



OFFICE OF THE COUNTY AUDITOR

Craig Glendenning, CPA
County Auditor

MEMORANDUM

October 15, 2021

MEMO TO: Council Members

Calvin Ball
County Executive

FROM: Craig Glendenning 
County Auditor

SUBJECT: Exit Audit – Jack Kavanagh

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 Jack Kavanagh, Director of the Department of Corrections, until the end of his employment, effective February 28, 2021.

The objectives of our review were to determine whether:

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

FINDINGS AND RECOMMENDATIONS

We found that County procedures were followed in Director Kavanagh’s separation from County employment. Additionally, Director Kavanagh’s access to County systems was fully terminated in accordance with County procedures and the earnings on the final earnings statement were accurate. However, we did note the following issues.

Finding

The Employee Inventory Checklist of items issued to the Director and returned at separation was not complete.

The Employee Inventory Checklist (“Checklist”) of items issued to and returned by the Director at separation was not complete. Specifically, the Checklist did not include descriptions for some of the County assets including a laptop and vehicle. The Checklist also did not include the date of return for the items listed. The failure to ensure a complete and accurate Checklist could result in the loss of items issued to employees. The Administration subsequently provided us with an updated Checklist that included the date items were returned, excluding the vehicle. However, the updated Checklist was not signed by Director Kavanagh.

The Office of Human Resources’ (Office) Employee Manual requires that employees return all property issued by the County and verify and sign a completed final Employee Inventory Checklist upon separation from the County. However, the Office does not ensure that the Checklist includes all items issued to the employee. As a result, there is a lack of assurance that the Office can prepare a complete list of items on the employee’s signed Checklist upon separation. We have included this Finding in several recent exit audit memorandums and the Administration had agreed to implement the recommendation.

We recommend that the Office implement procedures to ensure that all items issued to a County employee are returned upon separation. Specifically, we recommend that the Office contact County agencies that issue property to employees (such as the Department of Technology and Communication Services and the Central Fleet Office) and verify that all property issued has been returned as part of the employee separation procedures.

Administration’s Response:

Concur. The Administration will work with the necessary departments to ensure that the Employee Inventory Checklist is completed, and all items are returned upon separation.

Finding

The records maintained by Central Fleet for the vehicle assigned to the Director were not accurate.

The vehicle assigned to the Director and shown as the returned vehicle on the Central Fleet Turn-in Sheet was not the vehicle used by the Director. Based on our review of the Central Fleet’s Fuel records and the Director’s monthly mileage logs, we determined that the Director switched vehicles in 2019. We were advised that Central Fleet relies on employees to report changes in assigned vehicles and does not periodically ensure the accuracy of vehicle assignments. This Finding applies to all County assigned vehicles maintained by Central Fleet.

Failure to ensure that Central Fleet records accurately reflect vehicle assignments could result in erroneous fringe benefit calculations as the calculation depends, in part, on the annual lease value (ALV) of the assigned vehicle. The ALV is based on the price and age of the vehicle. Since in this case the Director switched to a vehicle with the same ALV, this had no impact on his fringe benefit calculation.

We recommend that Central Fleet implement a process to periodically (at least annually) verify the completeness and accuracy of vehicles assigned to County employees.

Administration's Response:

Concur. The Administration will work with Central Fleet to implement a periodic review of vehicle assignments.

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
Gary Kuc, County Solicitor
Patrick Pope, Internal Auditor