

**Audit of Ravine Gardens State Park and
Friends of Ravine Gardens, Inc.
Citizen Support Organization**

Division of Recreation and Parks

Report: A-1920DEP-008

Office of Inspector General

Internal Audit Section

Florida Department of Environmental Protection

February 20, 2020

3900 Commonwealth Boulevard, MS 40
Tallahassee, Florida 32399-3000

<https://floridadep.gov/>





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Report: A-1920DEP-008

Table of Contents

Scope and Objectives	1
Methodology	1
Background	2
Results	2
Conclusions	11
Findings and Recommendations.....	11
Management Comments.....	15
Division Response.....	17

Report: A-1920DEP-008

The Department of Environmental Protection (Department) Office of Inspector General (OIG) conducted an audit of Ravine Gardens State Park (Park), as well as the Agreement with the Friends of Ravine Gardens State Park, Inc. Citizen Support Organization (CSO). This audit was initiated as part of the Fiscal Year (FY) 2019-2020 Annual Audit Plan.

Scope and Objectives

The scope of this audit included Park and CSO activities and financial records during the period beginning July 2018, to current activities. The objectives were to determine whether

1. the Park is operating in compliance with applicable requirements and controls are in place with respect to:
 - revenue collection and reporting
 - attendance
 - park expenditures, procurement, and Purchasing Card (P-Card) use
 - property and equipment management
 - volunteer activities
2. the CSO is operating in compliance with the Agreement and applicable requirements, and whether controls are in place regarding reported revenues and expenditures.

Methodology

This audit was conducted under the authority of Section 20.055, Florida Statutes (F.S.), and in conformance with the current *International Standards for the Professional Practice of Internal Auditing*, published by the Institute of Internal Auditors. Our procedures included review of authoritative information, interviews with Park and Division staff and CSO Officers and review of Park and CSO records.

Report: A-1920DEP-008

Background

The Park, located in Palatka, Florida encompasses 152 acres including steep head ravines surrounding Whitewater Branch, which is a spring-fed stream that flows into the St. Johns River. Park amenities include a civic center, guided hikes, bicycling, amphitheater, and pavilion rentals. Park revenue is generated from honor entrance collections, pavilion and facility rentals, private event fees, and individual and family annual entrance passes. During 2018-2019, the Park's reported revenues were \$142,577.65 with 201,481 in reported attendance.

The current agreement with the CSO was executed in February 2015. The CSO supports the Park through membership dues, donations, and coordination of special events. According to the CSO's general ledger, during 2018¹ reported revenues were \$16,116.80 with \$16,940.53 in reported expenses.

Results

Revenue Collection and Reporting

Park revenue is collected at the Park's honor boxes as well as in the Park's administrative office. To determine the accuracy of reported revenue, we compared revenue reported on the Park's Summary of Receipts to Daily Deposit Worksheets (DDW) and support documentation² for the sampled months of March and April 2019. For the months reviewed, reported amounts were consistent with the Park's DDWs. Adjustments documented on DDWs were consistent with the financial session reports and supported by credit/cash receipts. Staff comments noted justification for discrepancies.

¹ The CSO's fiscal year begins on January 1 and ends on December 31.

² Support documentation included Daily Reports and Checkout Sheets, Honor Envelope Documentation Reports, and Point of Sale receipts.

Report: A-1920DEP-008

According to Chapter 1.8 (c)(1)(b)(2) of the Operations Manual (OM), all Financial Sessions (FIN Sessions) shall be closed at the end of the day or prior to opening for business the following morning, which includes accounting for all receipts. Of the 50 FIN Sessions reviewed for the sampled months, 24 FIN Sessions generally representing end of the week and weekends were not closed daily as required.

According to the Florida State Parks and CAMA Revenue Collection Procedures, (Revenue Procedures), deposit slips should be initialed by both the staff preparing and the staff verifying the deposit amounts. We reviewed 50 deposit slips for the sampled months. Of these, 39 were initialed by two staff as required. The remaining 11 were signed by one staff. Based on discussions with Park management and review of recent deposit slips, this oversight has since been corrected. Deposits were made timely as required with minor discrepancies. During our site visit, we verified the accuracy of the Park's change fund. Undeposited funds were maintained in the Park's safe in a secured location as required in the OM.

