finding 2025.01** regarding *Delinquent Deposits*.
- ***Inappropriate Use of Reimbursement Vendor Option*** - Condition was not noted during this audit

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ACKNOWLEDGEMENT

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

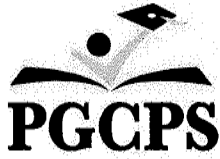
Prince George's County Public Schools
Internal Audit Department
School/Office: Laurel High School – School Activity Funds
Response Due Date: December 9, 2024

	Findings	Recommendations	Action Plan	Corrective Action Date	Implemented	Status Partially Implemented	Not Implemented
2025.01: Delinquent Deposits	There were 12 instances where funds collected for various school activities were not deposited with the financial institution in a timely manner. The delinquencies range from 4 to 56 days. Staff members collected the funds over a period before remittance to the recordkeeping staff.	Staff members must be reminded through documented communication about the specific requirements for deposits as noted in the APM. Staff members must be held accountable for remitting funds collected to the recordkeeping staff on the day of collection.	We will implement that all staff who collect money will make sure that they are aware of all procedures for the school activity funds.	12/9/24	Staff will sign attached document effective 12/9/24. This protocol will take place every school year.		

CFO/Principal/Director's Signature
Date 12/9/24

Michael Dinkins

Michael Dinkins



LAUREL HIGH SCHOOL

Michael Dinkins, Principal | michael.dinkins@pgcps.org
8000 Cherry Lane | Laurel, MD 20707 | 301-497-2050 | www.pgcps.org/laurelhs

Laurel High School School Activity Funds SY24-25 Deposit Requirements

The Board of Education of Prince George's County has certain requirements for collecting money for any event. As stated in the Accounting Procedure Manual you are responsible for the following as classroom teacher, club sponsor, activity chair, etc. who will collect any funds.

4.5.22 Cash Receipts, Procedure

Staff members receiving money from students and others are responsible for documenting the funds received. Only PGCPS employees are authorized to collect activity fees. In most cases this person will be the classroom teacher, but could also be a club sponsor, activity chair, etc. When collecting money, the source and amount of funds, as well as the purpose the funds are to be used for, must be documented. Receipts can also be provided to students upon request and used as supporting documentation, as long as the yellow copy of the receipt is legible.

The process is as follow:

Collecting Funds: Monetary Transmittal Form (MTF)

Staff members collecting money are required to complete a Monetary Transmittal Form and submit it to the Bookkeeper along with money collected.


Guidelines for Bank Deposits

If money is kept on-hand at the school awaiting deposit, it must be kept in a secure location. A secure location is a locked fireproof safe. Staff members should never hold funds overnight. A safe is available for overnight deposits, the depository, (drop), safe is available in the Main Office. When you make the deposit the money should be sealed in an envelope with the completed, signed MTF enclosed.

Preparing Bank Deposits

All funds collected must be submitted to the Bookkeeper on the same day collected, along with a completed MTF, as described above. School personnel are prohibited from removing money from school premises.

If you're collecting funds it's your responsibility to follow the following procedures. By signing you are aware of all the responsibilities and will follow all procedures. If procedures can't be followed we have the right to hold you accountable and remove you as a collector.


Michael Dinkins
Principal


Evelyn Gutierrez
Bookkeepers



LAUREL HIGH SCHOOL

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8000 Cherry Lane | Laurel, MD 20707 | 301-497-2050 | www.pgcps.org/laurelhs

In addition to the information above. I certify I review the Accounting Procedure Manual for School Activity Funds.

Print Name

Signature

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