

MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

**Internal Control Report
Prince George's County Department of Parks and Recreation
Facilities Operations
Aquatics and Athletic Facilities Division**

PGC-011-2020-B

February 18, 2020

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Prince George's County Department of Parks and Recreation
Aquatics and Athletic Facilities Division

Internal Control Report
Audit Report

Table of Contents

	<u>Page</u>
A. Overall Perspective	1
B. Findings and Recommendations	
1. Ensure all Employees are Cleared by HR Prior to Employment Start Date.....	2
2. Increase Managerial Oversight, Transparency, and Communication.....	5
3. Ensure New Employees Obtain Necessary Training.....	7
C. Conclusion	8

A. Overall Perspective

On Wednesday, December 18, 2019, Ms. Tara Stewart¹, Division Chief, Prince George's County Department of Parks and Recreation (DPR), Aquatics and Athletic Facilities Division (AAFD)² informed the Office of Inspector General (OIG) that two seasonal/intermittent employees were permitted to start working in September of 2019 as [REDACTED] for AAFD prior to being cleared by Human Resources. She was also informed that additional hours were incorporated into their timecards (i.e. padding of timecards), to compensate them for hours owed prior to their official activation dates.

Based on the preliminary information provided by Ms. Stewart, the Office of the Inspector General (OIG) agreed to open a fraud, waste, and abuse investigation.

The OIG has completed their fraud, waste and abuse investigation. A confidential Fraud, Waste and Abuse Report (PGC-011-2020-A) is included with this report. The Fraud, Waste, and Abuse Report contains the OIG's conclusion on the occurrence of fraud, waste, and abuse.

During the completion of the investigation, the OIG identified opportunities to strengthen internal controls over hiring seasonal/intermittent employees within AAFD. This Internal Control Report contains OIG's observations and management's responses to the observations.

The fraud, waste, and abuse investigation was conducted in accordance with the generally accepted principles and quality standards, approved by the Association of Inspectors General.

The investigation covered activities between August 1, 2019 – January 24, 2020.

¹ Ms. Tara Stewart became Chief of AAFD on 11/17/19. Prior to that Ms. Kathy Consoli was Acting Chief of AAFD.

² Effective July 1, 2019 DPR's Sport's Health and Wellness Division split into two (2) Divisions: Aquatics and Athletic Facilities Division and Youth County Wide Sports Division (YCWSA).

B. Findings and Recommendations

1. Ensure all Employees are Cleared by Human Resources Prior to Employment Start Date

Issue: Two [REDACTED] within AAFD began work before they were cleared by Human Resources (HR).

Employee A			
Background Checks Completed	Started Work	PA2 Form Initiated	Cleared to Work by HR
8/22/19	9/5/19	11/4/19	11/20/19
Employee B			
9/18/19	9/9/19	10/24/19	11/25/19

Employee A began working for the Commission on September 5, 2019 however, the Personal Action Form (PA2)³ was not initiated until November 4, 2019, and they were not cleared by HR until November 20, 2019.

Employee B began working for the Commission on September 9, 2019 however, the PA2 was not initiated until October 24, 2019, and they were not cleared by HR until November 25, 2019.

Employee B began work before his/her background checks were completed. Employee B's Maryland Criminal Justice Information System (CJIS) and National Center for Safety Initiative (NCSI)⁴ background checks were not completed until September 18 and 19, 2019 respectfully, however, they were allowed to start work on September 9, 2019. Assistant Swim Coaches routinely interact with minor's enrolled in Commission aquatic programs.

Note: This is a **repeat finding** for AAFD. Audit Report PGC-008-2020-A, issued on December 23, 2019 addressed late payroll payments to a seasonal employee who was allowed to work before being cleared by HR.

Risk/Criteria: Commission Administrative Procedure 03-03 *Recruitment and Selection* requires a criminal history background check for all Commission employees or volunteers who care for, supervise, or have access to children at Commission facilities. This requirement applies to all Merit and non-Merit employees (contract, full-time, part-time, appointed officers, volunteers, including minors).

³ Form initiated by the Department and Processed by HR to authorize work.

⁴ The CJIS is a report from the state of Maryland and the FBI from fingerprints taken of prospective employees. The NCIS is a National criminal online record search of all 50 states.

For contract seasonal/intermittent employee within DPR, it is the [REDACTED] responsibility (AAFD's hiring manager) to check with HR to ensure the results of the background investigations were satisfactory before allowing an individual to start performing work for the Commission.

Commission Administrative Procedure 00-02, *Contract Employment: Seasonal Intermittent, Temporary and Term Employment states*: The Department is responsible for ensuring that all new contract employees complete and sign applicable employment documents, including: Contractual Employment Personnel Action Form. The PA2 form is an integral part of the onboarding process for seasonal/intermittent employees as it is the source document for obtaining an employee identification number and confirmed payrate. Without initiation of the PA2 form an employee cannot submit timecards through payroll.

Failing to initiate a PA2 form for a new employee delays payment to an employee and also increases the risk of reputational damage to the Commission. For employee B, the risk was significant, as the employee was allowed to work before the background checks were completed.

Issue Risk: High

Recommendation: We recommend AAFD strengthen internal control procedures to ensure potential employees working with children are fully vetted and cleared by HR, including satisfactory background investigations, prior to beginning work, as required by Commission Administrative Procedure 03-03.

