

OFFICE OF THE CITY AUDITOR AND CLERK
INTERNAL AUDIT



ROBERT L. TAYLOR COMMUNITY COMPLEX
FOLLOW-UP AUDIT
AUDIT #20-09

Audit Conducted by:
Mark L. Sulloway, Senior Internal Auditor
Hayden Gaston, CIA, Manager, Internal Audit

Audit Reviewed and Approved by:


Shayla Griggs, City Auditor and Clerk

You can obtain copies of this report by contacting us at:

Office of the City Auditor and Clerk

1565 1st Street
Sarasota, FL 34236

(941) 263-6442

Or download and view an electronic copy by visiting:

www.sarasotagov.com

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Summary

Background

We conducted a follow-up audit of Audit #16-04, Robert L. Taylor Community Complex performed during fiscal year 2017. The purpose of the follow-up audit is to determine the implementation status of our previous recommendations. The original audit objectives were to:

1. Determine whether processes are in place to accurately track memberships, program attendance, attendee statistics, programs conducted, facility usage, expenses, purchases and employee staffing levels.
2. Determine whether a process is in place to develop, review and approve amenity fees and room rental rates, and whether fees for services are accurately assessed and consistently applied.
3. Determine whether fees, revenues and donations are properly collected, documented, safeguarded, and deposited in accordance with City policies.
4. Determine whether oversight processes are in place to monitor the facility and ensure the safety of the facility, attendees and staff.
5. Determine whether mechanisms are in place to verify fixed assets are properly identified, inventoried, and tracked for necessary replacement.
6. Determine whether playground, swimming pool, and fitness equipment is properly and timely inspected and maintained in accordance with relevant safety policies and adequate insurance coverage is maintained.

Objective

The objective of the follow-up audit was to review and evaluate the conditions reported in the Robert L. Taylor Community Complex Audit (Audit 16-04), dated May 16, 2017, to determine if corrective actions have occurred and are effective, corrective actions appear to be continuous; and that corrections will be monitored to ensure the control weakness are not repeated.

Scope

The follow-up audit procedures were applied to the records, documents and controls in effect during the period of September 1, 2019 through December 31, 2019. Follow-up audits limit the scope to observations and recommendations presented in the original audit report.

Overall Evaluation

We found that Management fully implemented corrective action on all original audit findings and as a result we have closed those issues.

Audit Observations

The original audit observations and the status of the original observations following testing at the completion of the follow-up audit are noted below. The original audit report (Audit 16-04, issued May 16, 2017) can be viewed on the City Auditor and Clerk's website under Internal Audit – Reports.

Original Audit Comment and Observation/Recommendation

Observation #1 Outside Agencies

There were no documented procedures to monitor outside organizations administering programs or utilizing the Robert L. Taylor facility. Completion of staff background checks for the vendor Brothers and Sisters Doing the Right Thing could not be confirmed. Liability insurance could also not be confirmed for the same vendor.

We recommend procedures be established to monitor all outside organizations utilizing the facility. Confirmation that background checks have been completed on all third-party staff utilizing the facility should be obtained. Background screenings should be completed to ensure the safety of all minors. We recommend a certificate of liability insurance be obtained from all non-profit organizations administering a program at Robert L. Taylor. Liability insurance can reduce the City's exposure to claims.

Current Status

Closed – Follow-up testing determined that volunteers and outside agency staff complete City employment applications and Human Resources conducts background investigations on these individuals prior to their undertaking activities at R. L. Taylor. R. L. Taylor staff also maintains copies of liability insurance for any outside agencies operating at the facility.

Original Audit Comment and Observation/Recommendation

Observation #2 Management and Facility Usage Reports

Management reports identifying program attendance and facility usage are not being generated with current software. Staff maintains a handwritten list for the number of room reservations and activities.

We recommend software and its usage be evaluated for the generation of management and facility usage reports for management's review. Trends may be identified that will assist in program development or cost savings and assist with marketing strategies.

Current Status

Closed – Follow-up testing determined that R. L. Taylor staff is now using calendar software to track facility usage.

Original Audit Comment and Observation/Recommendation

Observation #3 Program Expenses

Program revenues and expenses (both purchase order and P-Card) are not being tracked on an activity or program basis for budget comparisons and cost analysis.

We recommend separate account codes be used to identify each activity or program. Identifying actual program costs should help match a program's expenses with its revenues, providing management with a full accounting of the program.

Current Status

Closed – Follow-up testing determined that R. L. Taylor staff tracks purchases using FMS - City accounting software.

Original Audit Comment and Observation/Recommendation

Observation #4 Retail Purchases

There was no evidence of on-site receipt of retail purchases by a staff member other than the purchaser.

We recommend that a policy be established verifying purchases are received on site.

Current Status

Closed – Follow-up testing determined that purchase receipts are now endorsed by a second employee, supervisor or manager.

Original Audit Comment and Observation/Recommendation

Observation #5 Membership Rates and Facility Rental Charges

There was no policy or procedure to review and update amenity fees, membership and room rental rates.

We recommend new rate comparison with other similar facilities be conducted and rates adjusted to maximize income. Rate adjustments should help to maximize revenue and cover costs.

Current Status

Closed – Follow-up testing determined that cost analysis comparisons with other similar facilities were undertaken.

Original Audit Comment and Observation/Recommendation

Observation #6 Liability Insurance

Robert L. Taylor is covered under the City's self-insurance. No umbrella liability insurance policy was identified.

We recommend management determine if obtaining an umbrella liability insurance policy including Robert L. Taylor would reduce the exposure risk for the City. Any risk reduction could potentially save the City additional costs in the event of a claim.

Current Status

Closed – Follow-up testing determined that R. L. Taylor is included in the City's general liability policy.

Original Audit Comment and Observation/Recommendation

Observation #7 Inspection Report Management

No written policies were noted for the review and management of required inspections. Not all facility inspection reports included the name of the staff member completing the inspection, nor their signature.

We recommend policies and procedures be established to manage inspection reports. Inspection reports should be both dated and signed. Required corrective actions should be tracked for completion. Signed and dated inspection reports assign individual responsibility for the reviews.

Current Status

Closed – Follow-up testing determined a listing of required inspections is now included in RLT policies and procedures, and most recent inspections appeared timely and conducted in accordance with RLT policies and procedures.