

Maryland-National Capital Park & Planning Commission Office of the Inspector General

Fiscal Year 2018 Annual Report
(July 1, 2017 – June 30, 2018)

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Inspector General
July 13, 2018

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Inspector General's Message to the Executive and Audit Committees

I am pleased to provide this Annual Report on the activities and accomplishments of the Office of the Inspector General (OIG or Office) from July 1, 2017 through June 30, 2018 (FY18). FY18 brought many changes to the Office, including the establishment of the Office of the Inspector General in October 2017. This change was effected by new legislation within the Annotated Code of Maryland, Land Use Article, Subtitle 4 Audit Committee, §15-401-§15-405, and Subtitle 5 Office of the Inspector General, §15-501-15-508.

The new regulations strengthened the Office's independence by shifting the reporting relationship of the Inspector General from the Commission's Chair and Vice Chair to the Audit Committee, which operates independently from the management of the Maryland-National Capital Park and Planning Commission (M-NCPPC or Commission). In addition, the Inspector General is appointed by the Audit Committee for a four (4) year term, with possible renewals. Previously, the Chief Internal Auditor held a merit system position within the Commission.

The regulations also enhanced our ability to complete fraud, waste, and abuse investigations by providing authorization to administer oaths, take depositions and issue subpoenas.

Our work, highlighted in this report, demonstrates our commitment to promoting accountability, efficiency, and effectiveness in Commission programs and operations and keeping Commission management fully and currently informed about deficiencies in Commission activities, as well as the necessity for and progress of corrective action.

To improve M-NCPPC operations, OIG identified vulnerabilities in, and made many recommendations to improve, the effective and efficient operation of M-NCPPC programs. This report includes information on the completion of 13 Performance Audits, 11 Fraud, Waste, and Abuse investigations, 19 Management Advisories, and 13 Follow-Up Reviews.

Finally, OIG's success would not be possible without the collaborative efforts between my staff and those of M-NCPPC to address OIG findings and to timely implement recommended corrective actions. I wish to thank them for their dedication and support, and I look forward to their continued cooperation as we work together to ensure the integrity and efficiency of M-NCPPC operations.



Renee M. Kenney, CPA, CIG, CIA, CISA
Inspector General

July 13, 2018

**Maryland-National Capital Park and Planning Commission
Office of the Inspector General
Fiscal Year 2018 (FY18) Annual Report**

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Introduction

According to Administrative Practice No. 1-31 – *Organization and Functions of the Audit Committee*, the Commission’s Audit Committee shall receive and review the following reports on departmental and operational audits:

1. Annual Summary of Significant Audit Findings: The Inspector General shall provide to the Audit Committee, a synopsis of all audits conducted during the 12-month fiscal cycle with an explanation of significant audit findings, recommendations, and corrective actions taken.
2. Reports on Internal Control Systems and Processes: The Inspector General shall report to the Audit Committee on the effectiveness of M-NCPPC internal control systems and processes. These reports shall be presented at least semi-annually either orally or in writing.

To meet the responsibilities outlined above, the Office of the Inspector General (OIG) respectfully submits the following.

Office of the Inspector General Fiscal Year 2018 (FY18) Overview

Office of the Inspector General Staff

Renee M. Kenney, CPA, CIG, CIA, CISA, Inspector General
Robert Feeley, CGFM, CFE, CAA, CICA, Assistant Inspector General
Wanda King, Assistant Inspector General
Natalie Beckwith, CICA, Assistant Inspector General
Sadat Osuman, CISA, CRISC, IT Audit Manager

Professional Credentials and Memberships

Inspectors General in the OIG maintain relevant certifications and are members of many prestigious professional audit and accounting associations. Auditing certifications demonstrate a technical capability that is recognized internationally. The professional associations providing the certifications have rigorous standards and minimum requirements that include comprehensive written exams for technical knowledge and skills and verified education and experience requirements. The certifications also carry stringent ethical standards.

