

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED JUNE 30, 2023**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2023**

<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>1</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE</b>	<b>3</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>7</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>10</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>11</b>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of the Board of Education of  
Prince George's County, Maryland  
Upper Marlboro, Maryland

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Prince George's County Public Schools (the School System), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Prince George's County Public Schools's basic financial statements, and have issued our report thereon dated November 9, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Prince George's County Public Schools' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School System's internal control. Accordingly, we do not express an opinion on the effectiveness of the School System's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-002 and 2023-003 to be significant deficiencies.

### **Report on Compliance and Other Matters**

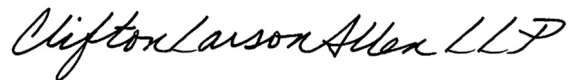
As part of obtaining reasonable assurance about whether Prince George's County Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Prince George's County Public Schools's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Prince George's County Public Schools's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Prince George's County Public Schools's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
November 9, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Members of the Board of Education of  
Prince George's County, Maryland  
Upper Marlboro, Maryland

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Prince George's County Public Schools' (the School System) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School System's major federal programs for the year ended June 30, 2023. The School System's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School System complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School System and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School System's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School System's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School System's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School System's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School System's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School System's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School System's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-004 and 2023-005. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures the School System's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The School System's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-004 and 2023-005, to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on Prince George's County Public Schools' response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Prince George's County Public Schools's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Prince George's County Public Schools as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School Systems' basic financial statements. We have issued our report thereon, dated November 9, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
March 22, 2024



