



CITY OF ORLANDO

Office of Audit Services and Management Support

MEMORANDUM

To: Lisa Early, Families, Parks and Recreation Director

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

Re: Follow-Up Review of Contract Compliance Audit of Action Park Alliance
(Report No. 09-01)

Date: October 10, 2008

Attached is a summary of the status of recommendations as determined from our follow-up review of the Contract Compliance Audit of Action Park Alliance (*Report No. 08-02*), issued November 6, 2007. Our review procedures consisted of a review of the status of the recommendations provided by the Families, Parks and Recreation Department, inquiries of management, and examination of certain documents.

Our follow-up was made in accordance with generally accepted government auditing standards. The 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.

All seven recommendations in the original report were implemented.

We would like to thank officials and personnel of the Families, Parks and Recreation Department for their cooperation during this follow-up review.

Jack Sirak, Audit Program Manager, performed this follow-up review.

BHD/am
Attachment

c: Honorable Buddy Dyer, Mayor
Mayanne Downs, City Attorney
Byron W. Brooks, Chief Administrative Officer
Rebecca W. Sutton, Chief Financial Officer
Amy T. Iennaco, Chief Assistant Attorney
Rodney I. Williams, Recreation Division Manager
Laurie J. Botts, Real Estate Division Manager
Marcia R. Bowen, Families, Parks and Recreation Area Manager
Richard A. Casolino, Purchasing Agent Senior

REPLY AND IMPLEMENTATION SUMMARY
FOLLOW-UP REVIEW OF CONTRACT COMPLIANCE AUDIT OF ACTION PARK ALLIANCE

#	RECOMMENDATIONS	RESPONSE	CURRENT STATUS	IMPLEMENTATION DATE	AUDITEE COMMENTS
	Families, Parks and Recreation should:				
1.	Consider modifying the current contract to a more typical rental arrangement in order to provide a more stable income flow and relieve FPR fiscal staff's need to monitor Skate Park revenues. (HIGH)	Concur	Implemented	8/4/08	City Council approved revised and restated agreement now managed by Real Estate.
2.	Enforce the late fees and interest according to contract terms for late remittances to encourage APA to remit on a timely basis. (MEDIUM)	Concur	Implemented	8/11/08	Fiscal obligation to the Recreation Division completed.
3.	Ensure Action Park Alliance submits all required reports with all remittances, compare the monthly reports received and ensure payment is the correct amount. (MEDIUM)	Concur	Implemented	8/4/08	Rent payments, statement of gross revenues, copy of Florida State sales tax monthly submitted, with all previous contract obligations met.
4.	Disallow the use of BMX bikes in accordance with contract or amend the contract to allow BMX bike use at the Park. (HIGH)	Concur	Implemented	8/4/08	Review conducted of BMX bike policy, and addressed in new lease agreement. BMX bikes permitted when approved in writing by the Real Estate Manager-not during hours when skates or skateboards are on site.
5.	Enforce contract terms requiring <u>all</u> skaters/bikers to wear helmets, elbow pads and knee pads or amend the contract to require adults only to only wear a helmet. (HIGH)	Concur	Implemented	8/4/08	Youth are required to wear helmets, knee and elbow pads. Can wear additional gear. Adults, at a minimum, must wear a helmet on property.

REPLY AND IMPLEMENTATION SUMMARY
FOLLOW-UP REVIEW OF CONTRACT COMPLIANCE AUDIT OF ACTION PARK ALLIANCE

#	RECOMMENDATIONS	RESPONSE	CURRENT STATUS	IMPLEMENTATION DATE	AUDITEE COMMENTS
6.	Ensure Action Park Alliance secures the fence to reduce the possibilities of theft, vandalization and/or potential liability from unauthorized use. (HIGH)	Concur	Implemented	9/30/08	The new lease for the Skate Park specifies that repair of the fence is no longer the responsibility of APA; rather, it is the City's responsibility, and has been handled by Real Estate.
7.	Enforce, amend or delete the contract terms regarding annual financial statement submissions, daily maintenance log recordkeeping and approved hours of operation. (MEDIUM)	Concur	Implemented	8/4/08	See question # 3 for financial statement information. Hours of operation are approved in writing by the Real Estate Manager. Minimum business hours are included in agreement. APA to keep daily maintenance log and make available to City staff upon request.