CERTIFICATIONS	
CPA	Certified Public Accountant
CIG	Certified Inspector General
CIA	Certified Internal Auditor
CISA	Certified Information System Auditor
CFE	Certified Fraud Examiner
CGFM	Certified Government Finance Manager

CAA	Certified Acquisition Auditor
CICA	Certified Internal Control Auditor
CRISC	Certified in Risk and Information Systems Control

MEMBERSHIPS	
American Institute of Certified Public Accounts	
Institute Internal Auditors (IIA)	
Association of Inspectors General	
Information Systems Audit Control Association (ISACA)	
Association of Certified Fraud Examiners	
Association of Local Government Auditors (ALGA)	
Maryland Government Finance Officers Association (MDGFOA)	
Association of Government Accountants (AGA)	
Institute for Internal Controls	

ADVANCED EDUCATION	
Renee Kenney	Master of Science, Accounting (MS)
Robert Feeley	Master of Business Administration (MBA)
Wanda King	Master of Business Administration (MBA)
Natalie Beckwith	Master of Public Administration (MPA)

BOARD POSITIONS	
Renee Kenney	Institute of Internal Auditors, Baltimore Chapter
Robert Feeley	M-NCPPC Diversity Council – Chair

Quality and Standards

Auditing Standards

The Office of the Inspector General is committed to producing high-quality audits and applies professional auditing standards to formal audits and applicable standards to all engagements. Professional audit standards provide a framework to promote quality audit work that is systematic, objective, and based on evidence. Adherence to these standards ensures that reviews and assessments of M-NCPPC operations are consistently informative, accurate, and objective. The Office of the Inspector General conforms to *Generally Accepted Government Auditing Standards* (GAGAS) or the “Yellow Book” for the completion of all performance audits. These professional standards are issued by the United States Government Accountability Office.

The OIG conforms to *Principles and Standards for Offices of Inspector General* or the “Green Book” for the completion of fraud, waste, and abuse investigations. These professional standards are issued by the Association of Inspectors General.

External Quality Assessment/Peer Review

Consistent with the Yellow Book, the OIG is required to obtain an independent external quality assessment at least once every three years by a professional, objective group. This assessment is commonly referred to as a peer review.

The Association of Local Government Auditors completed a peer review of the M-NCPPC Office of Internal Audit in September 2017 for fiscal years 2015-2017. The audit report concluded, “The Maryland-National Capital and Planning Commission Office of Internal Audit’s internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audits during the period July 1, 2014-June 30, 2017.”

Annual Risk Assessment

The Office of the Inspector General completed risk assessment interviews with Commission management in spring, 2017. Using the results of the interviews, the OIG identified 64 possible auditable units or processes (i.e. audit universe). Surveys were then distributed to the interviewees asking them to rank the risk factors (impact and likelihood) of each unit/process. The following table includes a list of the top 20 auditable units, per the survey results.

Risk Ranking	Risk Area	Included in Audit Plan
1	Construction Management (CIP)	Y
2	[REDACTED]	■
3	Personnel Disciplinary Actions (processing of)	Y
4	Commission Vehicles	Y
5	Park Police Overtime	Y
6	Fixed Assets	Y**
7	PCI-DSS (Parks Direct)	Y
8	Personnel Action Forms (processing of)	N***
9	Purchase Cards	Y**
10	Cash Management, Departments	Y**
11	[REDACTED]	■
12	Fuel Usage	Y
13	Class and Compensation Project	N****
14	Seasonal/Intermittent time cards	Y**
15	Use of Safety Equipment	Y
16	ADA Compliance	Y
17	Cash Management - Treasury Operations	Y
18	Paid Administrative Leave	Y
19	Employee Separation	N*****
20	ERP Contract	Y

[REDACTED]
 [REDACTED]
 ** Included in Facility Audits.

*** Personnel Action Forms Audit was issued June 13, 2016. Some issues are still outstanding and will be covered in audit follow-up testing.

**** The project has been extended and is not yet complete. Audit to be considered once the project is complete.

***** Subject covered in previous audits.

FY18 Audit Plan

The Inspector General is responsible for developing a fiscal audit plan to be approved by the Audit Committee. Identification of specific audits to be included in the plan depend on many factors, including: ranking in risk assessment, OIG resources, previous audits, on-going projects, and professional judgment.

In addition to the planned performance audits, the audit plan must also include adequate hours and resources for fraud, waste, and abuse investigations, and other non-audit services.

