



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Office of the Inspector General • 7833 Walker Drive, Suite 425 • Greenbelt, Maryland 20770

To: Mike Riley
Director, Montgomery County Department of Parks

John Nissel
Deputy Director, Operations

Bill Tyler
Director, Prince George's County Department of Parks and Recreation

Alvin McNeal
Acting Deputy Director, Administration and Development

From: Renee Kenney, CPA, CISA, CIA
Inspector General

Renee M Kenney

Wanda King, MBA
Assistant Inspector General

Wanda King

Date: May 20, 2020

Subject: Follow-up Review for the Energy Management/Utilities Audit Report, CW-006-2018

We have completed the follow-up review for Commission Management/Utilities, No. CW-006-2018, dated December 28, 2017.

The following is the result of the review for **Montgomery County Department of Parks:**

Rec. #	Issue/ Recommendation	Issue/ Risk	Expected Completion Date	Revised Completion Date	Status
1	Develop Formal Assessment Plan for Utility Invoice Data	High	January 2019	January 2021	Partially Resolved
2	Appoint Coordinators to Administer the Assessment Plan	High	January 2019	N/A	Resolved
3	Distribute Utility Data Analysis Reports to Management	Medium	January 2019	N/A	Resolved
4	Review and Update Access to EnergyCAP (EIT)	Low	February 2019	N/A	Resolved

Management provided sufficient information and clarification for us to conclude that three of the four audit recommendations have been satisfactorily addressed and implemented. One is partially resolved as some degree of progress has been made but is not yet complete. The following details the status of the partially resolved recommendation.

Recommendation # 1: Develop Formal Assessment Plan for Utility Invoice Data

Background and Discussion: Utility invoice data is not consistently reviewed, monitored and analyzed 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.

The Office of the Inspector General (OIG) recommended the development and implementation of a formal utility invoice data assessment plan to assist management with proactive analysis, decision making, and timely corrective action and compliance with Commission Practice 6-40. Some fundamental steps/processes to consider incorporating into an assessment plan included, but were not limited to:

- Collect and track utility invoice data, housed in EnergyCAP, for all Commission facilities and functional areas.
- Analyze the data, using EnergyCAP to help identify billing errors, usage patterns, unexpected trends and anomalies.
- Contact utility service providers to correct billing errors and to ensure refund credits owed are accurately applied to Commission utility accounts.
- Periodically examine facility equipment (e.g., meters) to identify required maintenance and repairs, which may help decrease utility expenses.
- Continuously monitor actual utility expenses, comparing them with budgeted utility expenses. Note that interviews with a sample of budget managers disclosed that they investigate unusual or significant variances.

In addition, the OIG recommended management ensure staff assigned responsibilities for facilitating the assessment plan, are trained to use EnergyCAP, which is fundamental to invoice billing review and analysis.

Note that management is not required to implement each of the five (5) bullet points included in the audit recommendation. For example, management may choose to incorporate all or some of them. Most importantly, management should consider the key risks that affect operations, as well as their available resources for developing an assessment plan. However, management should develop and document an assessment plan that consists of operating steps and

procedures, including assigned roles and responsibilities, to facilitate proactive analysis of utility invoice data, decision making and timely corrective action.

Current Status: Partially Resolved

Management Response: The Montgomery County Department of Parks and Montgomery County Planning Department have developed a plan for utility invoice approval. The first step has been to re-allocate a position to the Management Services Division Budget Office. This position is primarily responsible for reviewing invoices prior to payment. Once training has been provided for invoice approval within the EnergyCAP system, the newly assigned position will be responsible for completion of this process. The Department will re-evaluate and re-allocate additional resources as necessary once the Enterprise Information Technology (EIT) section, within the Office of the Chief Information Officer has completed implementation of the updated EnergyCAP software¹.

Revised Expected Completion Date: January 2021

Follow Up Date: February 2021

¹ EIT is leading the EnergyCAP V7 upgrade. The project has three phases, 2 have been completed and the 3rd is in progress and should be completed by 12/31/20. Phase 1 included data restructure, so the data is in a usable format and an update to employee access. Phase II included the validation and correction of meters (approx. 3,300) and accounts. Phase III involves the implementation of invoice validation and workflow.