Chapter 1.8(c) of the OM requires that honor collection boxes should have an internal lock box or limited access to the honor box key with limited staff access. We verified that the honor collection box was secured with limited staff access. For the sampled months, we reviewed five voids and refunds that totaled \$1,128.40. All voids and refunds were documented according to requirements in the Revenue Procedures.

The District completed an annual Fiscal Compliance Review and the Park Management Summary in 2019 as required under Chapter 1.2(h) and Chapter 1.8(m) of the OM. According to the most recent report, the Park met all noted requirements.

Report: A-1920DEP-008

Tax-Exempt Transactions

In accordance with Revenue Procedures, the Park has an established process to maintain visitor's tax-exempt forms and record each transaction on a log. During the sampled months, nine tax-exempt transactions were recorded. The Park provided copies of required tax-exempt documentation for all transactions.

Attendance Reporting

According to the Attendance Reporting Plan (ARP), actual visitor counts are taken when the ranger station is utilized. Traffic and pedestrian counters at the ranger station are checked daily. Visitor counts are estimated by multiplying total vehicles by three, and pedestrian counts are estimated by dividing total visitors by two. At the time of our audit, the pedestrian entrance was temporarily closed due to hurricane damage. For the sampled months of March and April 2019, we compared the estimated and actual day visitor counts reported in the POS system to visitation recorded on the Daily Reports as follows:

Reported Attendance				
Month/Year	Reported Estimated Day Visitor Counts	Estimated Day Visitor Counts per Daily Reports	Reported Actual Day Visitor Counts	Actual Day Visitor Counts per Daily Reports
March 2019	26,130	27,429	3,307	2,009
April 2019	17,462	17,462	16	16

Reported attendance was generally supported by recorded counts and were consistent with the Park's ARP. For one day in March, estimated visitor counts were inadvertently entered as actual visitor counts. This variance was offset between reports, with a minor difference.

Expenditures and P-Card Use

To verify compliance with purchasing requirements, we reviewed a sample of six

Report: A-1920DEP-008

purchase orders processed through MyFloridaMarketPlace³ (MFMP) and 17 P-Card expenditures in the Department's P-Card Works⁴ system. According to Chapter 60A-1, Florida Administrative Code (F.A.C.), purchases which meet or exceed \$2,500 require two written quotes. If less than two quotes are received, agencies must provide justification as to why additional quotes could not be obtained. If commodities or contractual services are available from a single source, the agency must document the conditions and circumstances.

Of the six purchase orders, we verified that the Park documented procurement and payment for four as required. One purchase order, which was for UTV repair services, was documented as a single source exception. The documentation provided indicated that extensive diagnostics were necessary in determining repair cost. While this does not justify why additional quotes could not be obtained, the circumstances indicate that the payment for repair to the vendor was likely the best use of Department resources. For the remaining purchase order, which was for the purchase of stones for needed repairs, the Park had not obtained two quotes as required. According to the purchase order, the Park documented efforts to solicit quotes from five vendors. However, the selected vendor was the only business contacted that was a supplier of stones. Of the 17 P-Card purchases, we verified that all were pre-approved by the Park Manager, supported by invoices or receipts, and reviewed or reconciled by staff other than the cardholder as required.

State Property and Equipment Management

To verify compliance with Department requirements regarding property, we reviewed a sample of 25 property items from the Park's Master Property file. We verified that all property items sampled were located at the Park.

³ MyFloridaMarketPlace is the State online procurement processing system for Florida.

⁴ Works is a web-based system used to process State P-Card transactions.

Report: A-1920DEP-008

For Park staff residing in Park housing during the audit period, we verified Agreements of Occupancy for State-Owned Residences and annual inspections were completed and approved by District management for both staff as required. Neither resident housed individuals that were not considered immediate family members of the Park staff. We also verified both occupants paid utilities directly to the provider as required.

