

**MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION**

**Internal Control Report**

**Prince George's County Department of Parks and Recreation  
Central Area Operations – Maintenance Yard**

**Incorrect Reporting of Time Worked  
Report Number: PGC-012-2018-B**

**June 13, 2018**

**Distribution:**

Executive Committee

Casey Anderson  
Elizabeth Hewlett  
Patricia Barney

Audit Committee

Dorothy Bailey  
Norman Dreyfuss  
Karen Tobat  
Ben Williams

Maryland-National Capital Park and Planning Commission

Darin Conforti  
William Dickerson  
Kathi Edwards  
Adrian Gardner  
Wanda Ramos  
Lissette Smith  
William Spencer  
Debbie Tyner  
Joseph Zimmerman

Office of the Inspector General

Renee Kenney

Maryland-National Capital Park and Planning Commission  
Office of the Inspector General  
7833 Walker Drive, Suite 425  
Greenbelt, MD 20770

Prince George's County Department of Parks and Recreation

Central Area Operations – Maintenance Yard  
Incorrect Reporting of Time Worked

Internal Control Report

Table of Contents

**I. EXECUTIVE SUMMARY**

	<u>Page</u>
A. Overall Perspective.....	1
B. Scope of the Audit.....	2
C. Major Audit Concerns.....	3
D. Findings and Overall Conclusions.....	4

**II. DETAILED COMMENTARY AND RECCOMENDATIONS**

1. Strengthen Managerial Oversight – Time Card Approvals.....	5
2. Strengthen Managerial Oversight – Use of Sick Time.....	6
3. Strengthen Managerial Oversight – Off-site Meetings.....	8
4. Strengthen Managerial Oversight – Use of Compensatory Leave.	9

## **I. EXECUTIVE SUMMARY**

### **A. Overall Perspective**

The Office of the Inspector General (OIG) received three (3) allegations through the Commission's Ethics and Compliance Employee Hotline concerning timekeeping procedures at Central Area Operations Maintenance Yard, located at Watkins Regional Park, Upper Marlboro, MD.

The allegations involved [REDACTED], who reports to a [REDACTED]. The [REDACTED] reports directly to the Central Area Operations Division Chief.

The [REDACTED] is responsible for approving time cards of four [REDACTED]. The identified [REDACTED] is responsible for approximately [REDACTED] employees. Employees are responsible for ground maintenance, regional park mowing, trash collection, trimming, climbing trees, transports, playground inspections, athletic field maintenance, and special activities.

A confidential fraud, waste, and abuse audit report is being issued with this report. During the course of the investigation, the OIG identified opportunities to strengthen internal controls within the Central Area Operations Maintenance Yard.

## **B. Scope of the Audit**

The purpose of this review was to determine if a Commission employee misappropriated Commission funds by purposely recording false time card entries.

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

- reviewed applicable Commission Practices and Administrative Procedures;
- reviewed Commission Merit System Rules and Regulations;
- reviewed timekeeping records (time cards and leave slips); and
- interviewed key personnel within Central Area Operations.

The audit period covered in this review was May 21, 2017 – May 20, 2018.

The audit was conducted in accordance with the generally accepted principles and quality standards, approved by the *Association of Inspectors General*.

Central Area Operations – Maintenance Yard  
Incorrect Reporting of Time Worked  
Internal Control Report  
PGC-012-2018-B

**C. Major Audit Concerns**

The results of our evaluation and testing procedures did not indicate any major audit concerns.

#### D. Findings and Overall Conclusions

The results of our evaluation and testing procedures indicate deficiencies in the design or operation of internal controls within Central Area Operations Maintenance Yard (see definition below).

We believe all weaknesses identified and communicated are correctable and that management's response to all recommendations satisfactorily address the concerns. It is the responsibility of management to weight 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 Central Area Operations' management and staff for their cooperation and courtesies extended during the course of the review.



