

**RECREATION SERVICES
PARKS & RECREATION DEPARTMENT
AUDIT 18-14
SEPTEMBER 25, 2018**



CITY OF TAMPA

Bob Buckhorn, Mayor

Internal Audit Department

Christine Glover, Internal Audit Director

September 25, 2018

Honorable Bob Buckhorn
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Recreation Services, Audit 18-14

Dear Mayor Buckhorn:

Attached is the Internal Audit Department's report on Recreation Services.

We thank the management and staff of Parks & Recreation Department for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: Dennis Rogero, Chief of Staff
Sonya Little, Chief Financial Officer
Ernest Mueller, Chief Assistant City Attorney
Paul Dial, Parks & Recreation Director
John Allen, Recreation Services Manager

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/s/ Stephen Mhere

Auditor

/s/ Christine Glover

Audit Director

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BACKGROUND

Recreation Services is a division of the City of Tampa (COT)'s Parks and Recreation Department (P&R). The division provides recreation and learning opportunities with the ultimate objective of promoting community health and well-being for people of all age groups in and around Tampa. Participant enrollment in the various programs in the fiscal years (FY) 2015 through 2017 is shown in the table below. Enrollment numbers also include people with disabilities.

Table 1: Program Participants (FY 2015 through FY 2017)			
Fiscal Year	FY 2015	FY 2016	FY 2017
Adults	1,881	2,086	1,809
Minors	8,671	8,603	9,499
TOTAL	10,552	10,689	11,308

Source: Enrollment by Age report provided by Recreation Services

Recreation Services offers diverse activities: afterschool programs, character development, creative arts, computer labs, game room activities, fitness programs, basketball, pickleball, field trips, etc. The majority of these activities take place at COT's 34 community centers and three arts studios, supervised by 141 fulltime COT employees as of April 2018. To maximize benefits to participants and better achieve objectives of the various programs, the division works with private organizations, contractors, and volunteers, leveraging their diverse expertise and interests. Collaboration with outside entities is imperative, enabling recreation center admissions to more than double from 208,570 in FY 2012 to 468,518 in FY 2017.

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY 2018 Audit Agenda. Its objectives were to:

1. Evaluate Recreation Services' internal controls relating to the background checks of volunteer partners that interact with vulnerable populations participating in the various programs.
2. Verify that instructors working with Recreation Services in the division's various programs are providing their services under valid contracts.
3. Determine whether risk and safety practices at the community centers are consistent with division policies.

STATEMENT OF SCOPE

The audit focused mainly on Recreation Services' operations for the years FY 2015, 2016, and 2017, although in some instances prior activities with a bearing on current practice were reviewed. In particular, compliance with statutes and ordinances, safety considerations, and instructor contracts were included in the audit scope. Cash handling was excluded because as of FY 2017, a post-audit review showed P&R had implemented all recommendations addressing banking and cashiering risks identified in an audit performed the previous year.

STATEMENT OF METHODOLOGY

The audit reviewed COT ordinances and state statutes governing Recreation Services' activities. Also reviewed were policies and procedures guiding the division in matters of registration of participants in the various programs as well as background checks for volunteers and instructors. Inventory management practices were evaluated as were safety considerations for the community centers where most of the division programs take place.

Interviews were held with division staff, including the recreation services manager, site supervisors, and staff at various community centers, as well as personnel responsible for background check coordination. Interviews were also held with staff from Revenue & Finance (R&F)'s Property Control Division to discuss asset control practices. The employee services manager in Human Resources provided insight into background screening, and staff in the City Attorney's Office provided legal interpretation of practices regarding background screening practices. Risk Management personnel, who are responsible for inspections of city buildings, provided reports on their assessment of safety risks at the various community centers.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate 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.

NOTEWORTHY ACCOMPLISHMENTS

Below are some of Recreation Services Division's noteworthy accomplishments:

1. Recreation Services, along with other divisions in P&R, helped the department achieve reaccreditation with the Commission for Accreditation of Park and Recreation Agencies (CAPRA) in 2016. Accreditation is recognition of compliance with 151 CAPRA standards, an accomplishment achieved only by fewer than 160 parks and recreation agencies in the USA.
2. Also in 2016, P&R received the Excellence in Innovative Programming Award from the National Recreation and Parks Association (NRPA) for Recreation Services' Stay and Play Program. Stay and Play is a social equity program that has provided 37,000 teens with meals and a safe place to spend time while participating in various health and sports-oriented activities.
3. In 2018 the United States Conference of Mayors also recognized Stay and Play for its positive impact on the lives of Tampa's youth, awarding COT the City Livability Award.