**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number/ Grant Award Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Education</b>				
Direct Programs:				
PL-384 Federal Impact Aid	84.041	N/A	\$ -	\$ 44,996
STAR Mental Health	84.18H	S184H220158	-	9,484
			-	<u>54,480</u>
Pass-through Programs From Maryland State Department of Education:				
Special Education Cluster (IDEA):				
SPED Family Partnerships Grant	84.027	23056905	-	20,000
2023 LAFF SE Citizens Advisory Committee	84.027	23056904	-	2,500
2021 LAFF Part B 611 Pass-through CEIS	84.027	21026803	-	93,116
2022 LAFF Part B 611 Pass-through PPPSS	84.027	22019502	-	66,248
2022 LAFF Part B 611 Pass-through CEIS	84.027	22019503	-	422,774
2023 LAFF Part B 611 Pass-through	84.027	23056901	-	22,998,566
2023 LAFF Part B 611 Pass-through PPPSS	84.027	23056902	-	117,579
2023 LAFF Part B 611 Pass-through CEIS	84.027	23056903	-	4,226,262
2022 CLIG Part B 611 Discretionary Grant	84.027	22015301	-	57
2023 CLIG Part B 611 Discretionary Grant	84.027	23059001	-	208,568
ARP CLIG IFSP	84.027	22174702	-	18,700
State Improvement	84.027	22174701	-	217,326
COVID-19 ARP CLIG Part C	84.027	22192301	-	241,710
2021 SPED LIR- Early Childhood	84.027	21110501	-	16,121
2023 SPED LIR- Early Childhood	84.027	23109204	-	102,336
2021 SPED LIR- Secondary Transition Grant	84.027	21110502	-	3,742
2023 SPED LIR- Secondary Transition Grant	84.027	23109202	-	12,534
2021 SPED LIR-Access, Equity, and Progress Grant	84.027	21110503	-	2,010
2022 SPED LIR-Access, Equity, and Progress Grant	84.027	21116901	-	354,449
2023 SPED LIR-Access, Equity, and Progress Grant	84.027	23109203	-	38,101
COVID-19 American Rescue Plan Passthrough	84.027	22125501	-	4,984,383
COVID-19 American Rescue Plan Passthrough	84.027	22125502	-	30,965
COVID-19 American Rescue Plan Passthrough	84.027	22125503	-	660,015
Subtotal Special Education Grants to States			-	<u>34,838,063</u>
2023 CLIG Part B 619 Discretionary	84.173	23054401	-	6,196
2022 CLIG Part B 619 Extended Option	84.173	22051102	-	8,197
2023 CLIG Part B 619 Extended Option	84.173	23054401	-	36,739
2022 LAFF Part B 619 Preschool CEIS	84.173	20028602	-	2,795
2019 LAFF Part B 619 Preschool CEIS	84.173	23060001	-	658,737
2019 LAFF Part B 619 Preschool CEIS	84.173	23060002	-	1,904
COVID-19 American Rescue Plan Preschool Passthrough	84.173	22125701	-	309,279
COVID-19 American Rescue Plan Preschool Passthrough	84.173	22125702	-	2,339
2022 Infants & Toddlers -Medical Assistance	84.173	N/A	-	52,690
2023 Infants & Toddlers -Medical Assistance	84.173	N/A	-	680,254
Subtotal Special Education Preschool Grants			-	<u>1,759,129</u>
Total Special Education Cluster (IDEA) Cluster			-	36,597,192
Infants & Toddlers -State Priority 2022 CLIG Part C	84.181	22013401	-	174
Infants & Toddlers -State Priority 2023 CLIG Part C	84.181	23059201	-	1,017,368
COVID-19 American Rescue Plan CLIG Part C Discretionary Support	84.181	22121701	-	175,451
Subtotal Special Education- Grants for Infants & Toddlers			-	<u>1,192,993</u>
Title I Part A - FY 21	84.010	21116901	-	249,262
Title I Part A - FY 22	84.010	22151001	-	3,187,064
Title I Part A - FY 23	84.010	23124501	-	47,396,647
Title I Part A- National Distinguished Schools	84.010	22194201	-	15,018
Title I CSI School- FY22	84.010	22202901	-	2,039,338
Title I CSI School- FY21	84.010	21193201	-	723,192
Subtotal Title I Grants to Local Educational Agencies, Part A			-	<u>53,610,521</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number/ Grant Award Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Education (Continued)</b>				
Pass-through Programs From Maryland State				
Department of Education (Continued):				
Career and Technical Education:				
Perkins CTE Reserve Grant	84.048	23010001	\$ -	\$ 2,166
Career and Technology Education-Title IC Program Improvement	84.048	23072603	-	1,594,573
Subtotal Career and Technical Education Basic Grants to States			-	1,596,739
Safe and Drug Free Schools and Communities	84.184	S184X190037	-	232,975
Education for Homeless Children and Youth Cluster:				
Educating Homeless Children & Youth - FY21	84.196	21131701	-	1,099
Educating Homeless Children & Youth -FY22	84.196	22176501	-	84,708
Educating Homeless Children & Youth -FY23	84.196	23122601	-	11,103
Subtotal Education for Homeless Children and Youth Cluster			-	96,910
Charter School	84.282	23108602	-	3,162
FY 21 Title III-English Language Acquisition	84.305A	MOU	-	-
FY 22 Title III-English Language Acquisition	84.305A	R305A170411	-	433
FY 23 Title III-English Language Acquisition	84.305A	R305A170411	-	-
Title III Supplement	84.305A	R305A170411	-	-
Subtotal Education Research, Development, and Dissemination			-	433
FY 21 Title III-English Language Acquisition	84.365	21048201	-	756,339
FY 22 Title III-English Language Acquisition	84.365	22068301	-	1,493,951
FY 23 Title III-English Language Acquisition	84.365	23049501	-	1,925,443
Title III Supplement	84.365	22184401	-	461,780
Subtotal English Language Acquisition State Grants			-	4,637,513
FY 20 Improving Teacher Quality-Title II	84.367	20107801	-	57,089
FY 21 Improving Teacher Quality-Title II	84.367	21078601	-	198,177
FY 22 Improving Teacher Quality-Title II	84.367	22104701	-	2,020,585
FY 23 Improving Teacher Quality-Title II	84.367	23070201	-	236,909
Achieving Academic Excellence for Black Boys	84.367	21173301	-	19,932
Achieving Academic Excellence for Black Boys	84.367	23140401	-	5,949
Subtotal Improving Teacher Quality State Grants			-	2,538,641
Student Support & Academic Enrichment Grants- FY20	84.424A	20157201	-	80,642
Student Support & Academic Enrichment Grants- FY21	84.424A	21137601	-	583,719
Student Support & Academic Enrichment Grants-FY22	84.424A	22153301	-	1,074,517
Student Support & Academic Enrichment Grants- FY23	84.424A	23122001	-	920,403
Subtotal Student Support & Academic Enrichment Grants			-	2,659,281
COVID-19 Governor's Emergency Economic Relief Grant	84.425C	20187201	-	-
COVID-19 GEER Innovative Approaches Grant	84.425C	20201401	-	2,392
COVID-19 GEER II/ Innovative Approaches/ CRRSA Act	84.425C	20212801	-	452,459
COVID-19 Advance Placement	84.425D	22143201	-	94,756
COVID-19 ESSER Foodservice Grant	84.425D	20208801	-	-
COVID-19 ESSER/Cares Act Grant	84.425D	20178801	-	12,635,937
COVID-19 ESSER II/CRRSA Act	84.425D	20211901	-	52,036,637
COVID-19 Maryland LEADS Grant	84.425U	22186501	-	558,578
COVID-19 ARP ESSER III Grant	84.425U	21194101	-	55,318,753
COVID-19 ARP Homeless ED	84.425W	22178801	-	262,222
COVID-19 American Rescue Plan Homeless Education Grant	84.425W	22158401	-	21,061
Subtotal Education Stabilization Fund			-	121,382,795
Comprehensive Literacy Development				
Striving Readers Comprehensive Literacy	84.371	20124301	-	85,435
Striving Readers Comprehensive Literacy	84.371	23072001	-	64,111
Subtotal Striving Readers			-	149,546
Total U.S. Department of Education			-	224,753,180