Volunteers

We reviewed volunteer records provided by the Park and in the Volunteer Service Tracking System (V Sys) for six resident volunteers during the audit period. Volunteer Agreements had been completed for all six resident volunteers as required in Chapter 1.6 of the OM. According to Chapter 1.5 of the OM, all regular service volunteers must have searches conducted through the U.S. Department of Justice National Sexual Offender Public Website and Florida Department of Law Enforcement Sexual Offenders and Predators and these searches must be recorded in V Sys by electronic documentation maintained in the volunteer's V Sys profile. The Park had documented the required searches for all six resident volunteers. Chapter 1.6 of the OM outlines requirements for recording volunteer hours in V Sys. For the sampled months, all six resident volunteers had maintained hours in V Sys and contributed the required hours.

Short Term Special Event Permits and Private Events

Division requirements for Short Term Special Event Permits are outlined in Chapter 1.2 as well as Chapter 5.2 of the OM. We reviewed Permit documentation for a Mushroom Festival event held by the Park in January 2019 as follows.

Report: A-1920DEP-008

- The Permit required that the Department conduct a sexual predator search through the Florida Department of Law Enforcement on the Permittee's manager prior to execution of the Permit. The search was conducted as required.
- The Permit required the Permittee to provide the Park Manager with proof of liability insurance coverage prior to the event. Proof of liability insurance coverage was obtained as required.
- The Permit was approved by the Park Manager and District prior to the event.
- Permit fees were paid as required.
- The Essential Eligibility Criteria document for the event was provided by the Park.

Chapter 5.2(j) of the OM outlines requirements for private events. For 27 events held at the Park during the sampled months, we verified that the Park documented event activities consistent with payroll documents for staff working at events. We also verified applicable fees were collected as required. The Park had executed signed agreements for each event. Of the 27 events, alcohol was served at two. For the two events, the Permit required that the Permittee sign the "Alcoholic Beverage Policy" and provide the Park Manager with proof of liability insurance coverage prior to the event. These documents were obtained and provided for both events.

CSO Statutory and Agreement Compliance

Based on our review, the CSO was established and operates in compliance with Section 258.015, F.S. The following was determined during the audit.

- The CSO submitted the 2019 Annual Financial Report, which included the 2018 990 EZ income tax report, Park Manager's Letter, CSO President's Letter, list of Board members,

Report: A-1920DEP-008

CSO Statement of Accomplishments and Goals, and CSO Statement of Value and Contributed Services.

- All revenues received by the CSO are in the form of donations, which are tax exempt.
- According to Paragraph 5.b. of the Agreement, the CSO is required to submit an Annual Program Plan on or before the end of the CSO's fiscal year⁵. The Annual Program Plan for 2019 was signed by the CSO President and approved by the Park Manager on January 16, 2019, after the end of the CSO's fiscal year. For 2019, Division leadership had communicated a required due date for Annual Program Plans past the date required under the Agreement. The Annual Program Plan included the CSO's planned budget for projects, activities and fundraisers as well as designated areas for those activities.
- The CSO has an established Code of Ethics; however, the CSO does not have an established website to post the Code of Ethics as required under Section 112.3251, F.S.

CSO Revenue and Expenses

During the audit period, the CSO received revenue through donations, Park events, and CSO membership dues. According to the CSO's general ledger, revenue and expenses were as follows:

CSO Revenue and Expenses	2018	2019 (January -June)
Total Revenue	\$16,116.80	\$8,611.55
Total Expenses	\$16,940.53	\$7,174.56
Net Revenue	\$-823.73	\$1,436.99

We compared amounts documented in the CSO's general ledger during 2019 to bank statements and source documentation for the sampled months of March and April 2019. Overall,

⁵ Per Article IV of the CSO's By Laws, the CSO's fiscal year is the calendar year.

Report: A-1920DEP-008

amounts reported in the general ledger were generally consistent with bank statements and were supported by revenue and expense source documents. The CSO maintains one checking account for operating expenses. The CSO has established Board Financial Policies (Financial Policies) in addition to the By-Laws. However, the Financial Policies were last updated on January 7, 2011. A significant portion of the Financial Policies address gift shop operations for which the CSO is no longer involved.

