



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

March 2022

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

Re: Departure of Estella Alexander
Director of the Department of Housing and Community Development

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 Housing and Community Development. This audit was initiated due to the termination of Estella Alexander from the position of Director of the Department of Housing and Community Development, effective February 12, 2021.

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 are included in the scope of the County's annual financial audit, conducted by CliftonLarsonAllen, LLP, independent auditors, for the year ended June 30, 2020, and no discrepancies or irregularities were disclosed. Therefore, we primarily directed our examination to include a review of Ms. Alexander's travel advances, expense reimbursements, leave records, fixed assets records, and selected expense accounts for the period July 1, 2020, through February 28, 2021.

FINDINGS, COMMENTS, AND RECOMMENDATIONS

Expenditures, Encumbrances, and Commitments

A statement of expenditures, encumbrances, and commitments compared with appropriations for the Office of the Director, for the period July 1, 2020, through February 28, 2021, is presented on Schedule 1 of this report. As of February 28, 2021, total expenditures and encumbrances did not exceed total appropriations for the Office of the Director. However, during our review of six (6) selected expenditure transactions incurred by the Office of the Director, we noted that supporting documentation (i.e., invoices/receipts) or approval documentation (i.e., signed agency control sheet or email approval) was not provided to support three (3) transactions selected for testing. However, based on a review of accounting transaction descriptions in the County's financial system and available supporting documentation, we were able to reasonably be assured that these transactions were for the benefit of the Office of the Director and not Ms. Alexander. **We recommend that personnel in the Office maintain all supporting and approval documentation related to all transactions incurred by their office.**

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 February 28, 2021, and determined that Ms. Alexander did not have any unsettled travel advances at the time of her retirement. We also reviewed expense reimbursements paid to Ms. Alexander for the period July 1, 2020, through February 28, 2021, and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified the final pay computations for Ms. Alexander 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 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 and Fleet Management Division, and determined there were no fixed assets assigned to Ms. Alexander.

Our review also included the verification of County issued non-fixed asset items such as a cell phone, personal digital assistant, a County identification and security card, keys, a laptop computer/equipment, etc. This review included an examination of personnel records maintained by the Office of Human Resources Management (OHRM) and the Office of Finance's Payroll Section on terminated employees. When an employee separates from County service, an Employee Separation Form (PGC Form #4281) is filled out by the 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. Alexander's personnel file documenting the return of non-fixed assets that were assigned to her.

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 Housing

and Community Development) 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. Alexander was required to file a financial disclosure within sixty (60) days of leaving office. At the time of our review, Ms. Alexander had filed a financial disclosure statement with the Prince George’s County Board of Ethics, for the period January 1, 2021 through January 5, 2021, consistent with her actual last physical day of employment, as required.



Turkessa Green, CPA, CIA, CISA
County Auditor



Larry Whitehurst Jr., CPA, MBA, CIA
Audit Manager

Schedule 1

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
OFFICE OF THE DIRECTOR
STATEMENT OF EXPENDITURES, ENCUMBRANCES, AND COMMITMENTS
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2020 THROUGH FEBRUARY 28, 2021

	Compensation	Fringe Benefits	Operating Expenses	Other	Total
<u>Appropriations</u>					
Current Year	\$ 815,600	\$ 274,600	\$ 692,900	\$ 1,783,100	
<u>Expenditures and Encumbrances</u>					
Current Year:					
Salaries					
Full Time Regular	\$ 501,955	\$ -	\$ -	\$ 501,955	
Overtime Compensation	115,681	-	-	115,681	
Emergency Stipend	9,391	-	-	9,391	
Leave Payout	32,019	-	-	32,019	
Beneflex Opt Out	404	-	-	404	
Compensation Journal Entries	(115,376)	-	-	(115,376)	
Fringe Benefits	-	130,961	-	130,961	
Office Automation			561,800	561,800	
Telephone-Wireless/Cell	-	-	826	826	
Advertising	-	-	101	101	
Professional Services-Auditing			23,239	23,239	
Membership Fees/Dues	-	-	400	400	
Pool Car Rental	-	-	3,000	3,000	
Billing Charges	-	-	1,177	1,177	
General Office Supplies	-	-	4,959	4,959	
Software Non-Capital	-	-	272	272	
Other Operating Equipment Repair Maintenance	-	-	2,376	2,376	
Procurement Card Purchase	-	-	25	25	
Total Expenditures & Encumbrances	<u>\$ 544,074</u>	<u>\$ 130,961</u>	<u>\$ 598,175</u>	<u>\$ 1,273,210</u>	
Unencumbered Balance as of February 28, 2021	<u>\$ 271,526</u>	<u>\$ 143,639</u>	<u>\$ 94,725</u>	<u>\$ 509,890</u>	