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number/ Grant Award Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Pass-through Programs From Maryland State				
Department of Education:				
Child Nutrition Cluster:				
Food Commodities	10.555	N/A	\$ -	\$ 9,169,048
National School Lunch Program	10.555	N/A	-	45,571,172
Subtotal National School Lunch Program			-	54,740,219
School Breakfast Program	10.553	N/A	-	14,654,900
Fresh Fruits & Vegetables	10.582	N/A	-	772,682
Summer Food Service	10.559	N/A	-	964,135
Total Child Nutrition Cluster			-	71,131,936
Child & Adult Care Food Program	10.558	N/A	-	1,517,531
At Risk Supper/NWCC	10.558	N/A	-	1,379,163
Team Nutrition Training Grant	10.574	19118601	-	-
Equipment Assistance Grant	10.579	21196701	-	21,538
Total U.S. Department of Agriculture			-	74,050,168
<b>U.S. Department of Treasury</b>				
Pass-through Programs From Maryland State				
Department of Education				
COVID-19 American Rescue Plan Tutoring Grant	21.027	21184901	-	4,996,335
COVID-19 ARP Supplemental Instruction Grant	21.027	21186501	-	699,373
COVID-19 ARP State Supplemental Trauma/Mental Health	21.027	21180701	-	208,373
COVID-19 ARP State Supplemental Trauma/Mental Health	21.027	21191401	-	787,238
COVID-19 ARP State Supplemental Reopening School	21.027	21179501	-	337,615
COVID-19 ARP State Supplemental Summer School Grant	21.027	21177201	-	618,358
Total COVID-19 Coronavirus State and Local Recovery Funds			-	7,647,291
<b>U.S. Environmental Protection Agency</b>				
WIIN 2017 Lead Removal	66.468	MI-96372601-1	-	100,874
MD Dept of Natural	66.468	14-22-2985 CBG 8501	-	15,860
Subtotal Capitalization Grants for Drinking Water State Revolving Funds			-	116,734
<b>U.S. Department of Defense</b>				
Direct Programs:				
Language Grant Program	12.900	N/A	-	1,589,291
Basic and Applied Scientific Research	12.300	N00014-22-1-2450	-	149,829
			-	1,739,120
Total Expenditures of Federal Awards			\$ -	\$ 308,306,493

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal award programs of the Prince George's County Public Schools (the School System) for the year ended June 30, 2023.

