

**The Maryland-National Capital Park and Planning Commission
Office of the Inspector General**

**Prince George's County Department of Parks and Recreation
Parks and Facilities Management**

**Watkins Regional Park Maintenance Facility
Report Number: PGC-011-2024**

June 18, 2024

Distribution:

Audit Committee

Dorothy Bailey
Mitra Pedoeem
Erin White
Benjamin Williams

Maryland-National Capital Park and Planning Commission

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Gavin Cohen
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Peter Shapiro
William Spencer
Bill Tyler

Office of the Inspector General

Renee Kenney
Modupe Ogunduyile
Robert Feeley
Franklin Pace

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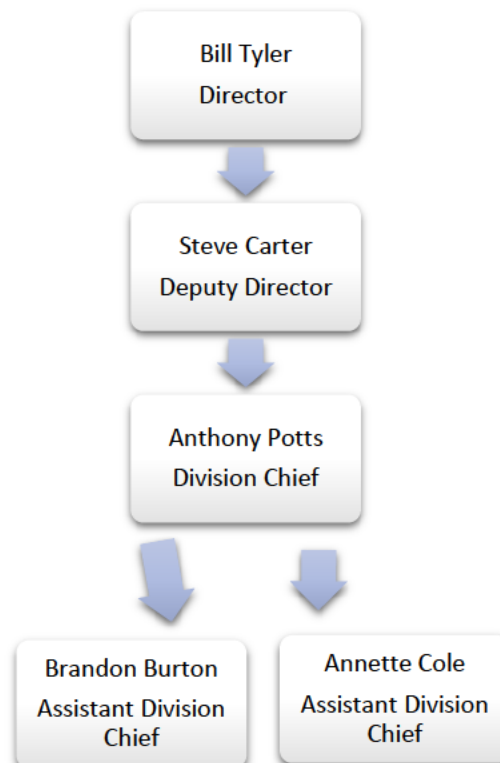
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I. EXECUTIVE SUMMARY

A. Overall Perspective

The Watkins Regional Park Maintenance Facility (Facility) is located at 301 Watkins Park Drive, Upper Marlboro MD. The Facility is one of three maintenance facilities within the Southern Region Parks Division (SRPD). SRPD provides maintenance and custodial services for all parks and recreation facilities, to include management of trails, playgrounds, athletic fields, and regional parks south of Central Avenue. SRPD is comprised of nine work programs that include Historic Mowing, Area Maintenance, Trails, Athletic Ballfields, Playgrounds, Program Support, Waste Management, Trades/Garages, and Custodial. The Facility provides support for all nine programs.

The Facility is managed under the aegis of the Commission's Prince George's County Department of Parks and Recreation (DPR) Parks and Facilities Management.



B. Audit Objective, Scope, and Methodology

Audit Objective

The objective of this audit was to identify opportunities to strengthen internal controls for key business operations (e.g., controlled assets, capital assets, purchase card transactions, payroll, etc.) at the Facility. Properly implemented internal controls reduce financial, reputational, and operational risks within the Facility.

Scope

The scope for the audit included, but was not limited to, the following audit procedures:

- Reviewed applicable Commission policies, procedures and notices;
- Reviewed the Facility's internal policies and practices;
- Interviewed Department management and Commission employees;
- Performed testing of controlled and capital asset listings for accuracy;
- Reviewed security camera operations;
- Reviewed purchase card transactions for compliance;
- Reviewed vehicle mileage logs of Commission vehicles for accuracy and compliance; and
- Reviewed Kronos timecards and work orders to ensure custodial crews were in compliance with Department practices.

In addition, the audit scope was designed to identify possible fraud, waste, or abuse within the processes being audited.

The period covered in this review was July 1, 2021 through March 31, 2024.

Methodology

During the audit, field visits were conducted at the Facility to review and discuss security cameras with management, obtain odometer readings from Commission vehicles and conduct testing of controlled and capital assets within the Facility to assess the effectiveness of internal controls. For our analysis, we obtained and reviewed work orders for custodial employees, purchase card transactions and supporting documentation, asset listings and other relevant information to assess compliance with Commission Policies and Procedures.

