



April 22, 2022

**MEMORANDUM**

To: Ebony Cross Shields M. Ed., Instructional Director  
Cluster 6

Kishawn Smith, Ed. D., Principal  
Cooper Lane Elementary School

From: Michele Winston, CPA, Director  
Internal Audit

Re: Student Activity Funds Financial Audit as of December 31, 2021

An audit of the financial records of **Cooper Lane Elementary School** was completed for the period May 1, 2017 through December 31, 2021. 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 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 **May 23, 2022**, indicating steps that will be taken to ensure compliance with the APM. Please note that you are required to provide your signed and dated 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). A copy of the action plan should be forwarded to Danyelle Washington, Business Analyst, email address: [dany.washington@pgcps.org](mailto:dany.washington@pgcps.org); Katrina Greene, School Activity Funds Support Specialist, email address: [katrina.greene@pgcps.org](mailto:katrina.greene@pgcps.org) and Joeday Newsom, Esq., Ethics Compliance Officer, email address: [joeday.newsom@pgcps.org](mailto:joeday.newsom@pgcps.org).

cc: Juanita Miller, Ed. D., Board Chair  
Monica Goldson, Ed. D., Chief Executive Officer of Schools  
Members, Board of Education  
Mychael Dickerson, Chief of Staff  
Michael Herbtzman, Chief Financial Officer  
J. Michael Dougherty, Director, Financial Services  
Helen Coley, Ed. D., Chief of School Support and Leadership  
Kassandra Lassiter, Ed. D., Associate Superintendent, Elementary Schools  
Joeday Newsom, Esq., Ethics Compliance Officer  
Robin Welsh, Director of Monitoring, Accountability and Compliance  
Katrina Greene, School Activity Fund Support Specialist  
Janice Walters-Semple, CPA, Supervisor Internal Audit  
Benjamin Hanks, Internal Auditor II

# Internal Audit Report

Cooper Lane Elementary School  
School Activity Funds

**For the Period Ended December 31, 2021**

**Cooper Lane Elementary School  
School Activity Funds  
Internal Audit Report  
For Period Ended December 31, 2021**

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**Cooper Lane Elementary School  
School Activity Funds  
Internal Audit Report  
For Period Ended December 31, 2021**

Internal Auditor's Report

We have examined the School Activity Funds (SAF) of Cooper Lane Elementary School for the period May 1, 2017 to December 31, 2021. Cooper Lane Elementary 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 findings:

- *Administration of Cancelled Checks; and*
- *Fundraiser Forms/Reports Not Complete*

The findings 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, considering the deviations from the criteria described in the preceding paragraph, the SAF referred to above has not been administered in compliance with BOE policies and procedures and the APM, in all material respects, for the period ended December 31, 2021.



Michele Winston, CPA  
Director, Internal Audit

**Cooper Lane Elementary School  
School Activity Funds  
Internal Audit Report  
For Period Ended December 31, 2021**

**SUMMARY**

An audit of the school activity funds (SAF) for Cooper Lane Elementary School was completed for the period May 1, 2017 to December 31, 2021. The audit was conducted as part of the annual audit plan.

The audit indicated 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 Board of Education (BOE) policies and procedures.

This audit report includes 2 findings, which occurred under the leadership of the current principal. A listing of the findings and the personnel responsible are 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 APM and the 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 May 1, 2017 to December 31, 2021. Also, available receipts, disbursements and supporting documentation were reviewed for the said period.

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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**FINDINGS AND RECOMMENDATIONS**

The audit resulted in the following findings and recommendations:

**2022.01 Administration of Cancelled Checks**

There were **3** instances of noncompliance regarding administration of the school disbursement records. Cancelled check images could not be located to substantiate SAF disbursements in these instances.

According to APM section *6.12 Record Retention*, all SAF records must be retained for a period of 7 years and/or until audited, including the current fiscal year. This includes, but is not limited to, financial reports, bank statements, receipts, disbursement authorities, Monetary Transmittal Forms, School Funds Expenditure Forms, **cancelled checks** and contracts.

The school experienced a period of time during the audit period where the bank statements were not delivered on time and did not include cancelled check images. Recordkeeping staff did not follow-up with the bank to ensure complete bank statements were obtained for the respective months as these instances were overlooked.

