



**FISCAL YEAR 2024
ANNUAL REPORT**

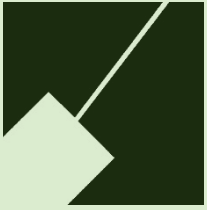
OFFICE OF THE INSPECTOR GENERAL



THE MARYLAND-NATIONAL CAPITAL
PARK AND PLANNING COMMISSION

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OFFICE OF THE INSPECTOR GENERAL

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Message from the Inspector General

I am pleased to present The Maryland-National Capital Park and Planning Commission (Commission), Office of the Inspector General's (OIG) Annual Report on the activities and accomplishments of the OIG from July 1, 2023, through June 30, 2024, fiscal year 2024 (FY24).



Renee M. Kenny
CPA, CIG, CIA, CISA

The OIG provides a wide range of services for the Commission, including audits, investigations, advisories, and training. All of which are discussed in this report. The OIG's work demonstrates our commitment to promoting accountability, efficiency, and effectiveness in Commission programs and operations.

The Commission is a complex and dynamic bi-county agency, with nine Offices and Departments¹. The OIG strives to keep Commission management fully informed about opportunities for improvements in Commission activities and corrective action responses. In FY24, the OIG presented Commission management with 46 audit recommendations to strengthen internal controls and reduce many risk factors.

The OIG is governed by an Audit Committee (AC), comprised of two Planning Board Commissioners and two public members. The Commission Chair serves as ex-officio nonvoting member of the AC. I would like to thank the AC for their leadership and guidance throughout the year. Equally important, I thank the Commission's leadership for their support and confidence in the contributions of the OIG.

Renee M. Kenny

Renee M. Kenny
September 20, 2024

¹ Prince George's County Department of Parks and Recreation, Prince George's County Planning Department, Montgomery County Department of Parks, Montgomery County Planning Department, Department of Finance, Department of Human Resources and Management, Office of General Counsel, Office of the Chief Information Officer, and Office of the Inspector General.

FISCAL YEAR 2024 HIGHLIGHTS

OFFICE OF THE INSPECTOR GENERAL

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Performance Audits

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Fraud, Waste, & Abuse Investigations

3



Limited Investigations

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Management Advisories

46



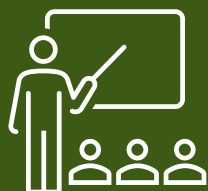
Audit Recommendations

3



Major Audit Findings

13



Internal Fraud Courses Taught

18



Reviewed Recommendations During Follow-Ups

Our Mission

At the OIG, our mission is to uphold integrity and accountability within the Commission. Through independent evaluations and strategic recommendations, we focus on:

Enhancing Effectiveness

Ensuring Accountability

Strengthening Controls

Protecting Reputation

OIG Services Provided

- Performance Audits
 - Business Process Audits
 - Facility Audits
- Information Technology (IT) Audits
- Fraud, Waste, and Abuse Investigations
- Limited Investigations
- Management Advisories
- Follow-Up Reviews
- Internal Trainings

Meet the Team



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



Modupe Ogunduyile
Deputy Inspector General
CIG

Professional Credentials

OIG personnel hold relevant certifications and are members of numerous prestigious audit and accounting associations. These auditing certifications signify a recognized international level of technical capability. The professional associations that confer these certifications enforce rigorous standards and requirements, including comprehensive written exams that assess technical knowledge, skills, education, and experience. Additionally, these certifications uphold stringent ethical standards.

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

CICA – Certified Internal Control Auditor

CAA – Certified Acquisition Auditor

CGEIT – Certified in the Governance of Enterprise IT



Robert Feeley
Assistant Inspector General
CGFM, CFE, CAA, CICA



Wanda King
Assistant Inspector General



Franklin Pace
Senior Auditor



Irith Dror
Senior IT Auditor
CISA, CGEIT



Aaron Smith
Staff Auditor



Noelani Tuga
Administration / Audit
Intern

Governance

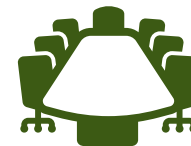
Audit Committee & Office of the Inspector General

The Audit Committee (AC) and OIG were established to assist the Commission with corporate governance and independent oversight of the agency's financial reporting processes.

The Annotated Code of Maryland defines the authority and purpose of the Audit Committee (§15-401 – §15-405) and the Office of the Inspector General (§15-501 – §15-508). Commission Practice 1-31, *Organization and Functions of the Audit Committee and Office of the Inspector General* establishes the regulations outlining the responsibilities of the AC and OIG.

Audit Committee

The AC undertakes governance responsibilities to ensure the Commission develops and implements a sound system of internal controls and adheres to the highest standards of public accountability and integrity, including, but not limited to, the auditing process.