This audit was conducted in accordance with *Generally Accepted Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and

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conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

C. Major Audit Concerns

The results of our evaluation and testing procedures indicated no major audit concerns.

D. Overall Conclusions

The results of our evaluation and testing procedures indicate deficiencies in the internal controls at Watkins Regional Park Maintenance Facility.

We believe all weaknesses identified and communicated are correctable and that management's responses to all recommendations satisfactorily address the concerns. It is the responsibility of management to weigh the possible additional costs of implementing our recommendations in terms of benefits to be derived and the relative risks involved.

We wish to express our appreciation to the Watkins Regional Park Maintenance Facility management and staff the cooperation and courtesies extended during the course of our review.

Renee Kenney

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

Modupe Ogunduyile

Modupe Ogunduyile, CIG
Deputy Inspector General

Robert Feeley

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

Franklin Pace

Franklin Pace
Senior Auditor

June 18, 2024

Conclusion Definitions

Satisfactory	No major weaknesses were identified in the design or operation of internal control procedures.
Deficiency	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.
Significant Deficiency	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. This deficiency is less severe than a material weakness, yet important enough to merit attention by management.
Material Weakness	A deficiency in the design or operation of an internal control procedure(s) which may result in a material misstatement of the Commission's financial statements or material impact to the Commission.

II. DETAILED COMMENTARY AND RECOMMENDATIONS

1. Ensure Annual Inventory of Capital Assets is Accurate

Issue: The Facility did not accurately perform their fiscal year (FY) 2023 Capital Asset Inventory as instructed by the Department of Finance (Finance). The Facility's fiscal year (FY) 2023 Capital Asset Inventory submitted to Finance included several discrepancies.

During the OIG's testing of capital assets, a comparison was conducted between the Facility's internal capital assets listing and FY 2023 Capital Asset Register (Register). The OIG identified three (3) capital assets valued at \$51,785 that were not included on the Register. In addition, there were three (3) capital assets valued at \$202,277.77 that were included on the Register but not located at the Facility, these items should have been marked to be deleted from the Register. The OIG provided a listing of required updates for the facility's Register. **See Exhibit A.**

Criteria: Commission Practice No. 04-01, *M-NCPPC Capital and Controlled Asset Procedures Policy* (Policy), states M-NCPPC Departments are required to conduct a capital asset inventory each July. An inventory packet with instructions is sent from the Department of Finance to the Capital Asset Coordinators by June 30th of each year. The packet includes a Capital Asset Register (Register), disposal and transfer reports, and a Capital Asset Inventory Completion Form. The Register will also reflect changes to existing (prior year) assets such as disposals or transfers, provided that the Asset Input Form (Form 164) has been properly filled out and submitted for such items. When making amendments, the Register for a location is the baseline, or initial, inventory. Changes that may occur to this initial inventory may include some, or all, of the following: additions, deletions, transfers, and corrections. When completing the Capital Asset Inventory Completion Form, the following is required:

- Additions: Include a completed Form 164.
- Deletions: Draw a line through the item on the Register and note why the item should be deleted and include a Form 164.
- Transfers: Note on Register by placing a T by the asset and include a Form 164.
- Two signatures are required on the Form to certify the annual inventory is complete and accurate, one signature must be a supervisor within the Division.

The Policy also requires Form 164 to be sent to the Capital Asset Accountant in the Department of Finance when a Capital Asset is transferred or disposed of.

Cause: The Facility did not properly follow the instructions on the Capital Asset Inventory Completion Form for completing the inventory. In addition, Form 164 were not forwarded to the Capital Asset Accountant as required for transfers and disposals.

Risk: Failing to complete an accurate annual inventory of Capital Assets increases the risk of Fraud, Waste, and Abuse of Commission Capital Assets, potentially affecting the accuracy of the Commission's annual Financial Statements.

Recommendation: SRPD management should ensure annual Capital Asset Inventories are accurately conducted and adhere to the Commission's policies and procedures.

Issue Risk: Medium

Management Response: Concur, the Southern Region Parks Division (SRPD) will adhere to the procedure outlined in Commission Practice No. 04-01, M-NCPPC Capital and Controlled Asset Procedures Policy, to ensure accurate completion of the annual capital asset inventories.