The FY18 Audit Plan included the following performance audits:

Audits	Status
Administering Disciplinary Actions/Paid Administrative Leave	Completed
Commission Vehicle Use Program	Completed
Park Police Overtime	Topic covered in MC-003-2018 Park Police – Timekeeping Procedures [REDACTED]
Commission Energy Management/Utilities	Completed
Fuel Usage	Completed
Safety Equipment	Completed
ADA Compliance	Completed
Cash Management Treasury Operations	In progress
ERP Contract (original)	Cancelled
Rec Track/Park Direct (PRA Point of Sale Application)	Completed
[REDACTED]	[REDACTED]
Disaster Recovery/COOP	Cancelled
Enterprise IT Change Management	Completed
PGC Facility Audits	Completed four ¹
MC Facility Audits	Completed one ²

The FY18 Audit Plan was aggressive, as many of the audit areas impacted Commission wide operations and programs. The OIG completed most planned performance audits. Three IT performance audits were canceled due to the extended vacancy of the IT Audit Manager position (filled in January 2018). These audit areas will be re-assessed as part of the FY19 internal risk assessment process. The Commission wide Park Police Overtime audit will be carried over to FY19, however, the OIG was able to assess overtime practices within the Montgomery County Park Police Division during a timekeeping fraud, waste, and abuse review (MC-003-2018).

¹ Rollingcrest Community Center, College Park Community Center, Print Shop, Show Place Arena/Equestrian Center

² Olney Manor Facility Audit

Note: The Audit Plan is considered a fluid document. The IG is authorized to adjust the plan to meet the goals of the Office. Significant changes are presented to and approved by the Audit Committee.

Completed Audits (Overview)

Note: Exhibit A contains a detailed listing of all FY18 completed audits

Performance Audits

Performance audits provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, and facilitate decision making. The OIG completed 13 performance audits in FY18 and one (1) is in process (Cash Management - Treasury Operations).

Facility audits are considered performance audits. A facility audit includes a comprehensive assessment of the various activities within the facility, such as, petty cash, purchase card, fixed and controlled assets, payroll, accounts receivable, purchase orders, employee expense reimbursement, vehicle logs, and building security.

Fraud, Waste, and Abuse Investigations (Administrative)

In cases where fraud, waste, or abuse is suspected, the Office of the Inspector General has responsibility to investigate the matter in accordance with Commission Practice 3-31, *Fraud, Waste, & Abuse*.

At the end of a fraud, waste, and abuse (FWA) investigation, the OIG typically issues two audit reports. The first report contains the OIG's conclusion on the occurrence of fraud, waste, or abuse. If applicable, the OIG quantifies the amount of the misappropriation. The second audit report is an internal control report. This report includes recommendations to strengthen internal controls, along with management's response to the recommendations.

In FY18, the OIG completed 11 FWA investigations. Five (5) of the investigations resulted in a conclusion of fraud, waste, or abuse. A summary of the five investigations is provided below:

- Rock Creek Maintenance Facility – CIP Project - Lack of managerial oversight.
- Montgomery County Park Police - Timekeeping Procedures – We identified pervasive issues with timekeeping procedures within the Montgomery County Park Police Division [REDACTED]
- [REDACTED] Center – Theft of Customer Payments – An intermittent Center employee misappropriated \$91.00 of fee income (customer payments).

- [REDACTED] – Timekeeping Fraud - A merit system employee falsified his/her time card, failed to record approved leave and realized a personal gain of \$3,114.80 in unearned wages.
- [REDACTED] Community Center – Personal use of Commission Property - A manager was storing personal items in a Commission owned storage unit (shed). In addition, the manager abused his/her authority by asking a subordinate to accommodate his/her request.

Note: The OIG is not consulted or involved in any subsequent disciplinary actions, including requests for restitution.

Management Advisories/Non-Audit Services

Management advisories are usually the result of a special request from management to review a specific procedure or function. Management advisory reporting is ad-hoc and the reports are designed to meet the needs of management. Management advisories are completed as non-audit services (i.e. not subject to GAGAS standards). The OIG completed 19 management advisories in FY18.

Follow-Up Reviews

The OIG is responsible for completing follow-up reviews for all high and medium risk audit recommendations. For FY18, the OIG completed 13 follow-up reviews, which included 47 audit recommendations. Upon completion of the follow-up testing, the OIG was able to conclude 43 of the audit recommendations were satisfactorily resolved, four were partially resolved as some action was taken, and 0 were unresolved.

Summary of Major Audit Concerns and High-Risk Audit Findings

If the overall control environment for the unit or process being audited requires management's immediate attention, details of the deficiencies are included in the "Major Audit Concerns" section of the report. For FY18, seven (7) audit reports included a major audit concern.

The audit reports with major audit concerns included:

- 1) Americans with Disabilities Act Compliance (Title II) – Data Storage
- 2) Commission Energy Management/Utilities
- 3) Rock Creek Maintenance Facility
- 4) Montgomery County Park Police – Timekeeping Procedures
- 5) Montgomery County Park Police – Officer Issued Equipment
- 6) ████████ – Timekeeping Procedures
- 7) Office Services Unit – Print Shop

For FY18, the OIG identified 39 high-risk audit findings. The OIG relies on the auditor's professional judgment when assigning risk ratings (high, medium, or low) to individual audit findings. A high-risk rating indicates a deficiency in the design or operation of an internal control procedure(s) that could adversely affect an operating unit's ability to safeguard assets, comply with laws and regulations, and ensure transactions are properly executed and recorded on a timely basis.

