

Internal Audit Report

**EXIT AUDIT
KEN ULMAN
COUNTY EXECUTIVE
FEBRUARY 2015**

Office of the County Auditor





OFFICE OF THE COUNTY AUDITOR

Craig Glendenning, CPA
County Auditor

February 2015

The County Council and County Executive
of Howard County, Maryland

Pursuant to Section 213 of the Howard County Charter, “upon the death, resignation, removal or expiration of the term of any County administrative officers, the County Auditor shall cause an audit and investigation of the accounts maintained by the officer, and by his or her department, office or agency, to be made.” We have conducted an exit audit for Kenneth Ulman, the County Executive until the end of his term effective December 1, 2014.

The objectives of our review were to determine whether:

- The accounts maintained by Mr. Ulman were in order.
- The County’s procedures for separation of employment were followed.
- Mr. Ulman’s earnings on his final Earnings Statement were accurate.

Our report is submitted herewith. We wish to express our gratitude to the staffs of the Chief Administrative Officer, the Office of Human Resources, and the Department of Finance for the cooperation and assistance extended to us during the course of this engagement.

Craig Glendenning, CPA
County Auditor

FINDINGS AND RECOMMENDATIONS

Objective #1 – To determine if the County’s procedures for separation from duty have been followed.

An Employee Inventory Checklist was prepared for and signed by Mr. Ulman. We found that he had returned all of the items assigned to him except for his iPad, for which he paid to the County an amount which represented the fair value of the device. He also filed a financial disclosure statement upon the expiration of his term.

Objective #2 – To determine whether the accounts maintained by the County Executive are in order.

We reviewed the Detailed Obligations vs. Budget report for the Office of the County Executive for the five months ended November 30, 2014 to determine if there was any over-expenditure or projected over-expenditure of funds in Mr. Ulman’s area of responsibility. We found no exceptions.

Objective #3 – To determine if the County officer’s access to County systems has been terminated.

We verified that Mr. Ulman’s access to County automated systems was terminated timely.

Objective #4 – To determine if the earnings on the final Earnings Statement were accurate.

Our review of Mr. Ulman’s final paycheck disclosed that he was paid for the full two week period ended December 14, 2014 (with a pay date of December 24, 2014) when, in fact, his term as County Executive expired December 1, 2104, the first day of the pay period.

According to the County’s Office of Law, the Howard County Charter provides that the County Executive’s annual salary for the 12 month period beginning December 2, 2013 and ending December 1, 2014 was \$171,301. We verified that Mr. Ulman received his full salary as of the pay period ending November 30, 2014 and would not be eligible to receive any compensation after that date as he was no longer County Executive. Section 213 of the County

Charter provides that, if as a result of this audit, an officer is found to be indebted to the County, the County Executive shall collect the indebtedness.

We recommend that the Department of Finance:

- a. calculate any overpayment made on Mr. Ulman's final paycheck,*
- b. in accordance with the County Charter take action to collect any overpayment, and*
- c. revise its procedures to ensure that future payments to elected officials are in accordance with the County Charter.*

Administration's Response

The Administration concurs with this recommendation. The Department of Finance is taking appropriate steps to recoup the overpayment.

AUDITOR

Stephen E. Peters, Jr., CPA
Audit Manager