The AC for FY24 consisted of four voting members and one non-voting member:

- Ms. Dorothy Bailey – Vice-Chair of Prince George's County Planning Board – AC Chair
- Ms. Mitra Pedoeem – Vice-Chair of Montgomery County Planning Board
- Mr. Benjamin Williams – Public Member of Prince George's County
- Ms. Erin White – Public Member of Montgomery County
- Mr. Peter Shapiro – Commission Chair – Ex-officio nonvoting member

Audit Standards

Performance Audits are completed per *Generally Accepted Government Auditing Standards (GAGAS)*.

Fraud, Waste, and Abuse (FWA) Investigations are completed per *Principles and Standards for Offices of Inspector General*.

Peer Review

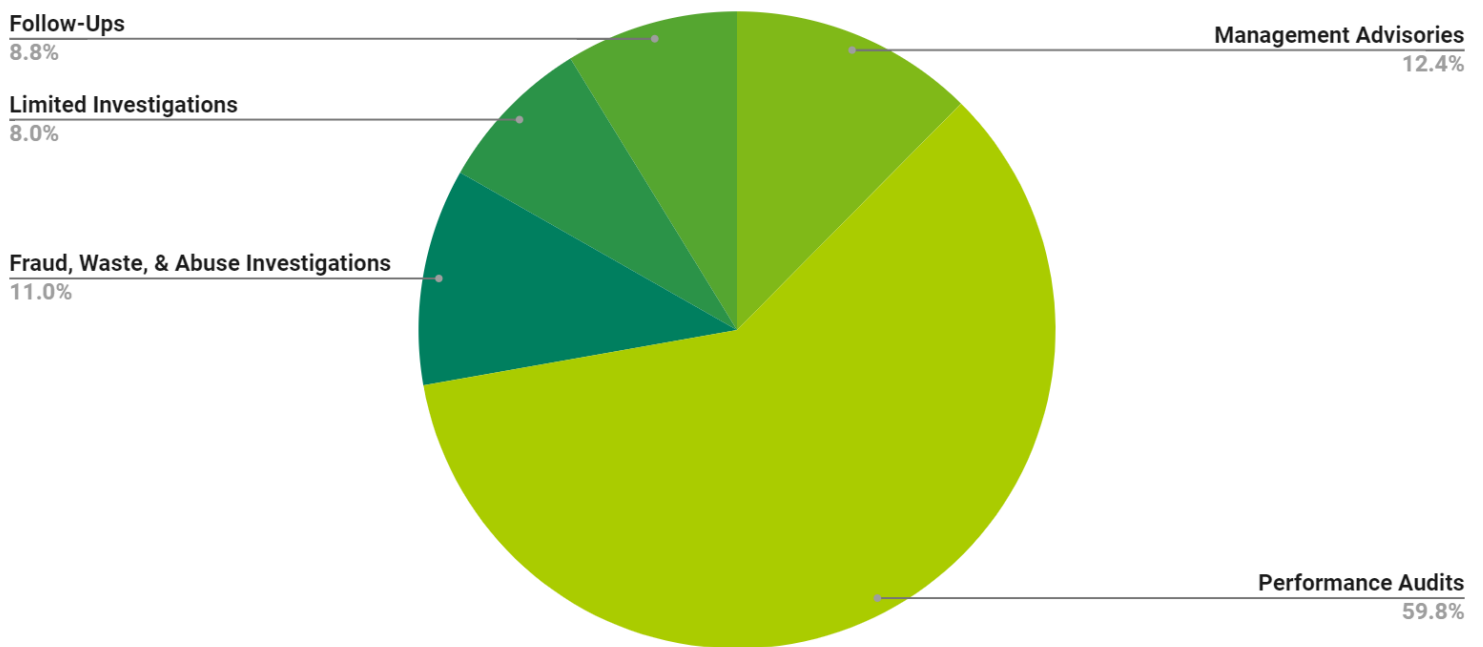
The OIG's most recent peer review was completed in December 2023 by the Association of Local Government Auditors (ALGA). The OIG received a rating of *pass*. Per the ALGA, based on the results of their review, "The M-NCPPC Office of the Inspector General's internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with GAGAS and applicable legal and regulatory requirements for audits during the period July 1, 2020, through June 30, 2023."

Annual Work Plans

The OIG is charged with assisting the Commission by providing independent evaluation and recommendations to improve the effectiveness, productivity, and efficiency of Commission programs, policies, and operations. To meet this responsibility, each spring an annual work plan is presented to the Audit Committee for approval. The annual work plan is based on feedback from Commission leadership, coupled with various risk assessment exercises. The OIG's approved FY24 Work Plan identified 15 performance audits (8 business process audits and 7 facility audits) for completion.

