

**The Maryland-National Capital Park and Planning Commission
Office of the Inspector General**

**Community Partnerships
Report Number: PGC-009-2025**

February 21, 2025

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Community Partnerships
Table of Contents

I. EXECUTIVE SUMMARY

A. Overall Perspective.....	1
B. Audit Objective, Scope, and Methodology.....	2
C. Major Audit Concerns.....	4
D. Overall Conclusions.....	5

II. DETAILED COMMENTARY AND RECOMMENDATIONS

1. Establish Formal Policy and Procedures at the Departmental Level	6
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I. EXECUTIVE SUMMARY

A. Overall Perspective

The Maryland-National Capital Park and Planning Commission (Commission), Prince George's County Department of Parks and Recreation (DPR) engages with local organizations to form community partnerships, assisting DPR with its core mission of providing comprehensive park and recreation programs, facilities, and services that support healthy lifestyles and respond to changing needs within County communities.

Community partnership organizations primarily consist of non-profit, municipal and local governmental entities. In exchange for the community-oriented services that arise from these partnerships, such as volunteer services for DPR programs and community events, the Commission waives and/or reduces rental fees at DPR facilities for the use of space, equipment and meeting rooms.

DPR has waived and/or reduced rental fees for 236 local organizations between January 2022 and November 2024. Partnership agreement terms between a DPR facility and a community partner are documented in a checklist. Community partners are also required to submit annual activity reports through Submittable, an online software application.

The Volunteer Services and Community Partnerships Unit leads DPR's efforts to identify and engage community organizations, while managing DPR's centralized database of community partner requests and records in PARKS DIRECT¹. The Volunteer Services and Community Partnerships Unit is managed under the aegis of the Public Affairs and Community Engagement (PACE) Division, within Administration and Development.

¹ PARKS DIRECT is DPR's public website for activity and rental registration.

B. Audit Objective, Scope, and Methodology

Audit Objective

The objective of this audit was to evaluate the system of internal controls for partnership agreements with community organizations. Properly implemented internal controls reduce financial, reputational, and operational risks to the Commission.

Scope

The scope for the Community Partnerships audit included, but was not limited to, the following audit procedures:

- Reviewed Commission Practices and Procedures;
- Selected judgmental samples of community partnership agreements to analyze the agreement terms;
- Interviewed Commission management and employees to gain a better understanding of the processes and procedures for administering oversight of partnership agreements;
- Evaluated the sufficiency of controls implemented over rental waiver and reduction fee requests to ensure they were applied in a consistent, defined manner;
- Evaluated oversight of community partnerships;
- Reviewed data in PARKS DIRECT , the department's centralized database of community partner requests and records, to understand the scale of partnerships and select our sample size;

In addition, the audit scope was designed to identify possible fraud, waste, or abuse within the processes being audited.

The period covered in this review was January 1, 2022 through December 1, 2024.

Methodology

During the audit, the auditor-in-charge interviewed management, DPR facility directors, and employees. The auditor-in-charge reviewed relevant standard operating procedures, Commission policies, and organizational charts. For our analysis, we judgmentally selected samples of active non-profit, local government, and municipal partnerships to evaluate the internal controls and oversight of community partnerships, and reviewed data in PARKS DIRECT.

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 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 objective.

C. Major Audit Concerns

The results of our evaluation and testing procedures indicated no 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 for Community Partnerships. On an overall basis, we consider the controls to be satisfactory.

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 the possible additional costs 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's Department of Parks and Recreation management and staff for the cooperation and courtesies extended during the course of our review.

Aaron Smith

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February 21, 2025

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. Establish Formal Policy and Procedures at the Departmental Level

Issue: DPR does not have a developed policy for the administration of community partnerships. Since June 2013, *Formula 2040 Functional Master Plan for Parks, Recreation and Open Space* required the development of a fair and equitable partnership policy that will establish working agreements that define measurable outcomes, track costs for all partnerships and require periodic review and assessment of performance. The absence of formal policy and procedures has led to shortfalls (described below) in the oversight necessary to maintain a satisfactory system of internal controls.

