



OFFICE OF THE COUNTY AUDITOR

Craig Glendenning, CPA
County Auditor

MEMORANDUM

March 18, 2022

MEMO TO: Council Members

Calvin Ball
County Executive

FROM: Craig Glendenning
County Auditor

SUBJECT: Exit Audit – Lisa Myers

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 Lisa Myers, Chief of Police, until the end of her employment, effective January 1, 2022.

The objectives of our review were to determine whether:

- The County’s procedures for separation of employment were followed.
- The accounts maintained by the Chief were in order.
- The Chief’s access to County systems had been terminated.
- The Chief’s earnings on her final earnings statement were accurate.

FINDINGS AND RECOMMENDATIONS

We found that County procedures were followed in Chief Myers’ separation from County employment, including fully terminating her access to County systems. In addition, the Chief’s earnings on her final earnings statement were accurate. However, we noted that the accounts maintained by the Chief were not always in order. Specifically, we identified the following issues with the Chief’s procurement card.

Finding 1 – Prohibited Use of Procurement Card

During our review of the accounts Chief Myers’ maintained, we noted her procurement card was inappropriately used as a method of payment for certain expenses. Specifically, our review of the Chief’s procurement card statements for the months November 2021 and December 2021 disclosed that her procurement card was used for three transactions totaling \$5,921 for catering services to include food, beverage, and waitstaff for a holiday party for 300 Police Department personnel at up to five locations County-wide.

While County funds were not ultimately used to pay for the holiday party, using the procurement card as a method of payment to fund employee celebrations is strictly prohibited. Per the County’s Purchasing Card Program User’s Manual, “employee celebrations such as holiday or retirement parties, etc., must be funded through employee contribution, without using County funds or the p-card.”

We recommend the Administration remind cardholders that expenses for employee celebrations are not permitted on County procurement cards. We further recommend that the Administration continue to monitor cardholder activity for prohibited expenses and counsel cardholders as deemed appropriate.

Administration’s Response:

We concur. Administration will refer cardholders to the procurement card guidelines located on the County intranet. Additionally, Administration will continue to monitor transactions and counsel users if an infraction occurs.

Finding 2 – Split Purchases Not Appropriate

During our review of Chief Myers’ procurement card statement for December 2021, we noted two purchases totaling \$4,181 paid to the same vendor on the same date. Specifically, one transaction totaled \$2,000 and the second transaction totaled \$2,181, while the calculated balance on the related invoice totaled \$4,181. Thus, the payments were inappropriately split to circumvent the Chief’s established single transaction limit of \$2,500.

Per the County’s Purchasing Card Program User’s Manual, split purchases are not permissible. The Manual states “your card limits were set by your department. If a potential purchase would exceed this limit, do not split the purchase into more than one transaction, or onto two different cards.”

In addition, the Manual lists split purchases under the “What Not to Do” section and states that “A split purchase occurs when a cardholder breaks a large purchase into smaller transactions in order to circumvent card limits. The total amount of your purchase, including tax, shipping, and delivery, must be within your card limits. Examples of split purchases include: splitting a large purchase into two smaller transactions on your card ...”

We recommend the Administration remind cardholders that split purchases are not permitted on County procurement cards. We further recommend that the Administration continue to monitor cardholder activity for split purchases and counsel cardholders as deemed appropriate.

Administration's Response:

We concur. Administration will refer cardholders to the procurement card guidelines located on the County intranet. Additionally, Administration will continue to monitor transactions and counsel users if an infraction occurs.

We wish to express our gratitude to the Administration for the cooperation and assistance extended to us during the course of this engagement.

cc: Lonnie Robbins, Chief Administrative Officer
Gregory Der, Chief of Police
Patrick Pope, Internal Auditor