The work plan also contained hours for follow-up reviews, fraud, waste, and abuse investigations, limited investigations, and management advisories. The work plan is considered a living document and is subject to change throughout the fiscal year based on the needs of the Commission.

FY24 OIG Annual Budgeted Work Plan Hours



The OIG completed seven facility audits as reflected in the approved work plan. However, the OIG only completed six of eight planned business process audits. This can be attributed to increased investigation services provided throughout the fiscal year. The OIG completed seven investigations; three of which were substantial in scope and required significant OIG resources.

In June 2024, the AC approved the OIG's FY25 Work Plan. The work plan includes five facility audits and seven business process audits. The work plan also includes hours for the FY25 performance audit carryover, investigations, and advisory services.

Audit Process

1

Planning

Auditors must adequately plan the work necessary to address the audit objectives. For each performance audit, the OIG holds an opening meeting with key stakeholders to obtain an understanding of the nature of the program or process under audit and the potential impact of the audit results. During the opening meeting, the OIG and audit client discuss audit risk, audit objectives, scope and expectations.



2

Fieldwork

Fieldwork requirements include obtaining sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions that are valid, accurate, appropriate, and complete with respect to the audit objectives. The fieldwork portion of the audit concentrates on internal control testing and audit client interviews.



3

Reporting

The audit report communicates results of the audit and related recommendations. Commission management is provided with an opportunity to respond to include their corrective action in writing to all audit findings and recommendations.



4

Follow-Up Review

The OIG conducts a follow-up review on all high and medium risk audit recommendations to ensure identified risks have been mitigated and recommendations that have been fully implemented and resolved.

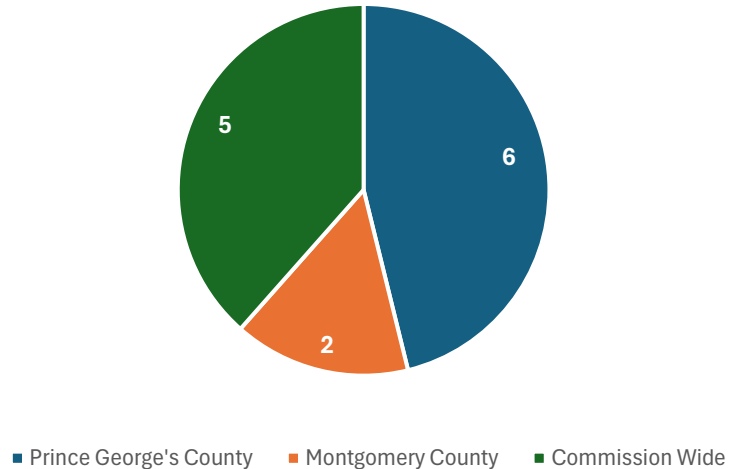


Performance Audits

Performance Audits provide objective analysis, findings, and conclusions to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, and facilitate decision making.

In FY24, the OIG completed 13 performance audits, consisting of six business process audits and seven facility audits. The OIG presented 29 audit recommendations to management.

Number of Completed Performance Audits



Business Process Audits

Business process audits review and evaluate an organization's business processes to ensure they are operating effectively, efficiently, and in compliance with relevant laws and regulations.

Completed FY24 business process audits included:

- Manual Adjustment of Leave Accruals
- Identity and Access Management
- Commission Workplace Safety & OSHA Compliance
- Purchase Card Program
- eDiscovery
- Northern and Southern Region Maintenance Yards – Controlled Assets

Facility Audits

Facility audits are comprehensive examinations of Commission facilities. These audits cover high-risk processes such as petty cash, purchase cards, cash receipts, timekeeping, procurements, expense reimbursements, facility rentals, vehicle usage, and capital and controlled assets.

Completed FY24 facility audits included:

- Showplace Arena and Equestrian Center
- Patuxent Community Center
- Watkins Maintenance Yard
- Bowie Community Center
- Wheaton Indoor Tennis Facility
- Pauline Betz Addie Tennis Center
- Lodge at Little Seneca Creek