**Basis of Accounting**

The accompanying Schedule includes all Federal grants to the School System that had activity during the fiscal year ended June 30, 2023. The Schedule was prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

**NOTE 2 RELATION TO THE BASIC FINANCIAL STATEMENTS AND FEDERAL FINANCIAL REPORTS**

Total expenditures per the Schedule reconciles to the School System's basic financial statements as follows:

**Federal Revenues Per the Statements of Revenues,  
Expenditures and Changes in Net Position**

Federal - General Funds	\$ 245,548,380
Federal - Special Revenue	64,859,582
Federal - Donated	9,169,048
Total Per Financial Statements	<b>\$ 319,577,010</b>
Expenditures of Federal Awards	\$ 308,306,493
Federal Revenues Included in the Basic Financial Statements that are not Required to be Included in the Schedule:	
Medicaid Funds	14,486,010
Revenues Not Included on the Schedule	(3,215,493)
Total Per Financial Statements	<b>\$ 319,577,010</b>

**NOTE 3 SUBRECIPIENTS**

There were no awards provided to subrecipients for the year ended June 30, 2023.

**NOTE 4 INDIRECT COSTS**

The School System did not elect to use the 10% de Minimis cost rate for indirect costs.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

---

**Section I – Summary of Auditors’ Results**

---

**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?     x     yes            no
  - Significant deficiency(ies) identified?     x     yes            none reported
3. Noncompliance material to financial statements noted?            yes     x     no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified?            yes     x     no
  - Significant deficiency(ies) identified?     x     yes            none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?     x     yes        no

**Identification of Major Federal Programs**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
10.553,10.555, 10.559,10.582 21.027	Child Nutrition Cluster COVID-19 Coronavirus State and Local Fiscal Recovery Funds
84.027,84.173 84.425	Special Education Cluster (IDEA) COVID-19 Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee?            yes     x     no

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

---

***Section II – Financial Statement Findings***

---

**2023 – 001 Safeguarding of Assets**

Type of Finding: Material Weakness in Internal Control over Financial Reporting

**Condition:**

The School System's Treasury Department incorrectly made payments to an unknown third-party posing as the genuine vendor company. This incident was perpetuated between May 16, 2022, through June 10, 2022. Total fraudulent payments amounting to approximately \$694,000 were made and as of the report date of which approximately \$302,000 has been recovered and returned to the School System's bank accounts.

The School System did not follow its policies and procedures as noted below:

- ACH Authorization Form that was provided to the Treasury Department did not have the required signature of an authorized Bank official or a voided check image.
- ACH Authorization Form was not properly reviewed and approved as required by the Manual before updating the payment system.
- The Manual requires that all ACH Authorization Form be physically mailed to the School System. However, ACH Authorization Form in question was electronically mailed to the Treasury Department.

**Criteria or specific requirement:**

Organizations must maintain financial management systems that provide effective controls over accountability for all funds, assets, and liabilities. These controls should be in compliance with the internal controls integrated framework. The School System's Treasury Department's cash management standard operating procedures (the Manual) requires that any Automatic Clearing House (ACH) payments to any vendor must have an ACH Authorization Form completed by the vendor and (1) signed by an authorized bank official, or (2) accompanied by a voided check image.

**Effect:**

The School System is not in compliance with certain aspect of the Treasury Department's Manual. Failure to perform procedures in accordance with the School System's documented policies and procedures could result in further loss of School System's funds.

**Cause:**

The School System's personnel did not adhere to the School System's documented policies and procedures related to the Manual.