The following high-risk audit findings appear to be pervasive throughout the Commission:

- Lack of managerial oversight (timekeeping); and
- Inaccurate time cards.

Note: **Exhibit B** includes detailed information on the major audit concerns and high-risk audit findings.

Ethics and Compliance Employee Hotline

The OIG administers the Commission's independent Ethics and Compliance Employee Hotline (Hotline). There were 21 assertions submitted to the Hotline in FY18, however, five were related to one construction project (Rock Creek Maintenance Facility) and three were related to timekeeping issues at the ██████████ Maintenance Yard, for a total of 15 cases. Six (6) of the cases were referred to the applicable Department and/or Human Resources and eight (8) were investigated by the OIG. One (1) was initially referred to Prince George's County Park Police, and will conclude with a fraud, waste, and abuse investigation.

Report Number	Report Date	Summary	Resolution
125775926	07/11/2017	Identified possible time card fraud at ██████████ Community Center	OIG completed a fraud, waste, and abuse investigation (PGC-002-2018)
126200757	09/26/2017	Alleged abuse of power, personal use of Commission property.	OIG completed a fraud, waste, and abuse investigation (PGC-007-2018)
126336661	10/20/2017	Identified possible issues with Rock Creek Maintenance Facility (RCMF) construction contract	OIG completed a fraud, waste, and abuse investigation (MC-002-2018)
126341019	10/20/2017	Additional allegations with RCMF	
126349375	10/23/2017	Additional allegations with RCMF	
126349449	10/23/2017	Additional allegations with RCMF	
126349519	10/23/2017	Additional allegations with RCMF	
126336735	10/20/2017	Identified possible issues with competitively bid procurement	OIG completed a fraud, waste, and abuse investigation (MC-004-2018)
126775478	01/16/2018	Unplanned early closure of a Community Center	Referred to the Department
126900819	02/08/2018	Compromised interview questions	Referred to Human Resources
127033091	03/06/2018	Identified possible time card fraud at ██████████ Community Center	This allegation was investigated as part of a planned follow-up review
1270159669	03/01/2018	Allegations of timekeeping fraud at	Increased scope of ongoing audit (MC-003-2018)

Report Number	Report Date	Summary	Resolution
		Montgomery County Park Police	
127024071	03/03/2018	Identified possible time card fraud at ██████ Operations Maintenance Yard	OIG completed a fraud, waste, and abuse investigation (PGC-012-2018)
127316056	04/30/2018	Additional allegations at ██████ Operations Maintenance Yard	
127331075	05/02/2018	Additional allegations at ██████ Operations Maintenance Yard	
127391917	05/14/18	Failure to complete required employment background check for Commission employee	Referred to Human Resources
127460288	05/30/18	MC Park encroachment concerns	Referred to the Department
127475947	05/31/18	Workplace safety/employee threats	Referred to Park Police
127474860	05/30/18	Gambling activities at Suitland Community Center	Referred to the Department
127555032	06/15/18	Theft of television (controlled asset), ██████ ██████ Community Center	Matter referred to Park Police for possible criminal activities. The OIG has initiated a fraud, waste, and abuse investigation, currently in progress. (PGC-005-2019)
127572764	06/19/18	Concerns with an employee's political activities	OIG investigated and concluded employee's actions were acceptable per Commission Notice 14-04, Employee Conduct with Respect to Political Activities
15 Cases			

Key Performance Indicators

Using a balanced scorecard approach, the OIG defined several internal objectives to strengthen its quality control program. **Please see Exhibit C.** The following table captures some of the key performance indicators (measures) being tracked by the OIG.