We also recommend that AAFD strengthen internal procedures to help ensure PA2 forms are initiated prior to an employee beginning work, as required by Commission Administrative Procedure 00-02.

Management Response: Concur. AAFD agrees with the OIG's recommendation to strengthen internal control procedures to ensure potential employees working with children are fully vetted and cleared by HR, including satisfactory background investigations, prior to beginning work, as required by Commission Administrative Procedure 03-03. We believe this can be accomplished through our implementation of the following:

- Annual review and distribution of seasonal onboarding procedures and policies with all division staff. This information will detail the hiring process for seasonal/intermittent staff and include reminders that staff are not to be scheduled for work until the required clearances are received from Human Resources. We have included a copy of "AAFD's Seasonal On-Boarding Process" document with this management response which was last updated on February 7, 2020. This document and our hiring procedures will be distributed and reviewed with AAFD staff during our March 19, 2020 All-Staff Meeting.

Prince George's County Department of Parks and Recreation
Aquatics and Athletic Facilities Division
PGC-011-2020-B
Internal Control Report

- Work with our department Human Resources team to implement disciplinary action for violations of policies and procedures regarding hiring seasonal/intermittent staff.

Expected Completion Date: March 2020

Follow-Up Date: April 2020

2. Increase Managerial Oversight, Transparency, and Communications

Issue: A lack of managerial oversight within AAFD contributed to managerial abuse, as concluded in the accompanying Fraud, Waste, and Abuse Report. For example, the [REDACTED] did not provide adequate oversight or training to the [REDACTED] to help ensure the hiring of intermittent staff followed Commission Policies and Procedures. The [REDACTED] did not coordinate the required documentation for the employment of contract employees.

A lack of transparency and communication also contributed to non-payment of compensation to seasonal employees (92 hours for Employee A).

Risk/Criteria: The lack of managerial oversight, transparency, and communications within AAFD do not reinforce a strong internal control environment. During the course of the investigation, the OIG found evidence of concealment of actions, false representation, and insubordinate actions. Tone at the top is a key internal control. When management's actions infer Policies and Procedures can be ignored, similar actions are more than likely to be committed by subordinates.

Issue Risk: High

Recommendation: DPR management should ensure managers and supervisors have the tools and training necessary to provide proper oversight to employees under their purview.

Management Response: Concur. AAFD agrees managers and supervisors should have the tools and training necessary to provide proper oversight to employees under their purview. However, it is important to clarify the responsibility and accountability for hiring seasonal/intermittent staff is that of the career [REDACTED] and/or [REDACTED] [REDACTED] who supervise the [REDACTED]. It is/was not the responsibility of the seasonal/intermittent [REDACTED] [REDACTED] [REDACTED] to hire additional seasonal/intermittent [REDACTED].

The career [REDACTED] and/or [REDACTED] did not provide adequate oversight of the [REDACTED] and practices and ensure the Division's compliance with established hiring procedures. To prevent future occurrences, the [REDACTED] will be present at multiple [REDACTED] practices each week and will be retrained on AAFD's Seasonal On-Boarding Process. The [REDACTED] will also be retrained on the same procedures.

Additionally, AAFD will be working with the Department's Human Resources team to implement appropriate disciplinary action(s) for staff who violated the Commission's hiring procedures.

Expected Completion Date: March 2020

Prince George's County Department of Parks and Recreation
Aquatics and Athletic Facilities Division
PGC-011-2020-B
Internal Control Report

Follow-Up Date: April 2020

3. **Ensure New Employees Obtain Necessary Training**

Issue: The [REDACTED] within AAFD indicated they were not provided any training/instruction on how to properly prepare and complete a paper timecard upon hire.

Risk/Criteria: Commission Practice 3-40, *Preparing Timecards* and Administrative Procedure 19-02, *Attendance, and Completion and Approval of Timecards*,⁵ describes how direct supervisors are responsible for providing a signature (affirmation) of the hours the employee worked, and ensuring the timecard has been completed properly without any errors. Proper training/instruction to new employees in preparing and completing paper timecards is essential in preventing errors and ensuring employees are paid accurately. Failing to provide employees with proper training/instruction for completing paper timecards increases the Commissions risk of fraud, waste and abuse.

Issue Risk: Low

Recommendation: We recommend that AAFD develop internal procedures to ensure all new employees who will use paper timecards are provided training/instruction on how to properly prepare and complete them.

Management Response: Concur. AAFD agrees with the OIG's recommendation that AAFD develop internal procedures to ensure all new employees who will use paper timecards are provided training/instruction on how to properly prepare and complete them. On February 3 & 4, 2020, all of the PGPR [REDACTED] were trained on how to properly complete paper timecards. We have included copies of the timecard completion procedures signed by all of the PGPR [REDACTED]. Going forward, this same document will be reviewed and training will be completed for staff utilizing paper timecards.

Expected Completion Date: March 2020

Follow-Up Date: April 2020

⁵ Commission Practice 3-40 was in effect up until November 13, 2019. On November 14, 2019 Commission Practice 3-40 was rescinded and Commission Administrative Procedure 19-02 became effective.

D. Conclusion

We believe the findings 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 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 Prince George's County Department of Parks and Recreation for the cooperation and courtesies extended during the course of our review.



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February 18, 2019