The following is the result of the review for **Prince George’s County Department of Parks and Recreation**:

Rec. #	Issue/ Recommendation	Issue/ Risk	Expected Completion Date	Revised Completion Date	Status
1	Develop Formal Assessment Plan for Utility Invoice Data	High	January 2019	September 2020	Partially Resolved
2	Appoint Coordinators to Administer the Assessment Plan	High	January 2019	N/A	Resolved
3	Distribute Utility Data Analysis Reports to Management	Medium	January 2019	September 2020	Unresolved
4	Review and Update Access to EnergyCAP (EIT)	Low	February 2019	N/A	Resolved

Management provided sufficient information and clarification for us to conclude that two of the four audit recommendations have been satisfactorily addressed and implemented. One is partially resolved as some degree of progress has been made but is not yet complete, and one is unresolved. The following details the status of the partially resolved and unresolved recommendations.

Recommendation # 1: Develop Formal Assessment Plan for Utility Invoice Data

Background and Discussion: Utility invoice data is not consistently reviewed, monitored, and analyzed 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.

The Office of the Inspector General (OIG) recommended the development and implementation of a formal utility invoice data assessment plan to assist management with proactive analysis, decision making, and timely corrective action and compliance with Commission Practice 6-40. Some fundamental steps/processes to consider incorporating into an assessment plan included, but were not limited to:

- Collect and track utility invoice data, housed in EnergyCAP, for all Commission facilities and functional areas.
- Analyze the data, using EnergyCAP to help identify billing errors, usage patterns, unexpected trends, and anomalies.
- Contact utility service providers to correct billing errors and to ensure refund credits owed are accurately applied to Commission utility accounts.
- Periodically examine facility equipment (e.g., meters) to identify required maintenance and repairs, which may help decrease utility expenses.

- Continuously monitor actual utility expenses, comparing them with budgeted utility expenses. Note that interviews with a sample of budget managers disclosed that they investigate unusual or significant variances.

In addition, the OIG recommended management ensure staff assigned responsibilities for facilitating the assessment plan, are trained to use EnergyCAP, which is fundamental to invoice billing review and analysis.

Note that management is not required to implement each of the five (5) bullet points included in the audit recommendation. For example, management may choose to incorporate all or some of them. Most importantly, management should consider the key risks that affect operations, as well as their available resources for developing an assessment plan. However, management should develop and document an assessment plan that consists of operating steps and procedures, including assigned roles and responsibilities, to facilitate proactive analysis of utility invoice data, decision making and timely corrective action.

Current Status: Partially Resolved

Management Response: The Department of Parks and Recreation has designated staff from our EAM Team and Sustainability Coordination Team to work closely with the EnergyCap migration task force. This taskforce is comprised of representatives from the Bi-County EAM teams, Planning Board, and Central Administration Services. One of the primary taskforce goals is to obtain, monitor, and update the status of utility data activity and address issues with utility invoice data. Given the complexity involved with learning the new upgraded technology and cross-departmental coordination required, the Sustainability Coordination Team requested further training from the EnergyCap Providers. This training is scheduled to be conducted in May 2020. Upon completion of this training, the Department's EAM team will be responsible for collecting and tracking utility invoice data, analyzing the data, contacting utility vendors for corrections or abnormalities, and periodically updating the Sustainability Coordination Team with meter status for preventative maintenance.

Revised Expected Completion Date: September 2020

Follow Up Date: February 2021

Recommendation # 3: Distribute Utility Data Analysis Reports to Management

Background and Discussion: Management does not consistently receive reports that provide analytical information and results of utility billing data and energy consumption for Commission facilities and functional areas. Analytical results should be communicated to Department senior management and facility directors on a regular basis (e.g., monthly, quarterly). The reports should illustrate and explain data such as utility usage, costs, trends, and anomalies, which would assist with timely decision making, cost savings and ultimately contribute to more efficient energy use throughout the Commission.

OIG recommended that the Energy Leaders or Coordinators should develop and distribute informational reports on a consistent basis to management, at least quarterly, to assist with proactive analysis, decision making and timely corrective action.

Current Status: Unresolved

Management Response: Upon the completion of the aforementioned EnergyCap training, the Department of Parks and Recreation Sustainability Coordination Team will generate energy management report guides, compliance reporting, and format analysis and utilization reports to disseminate to Department management on a recurring basis.

Revised Expected Completion Date: September 2020

Follow Up Date: February 2021

For your convenience, we have included a copy of the original audit report dated December 28, 2017. If we can be of assistance in the future, please do not hesitate to contact our office. Thank you for your assistance in this review.

cc: Executive Committee
Casey Anderson
Elizabeth Hewlett
Asuntha Chiang-Smith

Audit Committee
Dorothy Bailey
Lori Depies
Partap Verma
Benjamin Williams

M-NCPPC
Joe Bistany
Andree Checkley
Mazen Chilet
Adrian Gardner
James Poore
Lissette Smith
Abbey Rodman
Debbie Tyner
Gwen Wright
Joseph Zimmerman