



HARFORD COUNTY, MARYLAND

Office of the County Auditor

SECTION 214 REVIEW INFORMATION & COMMUNICATION TECHNOLOGY

Report Highlights

Why We Did This Audit

This audit was conducted as required by §214 of the Harford County Charter.

What We Found

We noted Mr. Pibil does not have any indebtedness to the County.

Report Number: 2018-A-17

Date Issued: 04/24/2018

Council Members and County Executive Glassman:

In accordance with Section 214 of the Harford County Charter, we have performed an audit of the accounts under the direction of the former Director of Information & Communication Technology, Ted Pibil. The results of that audit, our findings and recommendations for improvement are detailed in the attached report. We would like to thank the members of management for their cooperation during the audit.

The audit found Mr. Pibil does not have any indebtedness to the County; however, separation procedures related to inventory can be improved.

The audit team is available to respond to any questions you have regarding the attached report.

Sincerely,

Chrystal Brooks, CPA

Chrystal Brooks
County Auditor

cc: Mr. Robert Sandlass, Treasurer
Mr. James Richardson, Director of Human Resources
Mr. Billy Boniface, Director of Administration
Mr. Nick Kuba, Director of Info. & Comm. Tech.



HARFORD COUNTY, MARYLAND

Office of the County Auditor

REVIEW RESULTS

We have audited the accounts under the control of Ted Pibil, Director of Information & Communication Technology for the period of 7/1/2016 through 10/31/2017, in accordance with §214 the Harford County Charter. These audit procedures are required “upon the death, resignation or removal of any County officer”.

Our conclusion, based on the evidence obtained, is that Mr. Pibil does not have any indebtedness to Harford County. The audit approach focused on testing the key controls that address management’s objectives for the process. Conclusions drawn are below.

Risk	Expected Control	Conclusion
Accounts under the Official’s control were not properly used.	<ul style="list-style-type: none"> • Spending is within budgeted limits. • Large transactions are supported by adequate documentation. • Travel, Meal Expenses and Employee Reimbursements were justified. • Transactions are approved through proper channels. 	Satisfactory
Official continues to have access to County financial resources.	<ul style="list-style-type: none"> • Signatory access is removed from County bank accounts. • Assigned purchase cards are returned and disabled. • Access to financial and information systems is revoked timely. 	Satisfactory
Official continues to have physical access to County resources.	<ul style="list-style-type: none"> • Keys, security and identification cards are returned. • Assigned equipment, uniforms and vehicles are returned. 	Needs Improvement
Official is paid more than authorized.	<ul style="list-style-type: none"> • Separation documentation was completed timely. • Pay rate reflects the approved budget amount. • Changes to pay rates were approved. • Leave payouts were correct based on accrued balances. 	Satisfactory

Areas for improvement are described in the Findings and Corrective Actions section of this report. Management has been provided an opportunity to respond to this report; the response provided follows the finding.

FINDINGS AND CORRECTIVE ACTIONS

Finding Number: 2018-A-17.01

County officials cannot locate all equipment assigned to the employee.

Analysis: The County is required to perform certain procedures upon the separation of County employees. One of those procedures is the confirming that all assigned inventory has been returned. Confirmation of the returned equipment should be noted in the Termination Form that is completed by a supervisor or another official. Based on our review, those procedures were not performed.

We obtained a list of equipment assigned to Mr. Pibil to confirm the equipment assigned to him was returned. With management's assistance, we were unable to confirm the location of two (2) of the 10 items assigned to him. The inventory related field of Mr. Pibil's termination form was not completed, so there is no way to confirm that the inventory review step was taken.

We do not believe Mr. Pibil is responsible for these items.

Management Response: Management agrees that Mr. Pibil is not responsible for these items. Management will continue to search our inventory and will advise when/if items are located.

BACKGROUND INFORMATION

PROGRAM DESCRIPTION AND KEY STATISTICS

Ted Pibil served as Harford County's Director of Information & Communication Technology from June 2011 until his resignation in October 2017. As the Director of Information & Communication Technology, he supervised and coordinated the work of five specialized groups: 1) Application Development; 2) Program Management; 3) Technical Support Services; 4) Database Administration; and 5) Systems/Network Architecture. According to the Harford County Government website, these groups "lead and support efforts initiated from the ICT Focus and Strategic Initiatives and offer a variety of services to the county".

REVIEW OBJECTIVE, SCOPE AND METHODOLOGY

In accordance with Harford County Charter § 214, upon death, resignation or removal of any county officer, the County Auditor shall cause an audit and investigation to be made of any accounts maintained by the officer and by his agency. The objective of this review was to satisfy the requirements of Charter § 214, with regard to Ted Pibil, Director of Information & Communication Technology, who resigned, effective October 13, 2017. The scope was limited to the accounts and resources under the control of the Director.

The audit focused on activity during the period of 7/1/2016 through 10/31/2017. Our audit procedures included interviewing personnel, observation and testing. Specifically, we confirmed that the accounts under Mr. Pibil's control did not have unusual or inappropriate costs; Mr. Pibil's physical and financial access to County resources had been revoked and that his final paycheck and leave payout were correct.

Harford County management is responsible for establishing and maintaining effective internal controls. Internal control is a process designed to provide reasonable assurance that objectives pertaining to the reliability of financial records, effectiveness and efficiency of operations including safeguarding of assets and compliance with applicable laws, rules and regulations are achieved. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected.

The audit was performed in accordance with Generally Accepted Government Auditing Standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient evidence to provide a 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.

Audit Team:

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

Brad DeLauder, CPA
Senior Auditor