

July 2002

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

Re: Departure of Sean D. Wallace, 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 Sean D. Wallace from the position of County Attorney, effective April 4, 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, 2001, and no discrepancies or irregularities were disclosed. Therefore, we primarily directed our examination to include a review of Mr. Wallace's travel advances, expense reimbursements, leave records, and selected expense accounts for the period July 1, 2001 through June 30, 2002.

The County Council and County Executive
July 2002
Page -2-

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, 2001 through April 30, 2002 is presented in Schedule 1 of this report. At April 30, 2002, total expenditures and encumbrances did not exceed total appropriations for the Office of Law.

Travel Advances and Expense Reimbursements

We reviewed the travel advances log maintained by the Office of Finance, Accounting Division, for the period July 1, 2000 through April 30, 2002, and determined that Mr. Wallace did not have any unsettled travel advances at the time of his departure from the County. We also reviewed expense reimbursements paid to Mr. Wallace for the period July 1, 2001 through April 30, 2002 and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified final pay computations for Mr. Wallace 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. 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 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 Office of Contract Administration and Procurement Division and determined that there was a County vehicle assigned to Mr. Wallace 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 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 of employment.”

The County Council and County Executive
July 2002
Page -4-

Mr. Wallace filed the proper financial disclosure statements with the Prince George's County Board of Ethics for the period January 1, 2001 through December 31, 2001 and a final financial disclosure statement for the period January 1, 2002 through April 4, 2002.

David H. Van Dyke, CPA
County Auditor.

Emmanuel C. Nwachuku
Auditor-In-Charge