



To: Michael Riley, Director
Montgomery County Department of Parks

John Nissel, Deputy Director
Montgomery County Department of Parks

From: Renee Kenney, CPA, CISA, CIA
Chief Internal Auditor

Date: October 29, 2014

Subject: Northern Parks - Purchase Card Review - Management Advisory Report –
MC-005-2015

Background

On September 16, 2014, Mr. William Spencer, Chief, Human Resources Division forwarded allegations brought to his attention during an unrelated personnel action, relating to purchase card abuse in the Northern Park region, to the Office of Internal Audit. Concerns were raised with the frequency of food and meal purchases for Northern Park employees.

Scope

The scope of the internal control review for the Northern Park Region included, but was not limited to, the following audit procedures:

- identifying purchase card holders in the Northern Park Region (e.g. Black Hills Area, Little Bennett, Olney Manor Area, Rock Creek Area, Shady Grove Area, and South Germantown Rec. Park.);
- obtaining and reviewing purchased card purchases to ensure compliance with Commission Practices and Procedures; and
- analyzing food and meal purchases to identify possible fraud, waste, or abuse.

The audit period covered purchase card purchases made between January 1, 2014 and September 19, 2014.

Findings and Recommendations

For the nine (9) month period reviewed, we identified 19 food/meal purchases for Northern Park employees, totaling \$1,365.81. The supporting documentation included an appropriate business reason and the purchase card holders obtained the required approval. Our review did not disclose any significant deficiencies in the design or

operation of the Region's internal controls over purchase cards. Our review also did not disclose any significant instances of noncompliance with applicable policies, procedures, or regulations.

Exhibit A contains a summary of the 19 food/meal purchases for Northern Park employees.

Conclusion

This audit was conducted in accordance with the *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We wish to express our appreciation to Montgomery County Department of Parks, management and staff for the cooperation and courtesies extended during the course of our review.

cc: B. Hewlett W. Dickerson
C. Anderson A. Gardner
P. Barney S. Raines
N. Dreyfuss W. Spencer
R. Reed J. Zimmerman
J. Shoaff

EXHIBIT A

Location	Date	Vendor	Amount	Purpose
Olney Manor Park	2/12/2014	[REDACTED]	\$179.88	Snow Removal
Shady Grove	3/5/2014	[REDACTED]	\$66.56	Division Managers Meeting
Black Hill Reg. Park	8/21/2014	[REDACTED]	\$14.16	Refreshments for Interview Panel
	8/21/2014	[REDACTED]	\$24.20	Lunch for Interview Panel
	4/26/2014	[REDACTED]	\$59.76	Lunch for Interview Panel
South Germantown RP	2/3/2014	[REDACTED]	\$56.54	Refreshments for Managers Meetings
	2/12/2014	[REDACTED]	\$263.43	Snow Removal
	3/20/2014	[REDACTED]	\$28.32	Refreshments for Interview Panel
	5/16/2014	[REDACTED]	\$5.72	Retirement Party Supplies
	5/16/2014	[REDACTED]	\$26.60	Monthly Managers Meeting
	5/16/2014	[REDACTED]	\$29.98	Monthly Managers Meeting
	6/17/2014	[REDACTED]	\$33.51	Refreshments for Interview Panel
	6/18/2014	[REDACTED]	\$45.53	Refreshments for Interview Panel
	7/3/2014	[REDACTED]	\$74.23	Monthly Managers Meeting
South Germantown RP	1/24/2014	[REDACTED]	\$233.24	Snow Removal
	3/6/2014	[REDACTED]	\$59.93	Refreshments for Interview Panel
	3/20/2014	[REDACTED]	\$29.25	Refreshments for Interview Panel
	5/28/2014	[REDACTED]	\$83.03	Refreshments for Training
	9/6/2014	[REDACTED]	\$51.94	Refreshments for Training
			<u>\$1,365.81</u>	