



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

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 (the School System) as of and for the year ended June 30, 2019, and have issued our report thereon dated September 30, 2019. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant audit findings**

#### ***Qualitative aspects of accounting practices***

##### *Accounting policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the School System are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2019.

We noted no transactions entered into by the School System during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

##### *Accounting estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the depreciable lives of capital assets is based on guidance in implementation guides for GASB Statement No. 34 published by the Governmental Accounting Standards Board and the Association of School Business Officials. We evaluated the key factors and assumptions used to develop the depreciable lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the other post employment benefits (OPEB) liability is based on computations performed by outside specialists, including actuarial computations and assumptions that were relied upon to determine the Schedule of Contributions and Net OPEB Liability. We evaluated the key factors and assumptions used to develop the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of incurred but not reported claims is based on computations performed by outside specialists, including actuarial computations that were relied upon to establish the amount of claims liabilities under self-insurance programs. We evaluated the key factors and assumptions used to develop the estimates for claims liabilities including incurred but not reported claims for workers' compensation, in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability is based on computations performed by outside specialists, including actuarial computations and assumptions that were relied upon. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of compensated absences is based on computations performed by management based on union contracts and estimated pay rates. We evaluated the key factors and assumptions used to develop the liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the allowance for uncollectible accounts receivable is calculated internally utilizing a combination of analysis of various accounts receivable metrics, including number of day's revenue, historical collection experience, and an analysis of the aging schedule.

#### Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

#### ***Difficulties encountered in performing the audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### ***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

#### ***Corrected misstatements***

The attached schedule summarizes material and immaterial misstatements detected as a result of audit procedures that were corrected by management.

***Disagreements with management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

***Management representations***

We have requested certain representations from management that are included in the attached management representation letter dated September 30, 2019.

***Management consultations with other independent accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School System's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Significant issues discussed with management prior to engagement***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the School System's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

***Other audit findings or issues***

We have provided a separate letter to you dated September 30, 2019, communicating internal control related matters identified during the audit.

***Other information in documents containing audited financial statements***

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the Budgetary Comparison Schedule for the Capital Projects and Special Revenue Fund, Statement of Changes in Fiduciary Net Position – School Activity Fund and the Charter Schools Consolidated Financial Statements Schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not

changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated September 30, 2019.

The introductory section and statistical tables accompanying the financial statements, which is the responsibility of management, was prepared for purposes of additional analysis and is not a required part of the financial statements. Such information was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we did not express an opinion or provide any assurance on it.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

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This communication is intended solely for the information and use of the Members of the Board of Education and management of the School System and is not intended to be, and should not be, used by anyone other than these specified parties.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
September 30, 2019

Client: **026-04922500 - Prince George's County Public Schools**  
 Engagement: **AUD2019 - Prince Georges County Public Schools**  
 Period Ending: **6/30/2019**  
 Trial Balance: **0900.4 - CIP TB**  
 Workpaper: **0920.14 - Adjusting Journal Entries Report - CIP**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>				
Correct PY Fund Balance based off review of Trail Balance and correct unearned revenue				
8999-2480	DEFERRED REVENUE - LEASE PURCHASE		6,296,291.00	
8999-3332	FUND BALANCE - UNRESERVED - UNDESIG			5,006,630.00
8999-4699	OTHER MISCELLANEOUS			1,289,661.00
<b>Total</b>			<b><u>6,296,291.00</u></b>	<b><u>6,296,291.00</u></b>
<b>Adjusting Journal Entries JE # 2</b>				
To Correct Rev/Exp for Project 2620 to 0009				
		<b>0920.39</b>		
89-4110	COUNTY REVENUE		6,322.00	
89-5395	CIP ADMINISTRATIVE EXPENSES		6,322.00	
89-4110	COUNTY REVENUE			6,322.00
89-5395	CIP ADMINISTRATIVE EXPENSES			6,322.00
<b>Total</b>			<b><u>12,644.00</u></b>	<b><u>12,644.00</u></b>
<b>Adjusting Journal Entries JE # 3</b>				
To Reverse FY19 Accruals #8 Part 2 June 2019				
		<b>0920.40</b>		
89-2386	ACCRUED PAYABLES		1,500.00	
89-4110	COUNTY REVENUE		1,500.00	
89-1311	COUNTY - GENERAL			1,500.00
89-5385	ARCHITECTURAL FEES			1,500.00
<b>Total</b>			<b><u>3,000.00</u></b>	<b><u>3,000.00</u></b>
<b>Adjusting Journal Entries JE # 4</b>				
Net Due To/From as of June 30, 2019				
		<b>0920.28</b>		
89-1999	DUE FROM - INTERFUND BALANCING		42,521.00	
89-2999	DUE TO - INTERFUND BALANCING			42,521.00
<b>Total</b>			<b><u>42,521.00</u></b>	<b><u>42,521.00</u></b>