The absence of an effective records management system relative to disbursements impacts the retrieval of the requested documentation. Evidence to determine that internal controls for ensuring all disbursement procedures are followed is removed when cancelled checks are unavailable for review.

**Recommendation:** The principal and recordkeeping staff should establish an adequate records management system which ensures that all disbursement documents are maintained in an organized manner. The principal should conduct a periodic review of disbursement records to determine completeness. The recordkeeping staff must be held accountable for compliance.

**2022.02 Fundraiser Forms/Reports Not Completed**

The school held a school-wide and club sponsored fundraiser (Bookfair and Student Pictures) during FY 2020 where the Fundraiser Completion Report and annual fundraising summary report were not prepared for the activities conducted.

Administrative Procedure 5135.1, *Fundraising* requires schools to complete the Fundraiser Request and Authorization Form, Fundraiser Completion Report, and annual reports

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summarizing the activities for all fundraisers sponsored. These documents must be maintained on file for public and auditor review upon request.

The requirement for completion of the Fundraiser Completion Report or an annual fundraising summary report for fundraising activities conducted in FY 2020 was overlooked.

It is difficult to determine whether the fundraisers conducted by the school yielded any financial benefit or loss. Financial records are not complete and information may not be available to make informed decisions on continuing fundraising activities in the future.

**Recommendation:** The principal must establish procedures to ensure completion of the relevant fundraiser forms, including holding the fundraising sponsors accountable for completing Fundraiser Completion Reports for club sponsored fundraisers. The principal or a designee should complete reports at the end of each school year to summarize fundraising activities for the period. Required reports must be maintained on file for public and auditor review.

**STATUS OF PRIOR AUDIT FINDINGS**

The previous audit report for Cooper Lane Elementary School was issued for the period ended April 30, 2017. The current principal's tenure began on July 1, 2017; however, the recordkeeping staff was assigned to the school during the previous audit. There were 2 findings noted as a result of the previous audit and summarized below:

- **Incomplete Documentation of Expenditures** – Condition was not noted during this audit.
- **Drop Safe Not on Premises** – Condition was not noted during this audit.

**ACKNOWLEDGEMENT**

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

Prince George's County Public Schools  
Internal Audit Department  
School/Office: Cooper Lane ES  
Response Due Date May 23, 2021

| Findings   | Recommendations  | Concur<br>Non-<br>Concur<br>Partially<br>Concur | Action Plan   | Corrective<br>Action<br>Date | Status<br>Implemented<br>Partially<br>Implemented<br>Not<br>Implemented |
|--|--|---|---|------------------------------|---|
| 1. <u>2022.01</u><br><u>Administration of</u><br><u>Cancelled Checks</u>               | The principal and recordkeeping staff should establish an adequate records management system which ensures that all disbursement documents are maintained in an organized manner. The principal should conduct a periodic review of disbursement records to determine completeness. The recordkeeping staff must be held accountable for compliance.                                       | Concur  | I will establish an adequate records management system which ensures that all disbursement documents are maintained in an organized manner.<br><br>I will conduct a periodic review of disbursement records to determine completeness.<br><br>I will continue to hold the recordkeeping staff accountable for compliance. | 5.27.22                      | Implemented   |
| 2. <u>2022.02</u><br><u>Fundraiser</u><br><u>Forms/Reports</u><br><u>Not Completed</u> | The principal must establish procedures to ensure completion of the relevant fundraiser forms, including holding the fundraising sponsors accountable for completing Fundraiser Completion Reports for club sponsored fundraisers. The principal or a designee should complete reports at the end of each school year to summarize fundraising activities for the period. Required reports | Concur  | I will establish procedures to ensure completion of the relevant fundraiser forms, including holding the fundraising sponsors accountable for completing Fundraiser Completion Reports for club sponsored fundraisers.  | 5.27.22                      | Implemented   |

Principal Signature Kishawn Williams

Date 5/27/2022



|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  | <p>must be maintained on file for public and auditor review.</p> |  | <p>I will ensure the applicable reports at the end of each school year are completed to summarize fundraising activities for the period.</p> <p>I will ensure the required reports are maintained on file for public and auditor review.</p> |  |  |
|--|--|--|--|--|--|--|

Principal Signature 

Date 5/27/2022