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

June 13, 2018

#### Conclusion Definitions

<b>Satisfactory</b>	No major weaknesses were identified in the design or operation of internal control procedures.
<b>Deficiency</b>	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.
<b>Significant Deficiency</b>	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.
<b>Material Weakness</b>	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

### Findings and Recommendations

#### 1. Strengthen Managerial Oversight – Time Card Approvals

**Issue:** During the course of our review, we identified two time cards with errors that resulted in incorrect classification of hours worked. For both errors, a leave slip was submitted by the [REDACTED] and approved by the [REDACTED]. Neither employee compared the time card entries to the submitted leave slips.

In addition, one of the time cards included 40 hours of holiday pay in one week. This is highly irregular and should have been identified, even if only a cursory review was completed.

**Criteria/Risk:** Per Commission Practice 3-40, *Preparing Time Cards*, time cards should include pay hours and leave hours previously approved by the Department Head/designee as well as the supervisor's signature (i.e. electronic approval).

Failure to review time cards prior to submission and/or approval may result in incorrect payroll entries. In addition, supervisory review of time cards is a strong internal control that identifies errors and deters possible fraud, waste, and abuse.

**Recommendation:** We recommend, that all supervisors within Central Area Operations ensure they are comparing submitted leave slips to the Kronos time card entries prior to approval. In addition, if available, time card entries should also be compared to the leave calendar maintained by the Administrative Assistant.

If timing constraints prohibit the recommended reviews prior to time card approvals, they should be completed as soon as possible on a post approval basis.

**Issue Risk:** High

**Management Response:** Management concurs. In addition to comparing the time cards with the desk leave calendar maintained by the Administrative Assistant, the Administrative Assistant is also maintaining a leave calendar in Outlook. This adds another layer of crosschecking leave requested. The [REDACTED] will also discuss at their next management meeting how to do a post approval review of Kronos time cards.

**Expected Completion Date:** July 2018

**Follow-Up Date:** August 2018

## **2. Strengthen Managerial Oversight – Use of Sick Leave**

**Issue:** Management is not providing adequate oversight to ensure proper use of sick leave. During our review, we identified a time card with questionable use of sick time. The employee’s supervisor approved the time card without reasonable review and/or inquiry.

Time card:

- Week 1 [REDACTED] An employee was working a condensed work week, (i.e. four 10-hour days). The employee recorded 10 hours of sick leave Tuesday through Friday for a total of 40 hours of sick leave. After the time card was approved by the employee and supervisor, the Division Chief asked the supervisor if he/she received a doctor’s note from the employee, as recommended by Commission Merit System Rules and Regulations. The supervisor stated he/she did not request one.
- Week 2 [REDACTED] The same employee submitted a leave slip requesting sick leave for Tuesday, May 30, 2017 (the day after the Memorial Day holiday). The leave slip was submitted on January 3, 2017, approximately 5 months prior to the planned absence. Per the employee, it was for a planned doctor’s appointment [REDACTED], however the leave slip did not include any written justification (i.e. explanation for advanced sick leave request). The leave slip was approved by his/her supervisor.

**Risk:** Sick leave is a paid benefit granted to Merit System Employees. The Merit Board Rules and Regulations details acceptable use of sick leave.<sup>1</sup> Failure to obtain a written justification for sick leave requested five months in advance, for a day after a holiday, is not indicative of reasonable managerial oversight. In addition, failure to require doctor’s notes for sick leave absences greater than 3 days encourages fraud, waste, and abuse.

**Criteria:** Merit Board Rules and Regulations. 1472.3 – Medical Certification: A Department Head **may** require an employee to submit documentation from a licensed medical provider to validate or support any leave used for purposes of illness, injury or medical examination/treatment.

An employee also **may** be required to present a certificate from a licensed medical provider when sick leave is taken for more than three (3) consecutive scheduled work days, when there is an unexplained pattern or usage of sick leave, or when its use qualifies under the Family Medical Leave Act.