The CSO maintains a secured safe separate from the Park for CSO collections. When funds are collected, the Safe Drop Ledger is used to record transactions. These funds are verified by a second CSO Officer prior to deposit.

We reviewed support documentation for expenditures totaling \$2,440.73 made during the sampled months. All expenditures were supported by invoices and receipts and appeared to benefit the Park directly or indirectly.

One purchase of \$1,127.25 for flowers was made by the Park Manager. This purchase was part of the approved Annual Program Plan. However, according to the Financial Policies, only the CSO President and CSO Treasurer should have access to debit cards for purchases. Based on discussion with the Park Manager, the CSO was aware of the purchase.

In accordance with the Financial Policies, the CSO conducts Quarterly Financial Reviews with the Park Manager, CSO President, and a CSO Board officer to evaluate all revenue and expenses activities. Monthly bank statements are addressed to the CSO and mailed to the Park. For the sampled months, all checks were signed by two CSO Board members as required.

Park Management Oversight of CSO Activities

During the audit period, the CSO held an Azalea Days Art and Garden Festival event in

Report: A-1920DEP-008

March 2019, which took place at the Park. For this event, we noted the following circumstances.

- According to Chapter 4.5.4 of the CSO Handbook, the CSO is required to execute a Short Term Special Event Permit and vendor and demonstrator authorization with all vendors involved with the special event. The CSO is required to remove all references to the Department and Division and modify the forms so they meet the needs of the CSO and the event. During the sampled months, event Permits were executed with 17 participants. Each Permit contained language indicating the Permit was issued for the Park for the Azalea Days Art and Garden Festival event. The executed Permits were signed by the Park Services Specialist rather than a CSO Officer.
- The event was included on the 2019 Annual Program Plan, which was approved by the Park Manager.
- Required Permit fees were paid prior to the events.
- A copy of the Essential Eligibility Criteria document was provided as required in Chapter 4.5.1 of the CSO Handbook.

CSO Officers include a President, Vice President, Secretary, and Treasurer as well as three additional Board members. We verified that sexual predator searches were conducted for all active CSO Officers and Board members and their volunteer applications and agreements were current. All membership documents and volunteer hours for Officers and Board members were maintained either at the park level or in the Department VSys database. The CSO and Park management work together to plan CSO sponsored events and projects.

During the audit period, Park management attended the monthly Board meetings. Meeting minutes were retained by the CSO. Chapter 1.4 of the OM requires the District to

Report: A-1920DEP-008

conduct a CSO Management Review every four years. The last review was conducted on December 14, 2017, which reflected positive results.

Conclusions

Based on our audit, the Park was in compliance with Division requirements regarding deposits, tax exempt transactions, staff housing, property, and volunteers with minor exceptions. However, control weaknesses were noted in the areas of revenue collection and reporting and expenditures. While the CSO was established and operates in compliance with Section 258.015, F.S., we noted control weaknesses regarding Park oversight of CSO operations in the areas of the Annual Program Plan, Financial Policies, and CSO sponsored events.

Findings and Recommendations

Finding 1: Revenue Collection and Reporting

Chapter 1.8(c)(2) of the OM states that the *Park Manager or designee will clear or close all Financial Sessions (FIN Sessions) and credit card machines at the end of the day or prior to opening for business the following morning and account for all receipts, and assure that employees with access over cash are not assigned the responsibility of closing or clearing POS Stations and credit card machines. This person should not have served as an operator for that day. Only a supervisor or designee that clears the POS Station should program the POS Station.* Based on review of 50 FIN Sessions for the sampled months, 24, which generally represented end of the week and weekends were not closed daily as required. Park management indicated this was primarily due to weekend staffing limitations. Leaving FIN Sessions open for multiple days reflects a lack of daily supervision over revenue collection.

Report: A-1920DEP-008

Recommendation:

We recommend the Division work with the Park to ensure all FIN Sessions are closed daily as required in the OM.

