

June 2003

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

Re: Departure of Leonard L. Lucchi, County Attorney.

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 County Attorney. This audit was initiated due to the resignation of Leonard L. Lucchi from the position of County Attorney, effective December 16, 2002.

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 KPMG, LLP, independent auditors, for the year ended June 30, 2002, and no discrepancies or irregularities were disclosed. Therefore, we primarily directed our examination to include a review of Mr. Lucchi's travel advances, expense reimbursements, leave records, and selected expense accounts for the period July 1, 2002 through December 31, 2002.

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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 Law for the period July 1, 2002 through December 31, 2002 is presented in Schedule 1 of this report. At December 31, 2002, total expenditures and encumbrances did not exceed total appropriations for the Office of Law.

Travel Advances and Expense Reimbursements

We reviewed the travel advance records maintained by the Office of Finance, Accounting Division, through December 31, 2002, and determined that Mr. Lucchi did not have any unsettled travel advances at the time of his departure from the County. We also reviewed expense reimbursements paid to Mr. Lucchi for the period July 1, 2001 through December 31, 2002 and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified final pay computations for Mr. Lucchi as County Attorney 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 Personnel. Since Mr. Lucchi did not separate from County employment there was no annual or sick leave payout. We determined that the final pay as County Attorney was computed correctly and found no discrepancies or irregularities.

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' Contract Administration and Procurement Division, 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 Contract Administration and Procurement Division and determined that there was a County vehicle assigned to Mr. Lucchi. We contacted personnel within the Fleet Management Division regarding the County vehicle assigned to Mr. Lucchi while in office, and determined that the vehicle is now assigned to the new County Attorney.

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 County Attorney) 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

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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."

Mr. Lucchi filed the proper financial disclosure statement with the Prince George's County Board of Ethics for the period January 1, 2002 through December 31, 2002.

David H. Van Dyke, CPA
County Auditor

Emmanuel C. Nwachuku
Auditor-In-Charge

OFFICE OF LAW
STATEMENT OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2002 THROUGH DECEMBER 31, 2002

<u>Appropriations</u>	<u>Compensation</u>	<u>Fringe Benefits</u>	<u>Other Operating Expenses</u>	<u>Expenditure Recoveries</u>	<u>Total</u>
Current Year	\$3,486,200	\$657,500	\$425,400	\$(1,316,400)	\$3,252,700
Prior Year	-	-	4,180	-	4,180
Total Appropriations	\$3,486,200	\$657,500	\$429,580	\$(1,316,400)	\$3,256,880

Expenditures & Encumbrances

Current Year:

Salaries

Officials & Administrative	\$ 158,701	\$ -	\$ -	\$ -	\$ 158,701
Professionals	1,188,025	-	-	-	1,188,025
Other	287,589	-	-	-	287,589
Telephone	-	-	4,158	-	4,158
Printing & Reproduction	-	-	4,024	-	4,024
Books & Periodicals	-	-	4,058	-	4,058
Office Automation	-	-	-	-	-
Training	-	-	773	-	773
Travel Non-Training	-	-	-	-	-
Local Transport./Mileage/Moving	-	-	1,966	-	1,966
General & Admin. Contract Service	-	-	65,072	-	65,072
Office & Operating Supplies	-	-	5,659	-	5,659
Office & Operating Equip. Rep/Maint.	-	-	-	-	-
Vehicle/Heavy Equip. Repairs	-	-	5,007	-	5,007
Vehicle. & Equip. Gas/Oil	-	-	702	-	702
Equip. Rental/Lease	-	-	-	-	-
Recreation & Arts	-	-	-	-	-
Miscellaneous	-	-	3,969	-	3,969
Expenditure Recoveries	-	-	-	(71,000)	(71,000)
Fringe Benefits	-	290,683	-	-	290,683
Current Expenditure & Encumbrances	\$1,634,315	\$ 290,683	\$ 95,388	\$(71,000)	\$1,949,386
Prior Year Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures & Encumbrances	\$1,634,315	\$ 290,683	\$ 95,388	\$(71,000)	\$1,949,386
Unencumbered Balance, Dec. 31, 2002	\$1,851,885	\$ 366,817	\$334,192	\$(1,245,400)	\$1,307,494