



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

July 2019

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

Re: Departure of Nicholas Majett
Chief Administrative Officer

INTRODUCTION AND SCOPE OF EXAMINATION

Conforming to Article III, Section 313 of the Charter of Prince George's County, Maryland, we have performed a special audit of the accounts of the Office of the County Executive. This audit was initiated due to the resignation of Nicholas Majett from the position of Chief Administrative Officer, effective November 30, 2018.

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 these records are included in the scope of the County's annual financial audit, conducted by CliftonLarsonAllen, LLP, independent auditors, for the year ended June 30, 2018. Therefore, we primarily directed our examination to include a review of Mr. Majett's travel advances, expense reimbursements, leave records, fixed assets records, and selected expense accounts for the period July 1, 2018, through December 31, 2018.

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FINDINGS, COMMENTS, AND RECOMMENDATIONS

Expenditures, Encumbrances, and Commitments

A statement of expenditures, encumbrances, and commitments compared with appropriations for the Office of the County Executive, for the period July 1, 2018, through December 31, 2018, is presented on Schedule 1 of this report. As of December 31, 2018, total expenditures and encumbrances did not exceed total appropriations for the Office of the County Executive.

Travel Advances and Expense Reimbursements

We reviewed the travel advance records maintained by the Office of Finance, Accounting Division, for the period July 1, 2018, through December 31, 2018, and determined that Mr. Majett did not have any unsettled travel advances at the time of his resignation. We also reviewed expense reimbursements paid to Mr. Majett for the period July 1, 2018, through December 31, 2018, and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified the final pay computations for Mr. Majett based on leave records maintained by the Payroll Section of the Office of Finance and verified the salary and hourly rate of pay maintained by the Office of Human Resources Management. We determined that the annual leave compensation was computed correctly and found no discrepancies or irregularities.

Fixed Assets and Non-Fixed Assets

The Capital Assets Manual, prepared by the Office of Finance and the Office of Central Services, requires the Office of Central Services' General Services Division to perform an exit inventory of capital (fixed) assets and report findings to the Director of the Office of Central Services, upon the departure or transfer of a Department/Agency Head. The Office of Central Services is required to take the necessary steps to recover any missing asset or seek restitution for the value of the assets. We contacted personnel within the Office of Central Services'

General Services Division, Fleet Management Division, and the Office of the County Executive and determined the only fixed asset assigned to Mr. Majett was a County vehicle. In accordance with Administrative Procedure 624, Mr. Majett's request to purchase his assigned vehicle was approved by the Director of the Office of Central Services.

Our review also included the verification of County issued non-fixed asset items such as cell phone, personal digital assistant, County identification and security card, keys, laptop computer/equipment, etc. This review included an examination of personnel records maintained by the Office of Human Resources Management (OHRM), and the Office of Finance's Payroll Section on separated employees. When an employee leaves County service, an Employee Separation Form (PGC Form#4281) is filled out by each employee as a part of the exit process. This form (PGC Form#4281) records the return of assigned County personal property and normally a copy can be found in the employee's personnel file. At the time of our review there was an Employee Separation Form in Mr. Majett's personnel file documenting the return of non-fixed assets that were assigned to him. In accordance with Administrative Procedure 624, Mr. Majett's request to purchase his Apple iPhone, iPad, and computer was approved by the Director of the Office of Central Services.

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 Chief Administrative Officer) 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.”

According to the County Code, Mr. Majett was required to file a financial disclosure statement within sixty (60) days of leaving office. At the time of our review, Mr. Majett had filed a financial disclosure statement with the Prince George’s County Board of Ethics, for the period January 1, 2018, through December 31, 2018, as required.



David H. Van Dyke, CPA
County Auditor



Jisun Ahn
Auditor-In-Charge

OFFICE OF THE COUNTY EXECUTIVE
STATEMENT OF EXPENDITURES, ENCUMBRANCES, AND COMMITMENTS
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2018 THROUGH DECEMBER 31, 2018

	Compensation	Fringe Benefits	Other Operating Expenses	Total
<u>Appropriations</u>				
Current Year	\$ 5,211,500	\$ 1,240,300	\$ 400,900	\$ 6,852,700
<u>Expenditures and Encumbrances</u>				
Current Year:				
Salaries				
Full Time Regular (Net of adjustments)	\$ 2,100,869	\$ -	\$ -	\$ 2,100,869
Leave Payout	277,276	-	-	277,276
Beneflex Opt Out	1,533	-	-	1,533
Compensation Journal Entry	(77,193)	-	-	(77,193)
Fringe Benefits	-	461,170	-	461,170
Telephone	-	-	22,268	22,268
CNN - Cable	-	-	775	775
Printing and Reproduction	-	-	4,654	4,654
Books/Newspapers/Periodicals	-	-	2,067	2,067
Office Automation Charges	-	-	112,630	112,630
Conference and Seminar Fees	-	-	3,858	3,858
Travel and Lodging - Non Training	-	-	9,870	9,870
Membership Fees/Dues	-	-	319	319
Mileage Reimbursement	-	-	1,631	1,631
Pool Car Rental	-	-	6,712	6,712
Catering	-	-	5,740	5,740
Consultants and Studies	-	-	30,500	30,500
General Office Supplies	-	-	14,004	14,004
Food	-	-	3,951	3,951
Licenses Tags & Forms	-	-	300	300
Other Vehicle and Heavy Equipment Repair and Maint.	-	-	8,494	8,494
Gas and Oil	-	-	3,840	3,840
Miscellaneous	-	-	1,475	1,475
Procurement Card Purchases	-	-	84	84
Total Expenditures & Encumbrances	<u>\$ 2,302,485</u>	<u>\$ 461,170</u>	<u>\$ 233,172</u>	<u>\$ 2,996,826</u>
Unencumbered Balance as of December 31, 2018	<u>\$ 2,909,015</u>	<u>\$ 779,130</u>	<u>\$ 167,728</u>	<u>\$ 3,855,874</u>