Finding 2: Expenditures

Chapter 287, F.S. establishes statutory procurement requirements. According to Chapter 60A-1.002, F.A.C., purchases \$2,500 or greater require two written quotes. If less than two quotes are received, the Department must provide justification as to why additional quotes could not be obtained. Of the six sampled purchase orders exceeding \$2,500, the Park had not obtained two quotes as required for one, which was for stones for needed repairs. According to the purchase order, the Park documented efforts to solicit quotes from five vendors. However, the selected vendor was the only business contacted that was a supplier of stones.

Recommendation:

We recommend the Division ensure that Park procurement practices comply with Section 287, F.S., and Chapter 60A-1.002, F.A.C. For purchases that meet or exceed \$2,500, a minimum of two quotes should be obtained. If the minimum quotes cannot be obtained from providers of the needed commodity or service, and due diligent procurement efforts have been demonstrated, the circumstances for the single source purchase should be documented.

Finding 3: CSO Annual Program Plan

According to Paragraph 5.b. of the Agreement, the CSO is required to submit an Annual Program Plan on or before the end of the CSO's fiscal year. The Annual Program Plan for 2019 was not submitted by the end of the CSO's fiscal year as required and reflected a submission and approval date of January 16, 2019. On December 14, 2018, Division

Report: A-1920DEP-008

leadership had communicated to Districts that the required due date for Annual Program Plans was January 25, 2019, which was past the date required under the Agreement. Paragraph 25 of the Agreement states, *This Agreement contains all the terms and conditions agreed upon by the parties, which terms and conditions shall govern all transactions between Division/DEP and the CSO. Any alterations, variations, changes, modifications or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement.* While the extended due date was authorized in writing by the Division, the change was not signed by both parties and attached to the original Agreement as required.

Recommendation:

We recommend the Division ensure that Annual Program Plans are submitted on or before the end of the CSO's fiscal year as required under the Agreement. Any alterations, variations, changes, modifications or waivers of provisions of the Agreement should only be valid when they have been reduced to writing, duly signed by both the Division and CSO, and attached to the original Agreement.

Finding 4: CSO Financial Policies and Requirements

The CSO has established Financial Policies in addition to the CSO's By-Laws. However, the most recent Financial Policies were last updated on January 7, 2011. A significant portion of the Financial Policies address financial matters regarding a gift shop for which the CSO no longer operates.

According to the Financial Policies, the President and Treasurer are the only Board members authorized to use the bank issued debit card. The Park Manager made a purchase for

Report: A-1920DEP-008

flowers in April 2019 totaling \$1,127.25 on behalf of the CSO. This purchase was part of the approved Annual Program Plan. While Chapter 1.4(f)(11) of the OM allows Park employees to utilize debit cards provided by the CSO, the use must follow guidelines established in the CSO's Financial Policies.

Recommendation:

We recommend the Division work with the Park and CSO to ensure oversight of funds consistent with CSO's Financial Policies. In addition, the Division should work with the Park and CSO to ensure that the CSO's Financial Policies are updated to reflect current practices.

Finding 5: Oversight of CSO Events

During the audit period, the CSO held an Azalea Days Art and Garden Festival event. According to Chapter 4.5.4 of the CSO Handbook, the CSO is required to execute a Short Term Special Event Permit and vendor and demonstrator authorization with all vendors involved with the special event. The CSO is required to remove all references to the Department and Division and modify the forms so they meet the needs of the CSO and the event. During the sampled months, event Permits were executed with 17 participants. Each Permit contained language indicating the Permit was issued for the Park for the Azalea Days Art and Garden Festival event. The executed Permits were signed by the Park Services Specialist rather than a CSO Officer. This represents a lack of vendor oversight by the CSO for their event and a reliance on Park staff for event administration.

Recommendation:

We recommend the Division work with the Park and CSO to ensure CSO event permits are executed consistent with direction contained in the CSO Handbook.

Report: A-1920DEP-008

Management Comments

Management Comment 1: Permit Fee Requirements

Based on the review of Chapter 1.2 (f)(2) (c)(3), Short Term Vendor Permits of the OM, *a minimum of \$25.00 per day should be charged for an event.* However, Chapter 5.2 (f) (2), Short Term Vendor/Demonstrator Permit of the OM states *fees can range from \$5 to \$500 per day.* This discrepancy reflected in the OM results in unclear permit fee requirements. The Division would benefit from a review of these requirements to ensure consistency throughout the OM.