APPENDIX A contains a summary of each performance audit

Follow-Up Reviews

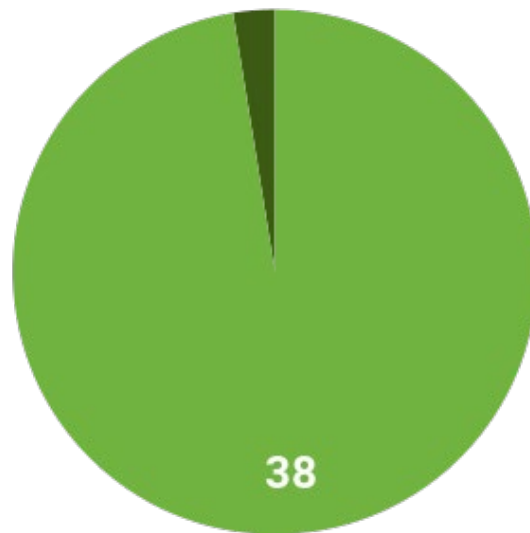
Performance audit reports, investigative internal control reports, limited investigations and management advisories include audit findings and recommendations to:

- Preserve the Commission's reputation.
- Improve the effectiveness, productivity, or efficiency of Commission programs, policies, practices, and operations.
- Ensure public accountability.

The OIG completes a follow-up review for all high and medium risk audit findings and recommendations. The purpose of a follow-up review is to determine if management's corrective actions have been effectively implemented. A follow-up review also provides official closure of the audit findings and recommendations.

In FY24 the OIG completed 18 follow-up reviews. The 18 reviews included assessment and testing of 39 high and medium risk audit recommendations. The OIG concluded management resolved 38 of the 39 (97%) recommendations, while the one unresolved recommendation is scheduled for an additional follow-up in FY25.

Resolved Follow-Up Recommendations



● Resolved ● Unresolved

Fraud, Waste, and Abuse Investigations



Fraud

Intentional act of deception to secure unfair or unlawful gain.

- Embezzlement of funds
- False claims for reimbursement
- Falsifying documents



Waste

The misuse, inefficient, or unnecessary use of resources that leads to unnecessary costs.

- Over-purchasing supplies
- Inefficient project management
- Excessive travel expenses



Abuse

Excessive or improper use of authority or resources that is contrary to policy or rules.

- Use of Commission vehicles for personal errands
- Misusing office equipment for personal projects
- Falsely claiming overtime pay

The OIG completed four fraud, waste, and abuse (FWA) investigations in FY24. The investigations assessed:

- Allegations of excessive event purchases
- Alleged conflict of interest with a Commission vendor(s) (two separate investigations)
- Alleged timecard fraud

For each investigation, the OIG issued two reports: a FWA report which includes details of the investigation and auditor's conclusion on the occurrence of FWA and an internal control report, which includes recommendations to strengthen internal controls over the process or procedure investigated.

The OIG identified approximately \$127,289 in overpayments and vendor kickbacks during the completion of the FWA investigations.

APPENDIX B contains additional details of FY24 FWA Investigations

Limited Investigations

A limited investigation describes specific issues or complaints received and the outcomes of the limited procedures undertaken during a preliminary inquiry. Based on the initial information available to the OIG, the OIG determined a full fraud, waste, and abuse investigation was not warranted. Limited investigations are considered other services and are not guided by professional standards.

The OIG completed 3 limited investigations in FY24:

- Alleged unauthorized network access
- Alleged travel approval irregularities
- Confirmation/review of a business checking account reconciliation

APPENDIX C contains additional details of FY24 Limited Investigations

Management Advisories

Management advisories are considered consulting services and are typically requested by Commission senior leadership. Per State statute, the OIG is authorized to complete management advisories. Management advisories are considered non-audit services and are guided by *Generally Accepted Government Auditing Standards*. FY24 management advisories included a review of the Project Charge Administrative Process and TruVision Camera Replacement assessment.

Project Charge Administrative Processes

The OIG was asked to assess the Commission's administrative project charge process from notification of the charge during budget planning through final disbursement of the funds; and to identify internal control gaps and/or possible process improvements. The OIG was not opining on the legality of the project charge program, including the authority of Prince George's County Council to identify project charge recipients and planned reimbursements. The OIG identified eight gaps in the overall project charge program; and concluded three of the eight significantly increased the opportunity for fraud, waste, and abuse of taxpayer funds. The OIG determined that:

- There are no formal selection procedures for identifying what agencies or programs should receive project charge reimbursements.
- The project charge program, as currently designed, significantly hinders the Commission's ability to confirm identified project charges align with the Commission's core services.
- Criteria for defining the dollar value of planned reimbursements are not available.

The management advisory report was shared with Prince George's County Council.

Possible Security Threats

The OIG issued a management advisory memorandum to Commission management on March 22, 2024, to alert them of potential Commission-wide network security threats. Details were provided under separate cover to management.

Major and Pervasive Audit Concerns

Major Audit Concerns

A major audit concern identifies a deficiency in the design or operation of an internal control procedure(s) which adversely affects an operating unit's ability to safeguard assets, comply with laws and regulations, and ensure transactions are properly executed and reported.

