



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Office of the Inspector General • 7833 Walker Drive, Suite 425 • Greenbelt, Maryland 20770

January 26, 2021

To: Bill Tyler
Director, Prince George's County Department of Parks and Recreation

Wanda Ramos
Acting Deputy Director, Area Operations

Shawna Fachet, Acting Division Chief, Central Area Operations

From: Renee Kenney, CPA, CISA, CIA, CIG
Inspector General

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Subject: Follow-up Review for the Palmer Park Community Center
Audit Report, PGC-013-2019

We have completed the follow-up review for the Palmer Park Community Center Audit Report, No. PGC-013-2019, dated August 26, 2019. The following is the result of the review:

Rec. #	Issue/ Recommendation	Issue/ Risk	Expected Completion Date	Revised Completion Date	Status
1	Strengthen Procedures for Controlled Assets Inventory	High	November 2019	February 2021	Partially Resolved
2	Develop Formal Written Cash Handling Procedures	High	July 2019	N/A	Resolved
3	Maintain Documentation Supporting Rental Contracts	High	November 2019	February 2021	Partially Resolved

Management provided sufficient additional information and clarification for us to conclude one of the three audit recommendations reviewed has been satisfactorily addressed and implemented. Two are partially resolved because some degree of progress has been made but they are not yet complete.

The following details the status of the partially resolved recommendations:

Recommendation #1: Strengthen Procedures for Controlled Assets Inventory

Status: Partially Resolved

Background and Discussion: Original audit testing disclosed several discrepancies with the controlled assets inventory, resulting in the major audit concern of inadequate procedures over controlled assets. During the original audit, the Office of Inspector General (OIG) issued recommendations for strengthening procedures to ensure all controlled assets are identified, tracked and monitored. Although there may be several ways to accomplish this goal, OIG suggested the following for new asset purchases:

- New guidelines from Finance require all purchase cardholders to send a copy of their Purchase Card Logs to the Purchasing Department each month. The purchase cardholders could make an extra copy of their logs, highlight purchases that meet the criteria for controlled assets and send the copy to the Central Area Operations' Fixed Assets Coordinator.
- The Fixed Assets Coordinator, in conjunction with the Facility Manager, should monitor new purchases to ensure receipt and update to the controlled assets inventory reports.
- The Regional Manager may exercise additional oversight and periodically compare purchase requests to controlled assets inventory reports.

Management should also strengthen procedures for disposals, donations, transfers and stolen assets:

- Procedures should include steps to ensure assets removed from service at facilities are appropriately authorized by management and adequate supporting documentation is kept on file.
- Management should request assistance from maintenance for removal and disposal of facility assets. The facilities should request a copy of maintenance's work order and file it along with the asset disposal documentation.

Follow up Review: As of follow-up, the OIG confirmed updated controlled asset procedures were in progress but were not complete. Once approved and promulgated, the OIG will complete additional audit testing to resolve the audit recommendation.

Management Response: Parks and Recreation's Area Operations is reviewing its internal policies and procedures as a whole, including those for controlled assets inventory. A work group consisting of various Division representatives in Parks and Recreation was formed to develop and strengthen internal controls over operational processes. Policies and procedures have been drafted for controlled assets inventory, along with the same for other key facility operations. The updated internal policies and procedures will supplement the existing Commission practices. The work group is finalizing the documents and will present the recommendations to Executive Management for approval.

Revised Completion Date: The group anticipates making the presentation in February 2021. Procedures to be implemented upon approval.

Follow up Date: May 2021

Recommendation #3: Maintain Documentation Supporting Rental Contracts

Status: Partially Resolved

Background and Discussion: Original audit testing disclosed that the facility did not maintain all supporting documentation for rental contracts. The facility could not provide customer rental applications for two of five (40%) samples. As a result, OIG was unable to determine if the two rentals were signed and authorized by management. In addition, of the three customer rental applications provided to OIG, one of them (33.3%) did not have management signatures to support authorization of the rental.

OIG recommended that management ensure complete supporting documentation for each rental contract is kept onsite.

Follow up Review: As of follow-up, the OIG confirmed updated procedures for processing rental contracts were in progress but were not complete.

Management Response: During the follow-up review, the Acting Division Chief, Central Area Operations, stated that Parks and Recreation's Area Operations is reviewing its internal policies and procedures as a whole, including those for facility rentals. A work group consisting of various Division representatives in Parks and Recreation was formed to develop and strengthen internal controls over operational processes. Policies and procedures have been drafted for rentals, along with the same for other key facility operations. The updated internal policies and procedures will supplement the existing Commission practices.

Revised Completion Date: The group anticipates making the presentation in February 2021. Procedures to be implemented upon approval

Follow up Date: May 2021

Palmer Park Community Center Audit
PGC-013-2019 Follow-Up

A copy of the original audit report has been included for your convenience.

Note: Low risk audit recommendations do not require OIG follow-up.

cc: Executive Committee
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