

May 2005

The County Council and County Executive
of Prince George's County, Maryland

Re: Departure of Terri N. Ware, Director,
Office of Information Technology and Communications

INTRODUCTION AND SCOPE OF EXAMINATION

Conforming with Article III, Section 313 of the Charter for Prince George's County, Maryland, we have performed a special audit of the accounts of the Office of Information Technology and Communications. This audit was initiated due to the departure of Terri N. Ware from the position of Director of the Office of Information Technology and Communications, effective June 2, 2004.

Our examination included tests of the accounting records and other auditing procedures, as we considered necessary under the circumstances. Consideration was given to the fact that the records of the Office of Information Technology and Communications were included in the scope of the County's annual financial audit, conducted by KPMG, LLP, independent auditors, for the year ended June 30, 2004, and no discrepancies or irregularities have been disclosed. Therefore, we primarily directed our examination to include a review of Ms. Ware's travel advances, expense reimbursements, leave records, and selected expense accounts for the period July 1, 2002 through June 30, 2004.

FINDINGS, COMMENTS, AND RECOMMENDATIONS

Expenditures, Encumbrances and Commitments

A statement of expenditures, encumbrances and commitments compared with appropriations for the Office of the Director, Office of Information Technology and Communications, for the period July 1, 2003 through June 30, 2004, is presented in Schedule 1

of this report. At June 30, 2004, total expenditures and encumbrances did not exceed total appropriations for the Office of the Director.

Travel Advances and Expense Reimbursements

We reviewed the travel advances log maintained by the Office of Finance, Accounting Division, for the period July 1, 2002 through June 30, 2004, and determined that Ms. Ware did not have any unsettled travel advances at the time of her departure from the County. We also reviewed expense reimbursements paid to Ms. Ware covering the period July 1, 2002 through June 30, 2004 and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified final pay computations for Ms. Ware based on leave records maintained by the Payroll Section of the Office of Finance and the salary and hourly rate of pay maintained by the Office of Human Resources Management and found no discrepancies. We also determined that Ms. Ware's annual leave payout was computed correctly.

Our review also included a review of leave usage and how it was recorded on the employee's timesheets. On the pay period ending May 29, 2004, Ms. Ware's timesheet showed that she had used 40.0 hours of administrative leave. The timesheet (p p e 5-29-04) representing the administrative leave usage reflected only the authorized signature of Ms. Ware and no other supervisory signature. An employee who uses administrative leave should not be allowed to approve his/her own use of administrative leave. Upon further investigation and inquiry, we were able to find a letter authorizing administrative leave for Ms. Ware. However, at the time of our review of payroll files, there was no letter authorizing administrative leave in Ms. Ware's payroll file to support the usage. We therefore recommend:

- 1. The County Attorney review the usage of administrative leave for the situation described above and make a determination as to whether the usage was allowable in accordance with Personnel Law. If it is determined that the usage was unallowable, the County should take appropriate action.**
- 2. The Office of Finance's Payroll Section require written documentation be submitted with the employee's timesheet that justifies the usage of administrative leave, in accordance with Personnel Law Section 16-222, when administrative leave is utilized.**

Fixed Assets

The Fixed Assets Procedures Manual prepared by the Office of Finance requires that the Fixed Assets Section of Central Services' Contract Administration and Procurement Division, upon departure of any agency head, take inventory of only those fixed assets for which that agency head has signed an Equipment Custody Receipt (PGC Form #1890) form. It further requires that the unexplained loss of any such fixed assets be reported to the Chief Administrative Officer, who is to take action to recover the costs of the assets. We contacted personnel within the Contract Administration and Procurement Division to determine if assets issued to Ms. Ware were returned to the County. Based on our review, all assets were properly accounted for and returned to the County.

Financial Disclosure Requirement

Section 2-294(c)(1) of the Prince George's County Code requires certain officials, employees, and candidates for office (among them the Director of the Office of Information Technology and Communications) to file financial disclosure statements. Council Bill 125-1984, effective February 4, 1985, modified Section 2-294(c)(1) of the County Code, by adding the following requirement:

“Any official or employee who is required to file a statement and who leaves office or employment for any reason, other than the official's or employee's death, shall file, within sixty (60) days of leaving office or employment, the statement required by this Section, for the calendar year

immediately preceding, unless a statement has previously been filed for that year, and any portion of the current calendar year during which that official or employee held office or employment.”

Ms. Ware filed the proper financial disclosure statement with the Prince George’s County Board of Ethics for the period January 1, 2004 through June 2, 2004, on June 2, 2004 as required.

David H. Van Dyke, C.P.A.
County Auditor

Mackenzie Lewis
Auditor-In-Charge

OFFICE OF INFORMATION TECHNOLOGY AND COMMUNICATIONS
ADMINISTRATION - DIRECTOR'S OFFICE
STATEMENT OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2003 THROUGH JUNE 30, 2004

<u>Appropriations</u>	<u>Compensation</u>	<u>Other Current Operating Expenses</u>	<u>Fringe Benefits</u>	<u>Total</u>
Current Year	\$ 159,700	\$ 3,699,400	\$ 28,500	\$ 3,887,600
Prior Year Encumbrances				
Outstanding	-	93,858	-	93,858
Total Appropriations	\$ 159,700	\$ 3,793,258	\$ 28,500	\$ 3,981,458
<u>Expenditures and Encumbrances</u>				
Current Year:				
Salaries:				
Officials & Administrative	\$ 120,274	\$ -	\$ -	\$ 120,274
Para-professional	64,236	-	-	64,236
Fringe Benefits	-	-	48,710	48,710
Telephone	-	1,153	-	1,153
Printing & Reproduction	-	8,611	-	8,611
Data/Voice Communications	-	284	-	284
Training	-	1,242	-	1,242
Travel--Non-Training	-	432	-	432
Membership Fees	-	2,260	-	2,260
Local Trnsp/Mileage/Moving	-	3,464	-	3,464
Allowances	-	12,600	-	12,600
Genl & Admin Contract Services	-	247,200	-	247,200
Office & Operating Supplies	-	36,565	-	36,565
Office/Operat Equip--Non-Cap	-	3,219,277	-	3,219,277
Vehicle Repairs	-	24,161	-	24,161
Miscellaneous	-	(1,232)	-	(1,232)
Sub-total	\$ 184,510	\$ 3,556,017	\$ 48,710	\$ 3,789,237
Prior Year:				
Operating Expenses	\$ -	\$ 81,690	\$ -	\$ 81,690
Sub-total	\$ -	\$ 81,690	\$ -	\$ 81,690
Total Expenditures and Encumbrances	\$ 184,510	\$ 3,637,707	\$ 48,710	\$ 3,870,927
Unencumbered Balance June 30, 2004	\$ (24,810)	\$ 155,551	\$ (20,210)	\$ 110,531