



HARFORD COUNTY, MARYLAND

Office of the County Auditor

Report Highlights

Why We Did This Review

This annual summary is required by the OCA Rules of Procedure.

What We Found

Planned audits will be completed by Fall 2017 or have been included in the next year's audit plan.

The Office's Quality Assurance procedures meet internal audit and governmental auditing standards.

What We Recommend

We can improve by developing better ways to communicate the value of audit to leaders within the County's Executive Administration.

June 26, 2017

Harford County Council
212 S. Bond St., 2nd Floor
Bel Air, MD 21014

Dear Council Members:

In accordance with the Rules of Procedure for the Office of the County Auditor, this report summarizes the activities of the Office for fiscal year 2017.

Status of Audit Plan

18	Audits Planned		
1	Audit Added	1	Audit Cancelled
11	Complete	1	Postponed
5	In Progress	1	Not Started

A more detailed status of the Audit Plan was provided to you during the June 20, 2017 public presentation. For the audits completed, we noted seven issues to be remediated; a comprehensive report detailing the status of the audit findings will be provided to you as a separate report in October, 2017.

In addition to performing audits, this year the office has completed the following:

5	Research Requests, Fraud and Abuse Reports
21	Fiscal Analysis of Bills
31	Fiscal Analysis of Resolutions
337	Hours spent on Budget Analysis
210.5	Continuing Professional Education Credits Earned

Quality Assurance and Improvement

In accordance with the International Standards for the Professional Practice of Internal Auditing, the Office has a Quality Assurance and Improvement Program (QAIP). Internal assessments are performed for every engagement to confirm that audits are performed in accordance with governmental and internal auditing standards. Our QAIP also involves an annual review of projects completed, continuous review of our audit methodology and input from our stakeholders. An external assessment of the Office's procedures, conducted in 2015, resulted in a Pass rating. The next external assessment will take place in 2018.

I have completed the QAIP internal review for FY2017 and found that audit standards were met. We can improve by finding better ways to get management buy-in for audit cooperation, open communication and implementation of audit recommendations. Over the past year, we have had increasing difficulty obtaining access to employees, systems, data and documents in a timely and unrestricted fashion. Cooperation and communication lay the groundwork for effective audits. The restrictions put in place by management this year have created more work for our office, reduced our ability to rely upon the evidence obtained and have delayed the completion of some projects.

In the upcoming year, I plan to help leaders recognize that the Office exists to help promote accountability. Audits can serve as confirmation that processes are effective and efficient; further, it is advantageous to identify issues so that they can be corrected promptly. Your support, as elected officials, in promoting your expectations for transparency and accountability on behalf of the citizens of Harford County can also help encourage members of management to respond to our audit reports and take steps to address areas for improvement.

In 2016 we hosted a summer intern; I am glad to report that the experience was great for all parties involved. This summer, we will be hosting two summer interns. Internships give us an opportunity to teach and reinforce audit fundamentals, while completing more audit work than would be otherwise possible. In prior years, I have highlighted my concerns about staffing levels in the Office; this arrangement helps relieve some of the shortfall.

I would like to acknowledge the hard work of everyone working in the Office this year. As we move into the FY2018 audit plan, we will continue to perform audits that reflect the County governments' priorities, objectives and risk areas. I am available to respond to any questions you have regarding this report.

Sincerely,



Chrystal Brooks
CPA, CGFM, CIA, CISA, CGAP, CRMA
County Auditor

cc: Mr. Barry Glassman, County Executive
Mr. Billy Boniface, Director of Administration
Audit Advisory Board Members