---

<sup>1</sup> 1470.1 – Sick leave may be used for any of the following reasons: illness, injury, or a non-work related disability...medical, dental, or optical examinations and treatments... to care for a seriously ill or injured member of the immediate family or domestic partner.

Central Area Operations – Maintenance Yard  
Incorrect Reporting of Time Worked  
Internal Control Report  
PGC-012-2018-B

**Recommendation:** Although the Merit Board Rules and Regulations state management “may” require the submission of a doctor’s note, we recommend that supervisors routinely request a doctor’s note if the extended (i.e. 3 day) absence is adjacent to a Commission holiday. In addition, the Department may want to define additional circumstances where a doctor’s note is required.

For planned sick leave, we recommend that the employee include a written justification on the leave slip describing the circumstances of the request, (e.g. scheduled doctor’s appointment).

**Risk:** Medium

**Management Response:** Management Concur. A doctor’s note will be requested for extended sick leave beyond 3 days, especially if the leave is adjacent to a Commission holiday. Supervisors have been made aware of the doctor’s note requirement for extended leave (beyond the 3 days) at bi-weekly meetings.

**Expected Completion Date:** Completed

**Follow-Up Date:** August 2018

### **3. Strengthen Managerial Oversight – Off-Site Meetings**

**Issue:** Employees are attending off-site meetings without notifying their supervisor of the meeting location, purpose, or expected duration. Employees have taken their Commission issued vehicle home after a meeting before the end of their scheduled shift. As a result, the Maintenance Superintendent has restricted all Friday afternoon off-site meetings, unless pre-approved by the Superintendent or Division Chief.

**Risk/Criteria:** For health and safety reasons, supervisors should be able to account for their employees' presence.

Failure to provide the necessary oversight and controls over off-site meetings provides opportunities for fraud, waste, and abuse (e.g. incorrect recording of time worked).

**Recommendation:** We recommend that employees notify their supervisors when attending an off-site meeting, (Monday – Friday). The notification should include where the meeting is being held and if reasonable, the topic of the meeting. This notification can be informal.

When approving an employee's time card, the supervisor should have direct knowledge of the hours worked (including claimed compensatory time). The supervisor should also implement procedures to ensure hours reported are accurate and valid.

**Risk:** Medium

**Management Response:** Management concurs. Employees should notify their supervisors of off-site meetings by keeping their Outlook calendars up to date or notifying their supervisors via e-mail in advance. This also includes comp time needed if the meeting is beyond their regular hours. A bi-weekly report of comp time is currently provided to the Division Chief. Employees are required to provide comments on their Kronos time card when comp time is earned, when their hours go beyond their regular schedule, or for meetings attended off site.

**Expected Completion Date:** Completed

**Follow-Up Date:** August 2018

#### **4. Strengthen Managerial Oversight – Use of Compensatory Leave**

\*This issue was identified by Central Area Operations management prior to the fraud, waste and abuse investigation. Division management has subsequently reminded Maintenance Yard supervisors of the Commission’s Merit System Rules and Regulations regarding the use of compensatory time. This issue is being included in the audit report to demonstrate pervasive issues with managerial oversight within the Central Area Operations Maintenance Yard.

**Issue:** Employees are being approved for annual leave before utilizing available compensatory time.

**Risk/Criteria:** Commission Merit System Rules and Regulations #1482.3 – Subject to requirements of the Fair Labor Standards Act and the Family and Medical Leave Act, whenever an employee requests the use of paid leave other than sick leave, the first use of leave shall be Compensatory Leave.

**Recommendation:** We recommend that Central Area Operations management obtain and review periodic compensatory earnings and use reports to ensure compensatory leave is being used prior to annual leave.

**Risk:** Low

**Management Response:** Management concurs. A bi-weekly report of comp time is currently provided to the Division Chief. The Division Chief discussed MSR&R, Chapter 1400, Section 1480 and 1482.3 with all Central Area Maintenance managers on February 6, 2018.

**Expected Completion Date:** Completed

**Follow-Up Date:** August 2018