Client: **026-04922500 - Prince George's County Public Schools**  
 Engagement: **AUD2019 - Prince Georges County Public Schools**  
 Period Ending: **6/30/2019**  
 Trial Balance: **0900.2 - Food Service TB**  
 Workpaper: **0920.12 - Adjusting Journal Entries Report - FS**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>		<b>0720.02B</b>		
To Record Due To and Due From				
9010-1999	DUE FROM - INTERFUND BALANCING		16,462.00	
9010-2386	ACCRUED PAYABLES			16,462.00
<b>Total</b>			<u><u>16,462.00</u></u>	<u><u>16,462.00</u></u>

Client: **026-04922500 - Prince George's County Public Schools**  
 Engagement: **AUD2019 - Prince Georges County Public Schools**  
 Period Ending: **6/30/2019**  
 Trial Balance: **0900.3 - Self Insurance TB**  
 Workpaper: **0920.13 - Adjusting Journal Entries Report - Self Insurance**

<b>Account</b>	<b>Description</b>	<b>W/P Ref</b>	<b>Debit</b>	<b>Credit</b>
<b>Adjusting Journal Entries JE # 2</b>		<b>0920.29</b>		
Revise Silverscript Gap Discount Accrual				
91-1389	OTHER MISCELLANEOUS		2,724,357.00	
91-4410	FEDERAL REVENUE		4,100,000.00	
91-1389	OTHER MISCELLANEOUS			4,100,000.00
91-4410	FEDERAL REVENUE			2,724,357.00
<b>Total</b>			<b><u>6,824,357.00</u></b>	<b><u>6,824,357.00</u></b>
<b>Adjusting Journal Entries JE # 3</b>		<b>0920.30</b>		
To Reverse JE to Reclass Admin Fee from 5471 to 5473				
91-5471	CLAIMS PAID-ACTIVE EMPLOYEES		1,102,307.00	
91-5473	THIRD PARTY PROCESSING-ACTIVE			1,102,307.00
<b>Total</b>			<b><u>1,102,307.00</u></b>	<b><u>1,102,307.00</u></b>
<b>Adjusting Journal Entries JE # 4</b>		<b>0920.28</b>		
Record Due to and Due From				
91-1999	DUE FROM - INTERFUND BALANCING		287,600.00	
91-2999	DUE TO - INTERFUND BALANCING			287,600.00
<b>Total</b>			<b><u>287,600.00</u></b>	<b><u>287,600.00</u></b>