**Repeat Finding:**

A similar condition was noted in prior year finding 2022-001.

**Recommendation:**

We recommend that the School System consistently comply with the documented treasury policies and procedures and also enhance its Manual to implement fraud detection process. We also recommend any ACH change request should be confirmed by telephone by using the correct vendor telephone

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

number and authorized named contact and confirmed with a different individual at the vendor other than the one requesting the ACH change.

**Views of responsible officials and planned corrective actions:**

The School System agrees with the finding and recommendations set forth within. The School System updated its Manual to prevent or detect fraud and further improve controls. Refer to School System's corrective action plan for further details.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

**2023 – 002 Timely Reporting**

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

**Condition:**

We noted a significant delay in the preparation of the year-end financial statements as a result of the adoption of a new significant accounting standard.

**Criteria or specific requirement:**

The State laws under the Annotated Code of Maryland, Education Article, Section 5-109 states that each county board shall provide for an annual audit of its financial transactions and accounts and report the results within three months after the close of the fiscal year to the Maryland State Department of Education and other regulatory agencies.

**Effect:**

The School System is not in compliance with State law noted above and as a result the State Superintendent could withhold 10% of the next installment and each subsequent installment due to the School System from the General State School Fund until the School System files the annual audit results.

**Cause:**

It appears that policies and procedures, including review of new GASB standards, were not implemented in a timely manner to ensure that the School System complied with the reporting State laws.

**Repeat Finding:**

A similar condition was noted in prior year finding 2022-003.

**Recommendation:**

The School System should evaluate their financial reporting processes and controls, to determine whether additional controls over the preparation of annual financial statements can be implemented to provide reasonable assurance that financial statements are prepared timely in accordance with U.S. GAAP

**Views of responsible officials and planned corrective actions:**

The School System agrees with the finding and recommendations set forth within. The School System is working to obtain proper resources to ensure timely reporting. Refer to School System's corrective action plan for further details.



**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

**2023 – 003 Information Technology Environment**

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

**Condition:**

We noted the following with respect to segregation of duty conflicts:

- Administrative access rights to the School Funds Online general ledger software are provided to non-IT personnel within the Accounting Department. As an administrator, the employees have the ability to modify the general ledger information, including recording and posting journal entries, performing reconciliations, adding, deleting, or voiding transactions. Therefore, administrator access creates a lack of segregation of duties.
- During our testing of sixteen (16) journal entries samples related to Student Activities, we noted that six (6) were not supported by proper approval. The entries were sufficiently supported but there was lack of approval.

**Criteria or specific requirement:**

Segregation of duties is a key internal control intended to minimize the occurrence of errors or fraud by ensuring that no employee has the ability to both perpetrate and conceal errors or fraud in the normal course of their duties. This process helps the School System ensure that all financial transactions are properly recorded, appropriately supported, and subjected to supervisory review.

**Effect:**

Inappropriate or excess access may result in unauthorized data changes or transactions.

**Cause:**

The School System's personnel did not adhere to the School System's documented policies and procedures on reviewing and approving transactions.

**Repeat Finding:**

A similar condition was noted in prior year finding 2022-004.

**Recommendation:**

We recommend management restrict administrator access to personnel outside of the Accounting Department. The School System may consider evaluating its user access and administration (user addition, modification, and removed controls) in order to ensure that appropriate access is granted. All journal entries should be supported by supervisory review.

