

PRINCE GEORGE'S ARTS AND HUMANITIES COUNCIL, INC.

GRANT AUDIT
June 2017

OFFICE OF AUDITS AND INVESTIGATIONS
Prince George's County
Upper Marlboro, Maryland



THE PRINCE GEORGE'S COUNTY GOVERNMENT
Office of Audits and Investigations

June 2017

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

Council Resolution 51-1991, adopted June 25, 1991, requires the Office of Audits and Investigations to perform random financial audits of grants and transfer payments appropriated in the Non-Departmental section of the County's Approved Annual Current Expense Budget.

We have examined the books and records of

PRINCE GEORGE'S ARTS AND HUMANITIES COUNCIL, INC.,

for the period July 1, 2014, through June 30, 2015. Our examination included such tests of the accounting records and such other auditing procedures, as we considered necessary under the circumstances.

We noted no matters involving the Prince George's County grant to Prince George's Arts and Humanities Council, Inc., that led us to believe that the County grant funds were used for other than their intended purpose.

This report, in our opinion, fulfills the requirements of Council Resolution 51-1991 to perform random financial audits of grants and transfer payments made pursuant to the Non-Departmental section of the Prince George's County, Maryland, Fiscal Year 2015 Approved Operating Budget.

A handwritten signature in blue ink, appearing to read "D. Van Dyke".

David H. Van Dyke, CPA
County Auditor

A handwritten signature in black ink, appearing to read "Emmanuel C. Nwachuku".

Emmanuel C. Nwachuku
Auditor-In-Charge

Prince George's Arts and Humanities Council, Inc.

The Prince George's County Government (County) awarded the Prince George's Arts and Humanities Council, Inc., (PGAHC) one grant in the amount of \$120,000 in fiscal year 2015. This award was issued in October 2014 and was to be used to support PGAHC's core program initiatives.

Prince George's Arts and Humanities Council, Inc., is an incorporated non-profit organization that obtained its 501(c) (3) status in September 1983. The organization is currently headquartered at 1801 McCormick Drive, Suite 460, Largo, Maryland. PGAHC is designated by the County to coordinate financial support and advocacy for the arts and humanities through grants, artistic programs, and creative partnerships with various stakeholders. In fiscal year 2015, to support this designation, and in addition to grant funding, the County provided temporarily restricted grant funding to PGAHC in the amount of \$375,500 for the Arts in Public Places (AIPP) program. The County also entered into a contract, not to exceed \$75,000, with PGAHC to help administer the AIPP program. The AIPP program was created in fiscal year 1987 by County Council legislation (CB-75-1987) that applies at least one percent (1%) of the construction costs of certain new and renovated County civic buildings to the installation of artwork by commissioned artists at specified buildings within the County. PGAHC's vision seeks to create a world-class cultural environment where diverse high quality arts and humanities programs are available for all Prince George's County residents and visitors.

We examined the books and records maintained by PGAHC and included tests of the accounting records and other auditing procedures, as we determined necessary. Consideration

was given to the fact that the records of the organization were reviewed and included in the scope of the financial audit conducted by Garbelman Winslow, Independent Auditors, for the period ending June 30, 2015, and no discrepancies or irregularities were disclosed. Our examination included a review of expenditures and supporting documentation to ensure that payment amounts were properly approved and corresponded to related invoices. We noted no instances that led us to believe that County grant funds were used for other than their intended purpose.

The attached Statement of Revenues and Expenditures (as audited by their independent auditors) for the period ending June 30, 2015, shows the activities of the organization for the period in which the grant funds were received.

PRINCE GEORGE'S ARTS AND HUMANITIES COUNCIL, INC.
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE PERIOD ENDING JUNE 30, 2015
(ACCRUAL BASIS)

	<u>2015</u>
REVENUES:	
County Grant	\$ 120,000
County Contract	75,000
Maryland State Arts Council	131,738
M-NCPPC Program Fees	120,000
AIPP-Project Funding	375,500
Individual Donations	306
Miscellaneous Income	10,790
*Total Revenues	<u>\$ 833,334</u>
 EXPENDITURES:	
Salaries	\$ 141,640
Employee payroll Taxes	10,901
Other Employee Benefits	11,765
Grants	50,580
Honoraria	2,800
Program Expenses	134,345
Public Art General	14,073
Office and Computer Supplies	4,757
Depreciation	12
Accounting and Audit	30,688
Insurance	4,375
Dues, Subscriptions, and Publications	1,945
Meals and Lodging	1,482
Office Equipment rental and Maintenance	9,276
Miscellaneous	4,363
Telephone and Internet	3,640
Travel and Mileage	3,318
Awarded Contracts	136,771
Photography, Printing and Reproduction	1,787
Staff board Development	2,450
Website	15,435
Postage and Shipping	134
Total Expenditures	<u>\$ 586,537</u>
Excess Revenue Over/(Under) Expenditures	<u>\$ 246,797</u>

* Includes \$236,213 of temporarily restricted revenue