

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

**Glenarden Community Center
Report Number: PGC-014-2025**

May 8, 2025

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Glenarden Community Center
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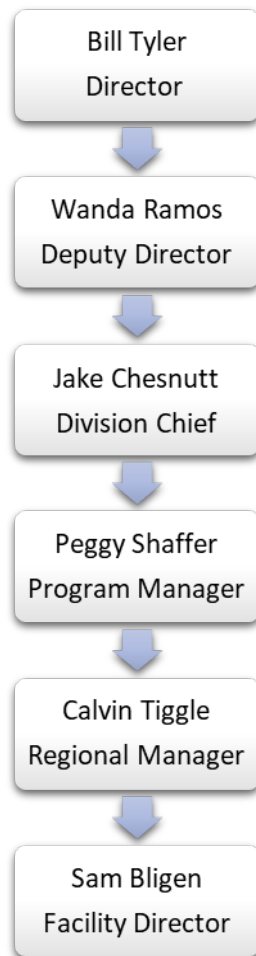
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I. EXECUTIVE SUMMARY

A. Overall Perspective

The Glenarden Community Center (Center) is located at 8615 McLain Avenue, Glenarden, Maryland. The amenities offered at the Center include a multipurpose room, indoor basketball gym, an exercise room, tennis courts and an outdoor playground. The Center offers various programs for children, teens and adults including boxing, dancing classes, basketball skills and various camps. The Center generated \$147,296 in revenue from these programs between July 1, 2022, and December 31, 2024. The Center is open to the public seven days of the week.

The Center is managed under the aegis of the Commission's Prince George's County Department of Parks and Recreation.



B. Audit Objective, Scope, and Methodology

Audit Objective

The objective of this audit was to evaluate the system of internal controls for key business operations (e.g., petty cash, cash receipts, controlled assets, etc.) at Glenarden Community Center. Properly implemented internal controls reduce financial, reputational, and operational risks within the Center.

Scope

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

- Reviewed applicable Commission policies and procedures;
- Interviewed Department management and Commission employees;
- Performed walkthroughs with staff to obtain an understanding of operations;
- Obtained and analyzed daily cash receipts and bank deposits for accuracy and timeliness;
- Reviewed timekeeping and payroll procedures to ensure the effectiveness of managerial oversight of the employee timecard process to ensure hours worked were accurately reported;
- Reviewed and tested controlled and capital assets to ensure compliance with Commission policies and procedures;
- Reviewed receivables and rental agreement contracts; and
- Assessed Center security protocols.

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 July 1, 2022 – February 1, 2024.

Methodology

During the audit, the auditor-in-charge conducted interviews of Center management and staff, and reviewed relevant standard operating procedures, Commission policies, and organizational charts. For our analysis, we obtained and reviewed financial reports, asset listings, payroll reports, and other relevant information that included a sample of supporting documentation to assess compliance with Commission policies and procedures. We also conducted site visits to test the effectiveness of internal controls over petty cash and capital and controlled assets.

This audit was conducted in accordance with the *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 Glenarden Community Center. 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 Glenarden Community Center's management and staff for the cooperation and courtesies extended during the course of our review.

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May 8, 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. Strengthen Managerial Oversight of Controlled Assets

Issue: The Center did not perform the required annual inventory of controlled assets in accordance with policy. The OIG obtained the most recent listing of the Center's controlled assets. Upon review, the OIG determined the inventory of controlled assets did not include the required signatures and dates to confirm completion. In addition, three assets acquired by the Center in 2024 did not appear on the controlled asset listing¹.

Criteria: Per Administrative Procedures No. 04-01, *Capital and Controlled Asset Procedures Manual*, controlled assets should be inventoried annually by December 31. At least two employees, one of whom must be a supervisor, must approve the completion of the inventory. The approval of the inventory must document whether:

- No changes are needed to the controlled asset inventory;
- Changes are needed to the controlled asset inventory to document the disposal or theft of an item(s); or
- Changes are needed to the controlled asset inventory to document the purchase of transfer/receipt of an item(s).

Cause: Center management did not establish the necessary oversight over controlled assets consistent with established procedures.

Risk: Failure to provide sufficient oversight over controlled assets may impact the Commission's ability to properly record, categorize, track and dispose of those items. Failure to comply with policies and procedures may potentially lead to fraud, waste, and abuse.

Recommendation: Center management should ensure inventory of controlled assets is conducted on an annual basis in accordance with policy. When completing annual inventories, Center management should ensure:

- Roles are properly segregated. The inventory process should involve at least two individuals. One individual should complete the inventory (i.e., asset verification) and a second individual should review.
- Evidence of completion should be obtained. All individuals (at least two) involved in the inventory should sign and date the inventory record.
- Evidence of completion should be maintained for internal and/or external audits per Commission retention requirements.

¹ The Center acquired a video game console, portable speakers, and a 55-inch television in July 2024.

Controlled assets should be tagged in accordance with administrative procedures. Documentation supporting asset disposal should also be maintained. Documentation should include the disposition reason (e.g., transferred to another facility, disposed of, lost, etc.). Disposals should be approved by management.

Issue Risk: Medium

Management Response: Facility Management has been reminded of the required annual inventory of controlled assets in accordance with policy. Inventory will be taken annually by the Facility Director and another staff per policy requirements to document any changes, disposals, thefts or transfer of items listed on the controlled asset list. Signatures of completion of inventory will be received from both reviewing staff and maintained in the Controlled Asset binder for future inventories and audits.

Expected Completion Date: April 2025

Follow-Up Date: May 2025

2. Ensure Employees Timecards are Approved

Issue: Center management did not ensure employees approved their own timecards. The OIG obtained documentation from the payroll database and reviewed timecards of six seasonal employees from the pay period ending June 29, 2024. Of those six timecards, none of the employees approved their respective timecard.

Criteria: Per Administrative Procedure No. 19-02, *Attendance, And Completion, And Approval of Timecards*, merit system and contract employees will approve his/her completed timecard prior to supervisor approval. The employee approves his/her time as follows:

- Handwritten or pre-printed timecards use ink signature;
- Online timecards, employee selects the approval button;
- Electronic time clocks use a timecard printed by the supervisor and approved by the employee using an ink signature.

Cause: Center management was not aware that employees are required to approve their own timecards.

Risk: Failure to provide sufficient oversight and controls over employee timecards may inhibit accurate reporting of hours worked and increase the risk of fraud, waste and abuse.

Recommendation: Center management should ensure employees approve their timecards in accordance with Administrative Procedure No. 19-02.

Issue Risk: Medium

Management Response: Facility Management reviewed the timecard procedure with staff outlined in Administrative Procedure No. 19-02. A staff meeting was held on April 22nd to review the Kronos approval process with the intermittent staff. A reminder and steps on the process to approve timecards has been placed by the Kronos clock to assist them with the procedure.

Expected Completion Date: April 2025

Follow-Up Date: May 2025