

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

**Southern Regional Technology and Recreation Complex
Report Number: PG-007-2016**

December 7, 2015

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Southern Regional Technology and Recreation Complex
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I. EXECUTIVE SUMMARY

A. Overall Perspective

The Southern Regional Technology and Recreation Complex (Tech Rec) located in Fort Washington, MD is a 37,000-square-foot Leadership in Energy and Environmental Design (LEED) silver certified state-of-the-art technology and recreation facility.

Tech Rec is managed within Prince George's County Department of Parks and Recreation Southern Area Operations Division. A Facility Director is responsible for the day to day management of Tech Rec, and reports to the Southern Area Operations Chief.

Tech Rec supports sports, health and wellness with a rock climbing wall, gymnasium, dance studio and fitness rooms. Tech Rec is also recognized for its science, computer and state of the art recording labs.

B. Audit Scope, Objectives, and Methodology

The purpose of this audit was to evaluate the system of internal controls supporting operations at the facility. 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 for compliance with Commission policies and procedures.
- Reconciled cash receipts to daily sales reports.
- Reviewed time cards and time keeping procedures. Interviewed supervisory employees to assess the effectiveness of managerial oversight of the employee time card process to ensure the hours worked were correctly reported.
- Verified existence of fixed and controlled assets to source documentation.
- Reviewed expense reimbursements to ensure requests were processed per Commission Practices and Procedures.
- Confirmed Commission vehicle mileage logs were being completed as required; reviewed driver authorization documentation.
- Reviewed access controls for classrooms, labs and fitness areas.

This audit was conducted 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 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.

The audit covered the period from January 1, 2015 through September 30, 2015.

C. Major Audit Concerns

The results of our evaluation and testing procedures did not indicate any major audit concerns.

D. Overall Conclusions

The results of our evaluation and testing procedures indicate no major weaknesses in the design or operation of internal controls at the Southern Regional Technology and Recreation Complex. On an overall basis, we consider the controls to be satisfactory.

We believe the weaknesses identified and communicated are correctable and that management's responses to the recommendation satisfactorily address the concerns. 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 Parks and Recreation Department management and staff for the cooperation and courtesies extended during the course of our review.



Samuel J. Raines Sr., CFE, CGFM
Senior Auditor



Renee M. Kenney, CPA, CIA, CISA
Chief Internal Auditor

December 7, 2015

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. Employees Must Obtain Approval for Non-Commission Work

Issue: Two employees at Southern Regional Technology and Recreational Complex have additional non-Commission employment but have not completed the "Request to Participate in Non-Commission Employment" form (form A-1) as required. The employees stated they were not aware of the requirement.

Criteria/Risk: Commission Practice No. 2-14 and Commission Administrative Procedure No. 03-05, *Non-Commission Employment and Non-Commission Business* require covered employees to receive approval at least 14 calendar days before engaging in non-Commission employment.

Recommendation: We recommend that the Manager, Southern Regional Technology and Recreational Complex ensure all employees that have non-Commission employment complete form A-1 and obtain the required approval from the Department Head. We also recommend that the Southern Area Office send the form A-1 out to all employees annually instructing them of the requirement.

Issue Risk: Medium

Management Response: Division management has already worked with the two staff identified and have received and approved each of their "Request to Participate in Non-Commission Employment" forms. Annual requests for the disclosure of non-Commission employment will take place for all Division staff.

Expected Completion Date: December 2015

Follow-Up Date: February 2016