



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

August 2019

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

Re: Departure of Adam Ortiz
Director of the Department of the Environment

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 Director. This audit was initiated due to the resignation of Adam Ortiz from the position of Director of the Department of Environment, effective January 4, 2019.

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. Ortiz's travel advances, expense reimbursements, leave records, fixed assets records, and selected expense accounts for the period July 1, 2018, through January 31, 2019.

FINDINGS, COMMENTS, AND RECOMMENDATIONS

Expenditures, Encumbrances, and Commitments

A statement of expenditures, encumbrances, and commitments compared with appropriations for the Office of the Director, for the period July 1, 2018, through January 31, 2019, is presented on Schedule 1 of this report. As of January 31, 2019, total expenditures and encumbrances did not exceed total appropriations for the Office of the Director.

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 January 31, 2019, and determined that Mr. Ortiz did not have any unsettled travel advances at the time of his resignation. We also reviewed expense reimbursements paid to Mr. Ortiz for the period July 1, 2018, through January 31, 2019, and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified the final pay computations for Mr. Ortiz 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 Department of the Environment and determined the County vehicle assigned to Mr. Ortiz was returned prior to his departure.

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. Ortiz's personnel file documenting the return of non-fixed assets that were assigned to him.

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 Department of the Environment) 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:

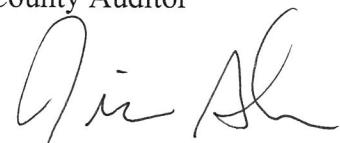
“Any official or employee who is required to file a statement and who leaves office or employment for any reason, other than the official's or employee's death, shall file, within sixty (60) days of leaving office or employment, the statement required by this Section, for the calendar year immediately 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. Ortiz was required to file a financial disclosure statement within sixty (60) days of leaving office. At the time of our review, Mr. Ortiz had filed

a financial disclosure for the period January 1, 2018, through December 31, 2018. However, Mr. Ortiz was also required to file a financial disclosure statement for the period of January 1, 2019, through January 4, 2019. As of August 12, 2019, the Board of Ethics had not received his financial disclosure statement. We recommend that the Office of Ethics and Accountability request Mr. Ortiz file a financial disclosure statement for the period January 1, 2019, through January 4, 2019, as required.



David H. Van Dyke, CPA
County Auditor



Jisun Ahn
Auditor-In-Charge

Schedule 1

DEPARTMENT OF THE ENVIRONMENT
 OFFICE OF THE DIRECTOR
 STATEMENT OF EXPENDITURES, ENCUMBRANCES, AND COMMITMENTS
 COMPARED WITH APPROPRIATIONS FOR THE PERIOD
 JULY 1, 2018 THROUGH JANUARY 31, 2019

	Compensation	Fringe Benefits	Operating Expenses	Other	Total
<u>Appropriations</u>					
Current Year	\$ 1,324,000	\$ 930,000	\$ 90,800	\$ 2,344,800	
<u>Expenditures and Encumbrances</u>					
Current Year:					
Salaries					
Full Time Regular	\$ 581,125	\$ -	\$ -	\$ 581,125	
Overtime Compensation	\$ 608	\$ -	\$ -	\$ 608	
Beneflex Opt Out	\$ 715	\$ -	\$ -	\$ 715	
Comp JE Adj	\$ (18,901)	\$ -	\$ -	\$ (18,901)	
Fringe Benefits	\$ -	\$ 338,090	\$ -	\$ 338,090	
Telephone	\$ -	\$ -	\$ 7,527	\$ 7,527	
Training and Travel & Lodging	\$ -	\$ -	\$ 375	\$ 375	
Other Membership Costs	\$ -	\$ -	\$ 257	\$ 257	
Pool Car Rental	\$ -	\$ -	\$ 180	\$ 180	
Temporary Clerical/Administrative Personnel	\$ -	\$ -	\$ 39,624	\$ 39,624	
Professional Service - Education and Training	\$ -	\$ -	\$ 545	\$ 545	
Other General and Administrative Contract Services	\$ -	\$ -	\$ 10,150	\$ 10,150	
Other Operating Contract Services	\$ -	\$ -	\$ 13,939	\$ 13,939	
Food	\$ -	\$ -	\$ 658	\$ 658	
Licenses Tags & Forms	\$ -	\$ -	\$ 940	\$ 940	
Other Operating Supplies	\$ -	\$ -	\$ 5,364	\$ 5,364	
Other Equipment Rental/Lease	\$ -	\$ -	\$ 2,871	\$ 2,871	
Total Expenditures & Encumbrances	\$ 563,547	\$ 338,090	\$ 82,430	\$ 984,068	
Unencumbered Balance as of January 31, 2019	\$ 760,453	\$ 591,910	\$ 8,370	\$ 1,360,732	