



CITY OF ORLANDO

Office of Audit and Evaluation Director

MEMORANDUM

To: Honorable Betty T. Wyman, City Commissioner, District 2

From: Beryl H. Davis, CPA, CGFM, Director
Office of Audit Services and Management Support

Re: Follow-Up Review of Audit of Orlando After-School All-Stars, Inc.
Administrative Practices (Report No. 06-12)

Date: May 19, 2006

Attached is a summary of the status of our recommendations as determined from our follow-up review of the Audit of Orlando After-School All-Stars, Inc. (Report No. 05-19) issued April 29, 2005. Our procedures consisted of an assessment of management's indicated status of the recommendations through staff inquiries and review of selected documentation. Our follow-up was made in accordance with generally accepted government auditing standards, except that we did not perform substantial tests of evidence supporting all replies from the officials responsible for resolving audit findings and recommendations.

Eight of the eleven recommendations contained in the original report have been implemented. Two of the recommendations are partially implemented, and one is planned for implementation. We encourage City staff to assist Orlando After-School All-Stars, Inc. to adopt policies and procedures for meals, entertainment, travel and similar expenses, and to complete a written agreement between the City and the Organization.

We commend City staff and the Organization for the progress made to date in implementing the recommendations.

We will follow up on the status of recommendations not fully implemented, during our annual review of open recommendations in all City departments.

We wish to thank the officials and employees of the Families, Parks and Recreation Department and Orlando After-School All-Stars, Inc. for their cooperation with the follow-up request.

Mona S. Mellon, Audit Program Manager, performed this follow-up review.

BHD/mm
Attachment

c: Honorable Buddy Dyer, Mayor
Cheryl J. Henry, Chief of Staff
Jody Litchford, Interim City Attorney
Rebecca W. Sutton, Chief Financial Officer
Board of Directors, Orlando After-School All-Stars, Inc.

REPLY AND IMPLEMENTATION SUMMARY
FOLLOW-UP REVIEW OF ORLANDO AFTER-SCHOOL ALL-STARS, INC. ADMINISTRATIVE PRACTICES

#	RECOMMENDATION	RESPONSE	CURRENT STATUS	IMPLEMENTATION DATE	AUDITEE COMMENTS
1.	The Executive Director should develop written internal policies and procedures to indicate how City employees will serve the Organization's Board of Directors and the City's ASAS programs.	Concur	Implemented	March 2005	Written internal policies and procedures were compiled by and for City staff who perform ASAS duties and services.
2.	The Executive Director should assist the Organization to establish written policies and procedures for effective management and accounting controls over its assets and activities.	Concur	Implemented	December 20, 2005	Adopted by the Board per minutes and in effect; needs to be signed.
3.	The Executive Director should facilitate a Board discussion to adopt policies and procedures for authorized expenditures for meals, entertainment, travel and similar expenses.	Concur	Planned for Implementation	September 30, 2006	To be discussed by the ASAS Board of Directors at the next Board meeting; could be adopted at the following Board meeting.
4.	The Executive Director should assist the Board to create a written policy to budget fundraising events, including documenting planned uses of event proceeds.	Concur	Implemented	December 20, 2005	Budget procedures are indicated in the policies and procedures of the Organization.
5.	The Executive Director should ensure all promotional materials and actual spending for fundraising events accurately reflect the planned uses of the event proceeds.	Concur	Implemented	December 20, 2005	The brochure for the October, 2005 Kids Klassic indicated that the funds are for the After-School All-Stars activities, but did not limit the use to a particular ASAS activity.
6.	The Executive Director should request staff to help the Board set up separate ledger accounts for the net proceeds for Kids Klassic and other fundraising proceeds committed for special uses.	Concur	Implemented	February 2005	The Organization's software has a feature to account for the revenues and expenditures for each fundraiser separately.

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#	RECOMMENDATION	RESPONSE	CURRENT STATUS	IMPLEMENTATION DATE	AUDITEE COMMENTS
7.	The Families, Parks and Recreation Director should ensure that a written agreement is completed between the City and the Organization concerning their respective responsibilities.	Concur	Partially Implemented	September 7, 2005 (Draft Prepared)	Draft was presented to the Board of Directors on March 2, 2006. It will be discussed and possibly voted on at the next Board meeting. (The Board Chairman, the Chief Administrative Officer, or ASAS staff will take this action.)
8.	The Families, Parks and Recreation Director should include a provision in the agreement that the Executive Director promptly communicate needed information with the Board.	Concur	Partially Implemented	September 7, 2005 (Draft Prepared)	Draft was presented to the Board of Directors on March 2, 2006. It will be discussed and possibly voted on at the next Board meeting. (The Board Chairman, the Chief Administrative Officer, or ASAS staff will take this action.)
9.	The Executive Director should provide the Board with regular, detailed and comprehensive financial and statistical reports about the financial standing and activities of the Organization.	Concur	Implemented	December 20, 2005	The Staff Assistant is providing the Organization's Treasurer and Board with a monthly Treasurer's Report showing the Organization's cash balance, revenues and expenditures. The Treasurer also receives monthly reports of supporting details. After the FY 05 external audit is completed, the Staff Assistant plans to give a full balance sheet to the Board. Statistics are provided annually and at meetings.
10.	The Executive Director should assist the Board to follow the formalities set forth in its Articles of Incorporation and Bylaws, and assist the Board to consult with attorneys as needed about corporate practices.	Concur	Implemented	July 6, 2005	

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#	RECOMMENDATION	RESPONSE	CURRENT STATUS	IMPLEMENTATION DATE	AUDITEE COMMENTS
11.	The Executive Director should assist the Board to establish its criteria for active membership of its Directors and a means to periodically apprise the Directors of their standing.	Concur	Implemented	April 14, 2005	A list of All ASAS Directors was presented to the Board and the motion to elect them passed unanimously. The criteria and standing for 2005 Directors was established in this way.