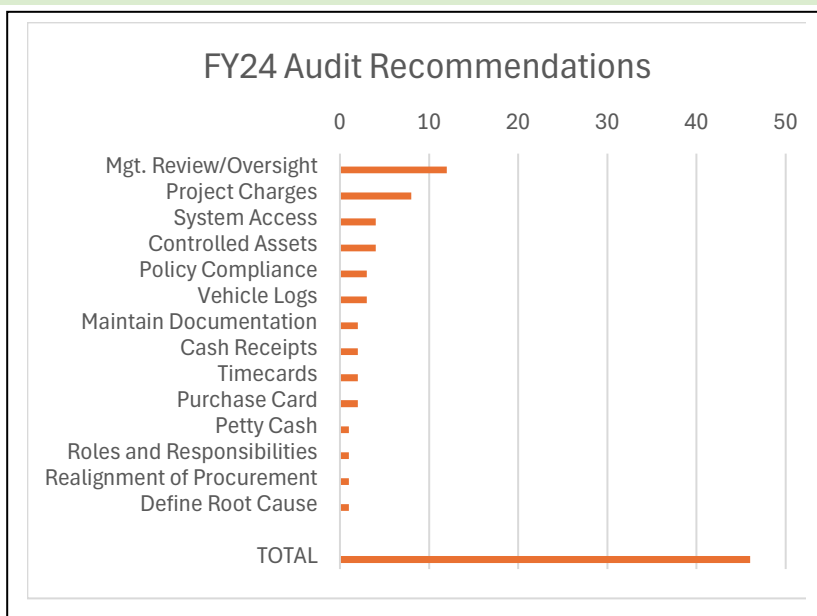
Three of the 22 OIG engagements (e.g., audits, investigations, and advisories) completed in FY24 included major audit concerns. Although the specific concerns in each of the three engagements are different, there is an overarching theme of **insufficient oversight and monitoring**.

Pervasive Audit Concerns

The OIG provided Commission management with 46 audit recommendations in FY24. The top four audit recommendations in FY24 were:

- Management Review and Oversight
- Project Charges
- System Access
- Controlled Assets

The table summarizes the findings by type.



The need for increased management review and oversight accounted for 12 of the 46 (26%) recommendations. This corresponds with the OIG's major audit concern, "insufficient oversight and monitoring".

The Project Charges management advisory included 8 recommendations. This was a special request made by Prince George's County Department of Parks and Recreation management and cannot be extrapolated to opine on pervasive audit concerns throughout the Commission.

System access controls and controlled assets both had 4 audit recommendations. Controlled assets (e.g., assets under \$10,000) were identified as a major audit concern in FY23. Although there are current opportunities to strengthen internal controls over controlled assets, Commission management has made significant improvements in securing and reporting on controlled assets since identified as a major audit concern in FY23. System access recommendations were included in Identity and Access Management audit (3 recommendations) and the Unauthorized Network Access limited investigation.

Appendix A

FY24 Performance Audits

Audit Number Key

CW: Commission Wide

PGC: Prince George's County

MC: Montgomery County

Manual Adjustments of Leave Accruals

Audit Number: CW-001-2024

Audit Status: Audit recommendations are unresolved; follow-up testing is in progress.

Recommendation 1: Ensure Roles and Responsibilities for Leave Accrual Plan are Appropriately Segregated and Documented

Risk: High

Details: Define and document roles and responsibilities for leave accrual set up. Assess staff competencies and provide training to ensure a proper leave accrual plan set up for all Commission employee types.

Recommendation 2: Conduct Secondary Review of Manual Adjustments

Risk: High

Details: Implement internal procedures that require a secondary review of all manual adjustments of leave accruals transactions.

Recommendation 3: Maintain Documentation Supporting Manual Adjustments

Risk: Medium

Details: Strengthen internal procedures to require all manual adjustments of leave accrual supporting documentation to be maintained appropriately and be readily available upon request.

Recommendation 4: Define and Communicate Root Cause of Manual Adjustments

Risk: Medium

Details: Establish formal channels of communication to discuss the root cause of errors and how their respective departments' operational processes impact each other.

Recommendation 5: Develop Metrics for Monitoring Operational Performance

Risk: Medium

Details: Identify and develop performance metrics that assist in determining the operational effectiveness of the manual adjustment process of leave accruals. Distribute performance reports to senior management on a continuous basis to expedite and implement corrective actions.

Appendix A

FY24 Performance Audits

Identity and Access Management – INFOR Enterprise Resource Planning

Audit Number: CW-002-2024

Audit Status: Audit recommendations are unresolved, follow-up testing scheduled for April 2025.

