



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

July 2021

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

Re: Departure of Mary Lou McDonough
Director of the Department of Corrections

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 Office of the Director of the Department of Corrections. This audit was initiated due to the retirement of Mary L. McDonough from the position of Director of the Department of Corrections, effective September 30, 2020.

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 will be included in the scope of the County's annual financial audit conducted by CliftonLarsonAllen, LLP, independent auditors, for the year ended June 30, 2021. Therefore, we primarily directed our examination to include a review of Ms. McDonough's travel advances, expense reimbursements, leave records, fixed assets records, and selected expense accounts for the period July 1, 2020, through September 30, 2020.

FINDINGS, COMMENTS, AND RECOMMENDATIONS

Expenditures, Encumbrances, and Commitments

A statement of expenditures, encumbrances, and commitments compared with appropriations for the Office of the Director of the Department of Corrections (DOC), for the period July 1, 2020, through September 30, 2020, is presented on Schedule 1 of this report. As of September 30, 2020, total expenditures, encumbrances, and commitments did not exceed total appropriations for the Office of the Director.

Travel Advances and Expense Reimbursements

We reviewed the travel advance records maintained by the Office of Finance, Accounting Division, for the period July 1, 2020, through September 30, 2020, and determined that Ms. McDonough did not have any unsettled travel advances at the time of her retirement. We also reviewed expense reimbursements paid to Ms. McDonough for the period July 1, 2020, through September 30, 2020, and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified final pay computations for Ms. McDonough 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. 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 Capital Assets Manual, prepared by the Office of Finance and the Office of Central Services, requires the Office of Central Services' General Services Division to perform an exit inventory of capital (fixed) assets and report findings to the Director of the Office of Central Services, upon the departure or transfer of a Department/Agency Head. The Office of Central Services is required to take the necessary steps to recover any missing asset or seek restitution for

the value of the assets. We contacted personnel within the Office of Central Services' General Services Division, Fleet Management Division, and the Office of Finance and determined that the County vehicle assigned to Ms. McDonough, was purchased prior to her departure. In accordance with Administrative Procedure 624, Ms. McDonough's request to purchase her County assigned 2018 Ford Explorer 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 computer/equipment, etc. This review included an examination of personnel records maintained by the Office of Human Resources Management, and the Office of Finance's Payroll Section on separated employees. When an employee is separated from County service, an Employee Separation Form (PGC Form#4281) is filled out by each employee as a part of the exit process. This form (PGC Form#4281) records the return of assigned County personal property and normally a copy can be found in the employee's personnel file. At the time of our review there was an Employee Separation Form in Ms. McDonough's personnel file documenting the return of non-fixed assets that were assigned to her. In accordance with Administrative Procedure 624, Ms. McDonough's request to purchase her County assigned Apple iPhone XR, Apple iPad and a Dell Latitude Laptop was approved by the Director of the Office of Central Services.

During our review of the assets purchased by the former Director of the Department of Corrections, we noted that the Office of Central Services did not maintain adequate documentation to support the valuation of the assets. As a result, we performed alternative audit procedures to determine the accuracy and reasonableness of the value of the assets sold to the former Director of the Department of Corrections, determined that the value of the assets sold was computed correctly, and found no reportable discrepancies or irregularities.

We recommend the Office of Central Services personnel maintain all supporting documentation (i.e. printout from the J.D. Powers National Automobile Dealers Association (NADA) Official Used Car Guide for vehicles, and sales receipts, purchase orders, or other documentation to fully describe the item requested for sale, for non-fixed assets) related to the valuation of all County property sold to departing officials, in accordance with Administrative Procedure 624.

Financial Disclosure Requirement

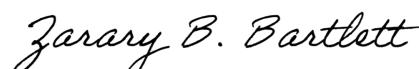
Section 2-294 (c) (1) of the Prince George's County Code requires certain officials, employees, and candidates for office (among them the Director of the Department of Corrections) to file financial disclosure statements. Council Bill 125-1984, effective February 4, 1985, modified Section 2-294(c) (1) 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, Ms. McDonough was required to file a financial disclosure statement within sixty (60) days of leaving office. At the time of our review, Ms. McDonough had filed a financial disclosure statement with the Prince George's County Board of Ethics for the period January 1, 2020, through September 30, 2020, in a timely manner, as required.



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



Zachary B. Bartlett
Staff Auditor

Schedule 1

DEPARTMENT OF CORRECTIONS
OFFICE OF THE DIRECTOR
STATEMENT OF EXPENDITURES, ENCUMBRANCES, AND COMMITMENTS
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2020 THROUGH SEPTEMBER 30, 2020

	Compensation	Fringe Benefits	Other Operating Expenses	Total
<u>Appropriations</u>				
Current Year	\$ 3,477,100	\$ 1,174,300	\$ 8,100	\$ 4,659,500
<u>Expenditures and Encumbrances</u>				
Current Year:				
Salaries				
Full Time Regular (net of adjustments)	\$ 825,969	-	-	\$ 825,969
Overtime Compensation	204,403	-	-	204,403
Leave Payout	17,414	-	-	17,414
Other Compensation	22,509	-	-	22,509
Compensation JE Adjustment	(80,065)	-	-	(80,065)
Pre-Encumbrance Compensation	-	-	-	(1,272)
Fringe Benefits	-	379,424	-	379,424
Operating Expenses	-	-	-	-
Other General & Administrative	-	-	90,000	90,000
Food	-	-	581	581
Other Operating Supplies	-	-	1,950	1,950
Software Non-capital	-	-	2,494	2,494
Total Expenditures & Encumbrances	\$ 990,231	\$ 379,424	\$ 95,025	\$ 1,463,408
Unencumbered Balance as of September 30, 2020	\$ 2,486,869	\$ 794,876	\$ (86,925)	\$ 3,196,092