Client: **026-04922500 - Prince George's County Public Schools**  
 Engagement: **AUD2019 - Prince Georges County Public Schools**  
 Period Ending: **6/30/2019**  
 Trial Balance: **0900.1 - General Fund TB**  
 Workpaper: **0920.11 - Adjusting Journal Entries Report GF**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>		<b>0920.21</b>		
To Record Prepaid Expense for Carefirst Wire #300001				
00-1670	PREPAID EXPENSES - PAYROLL		602,533.00	
00-1101	ACCOUNTS PAYABLE CASH ACCOUNT			602,533.00
<b>Total</b>			<b>602,533.00</b>	<b>602,533.00</b>
<b>Adjusting Journal Entries JE # 2</b>		<b>0920.22</b>		
Negative AR to Defer Revenue				
00-2425	FEDERAL THROUGH STATE		175,427.00	
00-1332	FEDERAL - THROUGH STATE			175,427.00
<b>Total</b>			<b>175,427.00</b>	<b>175,427.00</b>
<b>Adjusting Journal Entries JE # 3</b>		<b>0920.23</b>		
Reclass Prepaid Registration Expense to Correct Fund				
00-1999	DUE FROM - INTERFUND BALANCING		605.00	
00-1999	DUE FROM - INTERFUND BALANCING		1,290.00	
00-2999	DUE TO - INTERFUND BALANCING			605.00
00-2999	DUE TO - INTERFUND BALANCING			1,290.00
<b>Total</b>			<b>1,895.00</b>	<b>1,895.00</b>
<b>Adjusting Journal Entries JE # 4</b>		<b>0920.24</b>		
Expense That Hit Expired Grant to Current Grant 3427 to 3428				
00-1999	DUE FROM - INTERFUND BALANCING		101.00	
00-2999	DUE TO - INTERFUND BALANCING			101.00
<b>Total</b>			<b>101.00</b>	<b>101.00</b>
<b>Adjusting Journal Entries JE # 5</b>		<b>0920.25</b>		
Move Grant Over to Correct Fund				
00-1999	DUE FROM - INTERFUND BALANCING		3.00	
00-1999	DUE FROM - INTERFUND BALANCING		46.00	
00-1999	DUE FROM - INTERFUND BALANCING		600.00	
00-5111	WORKSHOP / STAFF DEVELOPMENT PAY		600.00	
00-5665	FICA /MEDICARE		46.00	
00-5672	WORKMAN'S COMPENSATION		3.00	
00-2999	DUE TO - INTERFUND BALANCING			3.00
00-2999	DUE TO - INTERFUND BALANCING			46.00
00-2999	DUE TO - INTERFUND BALANCING			600.00
00-5111	WORKSHOP / STAFF DEVELOPMENT PAY			600.00
00-5665	FICA /MEDICARE			46.00
00-5672	WORKMAN'S COMPENSATION			3.00
<b>Total</b>			<b>1,298.00</b>	<b>1,298.00</b>
<b>Adjusting Journal Entries JE # 6</b>		<b>0920.26</b>		
To Record FY19 Rec Rev=Expense at June 31, 2019				
00-1321	STATE OF MARYLAND		35,163.00	
00-1332	FEDERAL - THROUGH STATE		3,435.00	
00-2425	FEDERAL THROUGH STATE		12,565.00	
00-2425	FEDERAL THROUGH STATE		73,915.00	
00-1332	FEDERAL - THROUGH STATE			73,915.00
00-4210	STATE REVENUE			35,163.00
00-4430	FEDERAL THROUGH MSDE - NOT IN FNS			3,435.00
00-4430	FEDERAL THROUGH MSDE - NOT IN FNS			12,565.00
<b>Total</b>			<b>125,078.00</b>	<b>125,078.00</b>
<b>Adjusting Journal Entries JE # 7</b>		<b>0920.27</b>		
Record amt due to the Co. Risk Mgmt Fund for FY 19 deficit, estimate per Tracey Clayton at PG County Gov				
00-5672	WORKMAN'S COMPENSATION		1,227,404.00	
00-2386	ACCRUED PAYABLES			1,227,404.00



Client: **026-04922500 - Prince George's County Public Schools**  
 Engagement: **AUD2019 - Prince Georges County Public Schools**  
 Period Ending: **6/30/2019**  
 Trial Balance: **0900.1 - General Fund TB**  
 Workpaper: **0920.11 - Adjusting Journal Entries Report GF**