Recommendation 1: Ensure Access is Assigned Based on the Principle of Least Privilege

Risk: High

Details: Analyze and document Commission specific role and permission assignments based on the Role-Based Access Controls (RBAC) INFOR structure. Assignments should ensure no single individual has excessive privilege. Revise current roles and permissions based on the new analysis. Create and implement a training program to ensure privileged users understand their roles and responsibilities.

Recommendation 2: Ensure all INFOR Access Roles and Duties are Appropriately Segregated

Risk: High

Details: Separate and segregate IT privileged and business privileged roles.

Recommendation 3: Strengthen Access Authorization Requirements

Risk: High

Details: Develop and implement internal standard operating procedures for carrying out and maintaining signature authorization forms and access requests in a consistent manner, to include, keeping all previous copies of requests for each individual, ensuring all signatures are present, running reports to indicate changes in users' role/permissions, and running quality assurance comparisons between the actual changes and the existing forms.

Recommendation 4: Perform Periodic Access Reviews

Risk: High

Details: Develop an internal process for periodic access reviews. Each operational department should be responsible for reviewing the roles that have been assigned to their users for access to INFOR.

Recommendation 5: Utilize and Monitor Event Logs

Risk: High

Details: Implement an INFOR log review procedure using INFOR supplied capabilities and features.

Appendix A

FY24 Performance Audits

Commission Workplace Safety and OSHA Compliance

Audit Number: CW-003-2024

Audit Status: Audit recommendations are unresolved, follow-up testing scheduled for March 2025.

Recommendation 1: Reestablish Required Safety Meetings in Montgomery County

Risk: Medium

Details: Montgomery County Department of Parks to appoint appropriate employees to the Safety Committee and ensure timely participation in the Executive Safety Committee quarterly meetings.

Recommendation 2: Post Summary of Work-Related Injuries and Illnesses

Risk: Medium

Details: The Safety Office should generate all required OSHA forms regardless of OSHA recordable injuries and illnesses. The Safety Office must work with all levels of Department management when communicating the OSHA requirement regarding the posting of Form 300A at all Commission work locations. Department management must ensure the appropriate staff at all Commission work locations are aware of the OSHA requirement to post Form 300A.

Recommendation 3: Maintain Safety Training Records

Risk: Medium

Details: Safety Office should create an internal template to collect the required information for each training session provided throughout the year.

Appendix A

FY24 Performance Audits

Commission-Wide Purchase Card Program

Audit Number: CW-004-2024

Audit Status: Audit recommendations are unresolved, follow-up testing scheduled for January 2025.

Recommendation 1: Ensure Monthly Purchase Card Transactions are Closed Out Timely

Risk: High

Details: Corporate Procurement should update the Purchasing Manual to include specific roles and responsibilities of Commission management (e.g., Department Heads, etc.) for purchase card operations. After updating the Manual, Corporate Procurement should include department management on the monthly emails sent to cardholders and approving officials to elevate the issue and disclose the associated risks related to untimely transaction close outs.

Recommendation 2: Ensure Compliance with Purchase Card Policies and Procedures

Risk: Medium

Details: Corporate Procurement should update the Manual to include the following: cardholders must present the Maryland Sales and Use Tax Exemption Certificate to merchants for all purchases and request the exemption. If the merchant does not accept the certificate, the denial should be documented and included with the purchase cardholders' receipts. Once the Manual is updated, training should be provided to cardholders and approvers. Upon the completion of training, Corporate Procurement should enforce stricter consequences for non-compliance with purchase card policies and procedures.

eDiscovery

Audit Number: CW-005-2024

No Audit Recommendations

Controlled Assets in Northern and Southern Region Parks Division, Maintenance Facilities

Audit Number: PGC-002-2024

No Audit Recommendations

Appendix A

FY24 Performance Audits

Show Place Arena and Equestrian Center

Audit Number: PGC-004-2024

Audit Status: Follow-up complete, issue resolved

Recommendation 1: Ensure Vehicle Mileage Logs are Accurate

Risk: Medium

Details: Ensure vehicle mileage logs are completed by performing periodic inspections of the logs.

Patuxent Community Center

Audit Number: PGC-005-2024

No Audit Recommendations

Watkins Regional Park Maintenance Facility

Audit Number: PGC-011-2024

Audit Status: Audit recommendations are unresolved, follow-up testing scheduled for October 2024.

Recommendation 1: Ensure Annual Inventory of Capital Assets is Accurate

Risk: Medium

Details: Ensure annual capital assets inventories are accurately conducted and adhere to the Commission's policies and procedures.

Recommendation 2: Maintain Vehicle Mileage Logs

Risk: Medium

Details: Routinely review all vehicle mileage logs for thoroughness, accuracy and compliance with Commission requirements.

official by a specific date to expedite monthly review and approval.