Expected Completion Date: Starting in 2024 and continuing each subsequent year, SRPD will conduct a comprehensive capital asset inventory each July.

Follow-Up Date: October 2024

2. Maintain Vehicle Mileage Logs

Issue: The Facility did not properly maintain Commission vehicle logs. The OIG's review of all seven vehicle logs available at the Facility disclosed five were not properly completed for the month of January 2024 (see Exhibit B for details).

Criteria: Commission Practice No. 6-10, *M-NCPPC Vehicle Use Program*, provides requirements for properly maintaining vehicle mileage logs in all Commission vehicles which includes:

- Name of driver;
- Work location;
- Date and purpose of travel;
- Distinction between business and nonbusiness use; and
- Beginning and ending mileage.

Cause: Management does not enforce mileage log completion requirements.

Risk: Failing to require employees to maintain proper vehicle mileage logs increases the opportunity of fraud, waste, and abuse of Commission vehicles.

Recommendation: SRPD management should review on a routine basis all vehicle mileage logs for thoroughness, accuracy and compliance with Commission requirements.

Issue Risk: Medium

Management Response: Concur, the Southern Region Parks Division (SRPD) will comply with the recommendations in the review per the Commission Practice No. 6-10, M-NCPPC Vehicle Use Program.

Expected Completion Date: Starting in July 2024 and continuing each subsequent month, SRPD will conduct a comprehensive regular review of all vehicle mileage logs to ensure thoroughness, accuracy, and compliance with Commission requirements.

Follow-Up Date: October 2024

3. Monitor Facility Security Camera Footage

Issue: Facility management did not monitor security footage from August 2023 through January 2024 (approximately 5 months). Monitoring can be completed through security camera monitors and/or through a desktop application. During this period, the Facility's front office areas underwent renovation which included the removal of the security camera monitor that displays live security camera footage. Also, during this period, TruVision video management software and cameras were replaced by Milestone.

Criteria: DPR Closed Circuit TV (CCTV) Surveillance and Monitoring Standards are maintained to protect premises, assets, employees, contractors, visitors, and public safety. The Commission's video management software system for video surveillance (i.e., security cameras) is relied on by management throughout the Commission as a front-line tool for preventing fraud, waste and abuse of Commission assets and acts as a strong deterrent. Management laptops with an activated software account can access the security camera footage. The Park Police manage the maintenance and installation of Commission video management software systems, security cameras and recorders.

Cause: Although the Facility security camera monitor was removed during renovation, if Facility management would have conducted routine access of the security cameras through a laptop, they would have been alerted of the inability to access the security camera footage. We reasonably assume management would have contacted Park Police upon realizing they did not have access to their account security footage and access would have been activated.

Risk: Failing to monitor the Facility security camera footage increases the risk of fraud, waste, and abuse of Commission assets. As stated in the OIG's February 10, 2023, Memorandum to senior management, [REDACTED]

Recommendation: SRPD management should monitor Facility security camera footage on a routine basis.

Issue Risk: Medium

Management Response: Concur, SRPD management will routinely monitor Facility security camera footage to ensure compliance with security protocols and enhance the facility's overall security.

Expected Completion Date: Starting in July 2024, we will routinely monitor facility security camera footage to ensure compliance with security protocols and enhance the facility's overall security.

Follow-Up Date: October 2024

4. Ensure Compliance with Purchase Card Policies and Procedures

Issue: The OIG selected three cardholders for which the [REDACTED] is the approving official. OIG judgmentally selected 15 of 132 total transactions (11.4%) processed for the three cardholders from October 2023 through December 2023 and performed detailed testing. For each purchase card transaction, OIG tested attributes such as supporting documentation, including invoices, receipts, purchase card logs, and JP Morgan Chase Bank statements. OIG tested non-allowable purchases and Maryland state sales tax payments. OIG also tested compliance with monthly purchase card transaction close out. Audit testing disclosed the following exceptions:

- Three of three (100%) cardholders and the approving official either did not sign and date all monthly purchase card transaction logs or did not sign and date them timely. Policies and procedures require that they sign and date transaction logs by the 15th of the following month to support their review and approval of purchase card transactions.
- Monthly purchase card transactions are not closed out on a timely basis as required by Commission policies and procedures.

