

Office of the County Auditor
Auditor's Analysis

Council Resolution No. 139-2020

Introduced: September 8, 2020

Auditor: Owen Clark

Fiscal Impact:

The fiscal impact of this legislation is forgone revenue of \$129,331 and an annual savings of \$14,500 in maintenance costs.

The foregone revenue is calculated as the net of book value (\$129,332) minus the Administration's estimated sale price (\$1).

It should be noted that this asset was purchased through State grant funding with no additional County funds.

Purpose:

The purpose of this legislation is to sell the County's Gas Chromatograph/Mass Spectrometer to the Maryland State Police (MSP), Forensic Sciences Division for a nominal value, which the Administration indicated will likely be \$1.

Other Comments:

This asset was acquired through a State grant on June 30, 2019. The County was a sub-grantee of the Howard County Health Department and the grant was administered by the Governor's Office of Crime Control and Prevention.

We have an open inquiry with the Administration regarding whether or not grant agreement restrictions exist which would prohibit the transfer of this asset.

The Administration's testimony has indicated the asset is valued at \$163,000. However, our review of SAP indicates it was acquired for \$139,400 and its book value as of August 31, 2020, is \$129,332.

We have requested a copy of the draft Memorandum of Understanding with the MSP that will outline the new terms as a result of this asset transfer. *The Administration has indicated the draft will be made available to Council as soon as legally possible.*