Recommendation 3: Monitor Facility Camera Footage

Risk: Medium

Details: Monitor facility security camera footage on a routine basis.

Appendix A

FY24 Performance Audits

Watkins Regional Park Maintenance Facility (Cont.)

Recommendation 4: Ensure Compliance with Purchase Card Policies and Procedures

Risk: Medium

Details: Ensure compliance with current policies and procedures to emphasize that cardholders must present complete monthly purchase card logs, supporting invoice and receipt documentation, and JP Morgan Chase Bank statements to the approving official by a specific date to expedite monthly review and approval.

Recommendation 5: Complete Work Orders for Custodial Crews

Risk: Medium

Details: Ensure all custodial employees at Watkins Regional Park Maintenance Facility complete and submit work orders to supervisory employees.

Bowie Community Center

Audit Number: PGC-012-2024

Audit Status: Audit recommendations are unresolved, follow-up testing scheduled for October 2024.

Recommendation 1: Conduct an Evaluation of the Change Fund

Risk: Medium

Details: Evaluate whether it will continue to accept cash transactions. If cash transactions are no longer accepted at the Center, the change fund should be surrendered. If the Center continues to accept cash, management should ensure the fund is used as needed for cash transactions and reviewed periodically.

Recommendation 2: Strengthen Oversight of Daily Cash Receipts

Risk: Medium

Details: Reconcile collections daily to timely address variances between the point-of sale system and the cash collected.

Recommendation 3: Document Completion of the Annual Inventory of Controlled Assets

Risk: Low

Details: Ensure the inventory of controlled assets is completed by including a signature and date.

Appendix A

FY24 Performance Audits

Wheaton Indoor Tennis Facility

Audit Number: MC-001A-2024

Audit Status: Audit recommendations are unresolved, follow-up testing in progress.

Recommendation 1: Strengthen Managerial Oversight of Controlled Assets

Risk: Medium

Details: Ensure Facility staff are aware of the Commission Administrative Procedures and comply with all requirements.

Recommendation 2: Ensure all Employees Approve Bi-Weekly Timecard

Risk: Medium

Details: Ensure all employees are aware of the Commission's Administrative Procedures pertaining to timekeeping and timecard approvals. Management should remind employees in advance when approved timecards are due for each pay period. Management should also document and distribute internal policies and procedures to assist employees with compliance. If an employee cannot approve their timecard due to timing issues, management should obtain written (e.g., email) confirmation from the employee that the hours recorded on the timecard were correct. This post approval should not be a standard practice, but rather allowed in rare circumstances.

Pauline Betz Addie Tennis Center

Audit Number: MC-001B-2024

Audit Status: Audit recommendations are unresolved, follow-up testing in progress.

Recommendation 1: Strengthen Managerial Oversight of Controlled Assets

Risk: Medium

Details: Ensure Facility staff are aware of the Commission Administrative Procedures and comply with all requirements.

Appendix A

FY24 Performance Audits

Pauline Betz Addie Tennis Center (Cont.)

Recommendation 2: Ensure all Employees Approve Bi-Weekly Timecard

Risk: Medium

Details: Ensure all employees are aware of the Commission's Administrative Procedures pertaining to timekeeping and timecard approvals. Management should remind employees in advance when approved timecards are due for each pay period. Management should also document and distribute internal policies and procedures to assist employees with compliance. If an employee cannot approve their timecard due to timing issues, management should obtain written (e.g., email) confirmation from the employee that the hours recorded on the timecard were correct. This post approval should not be a standard practice, but rather allowed in rare circumstances.

Lodge at Little Seneca Creek

Audit Number: MC-002-2024

Audit Status: Audit recommendations are unresolved, follow-up testing scheduled for October 2024.

Recommendation 1: Ensure Cash Receipts are Deposited Timely

Risk: Medium

Details: Review cash reports daily to immediately identify check payments made to the facility and review deposit logs more frequently to identify undeposited checks.

Appendix B

FY24 Fraud, Waste, and Abuse Investigations

In FY24, the OIG completed four FWA investigations.

Fraud, Waste, and Abuse (FWA) Report

The FWA Report contains the OIG's conclusion on the occurrence of fraud, waste, and abuse.

Internal Control Report (ICR)

The ICR contains recommendations for strengthening internal controls over the processes under review related to the FWA.

Note: The OIG is not included in any conversations or decisions on subsequent disciplinary action. The Office of General Counsel and Corporate Human Resources were consulted during the completion of each investigation. They also received copies of both reports to determine if disciplinary action, including restitution, was warranted.