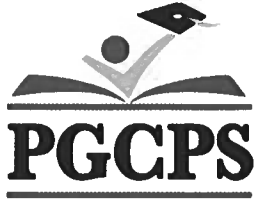
Account	Description	W/P Ref	Debit	Credit
<b>Total</b>			<b>1,227,404.00</b>	<b>1,227,404.00</b>
<b>Adjusting Journal Entries JE # 8</b>				
		<b>0920.28</b>		
Net Due to / From as of June 30, 2019				
00-1999	DUE FROM - INTERFUND BALANCING		1,014,914.00	
00-2999	DUE TO - INTERFUND BALANCING			1,014,914.00
<b>Total</b>			<b>1,014,914.00</b>	<b>1,014,914.00</b>
<b>Adjusting Journal Entries JE # 9</b>				
		<b>0920.31</b>		
To Realign Revenue For Fund 1668 to Prior Period				
00-1999	DUE FROM - INTERFUND BALANCING		890,749.00	
00-2410	COUNTY		9,868.00	
00-4110	COUNTY REVENUE		373,111.00	
00-4410	FEDERAL REVENUE		351,831.00	
00-5234	OTHER TEACHER		511,453.00	
00-5662	RETIREMENT/PENSION - TEACHERS		26,404.00	
00-1331	FEDERAL - DIRECT			1,061.00
00-2999	DUE TO - INTERFUND BALANCING			890,749.00
00-4110	COUNTY REVENUE			547,725.00
00-4410	FEDERAL REVENUE			186,024.00
00-5234	OTHER TEACHER			511,453.00
00-5662	RETIREMENT/PENSION - TEACHERS			26,404.00
<b>Total</b>			<b>2,163,416.00</b>	<b>2,163,416.00</b>
<b>Adjusting Journal Entries JE # 10</b>				
		<b>0920.32</b>		
Correct FS on Year End RF				
00-2425	FEDERAL THROUGH STATE		34,470.00	
00-2435	FEDERAL THROUGH COUNTY/OTHER		6,130.00	
00-4410	FEDERAL REVENUE		51,163.00	
00-5149	PGCEA DIFFERENTIAL		89.00	
00-5169	OTHER STIPENDS		55.00	
00-5213	OTHER ADMIN/PROFESSIONALS/SPECIALIS		28,867.00	
00-5214	SECRETARIES AND CLERKS		8,044.00	
00-5662	RETIREMENT/PENSION - TEACHERS		6,037.00	
00-5665	FICA /MEDICARE		2,804.00	
00-5671	LIFE INS		164.00	
00-5672	WORKMAN'S COMPENSATION		211.00	
00-5673	INSURANCE BENEFITS - ACTIVE EMPLOYE		4,892.00	
00-1333	FEDERAL - THROUGH COUNTY			85,633.00
00-2425	FEDERAL THROUGH STATE			6,130.00
00-5149	PGCEA DIFFERENTIAL			89.00
00-5169	OTHER STIPENDS			55.00
00-5213	OTHER ADMIN/PROFESSIONALS/SPECIALIS			28,867.00
00-5214	SECRETARIES AND CLERKS			8,044.00
00-5662	RETIREMENT/PENSION - TEACHERS			6,037.00
00-5665	FICA /MEDICARE			2,804.00
00-5671	LIFE INS			164.00
00-5672	WORKMAN'S COMPENSATION			211.00
00-5673	INSURANCE BENEFITS - ACTIVE EMPLOYE			4,892.00
<b>Total</b>			<b>142,926.00</b>	<b>142,926.00</b>
<b>Adjusting Journal Entries JE # 11</b>				
		<b>0920.33</b>		
Reclass Fringe Incorrectly Charged to Function 203 & 206				
00-5665	FICA /MEDICARE		480.00	
00-5672	WORKMAN'S COMPENSATION		169.00	
00-5665	FICA /MEDICARE			480.00
00-5672	WORKMAN'S COMPENSATION			169.00
<b>Total</b>			<b>649.00</b>	<b>649.00</b>
<b>Adjusting Journal Entries JE # 12</b>				
		<b>0920.34</b>		

Client: **026-04922500 - Prince George's County Public Schools**  
 Engagement: **AUD2019 - Prince Georges County Public Schools**  
 Period Ending: **6/30/2019**  
 Trial Balance: **0900.1 - General Fund TB**  
 Workpaper: **0920.11 - Adjusting Journal Entries Report GF**

