

**MARYLAND-NATIONAL CAPITAL PARK & PLANNING
COMMISSION**

**Oxon Hill Manor
Facility Audit
Report Number: PGC-009-2020
July 23, 2020**

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Oxon Hill Manor
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I. EXECUTIVE SUMMARY

A. Overall Perspective

The Oxon Hill Manor (Manor), constructed in 1928 is a Historic Rental Property located at 6901 Oxon Hill Road, Oxon Hill, MD. The grounds include formal English gardens, rose bushes surrounding a reflecting pool and a large brick patio. Featured inside are rooms appointed with wood floors, crystal chandeliers, and fireplaces. The Manor is largely utilized as rental facility for special events, meetings and conferences.

In fiscal year 2019 the Manor recognized approximately \$515,000 in rental revenue from various events such as weddings and receptions, high school proms and holiday parties. The Manor also recognized an additional \$2,380 for tickets sales to its vendor showcases and summer concerts.

The Manor is managed under the aegis of the Commission's Prince George's County's Department of Parks and Recreation (DPR). Staff assigned to run the facility are organized under DPR's Arts and Cultural Heritage Division.

B. Audit Objectives, Scope, and Methodology

Objective

The purpose of this audit was to evaluate the system of internal controls supporting operations at the Manor.

Scope

The scope of our audit included, but was not limited to the following audit procedures:

- Performed an unannounced count of the petty cash and change funds;
- Reviewed petty cash receipts and replenishments;
- Tested controls over daily receipts and bank deposits;
- Reviewed timecards and time keeping procedures. Interviewed supervisory employees to assess the effectiveness of managerial oversight of the employee timecard process to ensure the hours worked were correctly reported;
- Verified the existence of controlled assets (<\$10,000) to source documentation;
- Verified the existence of capital assets (>\$10,000) to source documentation;
- Assessed Manor receivables;
- Obtained and reviewed a sample of facility contracts and rental agreements; and
- Reviewed mileage logs for Commission vehicles and ensured that drivers have attained proper operating documentation.

The audit covered the period from July 1, 2018 through June 30, 2019.

Methodology

Inquiry, observation, data analysis, and tests of imposed actions to complete the objectives of this audit were performed.

The audit was conducted in accordance with *Generally Accepted Government Auditing Standards*. Those standards require that we planned and performed the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

C. Major Audit Concerns

The results of our evaluation and testing procedures indicated no major concerns.

D. Overall Conclusions

The results of our evaluation and testing procedures indicated no major weaknesses in the design or operation of internal controls at the Oxon Hill Manor as noted in the Major Audit Concerns section of this report. On an overall basis, we consider the controls to be satisfactory.

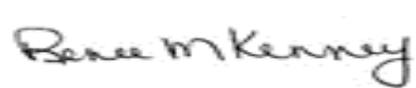
We believe the findings identified and communicated are correctable. It is the responsibility of management to weigh possible additional cost of implementing our recommendations in terms of benefits to be derived and the relative risks involved.

We wish to express our appreciation to the Prince George's County's Department of Parks and Recreation's, Arts and Cultural Heritage Division's management and staff for the cooperation and courtesies extended during the course of our review.

Natalie M. Beckwith, MPA, CFE, CICA
Assistant Inspector General



Renee M. Kenney, CPA, CIG, CIA, CISA
Inspector General



July 23, 2020

Conclusion Definitions

Satisfactory	No major weaknesses were identified in the design or operation of internal control procedures.
Deficiency	A deficiency in the design or operation of an internal control procedure(s) that could adversely affect an operating unit's ability to safeguard assets, comply with laws and regulations, and ensure transactions are properly executed and recorded on a timely basis.
Significant Deficiency	A deficiency in the design or operation of an internal control procedure(s) which adversely affects an operating unit's ability to safeguard assets, comply with laws and regulations, and ensure transactions are properly executed and reported. This deficiency is less severe than a material weakness, yet important enough to merit attention by management.
Material Weakness	A deficiency in the design or operation of an internal control procedure(s) which may result in a material misstatement of the Commission's financial statements or material impact to the Commission.

II. DETAILED COMMENTARY AND RECOMMENDATIONS

1. Ensure Petty Cash Funds are Replenished Timely

Issue: Petty cash replenishments are not being requested timely. During the course of the audit, the OIA reviewed the timeliness of petty cash fund replenishment requests from the Manor to the Department of Finance for the period 05/11/18 thru 08/02/19. Of the three replenishments requested, all were in excess of [REDACTED] or 50% of the total petty cash fund of [REDACTED]. A summary of the deficiencies are as follows:

Replenishment Check Date	Amount	Petty Cash Fund Total	Percentage of fund depletion	Replenishment amount in excess of 50% of total petty cash fund
05/11/18	\$ [REDACTED]	\$ [REDACTED]	92%	Yes
04/05/19	\$ [REDACTED]	\$ [REDACTED]	69%	Yes
08/02/19	\$ [REDACTED]	\$ [REDACTED]	90%	Yes

Criteria/Risk: Per Commission Practice No. 3-11, *Administration of Cash Funds*:

- Replenish the fund at appropriate intervals for efficient administration.
 - The OIG recommends that petty cash funds be replenished once cash on-hand has been depleted by 50%.

Compliance with this practice ensures that petty cash funds are available when needed and will support efficient facility operations.

Recommendation: We recommend the Oxon Hill Manor's Cash Custodian forward all petty cash fund replenishment requests to the Department of Finance for processing prior to the depletion of 50% of the fund.

Issue Risk: Medium

Management Response: Concur. The Oxon Hill Manor Manager has reviewed the petty cash administration policies and procedures with the petty cash fund custodian. A petty cash reimbursement will be prepared as the fund is at 50%, and per Practice No. 3-11. Additionally, the managing director and the regional manager will regularly conduct and document random audits of the petty cash fund to ensure compliance with the 50% replenishment requirement.

Expected Completion Date: July 1, 2020

Follow-Up Date: September 1, 2020