Allegations of Excessive Event Purchases

Audit Number: PGC-003-2024

Concerns were raised over the amount spent on a team building event.

Conclusion: The OIG confirmed the amount spent per person (\$67.46) on meals exceeded the allowable per diem of \$20.00 per person. Abuse and waste in the amount of \$841.42 was identified.

The corresponding internal control report included one audit recommendation, *Obtain Written Approval for Employee Meals in Conjunction with Business Meetings*. Management concurred with the audit recommendation and has implemented internal procedures to resolve the audit recommendation.

Appendix B

FY24 Fraud, Waste, and Abuse Investigations (Cont.)

Alleged Conflict of Interest

Audit Number: PGC-007-2024

A possible conflict of interest was raised regarding a Commission employee and a Commission vendor selected to provide tutoring services for a 15-week tutoring program for Prince George's County elementary aged children referred to as the Saturday Enrichment Academy (SEA). Per the allegation, a Commission employee worked for the not-for-profit, and the not-for-profit's Director was also the employee's immediate family member. The conflict was not disclosed.

Conclusion: The OIG substantiated the allegations and concluded the employee's actions met the definition of fraud and abuse. No dollar misappropriations were identified.

The OIG also concluded DPR management did not adequately plan the procurement activities to ensure a competitive procurement process was utilized. The OIG concluded management's actions did not meet the definition of fraud, waste, or abuse.

Alleged Timecard Fraud

Audit Number: PGC-009-2024

The following allegation was submitted to the Commission's anonymous fraud, waste, and abuse hotline: The custodial workers at the Polk Street Maintenance Facility are getting paid for weekend hours (Saturday and Sunday) they did not work. Their normal schedule is 5:00 a.m. to 1:45 p.m. but they leave at 10:00 a.m. or any time they are finished and get paid for 8 hours. This has been going on for approximately three years.

Conclusion: The OIG substantiated the allegations and determined overpayments occurred upon the opening of the Polk Street Maintenance Facility in April 2021 and concluded in August 2023 during the investigation. The OIG estimated overpayments to the custodial workers totaled \$47,376. Actions of management met the definition of fraud, waste, and abuse.

The corresponding internal control report included two audit recommendations, *Ensure Vehicle Mileage Logs are Complete and Accurate* and *Ensure Maintenance Work Orders are Complete and Accurate*. If implemented, both recommendations would improve management's ability to monitor hours worked. Management concurred with the recommendations. Both recommendations were resolved in follow-up testing completed by the OIG.

Appendix B

FY24 Fraud, Waste, and Abuse Investigations (Cont.)

Alleged Conflict of Interest

Audit Number: PGC-013-2024

The Office of the Inspector General (OIG) received two similar hotline allegations on the Commission's anonymous fraud, waste, and abuse hotline. Per the allegations, a Commission employee, with procurement responsibilities, was engaged in a personal relationship with a Commission vendor. Per the allegations, the employee steered and approved multiple Commission painting, flooring and carpeting contracts to the vendor.

Conclusion: The OIG substantiated the allegations. The OIG reasonably concluded the employee violated numerous Commission policies and procedures and subsequently received compensation from the vendor for his/her involvement in the fraudulent billing scheme. At a minimum, the OIG confirmed the employee received \$79,072 in payments from the vendor's various business accounts between 09/22/2016 and 07/14/2021.

At the conclusion of the investigation, the OIG issued two separate internal controls memorandums to strengthen procurement activities.

Appendix C

FY24 Limited Investigations

Unauthorized Network Access

Audit Number: CW-007-2024

A Commission employee accessed the Commissions network using his/her personal computer by obtaining gateway and DNS server IP addresses. The OIG concluded the employee's actions supported a conclusion of abuse. Recommendations to strengthen internal controls for network access monitoring were provided to the Office of the Chief Information Officer.

Prince George's County Park Police- Travel Approval Irregularities

Audit Number: PGC-006-2024

Concerns were raised involving the approval of officer travel within the Maryland-National Capital Park Police, Prince George's County Division (Park Police). The OIG did not identify sufficient actions that would support an allegation of fraud, waste, or abuse on behalf of the officers in travel status or the individuals responsible for approving travel expense reimbursements. Recommendations to strengthen internal controls over the pre-authorization of travel requests was provided to Park Police management.

Show Place Arena Checking Account Reconciliation

Audit Number: PGC-008-2024

The OIG was asked to review Show Place Arena's box office checking account used to receive Ticketmaster ACH deposits and issue checks to clients. The OIG did not identify any actions that would support a conclusion of fraud, waste, or abuse. Recommendations to strengthen internal controls for improved oversight and management of Show Place Arena's monthly bank reconciliation procedures, reimbursement, and financial reporting processes were provided to management.