



HARFORD COUNTY, MARYLAND

Office of the County Auditor

October 17, 2014

Report Highlights

Why We Did This Audit

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

What We Found

We found that Ms. Hendrix does not have any indebtedness to the County.

SECTION 214 REVIEW- COMMUNITY SERVICES

Council Members and County Executive Craig:

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 the Department of Community Services, Elizabeth Hendrix.

We concluded that Ms. Hendrix does not have any indebtedness to the County. The objectives, scope and results of the audit are detailed in the attached report.

Members of management have been advised of our results. We would like to thank them for their cooperation during the audit. The audit team is available to respond to any questions you have regarding the attached report.

Sincerely,

Chrystal Brooks
County Auditor

cc: Ms. Kathryn Hewitt, Treasurer
Ms. Janet Schaub, Director, Human Resources
Ms. Mary Chance, Director of Administration

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212 South Bond Street * Room 219 * Bel Air, Maryland 21014

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HARFORD COUNTY, MARYLAND

Office of the County Auditor

CHARTER SECTION 214 REVIEW- COMMUNITY SERVICES

Report Number:

2014-A-12

Date Issued:

October 17, 2014

Period Covered:01/01/2013 through
10/03/2014

BACKGROUND INFORMATION

INTRODUCTION AND KEY STATISTICS

Elizabeth Hendrix has served as Harford County's Director of Community Services from January 2011 until her separation on September 12, 2014. As the Director of Community Services, she supervised and coordinated the work of the Office of the Director and Community Development. Agencies under the Office of the Director include Harford Transit, Office on Aging and Office on Drug Control Policy. Each of these agencies is led by an Administrator who is responsible for the day-to-day operations of their respective functions.

REVIEW OBJECTIVE, SCOPE AND METHODOLOGY

In accordance with Harford County Charter section 214, "upon the 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 Section 214, with regard to Elizabeth Hendrix, Director of Community Services, who resigned effective 9/12/2014. The scope was limited to accounts and resources under the control of the Director of Community Services.

Audit Team:

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

Laura Tucholski
CPA, CIA, CFE, CRMA
Managing Auditor

The audit focused on activity during the period of 01/01/2013 through 10/03/2014. Our audit procedures included interviewing personnel, observation and testing. Specifically, we confirmed that the accounts under Ms Hendrix's control did not have unusual or inappropriate costs; Ms. Hendrix's physical and financial access to County resources had been revoked and that her final paycheck and leave payout were correct.

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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.

REVIEW RESULTS

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.

With regard to transactions that were approved or initiated by Ms. Hendrix, we found that the accounting system controls limited her to approving transactions for the Director's Office, Office on Aging and Office on Drug Control Policy. We reviewed relevant documentation and confirmed that purchase card charges, travel, meals and miscellaneous expenses during the review period were reasonable and appropriate.

As expected, we were advised that Ms. Hendrix did not have signatory access to any County bank accounts. We were additionally advised that Ms. Hendrix's purchase card was returned and destroyed in a timely fashion and confirmed that the purchase card account has been disabled.

We confirmed that Ms. Hendrix's logical access to County resources, including network and computer systems, has been revoked. We additionally confirmed that Ms. Hendrix's security card has been disabled and that she returned facility keys to County officials.

We confirmed that Ms. Hendrix's final paycheck and leave payout amounts were correct and that she returned all County property assigned to her.

Our conclusion, based on the evidence obtained, is that Ms. Hendrix does not have any indebtedness to Harford County.