Criteria: *Purchase Card Program Policy and Procedure Manual* (Manual), governs the purchase of goods and services with the purchase card. The Manual requires cardholders to record transaction(s) as they are ordered on the transaction log. The cardholder matches receipts to the monthly statement, performs a reconciliation, and forwards the transaction log and all supporting documentation to their approving official for monthly review approval, and storage. Transaction logs must be signed and dated, and transactions processed for each month are to be reviewed and closed out by the 15th of the following month. At no time should more than one month's transaction log be outstanding for approving official's approval. The transaction log is to be the record of **all** transactions authorized in the month.

Cause: Lack of supervisory oversight.

Risk: Failure to ensure compliance with the policies and procedures may lead to waste of taxpayer funds, resulting in negative publicity to the Commission.

Recommendation: [REDACTED] should ensure compliance with current policies and procedures to emphasize the following:

- 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.

Issue Risk: Medium

Management Response: Concur, SRPD will comply with the criteria and recommendations to ensure proper management of the Purchase Card Program.

Expected Completion Date: Monthly purchase card transactions will be closed out on time as Commission policies and procedures require.

Follow-Up Date: October 2024

5. Complete Work Orders for Custodial Crews

Issue: Work orders for the Facility custodial crews are not being utilized consistent with Management's stated practice. The OIG reviewed work orders for 14 custodial employees for the months of October – December 2023. For 12 of the 14 (85.7%) employees reviewed, the OIG was not able to match all daily time records to daily work orders. In addition, 6 of the 92 (6.5%) days reviewed, the work order either did not contain the names of the crew members or the name listed was abbreviated and not clearly traceable to time records.

Criteria: DPR management's practice requires the issuance of daily work orders to each custodial employee. Teams are developed and provided instructions daily to complete regular custodial duties at assigned facilities. Daily work orders are issued based on established routes and regular duties performed by custodial staff members.

Cause: Management does not enforce accurate completion of work orders by all custodial employees.

Risk: Work orders are a tool used by management to track and confirm work (e.g. cleanings) completed by the custodial crews. Failure to complete the work orders as designed impedes management's ability to determine what facilities have been cleaned and the time spent at each facility. Periodic review of the completed work orders is a deterrent to inaccurate completion of the work orders.

Recommendation: SRPD management should ensure all custodial employees at the Facility complete and submit work orders to supervisory employees. Work orders should include the full names of the crew members and those names should be clearly traceable to time records.

Issue Risk: Medium

Management Response: Concur, SRPD management will ensure all custodial employees at the Facility complete and submit work orders to supervisory employees. These work orders will include the full names of the crew members and should be traceable to time records. DPR management will require that daily work orders are issued to each custodial employee.

Expected Completion Date: Starting in July 2024, we will ensure all custodial employees at the Facility complete and submit work orders to supervisory employees.

Follow-Up Date: October 2024

Exhibit A
Required Updates to Finance's Capital Asset Register

Capital Assets To Be Added

Asset Faster Number	Description	Acquisition Date	Cost
RM006	Kubota ZD	08/19/10	10,856.00
TA167	First prod	06/20/13	13,105.00
TA169	Trackless BFBB	07/31/13	27,824.00
			\$51,785.00

Capital Assets To Be Deleted

Asset Faster Number	Description	Disposition	Cost
TRAIN003	Small locomotive	Located at Watkins Regional Park	152,200.00
MISC137	Foamstream System	Located at Bock Road Maintenance Facility	33,367.71
RM225	EarmarkLZ	Located at Cosca Maintenance Facility	16,709.99
			\$202,277.77

Exhibit B
Vehicle Mileage Logs

Vehicle #	Destination	Business Purpose	Daily Odometer Readings	Business and Non-Business Miles Annotated	Mileage Log and Vehicle Odometer Current
T053	No	Yes	Yes	Yes	Yes
T544	No	Yes	Yes	Yes	No
T539	No	Yes	Yes	Yes	Yes
T153	No	No	No	No	No
T601	No	No	No	No	No