The OIG reviewed a sample of community partnerships to determine adequate oversight including for the existence of agreement checklists and completion of Community Partner Activity reports², which are used to evaluate the benefits and costs of each community partnership. The results of testing revealed:

- 22 of the 25 (88%) partnerships identified did not have a checklist establishing partnership agreement terms.
- 22 of the 25 (88%) did not have the required community partnership, activity reports.
- DPR facility directors are not aware of the community partnership guidelines or agreement terms for the use of facility space or equipment.
- Lack of documented periodic performance assessments to capture measurable outcomes.
- Insufficient tracking mechanism to capture the benefits and cost of partnerships.

Criteria: The *Formula 2040 Functional Master Plan for Parks, Recreation and Open Space*³ require the following action steps:

- Develop a fair and equitable policy for each type of partnership created or in place including public/public partnerships, public/not-for-profit partnerships and public/private partnerships;

² Community Partner Activity reports are completed by the partner organization and uploaded into Submittable. OIG was unable to obtain and review copies of the activity reports located in Submittable due to the unavailability of the software application. Per DPR management, Submittable was not in use due to outstanding unpaid invoices.

³ Formula 2040 Functional Master Plan for Parks, Recreation and Open Space was adopted by the Prince George's Planning Board by Resolution PGCPB No. 13-65 on June 25, 2013.

- Establish working agreements that define measurable outcomes, track costs for all partnerships, and require periodic review and assessment of performance;
- Eliminate unproductive partnerships based on costs and benefits received;
- Seek partnerships with other service providers who can provide the same level of service at a lower cost or are willing to invest in components of a service to share the costs;
- Develop partnerships to extend the range of DPR, and hold partners accountable to DPR service standards;
- Create a tool to track the benefits and costs of partnerships.

Cause: DPR management did not prioritize the administration of community partnerships through the development of policy.

Risk: The absence of policy is impacting DPR's ability to consistently establish community partnerships and assess each partnership's performance to assist with the elimination of unproductive partnerships based on costs and benefits to the Commission. Failure to establish departmental policy over community partnerships increases the likelihood of fraud, waste and abuse of commission resources.

Recommendation: DPR management must develop and establish policy and procedures for the administration of community partnerships. The policy and procedures should include, but not be limited to, establishing a consistent method of developing community partnership agreements, monitoring and identifying unproductive partnerships, and utilizing an effective tracking mechanism to determine the cost-benefit of partnerships.

Issue Risk: Medium

Management Response: We appreciate the thorough review conducted by the Office of the Inspector General and acknowledge the findings presented in the audit report. We understand the importance of establishing a robust and effective system of internal controls for our community partnerships. Upon internal inspection and some conversations, we have identified that while a process does exist, its execution has been suboptimal due to several factors. These include a software transition, staff and leadership changes, and the unprecedented challenges posed by the pandemic. These factors and others collectively contributed to the deficiencies noted in the audit.

We are in the process of forming a dedicated task force that will be responsible for reviewing the current process and developing a more streamlined and frictionless approach. This task force will include representatives from relevant departments to ensure a comprehensive and collaborative effort. During this period, we will focus on the following key actions:

1. **Reviewing our Current Process:** Reviewing how we currently work and inspecting what we can do better will lead to clearer and more equitable results for our community partnerships.
2. **Enhancing Oversight and Accountability:** Implementing a consistent method for developing and monitoring community partnership agreements, including the use of effective tracking mechanisms to determine the cost-benefit of partnerships.
3. **Improving Communication and Training:** Ensuring that all relevant staff are aware of the community partnership guidelines and agreement terms and providing necessary training to facilitate proper execution of these agreements.

Expected Completion Date: February 2026

Follow-Up Date: April 2026