



HARFORD COUNTY, MARYLAND

Office of the County Auditor

EXIT AUDIT - OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT

Report Highlights

Why We Did This Audit

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

What We Found

We noted that Mr. Overbay does not have any indebtedness to the County.

Audit Team:

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

Sarah Self, CIA, CGAP
Staff Auditor

Report Number: 2021-A-14

Date Issued: 01/27/2021

Council Members and County Executive Glassman:

In accordance with Section 214 of the Harford County Charter, we have performed an audit of the accounts under the direction of Steve Overbay, former Deputy Director of the Office of Community & Economic Development. The results of that audit are detailed in the attached report. We would like to thank the members of management for their cooperation during the audit.

The audit found Mr. Overbay has no indebtedness to the County.

The audit team is available to respond to any questions you have regarding the attached report.

Sincerely,

Chrystal Brooks, CPA

Chrystal Brooks
County Auditor

cc: Mr. Robert Sandlass, Treasurer
Ms. Tiffany Stephens, Director, Human Resources
Mr. Leonard Parrish, Director, Community and Economic Dev.



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REVIEW RESULTS

We have audited the accounts under the control of Steve Overbay, Deputy Director of Community and Economic Development, for the period of 1/1/2019 through 12/31/2020, in accordance with §214 of the Harford County Charter. These audit procedures are required "upon the death, resignation or removal of any County officer". Our conclusion, based on the evidence obtained, is that Mr. Overbay has no indebtedness to the County. The audit approach focused on testing the key controls that address management's objectives for the process. Conclusions drawn are below.

Risk	Expected Control	Conclusion
Accounts under the Official's control were not properly used.	<ul style="list-style-type: none">Spending is within budgeted limits.Large transactions are supported by adequate documentation.Travel Reimbursements are supported.Transactions are approved through proper channels.	Satisfactory Satisfactory Satisfactory Satisfactory
Official continues to have access to County financial resources.	<ul style="list-style-type: none">Signatory access is removed from County bank accounts.Assigned purchase cards are returned and disabled.Access to financial and information systems is revoked timely.	Satisfactory Satisfactory Satisfactory
Official continues to have physical access to County resources.	<ul style="list-style-type: none">Keys, security and identification cards are returned.Assigned equipment is returned.	Satisfactory Satisfactory
Official is paid more than authorized.	<ul style="list-style-type: none">Separation documentation was completed timely.Pay rate reflects the approved budget amount.Changes to pay rates were approved.	Satisfactory Satisfactory Satisfactory
Accounts under the Official's control were not properly used.	<ul style="list-style-type: none">Spending is within budgeted limits.Large transactions are supported by adequate documentation.Travel Reimbursements are supported.Transactions are approved through proper channels.	Satisfactory Satisfactory Satisfactory Satisfactory

Areas for improvement are described in the Findings and Corrective Actions section of this report. Management has been provided an opportunity to respond to this report; however, none was required or provided.

BACKGROUND, OBJECTIVES, SCOPE AND METHODOLOGY

The Office of Community & Economic Development is responsible for facilitating business investment, housing initiatives, and job creation throughout the County. Steve Overbay served as the Department's Deputy Director until his resignation in December 2020.

In accordance with Harford County Charter § 214, upon 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 § 214, with regard to Steven Overbay, who left County service on December 4, 2020. The scope was limited to accounts and resources under the control of the Office of Community & Economic Development.

The audit focused on activity during the period of 01/01/2019 through 12/31/2020. Our audit procedures included interviewing personnel, observation and testing. Specifically, we sought to confirm that the accounts under the official's control did not have unusual or inappropriate costs; physical, logical and financial access to County resources had been revoked and that the final paycheck and leave payout were correct.

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.

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.