AUDIT CONCLUSIONS

Our conclusions, based upon a review of documented policies and observation of practices are as follows:

1. Recreation Services' internal controls relating to the background checks of volunteer partners that interact with vulnerable populations participating in the various programs are compliant with the requirements of COT ordinance and state statute.
2. Instructors working with Recreation Services in the division's various programs are providing their services under valid contracts. Exceptions were discovered during the audit; however, they were quickly rectified.
3. Risk and safety practices at the community centers are consistent with division policies.

TIMELY RENEWAL OF AGREEMENTS

STATEMENT OF CONDITION: The Recreation Services Division provides a variety of activities to program participants, among them zumba, jewelry making, alternative painting, PiYo, and wheel thrown pottery classes. In order to provide maximum benefit to participants in these activities, the division partners with outside entities – experts in their respective areas – to provide instruction. The division had a total of 13 such partners with whom it had contractual agreements. However, as of mid-June 2018, contracts for five of the 13 had expired and new ones had not yet been executed.

CRITERIA: Terms of each of the contracts were specified to be tenable within clearly defined dates. The agreements did not provide for any extension dates, optional or otherwise, beyond the termination dates.

CAUSE: Staff in P&R's Administrative Division, which is responsible for the contracts under which the partners participate in recreation programs, emailed the partners contract renewal documents. However, the partners did not return the signed documents timely.

EFFECT OF CONDITION: Agreements under which contractors provide their services include terms critical to the assessment of risk for COT. One of the terms is indemnification against all liabilities caused by, or arising from, contractors' use or occupancy of city facilities. The other is a requirement for insurance that contractors should have to cover general and other liabilities. An expired contract is null and void and its terms cannot be enforced, exposing COT to an elevated risk.

RECOMMENDATION 1: Recreation Services and Administrative Divisions should work more closely with contractors so that agreements are executed in a timely manner. If contractors are not ready or are unwilling to do so, there should be contingency plans to suspend their activities on COT facilities pending the signing of contracts.

MANAGEMENT RESPONSE: The department concurs that the agreement and payments must be current in order for a contractor to offer programs at city facilities. Any contractor that does not have a current contract and required documents will be suspended until the agreement is brought up to date. In addition, any instructor that has delinquent payments to the city will not be permitted to offer any new sessions at city facilities until all fees due are paid.

TARGET IMPLEMENTATION DATE: At the time of this audit inquiry, the renewal of these contracts was in process and as of June 22, 2018, all five of these instructor agreements were completed and are current.

INVENTORY CONTROL OF SMALL ITEMS

STATEMENT OF CONDITION: At its community centers, Recreation Services keeps various assets, including computers and monitors, fitness and exercise equipment, televisions, electronic game consoles, as well as popcorn machines and similar items. Property Control, a division of R&F, is responsible for inventory control of all fixed assets, i.e., assets with a value of at least \$1,000. The inventory of all small items – assets below the \$1,000 threshold – is the responsibility of Recreation Services.

Recreation Services has developed a system whereby the division manager maintains inventory records of all electronic items (televisions, game systems, fitness equipment, public address systems, and machines for making popcorn, snow cones, and cotton candy) while supervisors maintain inventory for all other equipment at their respective sites. However, when we visited six facilities during the audit, only one had implemented an inventory system for non-electronic items. Also, the division did not have a documented inventory policy for items valued below \$1,000.

CRITERIA: Inventory control systems can provide Recreation Services with reliable information about types, quantities, and locations of equipment, enabling better managerial decision-making and improving accountability. Also, COT ordinance Section 2-46 requires all departments to create and maintain records, policies, and procedures pertaining to their operations.

CAUSE: Recreation Services has not documented its policies and procedures relating to the inventory of small items. This might possibly be influencing supervisors' decision not to prioritize small-item inventory in their activities. Also, some site supervisors seem to believe that inventory of all items is the responsibility of the fixed asset coordinator. In reality, the fixed asset coordinator's responsibility is to help Property Control locate P&R's fixed assets during annual physical inventory activities.

EFFECT OF CONDITION: The absence of a documented inventory policy is not consistent with the requirements of Section 2-46 of COT ordinance. Without established inventory systems for movable assets at all its sites, Recreation Services may not have reliable information for optimal decision-making and long term planning. The City may also be exposed to possible loss of property through theft, misplacement, and/or misappropriation.

RECOMMENDATION 2: We recommend Recreation Services Division consider the following:

1. Formulate, document, and disseminate to all supervisors a small item inventory policy.
2. Establish an inventory system for small items to be adopted at all recreation centers.

MANAGEMENT RESPONSE: The department concurs that Recreation Services needs to develop a policy for inventory control of products under \$1000 which are not disposable or ongoing replaceable items. Parks and Recreation will determine what items need to be inventoried and will create a standard system which will be required to update annually at each site.

TARGET IMPLEMENTATION DATE: The policy and inventory system has been developed and the inventory on these items will begin October 1, 2018.