Account	Description	W/P Ref	Debit	Credit
To Reclass Payroll Accrual to 4639				
00-1999	DUE FROM - INTERFUND BALANCING		35,170.00	
00-5180	SUMMER PROGRAM ASSIGNMENT		32,572.00	
00-5665	FICA /MEDICARE		2,431.00	
00-5672	WORKMAN'S COMPENSATION		167.00	
00-2999	DUE TO - INTERFUND BALANCING			35,170.00
00-5180	SUMMER PROGRAM ASSIGNMENT			32,572.00
00-5665	FICA /MEDICARE			2,431.00
00-5672	WORKMAN'S COMPENSATION			167.00
<b>Total</b>			<b>70,340.00</b>	<b>70,340.00</b>
<b>Adjusting Journal Entries JE # 13</b>			<b>0920.35</b>	
Realign Exp/Rec FY19 Rec=Exp at June 30, 2019 Adjustment				
00-1321	STATE OF MARYLAND		8,336.00	
00-1999	DUE FROM - INTERFUND BALANCING		25,008.00	
00-4430	FEDERAL THROUGH MSDE - NOT IN FNS		8,784.00	
00-5405	PROFESSIONAL CONTRACTED SERVICES		8,336.00	
00-5665	FICA /MEDICARE		442.00	
00-5671	LIFE INS		5.00	
00-5672	WORKMAN'S COMPENSATION		1.00	
00-1332	FEDERAL - THROUGH STATE			8,784.00
00-2999	DUE TO - INTERFUND BALANCING			25,008.00
00-4210	STATE REVENUE			8,336.00
00-5405	PROFESSIONAL CONTRACTED SERVICES			8,336.00
00-5665	FICA /MEDICARE			442.00
00-5671	LIFE INS			5.00
00-5672	WORKMAN'S COMPENSATION			1.00
<b>Total</b>			<b>50,912.00</b>	<b>50,912.00</b>
<b>Adjusting Journal Entries JE # 14</b>			<b>0920.36</b>	
Realign Exp/Rec FY19 Rec=Exp at June 30, 2019 Adjustment				
00-1332	FEDERAL - THROUGH STATE		6,113.00	
00-1999	DUE FROM - INTERFUND BALANCING		18,340.00	
00-4430	FEDERAL THROUGH MSDE - NOT IN FNS		6,113.00	
00-5111	WORKSHOP / STAFF DEVELOPMENT PAY		5,859.00	
00-5665	FICA /MEDICARE		224.00	
00-5672	WORKMAN'S COMPENSATION		31.00	
00-1332	FEDERAL - THROUGH STATE			6,113.00
00-2999	DUE TO - INTERFUND BALANCING			18,340.00
00-4430	FEDERAL THROUGH MSDE - NOT IN FNS			6,113.00
00-5111	WORKSHOP / STAFF DEVELOPMENT PAY			5,859.00
00-5665	FICA /MEDICARE			224.00
00-5672	WORKMAN'S COMPENSATION			31.00
<b>Total</b>			<b>36,680.00</b>	<b>36,680.00</b>
<b>Adjusting Journal Entries JE # 15</b>			<b>0920.37</b>	
To Realign Exp/ Rec FY19 #3668733 \$7,961.76				
00-4210	STATE REVENUE		3,981.00	
00-5111	WORKSHOP / STAFF DEVELOPMENT PAY		3,150.00	
00-5180	SUMMER PROGRAM ASSIGNMENT		831.00	
00-1321	STATE OF MARYLAND			3,981.00
00-5111	WORKSHOP / STAFF DEVELOPMENT PAY			3,150.00
00-5180	SUMMER PROGRAM ASSIGNMENT			831.00
<b>Total</b>			<b>7,962.00</b>	<b>7,962.00</b>
<b>Adjusting Journal Entries JE # 16</b>			<b>0920.38</b>	
To Record FY19 Rec=Exp #36646496 \$70,340.28				
00-1332	FEDERAL - THROUGH STATE		35,170.00	
00-4430	FEDERAL THROUGH MSDE - NOT IN FNS		35,170.00	
00-2425	FEDERAL THROUGH STATE			35,170.00

Client: **026-04922500 - Prince George's County Public Schools**  
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Account	Description	W/P Ref	Debit	Credit
00-4430	FEDERAL THROUGH MSDE - NOT IN FNS			35,170.00
<b>Total</b>			<b>70,340.00</b>	<b>70,340.00</b>
<b>Adjusting Journal Entries JE # 17</b>		<b>2609.00b</b>		
Contributions Received from the State of Maryland of Behalf of PGCPs				
CLA5999	On Behalf Payments		110,120,429.00	
CLA4999	On Behalf Payments			110,120,429.00
<b>Total</b>			<b>110,120,429.00</b>	<b>110,120,429.00</b>
<b>Adjusting Journal Entries JE # 18</b>		<b>0720.02B</b>		
To Book AR				
00-1389	OTHER MISCELLANEOUS		21,749.00	
00-3331	FUND BALANCE - DESIGNATED		140,190.00	
00-4810	SALE OF EQUIPMENT (GAIN OR LOSS)			21,749.00
00-4810	SALE OF EQUIPMENT (GAIN OR LOSS)			140,190.00
<b>Total</b>			<b>161,939.00</b>	<b>161,939.00</b>
<b>Adjusting Journal Entries JE # 19</b>		<b>0720.02B</b>		
Adjustment to Federal Through State				
00-1332	FEDERAL - THROUGH STATE		350,854.00	
00-2425	FEDERAL THROUGH STATE			350,854.00
<b>Total</b>			<b>350,854.00</b>	<b>350,854.00</b>
<b>Adjusting Journal Entries JE # 20</b>		<b>0720.02B</b>		
To make ADJ for Payable to Schools				
00-1999	DUE FROM - INTERFUND BALANCING		287,599.00	
00-2381	PAYABLE TO SCHOOLS			287,599.00
<b>Total</b>			<b>287,599.00</b>	<b>287,599.00</b>



September 30, 2019

CliftonLarsonAllen LLP  
1966 Greenspring Drive, Suite 300  
Timonium, MD 21093

This representation letter is provided in connection with your audits of the financial statements Prince George's County Public Schools (the School System), which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of September 30, 2019, the following representations made to you during your audit of the financial statements as of and for the year ended June 30, 2019:

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 8, 2019, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
2. We acknowledge and have fulfilled our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions used in making those estimates, and we believe the estimates (including those measured at fair value) and the significant assumptions used in making those accounting estimates are reasonable.