Audit Committee	
Measures	Results
The IG to facilitate quarterly audit committee meetings. Meeting agenda to include identification of high-risk audit findings issued within the quarter	<ul style="list-style-type: none"> • 09/20/2017 – Bi-County Commission Meeting (pre-meeting) • 11/28/17 – Telephone meeting • 12/20/17 – Met with External Auditors • 03/06/18 – Telephone meeting • 06/12/18 - Telephone meeting
Annual Audit Committee Report of Activities	The AC presented their FY17 report at the September 2017 Bi-County Commission meeting. The FY18 report is scheduled for September 2018.
Number of Audit Requests from AC	AC asked the OIG to review the Commission’s procedures on the issuance of rider procurement contracts, specifically the [REDACTED] Contract. (CW-007-2018)
Audit Process	
Measures	Results
Completion of Annual Risk Assessment	See page 4
Number of Audits Completed vs. Plan	See page 7
Number of Follow-Up Audits	See page 8
Number of High Risk Audit Findings	See page 9
Innovation/Capabilities	
Measures	Results
OIG Personnel to obtain the required number of CPE hours	Confirmed by IG
Audit Clients	
Measures	Results
Concurrence with audit recommendations	One additional audit comment – MC Park Police (MC-007-2018). Management did not agree to a recommendation which required [REDACTED]
Hotline submissions	See pages 10-11

Other Noteworthy Items

- Training – OIG personnel facilitated three³ audit refresher classes in FY18. The refresher provides a comprehensive review of internal controls and assists facility managers with preparing for an internal audit.

The Inspector General also completed mandatory ethics and fraud, waste, and abuse training for all Montgomery County Department of Planning employees.

- Internal Audit Awareness Month – May was International Internal Audit Awareness month. The OIG held its second annual open house on May 22, 2018. The event was well attended with over 38 visitors from all departments and divisions. The OIG distributed a pamphlet with valuable information describing the Office of the Inspector General, including a summary of reoccurring high-risk findings, and information on the Commission’s external Ethics and Compliance Employee Hotline.
- Administrative Assistant – The OIG received budgetary approval to hire a part-time (20 hours per week) administrative assistant to assume petty cash, purchase card, and other administrative responsibilities in FY18. We were able to successfully recruit an experienced administrator to fill this much needed role.
- Summer Intern – Due to the generosity of Prince George’s County Parks and Recreation, Special Program’s Division, the OIG was fortunate to sponsor a paid summer intern for the 2017 summer season.

³ Central Area Office, Northern Area Office, and the Natural and Historical Resources Division

Effectiveness of the Internal Control Systems and Processes

It is the opinion of the Inspector General that the internal control systems and processes for the Commission's fiscal, operational, and information technology (IT) activities and applications/systems are adequate, but there are areas for improvement in processing HR personnel action forms⁴, departmental competitive bids, IT governance, and construction project management/change orders.

The OIG will be completing the following audits and advisory reviews in FY19 to address the areas identified for improvement.

- 1) Assessment of purchasing governance. The OIG to compare current reporting structures against documented best practices to ensure purchasing professionals involved in competitive proposals (RFPs) are independent and adequately trained.
- 2) Assessment of total IT spend.
- 3) Lawson ERP:
 - Lawson v10 Upgrade Go-Live Readiness Assessment; and
 - Lawson v10 Deliverables – to include an assessment of department business needs.
- 4) Commission Change Order procedures.
- 5) Follow up on the Department of Parks and Recreation, CIP audit report issued by the Office of Legislative Audits.

Note: The OIG submitted a complete FY19 Audit Plan to the Audit Committee for approval on June 12, 2018. The plan was unanimously approved.

⁴ OIG completed DHRM Personnel Action Forms audit in 2016 (CW-001-2016). Not all audit recommendations have been resolved. Department is waiting on the Lawson v10 upgrade scheduled for December 2018, as it includes features to improve processing efficiencies.

Exhibit A Completed Audits

CW – Commission-wide; PGC – Prince George’s County; MC – Montgomery County

Performance Audits

Audit Number	Audit Name/Facility	Date Final Report Issued	Report Findings (risk level)		
			H	M	L
CW-002-2018	M-NCPPC Vehicle Use Program	01/25/18	4	18	4
CW-004-2018	ADA Compliance (Title II)	06/30/18*	4	1	0
CW-005-2018	Administering Disciplinary Actions/Paid Administrative Leave	06/29/18	4	2	0
CW-006-2018	Commission Energy Management/Utilities	12/28/17	2	1	1
CW-009-2018	Safety Equipment and Inspections	06/29/18	0	7	1
CW-010-2018	Fuel Usage	05/31/18	0	0	1
CW-011-2018	Enterprise IT Change Management	06/30/18	1	0	1
MC-006-2018	Olney Manor – Facility Audit	06/29/18	0	4	0
PGC-004-2018	Rollingcrest Chillum Community Center	12/08/17	0	1	1
PGC-008-2018	College Park Community Center	06/08/18	1	2	0
PGC-009-2018	Office Services Unit - Print Shop	04/04/18	2	2	0
PGC-010-2018	Parks Direct (IT) Post Implementation	06/29/18	1	2	2
PGC-011-2018	Show Place Arena and Equestrian Center	06/30/18*	1	0	1
CW-008-2018	Treasury Operations	In progress			
13 Completed Audits	Total Number of Findings (72)		20	40	12

*Reports issued in draft form, waiting for management’s response to audit recommendations before final promulgation.

