

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

**Prince George's County Department of Parks and Recreation  
Kentland Community Center Park**

**Internal Control Report  
Report Number: PG-018-2015-B**

**June 22, 2015**

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## **A. Background**

The Kentland Community Center Park (Center) is located in Landover, MD, at the site of the former Prince George's Golf and Country Club. The Center houses meeting rooms, a game room, a fitness room, a pre-school room, a warming kitchen and several offices. Outdoor facilities on-site include the youth golf training center, tennis courts, and various athletic fields.

The Center is managed within Prince George's County Department of Parks and Recreation Area Operations. A Facility Director is responsible for the day to day management of the Center, and reports to a Regional Manager, who reports to the Northern Area Operations Chief.

On April 7, 2015, the Northern Area Operations Chief contacted the Office of Internal Audit (OIA) to request a review of facility usage at the Kentland Community Center. The OIA issued a confidential Fraud, Waste, and Abuse Audit Report (PG-018-2015-A) on May 19, 2015. During this review, the OIA also identified opportunities to strengthen internal controls at the Center. The following report includes our recommendations and management's responses to the recommendations.

**B. Audit Scope, Objectives, and Methodology**

**Objective:** In conjunction with a fraud, waste, and abuse review completed by the Office of Internal Audit (OIA), the OIA identified opportunities to strengthen internal controls at the Center.

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

- Interviewing employees at the Center;
- Interviewing the Manger of Public Affairs and Marketing Division;
- Obtaining and reviewing SMARTlink program registration records;
- Obtaining and reviewing Volunteer Opportunity Submission forms; and
- Reviewing applicable Commission Practices and Procedures.

The audit period covered in this review was December 16, 2014 – March 31, 2015.

**C. Overall Conclusions**

This audit was conducted in accordance with *Generally Accepted Government Auditing Standards (GAGAS)*. The results of our evaluation and testing procedures indicate deficiencies in the design or operation of internal controls for the Center.

We believe all weaknesses identified and communicated are correctable and that management's responses to all recommendations satisfactorily address the concerns. It is the responsibility of management to weigh possible additional costs of implementing our recommendations in terms of benefits to be derived and the relative risks involved.

We wish to express our appreciations to the Northern Area Operations management and staff for the cooperation and courtesies extended during the course of our review.



Renee Kenney, CPA, CIA, CISA  
Chief Internal Auditor

June 22, 2015

**Conclusion Definitions**

<b>Satisfactory</b>	No major weaknesses were identified in the design or operation of internal control procedures.
<b>Deficiency</b>	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.
<b>Significant Deficiency</b>	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.
<b>Material Weakness</b>	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.

## **D. Detailed Commentary and Recommendations**

### **1. Strengthen Managerial Oversight at the Kentland Community Center**

**Issue:** Managerial oversight at the Kentland Community Center is not adequate and has resulted in the unauthorized use of the facility. Although the [REDACTED] is responsible for ensuring all paperwork is complete and proper approvals for any programs are obtained, it does not appear that there is adequate managerial oversight to ensure the responsibilities of the [REDACTED] have been satisfactorily addressed.

The OIA identified the following instances that would have benefited from increased oversight:

A diabetes prevention workshop was facilitated at the Center without the required approvals or contracts. Although this was a well-attended and publicized activity, the [REDACTED] did not question the program or review any program documentation until it was in its fifth week. The program was initiated without:

- background checks and/or finger prints of the facilitators;
- documentation of applied fee waivers;
- contract or agreement with the sponsor; and
- completion of a Facility Usage form.

In addition, the individual teaching the program was not the volunteer who was matched to the volunteer opportunity.

Also, the Masonic Lodge was provided use of the facility for three months (approximately 11 meetings) without any paperwork, contracts or fees.

**Risk/Criteria:** Weak managerial oversight may result in lost fees to the Commission, inconsistent and unauthorized use of the facility, and possible harm to program participants.

**Recommendation:** We recommend that roles and responsibilities be defined for the oversight of facility programs. In addition, management may want to consider developing a check list to be completed by the [REDACTED] and approved by the [REDACTED] and/or [REDACTED] before any facility use is authorized. The checklist should contain sections addressing background checks, contracts, permits, insurance, facility usage forms, etc. Also, any fee waivers or reductions should be noted on the form for approval by the [REDACTED]

**Risk:** High

**Management Response:** Management concurs with the recommendations. Northern Area management will ensure roles and responsibilities for the oversight of facility programs are defined. In addition, management will develop a checklist as recommended.

**Expected Completion Date:** July 31, 2015

**Follow Up Date:** August 2015

## **2. Strengthen Controls over the Volunteer Identification Process**

**Issue:** The Center's [REDACTED] [REDACTED] was able to bring a “volunteer” into the Center to teach a diabetes prevention program without following Commission procedures. The current operating procedures did not provide adequate controls to ensure that the diabetes prevention program met the criteria to be offered and facilitated through the volunteer program. In addition, the current controls do not provide adequate assurance to ensure the safety of program participants. The OIA identified the following weaknesses in the process:

- The current controls do not provide adequate guidance on what programs/opportunities should be facilitated by a volunteer versus a paid employee or independent contractor. A Volunteer Opportunity Submission form was posted for a “Kentland Community Center Diabetes Prevention Aide” without the knowledge of the [REDACTED]
- The Public Affairs and Marketing Division asked the [REDACTED] [REDACTED] if the volunteer position for the diabetes prevention program was offering medical advice or practicing medicine during the workshop. The [REDACTED] [REDACTED] did not provide a response. The Public Affairs and Marketing Division posted the Volunteer Opportunity as submitted.
- A medical doctor completed the volunteer application and was placed into the position, however, the program was taught by a third party.
- Neither the medical doctor approved as a volunteer nor the program instructor was subject to a background check.

**Risk/Criteria:** Commission Practice No. 6-52 – *Use of Commission Facilities by the Public and Staff* states, “No special privileges or benefits are permitted to any individual or group of the public or staff on the Commission in the use of Commission facilities.”

The Commission has procedures and processes in place for the development and offering of community programs. The procedures have been developed to mitigate risks to the Commission and program participants. The current, weak controls over the volunteer program provide [REDACTED] [REDACTED] with avenues to bypass normal program requirement. This may result in inconsistent facility usage fees, and more importantly, harm to program participants.

**Recommendation:** We recommend that PRA management strengthen the controls over the volunteer program. Management should consider:

- Developing specific criteria for when volunteer services can be utilized.

- Requiring two levels of approval from the department prior to posting the volunteer opportunity (e.g. [REDACTED] and [REDACTED]).
- Developing an on-boarding checklist to ensure any necessary documentation has been obtained and reviewed (e.g. contract/MOU with volunteer, facility usage forms, permits, insurance certificates, program syllabus, background checks, etc.)

**Risk:** High

**Management Response:** Management concurs with the recommendations. Northern Area management will review the procedures for processing volunteer services with all Facility Directors. In addition, management will develop a checklist as recommended.

**Expected Completion Date:** July 31, 2015

**Follow Up Date:** August 2015