5. Significant estimates have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Significant estimates are estimates at the financial statement date that could change materially within the next year.
6. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. No events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
8. We have not identified or been notified of any uncorrected financial statement misstatements.
9. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.
11. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.
12. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date and have been reduced to their estimated net realizable value.
13. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
14. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, net position or fund balance.
15. Participation in a public entity risk pool has been properly reported and disclosed in the financial statements.
16. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefits (OPEB) liabilities and costs for financial accounting purposes are appropriate in the circumstances.
17. We do not intend to compensate for the elimination of postretirement benefits by granting an increase in pension benefits.

18. We do not plan to make frequent amendments to our pension or other postretirement benefit plans.
19. We agree with the findings of specialists in evaluating the other post employment benefits (OPEB) liabilities and costs and claims liabilities, including incurred but not reported claims for health, vision and dental insurance and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
20. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.

#### **Information Provided**

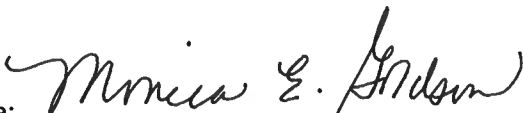
1. We have provided you with:
  - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters.
  - b. Additional information that you have requested from us for the purpose of the audit.
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - d. Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
  - e. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with, or deficiencies in, financial reporting practices.
  - f. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with the provisions of laws, regulations, contracts, and grant agreements.
  - g. Access to all audit or relevant monitoring reports, if any, received from funding sources.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - a. Management;


- b. Employees who have significant roles in internal control; or
  - c. Others when the fraud could have a material effect on the financial statements.
5. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, grantors, regulators, or others.
  6. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations and provisions of contracts and grant agreements, or abuse whose effects should be considered when preparing financial statements.
  7. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments, that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
  8. There are no other material liabilities or gain or loss contingencies that are required to be accrued or disclosed in accordance with U.S. GAAP.
  9. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
  10. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except as made known to you and disclosed in the financial statements.
  11. We have a process to track the status of audit findings and recommendations.
  12. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
  13. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
  14. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to Prince George's County Public Schools, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
  15. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

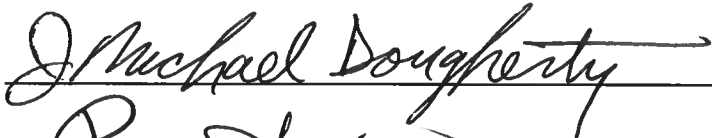
16. The entity has complied with all aspects of contractual or grant agreements that would have a material effect on the financial statements in the event of noncompliance.
17. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
18. We are responsible for determining whether we have received, expended, or otherwise been the beneficiary of any federal awards during the period of this audit. No federal award, received directly from federal agencies or indirectly as a subrecipient, was expended in an amount that cumulatively totals from all sources \$750,000 or more. For this representation, "award" means financial assistance and federal cost-reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, user grants, or contracts used to buy goods or services from vendors.
19. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
20. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures, jointly governed organizations, and other related organizations.
21. The financial statements properly classify all funds and activities.
22. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
23. Components of net position (net investment in capital assets; restricted; and unrestricted), nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
24. Fund balance classifications for governmental funds are properly recorded in accordance with GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.
25. Provisions for uncollectible receivables have been properly identified and recorded.
26. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
27. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
28. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

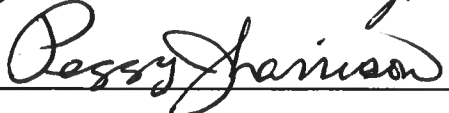


- 29. Special and extraordinary items are appropriately classified and reported.
- 30. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.
- 31. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 32. The government meets the GASB-established requirements for accounting for eligible infrastructure assets using the modified approach.
- 33. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 34. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 35. We acknowledge our responsibility for presenting the Budgetary Comparison Schedule for the Capital Projects and Special Revenue Fund, Statement of Changes in Fiduciary Net Position – School Activity Fund and Charter Schools Consolidated Financial Statements Schedules (the supplementary information) in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.
- 36. We do not plan on making frequent changes to the OPEB plan.

Signature:  Title: Chief Executive Officer

Signature:  Title: Chief Financial Officer

Signature:  Title: Director of Financial Services

Signature:  Title: Assistant Controller