Exhibit A Completed Audits

CW – Commission-wide; PGC – Prince George’s County; MC – Montgomery County

Fraud, Waste and Abuse Reviews (FWA)

Audit Number	Audit Name	Report Date	ICR Findings		
			H	M	L
MC-002-2018	Rock Creek Maintenance Facility	03/02/18	4	1	0
MC-003-2018	MC Park Police – Timekeeping Procedures	04/25/18	5	2	0
MC-004-2018	██████████ LLC – Contract	Not issued ⁵	0	0	0
MC-007-2018	MC Park Police – Officer Issued Equipment	05/01/18	3	0	0
PGC-001-2018	Fleet Management	12/08/17	0	0	0
PGC-002-2018	██████████ Community Center – Time Card(s)	09/18/17	0	0	0
PGC-003-2018	██████████ Community Center – Time Cards(s)	11/01/17	1	0	0
PGC-005-2018	██ Center - Customer Payments	02/09/18	2	0	0
PGC-006-2018	██████████ - Timekeeping	11/21/17	1	0	0
PGC-007-2018	██████████ Community Center – Personal Use of Commission Property	09/28/17	0	0	0
PGC-012-2018	██████████ Operations – Maintenance – Timekeeping	06/13/18	1	2	1
11 Investigations	Total Number of Findings (24)		17	5	1

⁵ Internal Control Report MC-004-2018-B was not issued. The draft audit report included one high-risk audit recommendation, “Review Governance Structure for Procurement Function”. As this recommendation supports a Commission-wide project to be completed by the OIG, Montgomery County Department of Parks was unable to provide a response. (Please see page 14 of this report, OIG to complete an assessment of purchasing governance.)

Exhibit A Completed Audits

CW – Commission-wide; PGC – Prince George’s County; MC – Montgomery County

Management Advisory Reviews and other Non-Audit Services

Audit Number	Audit Name/Facility	Communication Date
CW-001-2018	Purchase Card - Continuous Audit	1 st quarter FY18 ⁶
CW-003-2018	██████████ Contracting, LLC – Minimum Wage Payments	09/29/17
CW-007-2018	Contract Riders – ██████████ ██████████ Inc.	11/29/17
CW-012-2018	Retail Inventory Verification	06/30/18
MC-001-2018	Montgomery County Foundation – Internal Control Review	12/22/17
MC-005-2018	Olney Manor Recreation Park – Purchase Card Review	01/30/18
MC-008-2018	Safe Grow Montgomery – Compliance Review	06/04/18
PGC-013-2018	South Bowie Community Center – Petty Cash Review	06/21/18
Misc. 1	MC Planning – Personal Use of Commission Property	No audit report issued. OIG completed mandated training for all MC Planning personnel.
Misc. 2	PGC Parks and Rec. – Falsification of time card (unsubstantiated)	07/24/17
Misc. 3	PRA ██████████ – Excessive travel expenses (unsubstantiated)	07/05/17
Misc. 4	PGC Parks and Rec. – Possible conflict of interest with employee and secondary employment with the ██████████ (unsubstantiated)	11/07/17
Misc. 5	PGC Parks and Rec. – Possible time card fraud, Central Area Operations (unsubstantiated)	03/14/2018

⁶ The OIG agreed to implement a pilot program to identify irregular level 3 purchase card transactions on a continuous basis after the completion of a purchase card audit by Montgomery County Office of the Inspector General (January 2016). After 18 months (March 2016 – September 2017) of continuous auditing, the OIG has discontinued the program due to lack of findings.