Management Comment 2: Code of Ethics Posting:

According to Section 112.3251 F.S., the CSO must adopt its own Code of Ethics. The Code of Ethics must contain the standards of conduct and required disclosures. Section 112.3251, F.S., also requires that the Code of Ethics be conspicuously posted on the CSO's website. While the CSO has adopted a Code of Ethics as required, they have not established a website for the required posting. The Park Manager indicated that the CSO is planning to develop a website. The Division and CSO would benefit from establishing a CSO website to include the required Code of Ethics and to provide greater public awareness of the CSO's support for the Park.

Audit of Ravine Gardens State Park and Friends of Ravine Garden, Inc. Citizen Support Organization
Division of Recreation and Parks

Report: A-1920DEP-008

To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. Our audit was conducted under the authority of Section 20.055, F.S., and in conformance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The audit was conducted by Angie Cringan and supervised by Valerie J. Peacock.

Please address inquiries regarding this report to the OIG's Audit Director by telephone at (850) 245-3151. Copies of final reports may be viewed and downloaded via the internet at <https://floridadep.gov/oig/internal-audit/content/final-audit-reports>. Copies may also be obtained by telephone (850) 245-3151, by fax (850)245-2994, in person or by mail at Department of Environmental Protection, Office of Inspector General, 3900 Commonwealth Boulevard, Mail Station #41, Tallahassee, FL 32399.

*Valerie J. Peacock,
Director of Auditing*

*Candie M. Fuller,
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FLORIDA DEPARTMENT OF Environmental Protection

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Jeanette Nuñez
Lt. Governor

Noah Valenstein
Secretary

Memorandum

TO: Valerie Peacock, Audit Director
Office of the Inspector General

FROM: Eric Draper, Division Director 
Division of Recreation and Parks

SUBJECT: Audit of Ravine Gardens State Park and Friends of Ravine Gardens, Inc.
Citizen Support Organization (Report: A-1920DEP-008)

DATE: February 13, 2020

Finding 1: Revenue Collection and Reporting

Chapter 1.8(c)(2) of the OM states that the *Park Manager or designee will clear or close all Financial Sessions (FIN Sessions) and credit card machines at the end of the day or prior to opening for business the following morning and account for all receipts, and assure that employees with access over cash are not assigned the responsibility of closing or clearing POS Stations and credit card machines. This person should not have served as an operator for that day. Only a supervisor or designee that clears the POS Station should program the POS Station.* Based on review of 50 FIN Sessions for the sampled months, 24, which generally represented end of the week and weekends were not closed daily as required. Park management indicated this was primarily due to weekend staffing limitations. Leaving FIN Sessions open for multiple days reflects a lack of daily supervision over revenue collection.

Recommendation:

We recommend the Division work with the Park to ensure all FIN Sessions are closed daily as required in the OM.

Division Response:

Concur with finding and recommendation. Corrective action has been taken. The Park Manager will now make sure that all FIN sessions are closed daily as required in the OM.

Finding 2: Expenditures

Chapter 287, F.S. establishes statutory procurement requirements. According to Chapter 60A-1.002, F.A.C., purchases \$2,500 or greater require two written quotes. If less than two quotes are received, the Department must provide justification as to why additional quotes could not be obtained. Of the six sampled purchase orders exceeding \$2,500, the Park had not obtained two quotes as required for one, which was for stones for needed repairs. According to the purchase order, the Park documented efforts to solicit quotes from five vendors. However, the selected vendor was the only business contacted that was a supplier of stones.

Recommendation:

We recommend the Division ensure that Park procurement practices comply with Section 287, F.S., and Chapter 60A-1.002, F.A.C. For purchases that meet or exceed \$2,500, a minimum of two quotes should be obtained. If the minimum quotes cannot be obtained from providers of the needed commodity or service, and due diligent procurement efforts have been demonstrated, the circumstances for the single source purchase should be documented.

