

March 2009

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

Re: Departure of Alfred J. McMurray, Sr.
Director of the Department of Corrections

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 Department of Corrections. This audit was initiated due to the retirement of Alfred J. McMurray, Sr., from the position of Director of the Department of Corrections, effective July 31, 2008.

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 Department of Corrections were included in the scope of the County's annual financial audit, conducted by Thompson, Cobb, Bazilio & Associates, PC, independent auditors, for the year ended June 30, 2008, and no discrepancies or irregularities were disclosed. Therefore, we primarily directed our examination to include a review of Mr. McMurray's travel advances, expense reimbursements, fixed assets records, and selected expense accounts for the period July 1, 2007 through August 31, 2008.

FINDINGS, COMMENTS, AND RECOMMENDATIONS

Expenditures, Encumbrances and Commitments

A statement of expenditures, encumbrances and commitments compared with appropriations for the Department of Corrections, for the period July 1, 2008 through August 31, 2008, is presented in Schedule 1 of this report. At August 31, 2008, total expenditures and encumbrances did not exceed total appropriations for the agency.

Travel Advances and Expense Reimbursements

We reviewed the travel advance records maintained by the Office of Finance, Accounting Division, for the period July 1, 2007 through August 31, 2008, and determined that Mr. McMurray did not have any unsettled travel advances at the time of his departure from the Department of Corrections. We also reviewed expense reimbursements paid to Mr. McMurray for July 1, 2007 through August 31, 2008 and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified the final pay computations for Mr. McMurray 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 and found no discrepancies or irregularities.

Fixed Assets

The Fixed Assets Procedures Manual prepared by the Office of Finance requires that 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 costs of the assets. We contacted personnel within the General Services Division and personnel within the Department of Corrections to determine whether any fixed assets were assigned to Mr. McMurray. 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. We were unable to determine if all County issued non-fixed asset items issued to Mr. McMurray were collected and properly accounted for. Our review included an examination of personnel records maintained by the Office of Human Resources Management (OHRM) and the Office of Finance's Payroll Section maintained 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 issued non-fixed asset items and normally a copy can be found in the terminated employee's personnel file. At the time of our review there was no Form #4281 in the personnel file documenting the return of County issued non-fixed asset items.

We therefore recommend:

- 1. The Director of the Office of Human Resources Management ensure the return of County issued non-fixed asset items and obtain a signed employee separation form from Mr. McMurray documenting the return of County property.**
- 2. The Director of the Office of Finance require the Payroll Section to retain an employee's final pay check until a copy of a properly documented employee separation form has been received.**

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 Corrections) 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.”

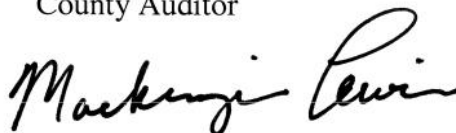
According to the County Code, Mr. McMurray was required to file a financial disclosure within sixty (60) days of leaving office. As of February 6, 2009, Mr. McMurray had not filed a financial disclosure statement with the Prince Georges County Board of Ethics, for the period January 1, 2008, through July 31, 2008, as required.

We therefore recommend:

- 3. The Prince George's County Board of Ethics take the necessary action to ensure Mr. McMurray files a 2008 financial disclosure statement as required by the County Code.**



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



Mackenzie Lewis
Auditor-In-Charge

DEPARTMENT OF CORRECTIONS
OFFICE OF THE DIRECTOR
STATEMENT OF EXPENDITURES, ENCUMBRANCES AND COMMITMENTS
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2008 THROUGH AUGUST 31, 2008

<u>Appropriations</u>	<u>Compensation</u>	<u>Other Current Operating Expenses</u>	<u>Fringe Benefits</u>	<u>Total</u>
Current Year	\$ 2,055,400	\$ 10,000	\$ 689,300	\$ 2,754,700
Total Appropriations	\$ 2,055,400	\$ 10,000	\$ 689,300	\$ 2,754,700
<u>Expenditures and Encumbrances</u>				
Current Year:				
Compensation				
Officials & Administrative	\$ 97,646	\$ -	\$ -	\$ 97,646
Professionals	\$ 48,030	-	-	48,030
Protective Service--PGCOA	131,077	-	-	131,077
Para--Professionals--AFSCME	70,549	-	-	70,549
Other Compensation	(692,670) ¹	-	-	(692,670)
Memberships	-	1,275	-	1,275
Mileage Reimbursement	-	137	-	137
Group Health	-	-	21,953	21,953
Group Life	-	-	1,686	1,686
Employees Retirement	-	-	9,172	9,172
Supplemental Retirement	-	-	12,762	12,762
Corrections Retirement	-	-	26,320	26,320
Employer FICA	-	-	28,483	28,483
Disability Insurance	-	-	74	74
County Employee Fringe	-	-	(189,800) ¹	(189,800)
Total Expenditures and Encumbrances	(345,368)	1,412	(89,350)	(433,306)
Unencumbered Balance August 31, 2008	\$ 2,400,768	\$ 8,588	\$ 778,650	\$ 3,188,006

¹ Due to a delay in approving the labor agreement for the Prince George's Correctional Officers' Association, Inc., for the period July 1, 2007 through June 30, 2009, a retroactive adjustment was required for accounting purposes. Compensation earned in fiscal year 2008 was paid in fiscal year 2009, and then adjusted and charged back to fiscal year 2008.