Exhibit A Completed Audits

CW – Commission-wide; PGC – Prince George’s County; MC – Montgomery County

Misc. 6	MC Chair’s Office – Possible conflict of interest (unsubstantiated)	04/02/2018
Misc. 7	██████████ Community Center – Personal use of Commission facility (substantiated)	Planned Performance Audit ⁷
Misc. 8	PGC Parks and Rec., Central Area Operations – Possible irregularity with reporting comp time earned (HRIS reporting error – corrected)	06/12/18
Misc. 9	PGC Parks and Rec., Northern Area Operations - Allowing unauthorized employee to work; payment of salary due (substantiated, issue corrected)	06/12/18
Misc. 10	Montgomery County Department of Parks - Employee’s political activities (unsubstantiated)	06/19/18
Misc. 11	PGC Parks and Rec., Sports, Health and Wellness Division; nepotism, unfair recruitment and selection, concerns with competitively bid contract, conflict of Interest (unsubstantiated)	06/25/18
19 Reviews		

Note: Miscellaneous reviews typically involve limited investigation by the OIG. Cases may be open based on an allegation or concern by management, but initial investigation by the OIG does not warrant the completion of a full audit or investigation. These reviews are not assigned an audit number. They do not have any audit findings/recommendations.

⁷ Prince George’s County Department of Parks and Recreation management documented sufficient evidence to confirm allegation. The OIG has agreed to complete a full facility audit in FY19.

Exhibit A Completed Audits

CW – Commission-wide; PGC – Prince George’s County; MC – Montgomery County

Follow-Up (FUP) Reviews

Audit Number	Audit Name/Facility	Date of FUP Audit Report	Recommendations Resolved		
			Fully	Partially	Unresolved
MC-003-2016	Park Police Fleet Analysis	12/22/17	3	0	0
CW-003-2017	Accounts Payable	04/11/18	14	0	0
MC-004-2017	MC Ice Rinks – ██████████ ██████████	12/20/17	5	2	0
MC-005-2017	Brookside Gardens Retail Inventory (1st FUP report)	11/01/17	1	1	0
MC-005-2017	Brookside Gardens Retail Inventory (2 nd FUP report)	03/05/18	1	0	0
MC-006-2017	Park Police – ██████████ (1st FUP report)	10/24/17	1	1	0
PGC-019-2017	██████████ – Missing Deposits	08/21/17	5	0	0
PGC-020-2017	PGC Golf Pro Salary	05/29/18	5	0	0
PGC-021-2017	Park Police – ██████████ ██████████	10/27/17	2	0	0
PGC-003-2018	██████████ Time Card Fraud	03/26/18	1	0	0
PGC-004-2018	Rollingcrest Chillum Community Center	04/25/18	2	0	0
PGC-005-2018	██ Center – Customer Payments	05/07/18	2	0	0
PGC-006-2018	██████████ Timekeeping	04/25/18	1	0	0
13 Reviews			43	4	0

Exhibit B

Major Audit Concerns and High Risk Audit Findings

Audit Reports with Major Audit Concerns

ADA Compliance (PGC-013-2018)

Major Audit Concern - The Prince George's County Department of Parks and Recreation's ADA compliance data storage (i.e., ADA barrier identification, evaluation and removal) is decentralized across multiple databases and maintained by various owners. Compliance [REDACTED] is compromised due to potential risks of inaccurate, incomplete and insecure data. Decentralized data storage has contributed to difficulties and inefficiencies by impeding direct access to data required for preparing the Transition Plan (the Plan) mandated by the Department of Justice (DOJ).

4 High-risk audit recommendations:

- i. Transfer ADA Compliance Data to a Central Database
- ii. Formally Designate a Central ADA Coordinator
- iii. Enhance Website Accessibility Compliance
- iv. Develop Capability for Amenities Accessibility Search

Commission Energy Management/Utilities (CW-006-2018)

Major audit concern - Utility invoice data is not reviewed, monitored and analyzed consistently to identify performance trends, patterns or anomalies, which may indicate problems with utility usage and invoice billing errors for facilities and functional areas. Currently, the review of utility invoice data is performed on an ad hoc basis, mainly to address distinctive problems identified in a particular facility. In addition, no central employee or team is formally assigned the role of leading and coordinating utility invoice data review, monitoring and analysis.

2 High-risk audit recommendations:

- i. Develop Formal Assessment Plan for Utility Invoice Data
- ii. Appoint Coordinators to Administer the Assessment Plan

Rock Creek Maintenance Facility (MC-002-2018)

Lack of managerial oversight.

MC Park Police Timekeeping Procedures (MC-003-2018)

Major audit concern(s) - Park Police [REDACTED] culture that fostered fraud, waste, and abuse. The OIG reasonably concluded, [REDACTED]:

Exhibit B

Major Audit Concerns and High Risk Audit Findings

- instructed [REDACTED] to record straight 8's on their time cards, regardless of hours worked;
- failed to provide reasonable oversight to ensure personnel completed required job duties; and
- approved falsified time cards.

