



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

October 2011

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

Re: Departure of Jonathan R. Seeman,
Office of Management and Budget, Director

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 Prince George's County Office of Management and Budget. This audit was initiated due to the resignation of Jonathan R. Seeman from the position of Director of the Office of Management and Budget effective December 6, 2010.

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 were included in the scope of the County's annual financial audit conducted by Clifton Gunderson LLP, independent auditors, for the year ended June 30, 2010, and no discrepancies or irregularities were disclosed. Therefore, we primarily directed our examination to include a review of Mr. Seeman's travel advances, expense reimbursements, leave records, and selected expense accounts for the period July 1, 2010, through December 31, 2010.

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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 Management and Budget, for the period July 1, 2010, through December 31, 2010, is presented on Schedule 1 of this report. As of December 31, 2010, total expenditures and encumbrances did not exceed total appropriations for the Office of Management and Budget.

Travel Advances and Expense Reimbursements

We reviewed the travel advances log maintained by the Office of Finance, Accounting Division, for the period July 1, 2010, through December 31, 2010, and determined that Mr. Seeman did not have any unsettled travel advances at the time of his resignation. We also reviewed expense reimbursements paid to Mr. Seeman for the period July 1, 2010, through December 31, 2010, and found no discrepancies or irregularities.

Leave Records and Final Pay

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

Fixed Assets and Non-Fixed Assets

The Fixed Assets Procedures Manual prepared by the Office of Finance requires that the Fixed Assets Section of the Office of Central Services' General Services Division, upon the 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 cost of the assets. We contacted personnel within the General Services Division and the Office Management and Budget and determined the only fixed asset assigned to Mr. Seeman was a County vehicle. In accordance with Administrative Procedure 624, Mr. Seeman'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 equipment, etc. The 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 terminated employees. When an employee is terminated from County service, an Employee Separation Form (OHRM Form #4281) is filled out by each employee as a part of the exit process. Form #4281 records the return of assigned County personal property and normally a copy can be found in the terminated employee's personnel file. At the time of our review we determined there was a Form #4281 in the personnel file documenting the return of County issued non-fixed assets and all County personal property issued to Mr. Seeman was collected and properly accounted for. In accordance with Administrative Procedure 624, Mr. Seeman's request to purchase his assigned Blackberry 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 Director of the Office of Management and Budget) to file financial disclosures 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”.

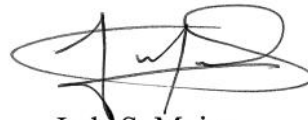
According to the County Code, Mr. Seeman was required to file a financial disclosure statement within sixty (60) days of leaving office. As of October 2011, Mr. Seeman had not filed a financial disclosure statement with the Prince George’s County Board of Ethics, for the period July 1, 2010, through December 6, 2010, as required.

We therefore recommend:

- 1. The Prince George’s County Board of Ethics take the appropriate steps necessary to notify departing officials of the sixty (60) day reporting requirement for financial disclosure statements and ensure compliance.**



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



Jude S. Moise
Auditor-In-Charge

OFFICE OF MANAGEMENT & BUDGET
STATEMENT OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2010 THROUGH DECEMBER 31, 2010

	Compensation	Fringe Benefits	Other Operating Expenses	Expenditure Recoveries	Total
<u>Appropriations</u>					
Current Year	\$ 1,644,700	\$ 483,500	\$ 140,500	\$ (301,000)	\$ 1,967,700
Total Appropriations	\$ 1,644,700	\$ 483,500	\$ 140,500	\$ (301,000)	\$ 1,967,700
<u>Expenditures and Encumbrances</u>					
Current Year:					
Salaries					
Officials and Administrative	\$ 277,358	\$ -	\$ -	\$ -	\$ 277,358
Professionals	579,615	-	-	-	579,615
Para-Professionals	62,064	-	-	-	62,064
Office and Clerical	19,708	-	-	-	19,708
Other Compensation	2,609	-	-	-	2,609
Telephone and Automation	-	-	2,353	-	2,353
Printing and Reproduction	-	-	1,849	-	1,849
Training-Travel/Lodging	-	-	866	-	866
NonTraining-Travel	-	-	131	-	131
Local Transportation	-	-	343	-	343
Office & Operating Supplies	-	-	4,158	-	4,158
Vehicle & Equip-Gas-Oil	-	-	-	-	-
Miscellaneous	-	-	3,924	-	3,924
Fringe Benefits	-	237,464	-	-	237,464
Total Expenditures and Encumbrances	\$ 941,354	\$ 237,464	\$ 13,624	\$ -	\$ 1,192,442
Unencumbered Balance December 31, 2010	\$ 703,346	\$ 246,036	\$ 126,876	\$ (301,000)	\$ 775,258