**Views of responsible officials and planned corrective actions:**

The School System agrees with the finding and recommendations set forth within. The School System has removed administrative access for those accounting staff which no longer perform duties within the School Funds Online (SFO) software. Furthermore, additional policies and procedures will be put in place to ensure all journal entries are properly reviewed. Refer to School System's corrective action plan for further details.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

---

***Section III – Findings and Questioned Costs – Major Federal Programs***

---

**2023 – 004**

Federal Agency: U.S. Department of Education

Federal Program Name: Special Education Cluster

Assistance Listing Number: 84.027/84.173

Federal Award Identification Number and Year: 21026803 (7/1/20-9/30/22); 22015301 (10/1/20-9/30/22); 21110501 (10/1/20-9/30/22); 21110503 (7/1/20-9/30/22); 22051102 ( 7/1/21-9/30/22); 20028602 ( 7/1/21-9/30/22);

Award Period: July 1, 2020 through September 30, 2022

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

**Criteria or specific requirement:**

*Compliance* – A non-federal entity may charge to the Federal award allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award, only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency.

Further, the Uniform Guidance in 2 CFR 200.344(b), states that unless the Federal awarding agency or pass-through entity authorized an extension, a non-Federal entity must liquidate all financial obligations incurred under the Federal award no later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

*Control* – Per 2 CFR Section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Department of Education charged costs to the program that were incurred outside of the grant award’s period of performance.

**Questioned costs:**

The total of expenditures charged to the program that were incurred outside of the grant’s period of performance were \$63,518.

**Context:**

Two of Five expenditure transactions selected for testing, totaling \$ 63,518.50, were incurred after the award end date of September 30, 2022.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

**Cause:**

Accounting staff identified and charged program costs to the incorrect grant. The Program's review process did not detect the errors nor take timely corrective action.

**Effect:**

The Department was not compliant with the grant's period of performance which could result in the grantor's disallowance of the costs.

**Recommendation:**

We recommend that the Department review its procedures to ensure that expenditures charged to the program are incurred within the grant's period of performance.

**Views of responsible officials:**

The Infants and Toddlers Supervisor will conduct monthly reviews of outstanding purchase orders in Oracle, addressing issues promptly with the Business Operation Officer/Financial Analyst. Professional development sessions will be attended to enhance invoice scrutiny for allowable expenses within the grant period. Quarterly reminders and Financial Quarterly Review meetings will be instituted for supervisors, ensuring timely action on outstanding purchase orders.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

**2023 – 005**

Federal Agency: U.S. Department of Education

Federal Program Name: Special Education-Grants for Infants and Families

Assistance Listing Number: 84.181

Federal Award Identification Number and Year: 210299 (07/01/2020–09/30/2021); 220134 (07/01/202-09/30/2022)

Award Period: July 1, 2020 through September 30, 2022

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

**Criteria or specific requirement:**

*Compliance* – A non-federal entity may charge to the Federal award allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award, only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency.

Further, the Uniform Guidance in 2 CFR 200.344(b), states that unless the Federal awarding agency or pass-through entity authorized an extension, a non-Federal entity must liquidate all financial obligations incurred under the Federal award no later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

*Control* – Per 2 CFR Section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**Condition:**

The Department of Education charged costs to the program that were incurred outside of the grant award’s period of performance.

**Questioned costs:**

\$ 117,646.69, the total of expenditures charged to the program that were incurred outside of the grant’s period of performance.

**Context:**

Five of Five expenditure transactions selected for testing, totaling \$ 117,646.69, were incurred after the award end date of September 30, 2022.

**Cause:**

Accounting staff identified and charged program costs to the incorrect grant. The Program’s review process did not detect the errors nor take timely corrective action.

**PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

**Effect:**

The Department was not compliant with the grant's period of performance which could result in the grantor's disallowance of the costs.

**Repeat Finding:**

A similar condition was noted in prior year finding 2022-007.

**Recommendation:**

We recommend that the Department review its procedures to ensure that expenditures charged to the program are incurred within the grant's period of performance.

**Views of responsible officials:**

The Infants and Toddlers Supervisor will conduct monthly reviews of outstanding purchase orders in Oracle, addressing issues promptly with the Business Operation Officer/Financial Analyst. Professional development sessions will be attended to enhance invoice scrutiny for allowable expenses within the grant period. Quarterly reminders and Financial Quarterly Review meetings will be instituted for supervisors, ensuring timely action on outstanding purchase orders.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.