In addition, the OIG identified inaccurate reporting of time worked including:

- falsified time cards;
- inconsistent in-service requirements;
- extended meal breaks; and
- extended workouts.

5 High-risk audit recommendations:

- i. Mandate Ethics and Timekeeping Training
- ii. Ensure Proper Use of motor data terminals (MDT)
- iii. Standardize In-Service Requirements
- iv. Strengthen Procedures for the Assignment and Approval of Overtime
- v. Ensure Proper Completion of Time Cards

MC Park Police – Officer Issued Equipment (MC-007-2018)

Major audit concern(s) – Current procedures and controls do not provide adequate assurance that [REDACTED]

[REDACTED] Current procedures and controls do not provide adequate assurance that all issued equipment is returned upon Sworn Officer's separation from the Commission.

3 High Risk Audit Recommendations:

- i. Strengthen Controls over the [REDACTED] Processes
- ii. Improve Administrative Processes for the Tracking of Police-Issued Equipment
- iii. Include Final Release with Separation Documents

[REDACTED] Timekeeping (PGC-006-2018)

Major audit concern – Inadequate oversight over Commission timekeeping and recording functions.

1 High-risk audit recommendation:

- i. Strength Managerial Oversight for Timekeeping and Recording Functions

Exhibit B

Major Audit Concerns and High Risk Audit Findings

Office Services Unit – Print Shop (PGC-009-2018)

Major audit concern - Current operating procedures preclude management and/or the Office of the Inspector General (OIG) from identifying possible instances of fraud, waste, or abuse. There are no internal procedures in place defining who can submit print shop requests; current customers include DPR personnel, other Commission departments, and external organizations. In addition, Print Shop personnel are unable to reconcile the number of actual copies to specific job requests.

2 High-risk audit recommendations:

- i. Obtain Management Approval for Job Requests
- ii. Develop Guidelines for Non-Commission Print Jobs

Audit Reports with High Risk Audit Recommendations

M-NCPPC Vehicle Use Program (CW-002-2018)

4 High-risk audit recommendations:

- i. Oversee the Creation of a Commission wide Task Force to Review Practice 6-10 (CAS)
- ii. Ensure Overnight Parking Corresponds to Employee Place of Work (PGC Parks)
- iii. Review Vehicle Assignment Forms for Accuracy and Reasonableness (PGC Parks)
- iv. Maintain Vehicle Assignment Forms/Ensure Overnight Parking Corresponds to Employees Place of Work (MC Planning)

████████ Community Center Time Card Fraud (PGC-003-2018)

1 High-risk audit recommendation:

- i. Maintain Current Employee Work Schedules

████████████████████ Center – Customer Payments (PGC-005-2018)

2 High-risk audit recommendations:

- i. Secure Manual Cash Receipt Book
- ii. Strengthen Administrative Oversight and Controls over Class Rosters and Enrollment

Exhibit B

Major Audit Concerns and High Risk Audit Findings

██████████ Community Center (PGC-008-2018)

1 High-risk audit recommendation:

- i. Enhance Security Camera Coverage

Parks Direct – Post Implementation Review (PGC-010-2018)

1 High-risk audit recommendation:

- i. Establish detailed test plans and complete testing of all system components prior to go-live for future projects

██████████ Area Operations - Timekeeping (PGC-12-2018)

1 High-risk audit recommendations:

- i. Strengthen Managerial Oversight – Time Card Approvals

Enterprise IT Change Management (CW-011-2018)

1 High-risk audit recommendation:

- i. Establish and implement a Commission-wide IT change management policy

South Bowie Petty Cash Audit (PGC-013-2018)

2 High-risk audit recommendations:

- i. Strengthen Administrative Oversight of Petty Cash Replenishments
- ii. Strengthen Managerial Oversight for Programs and Activities

Assessment and Implementation of Disciplinary Actions (CW-005-2018)

4 High-risk audit recommendations

- i. Implement Labor Soft
- ii. Ensure Completeness of Official Personnel Files
- iii. Strengthen Managerial Review of Official Disciplinary Action Documentation
- iv. Assess Time Between the Issuance of the Intent to Terminate Letter and the Subsequent Disciplinary Action

Exhibit B

Major Audit Concerns and High Risk Audit Findings

Show Place Arena/Equestrian Center Audit (PGC-013-2018)

1 High-risk audit recommendations:

- i. Improve Monthly Cash Reconciliation Procedures

Exhibit C Balanced Scorecard

Balanced Scorecard for OIG