Division Response:

Concur with finding and recommendation. The Park procurement practices now comply with Section 287, F.S., Chapter 60A-1.002, F.A.C., and the DEP procurement guide. The Park Manager will ensure the park documents efforts to obtain more than one quote on any purchase over \$2,500 and will provide a statement of justification in the event the Park is unable to obtain more than one quote.

Finding 3: CSO Annual Program Plan

According to Paragraph 5.b. of the Agreement, the CSO is required to submit an Annual Program Plan on or before the end of the CSO's fiscal year. The Annual Program Plan for 2019 was not submitted by the end of the CSO's fiscal year as required and reflected a submission and approval date of January 16, 2019. On December 14, 2018, Division leadership had communicated to Districts that the required due date for Annual Program Plans was January 25, 2019, which was past the date required under the Agreement. Paragraph 25 of the Agreement states, *This Agreement contains all the terms and conditions agreed upon by the parties, which terms and conditions shall govern all transactions between Division/DEP and the CSO. Any alterations, variations, changes, modifications or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement.* While the extended due date was authorized in writing by the Division, the change was not signed by both parties and attached to the original Agreement as required.

Recommendation:

We recommend the Division ensure that Annual Program Plans are submitted on or before the end of the CSO's fiscal year as required under the Agreement. Any alterations, variations, changes, modifications or waivers of provisions of the Agreement should only be valid when they have been reduced to writing, duly signed by both the Division and CSO, and attached to the original Agreement.

Division Response:

Concur with finding and recommendation. Corrective action has been taken. Future alterations, variations, changes, modifications, or waivers of provisions of the Agreement will be reduced to writing and duly signed by both the Division and CSO and attached to the original Agreement. The 2020 annual program plan was in compliance, having been submitted prior to December 31, 2019.

Finding 4: CSO Financial Policies and Requirements

The CSO has established Financial Policies in addition to the CSO's By-Laws. However, the most recent Financial Policies were last updated on January 7, 2011. A significant portion of the Financial Policies address financial matters regarding a gift shop for which the CSO no longer operates.

According to the Financial Policies, the President and Treasurer are the only Board members authorized to use the bank issued debit card. The Park Manager made a purchase for flowers in April 2019 totaling \$1,127.25 on behalf of the CSO. This purchase was part of the approved Annual Program Plan. While Chapter 1.4(f)(11) of the OM allows Park employees to utilize debit cards provided by the CSO, the use must follow guidelines established in the CSO's Financial Policies.

Recommendation:

We recommend the Division work with the Park and CSO to ensure oversight of funds consistent with CSO's Financial Policies. In addition, the Division should work with the Park and CSO to ensure that the CSO's Financial Policies are updated to reflect current practices.

Division Response:

Concur with finding and recommendation. Corrective action is being taken. The CSO is updating their Financial Policies and will be completed by March 31, 2020. Once completed, the Financial Policies will be reviewed by Division staff to accurately reflect current practices and to establish consistent oversight. In addition, the Park Manager will work to ensure that the oversight of funds is consistent with the updated CSO's Financial Policies.

Finding 5: Oversight of CSO Events

During the audit period, the CSO held an Azalea Days Art and Garden Festival event. According to Chapter 4.5.4 of the CSO Handbook, the CSO is required to execute a Short Term Special Event Permit and vendor and demonstrator authorization with all vendors involved with the special event. The CSO is required to remove all references to the Department and Division and modify the forms so they meet the needs of the CSO and the event. During the sampled months, event Permits were executed with 17 participants. Each Permit contained language indicating the Permit was issued for the Park for the Azalea Days Art and Garden Festival event. The executed Permits were signed by the Park Services Specialist rather than a CSO Officer. This represents a lack of vendor oversight by the CSO for their event and a reliance on Park staff for event administration.

Recommendation:

We recommend the Division work with the Park and CSO to ensure CSO event permits are executed consistent with direction contained in the CSO Handbook.

Division Response:

Concur with finding and recommendation. Corrective action has been taken. The CSO permit has been updated to remove all reference to the Department and Division and eliminated park staff overseeing the permits. Park staff and CSO officers have been trained on the process contained in the CSO Handbook.