

June 2006

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

Re: Departure of Barbara L. Holtz, County Council Administrator

INTRODUCTION AND SCOPE OF EXAMINATION

Conforming to Article III, Section 313 of the Charter for Prince George's County, Maryland, we have performed a special audit of the accounts of the Prince George's County Council Administrator. This audit was initiated due to the retirement of Barbara L. Holtz from the position of County Council Administrator, effective August 1, 2005.

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 Thompson, Cobb, Bazilio & Associates, PC, independent auditors, for the year ended June 30, 2005, and no discrepancies or irregularities were disclosed. Therefore, we primarily directed our examination to include a review of Mrs. Holtz' travel advances, expense reimbursements, leave records, and selected expense accounts for the period July 1, 2004 through August 31, 2005.

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## FINDINGS, COMMENTS, AND RECOMMENDATIONS

### Expenditures, Encumbrances and Commitments

A statement of expenditures, encumbrances and commitments compared with appropriations for the Legislative Branch, Council Administration for the period July 1, 2005 through August 31, 2005 is presented in Schedule 1 of this report. At August 31, 2005, total expenditures and encumbrances did not exceed total appropriations for the Council Administration.

### Travel Advances and Expense Reimbursements

We reviewed the travel advances log maintained by the Office of Finance, Accounting Division, for the period July 1, 2005 through August 31, 2005, and determined that Mrs. Holtz did not have any unsettled travel advances at the time of her departure from the County. We also reviewed expense reimbursements paid to Mrs. Holtz for the period July 1, 2005 through August 31, 2005 and found no discrepancies or irregularities.

### Leave Records and Final Pay

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

Fixed Assets

The Fixed Assets Procedures Manual prepared by the Office of Finance requires that the General Services Division of the Office of Central Services, upon departure of any agency head, take inventory of only those fixed assets for which the 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 within Council Administration and determined that no fixed assets were assigned to Mrs. Holtz.

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 Council Administrator) 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.”

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Mrs. Holtz filed the proper financial disclosure statements with the Prince George's County Board of Ethics for the period January 1, 2004 through December 31, 2004, and January 1, 2005 through August 31, 2005.

David H. Van Dyke, CPA  
County Auditor

Emmanuel C. Nwachuku  
Auditor-In-Charge

Schedule 1

**PRINCE GEORGE'S COUNTY, COUNCIL ADMINISTRATION**  
**STATEMENT OF EXPENDITURES, ENCUMBRANCES, AND COMMITMENTS**  
**COMPARED WITH APPROPRIATIONS FOR THE PERIOD**  
**JULY 1, 2005 THROUGH AUGUST 31, 2005**

<u>Appropriations</u>	<u>Compensation</u>	<u>Fringe Benefits</u>	<u>Other Operating Expenses</u>	<u>Expenditure Recoveries</u>	<u>Total</u>
Current Year	\$3,979,800	\$917,800	\$841,800	\$(602,800)	\$5,136,600
Prior Year			1,639		1,639
Total Appropriations	\$3,979,800	\$917,800	\$843,439	\$(602,800)	\$5,138,239

**Expenditures & Encumbrances**

Current Year

Salaries

Officials & Admin.	\$ 166,610	\$ -	\$ -	\$ -	\$ 166,610
Professionals	307,410	-	-		307,410
Other	48,618	-	-		48,618
Telephone	-	-	1,668	-	1,668
Printing & Reproduction	-	-	2,409	-	2,409
Books/Periodicals	-	-	60	-	60
Office Automation Charges	-	-	25,966	-	25,966
Travel Non-Training	-	-	11,828	-	11,828
Memberships	-	-	125	-	125
Local Trnsp/Mileage/Mov.	-	-	641	-	641
Genl & Admin Cont. Svc.	-	-	322	-	322
Office & Operating Suppl.	-	-	2,289	-	2,289
Food	-	-	47	-	47
Licenses, Tags, & Forms	-	-	89	-	89
Office Equip. Rep/Maint.	-	-	293	-	293
Gas & Oil	-	-	299	-	299
Equip. Rental/Lease	-	-	119	-	119
Building Rep & Maint.	-	-	252	-	252
Miscellaneous	-	-	10,093	-	10,093
Expenditure Recoveries	-	-	-		-
Fringe Benefits		117,695	-	-	117,695
Current Expdts & Encumbrances	\$ 522,638	\$117,695	\$ 56,500	\$ -	\$ 696,833
Prior Year Operating Expenses	-	-	1,640	-	1,640
Total Expdts. & Encumbrances	\$ 522,638	\$117,695	\$ 58,140	\$ -	\$ 698,473
Unencumbered Balance, as of August 31, 2005	\$3,457,162	\$800,105	\$785,299	\$(602,800)	\$4,439,766