



COUNTY AUDIT DEPARTMENT

REPORT # 419

OCTOBER 30, 2023

An Audit of:

**PARKS AND RECREATION MANAGEMENT OF
CONTRACTED SERVICES**



Cindy Stuart

CLERK OF COURT & COMPTROLLER
HILLSBOROUGH COUNTY

The Honorable Ken Hagan, Chair
The Honorable Donna Cameron Cepeda
The Honorable Harry Cohen
The Honorable Pat Kemp
The Honorable Gwen Myers
The Honorable Michael Owen
The Honorable Joshua Wostal

October 30, 2023

Dear Commissioners:

The Audit Team performed an audit of the Parks and Recreation Department's management of outsourced services (**Audit Report #419, dated October 30, 2023**). Responses to the Audit Team's recommendations were received from the Parks and Recreation Department. These management responses have been included in this Report.

The purpose of this Report is to furnish management with an independent, objective analysis, and information concerning the activities reviewed. It is not an appraisal or rating of management.

Although the Audit Team exercised due professional care in the performance of this audit, this should not be construed to mean that unreported noncompliance or irregularities do not exist. The deterrence of fraud and/or employee abuse is the responsibility of management. Audit procedures alone, even when carried out with professional care, do not guarantee that fraud or abuse will be detected.

I appreciate this opportunity to be of service to the Board of County Commissioners. I am happy to address any questions that you may have or furnish additional information if desired.

Sincerely,

Heidi Pinner

Heidi Pinner, CIA CISA CFE CRMA
Chief Audit Executive, Clerk of Court & Comptroller

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601 E. Kennedy Blvd., 13th Fl, TAMPA, FL 33602

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EXECUTIVE SUMMARY

BACKGROUND INFORMATION

Hillsborough County Parks and Recreation offers 178 neighborhood parks, including 24 active recreation centers, 3 performing/cultural arts centers, 18 partnered centers, and 40 sports complexes. The Parks and Recreation Department (Department) provides activities, programs, and sports leagues for children, youth, and adults. The Parks and Recreation Department contracts with third party service providers to either perform or assist the department with several key services including, but not limited to, mowing and landscaping services, lighting for athletic fields, irrigation work, concrete flatwork services, and synthetic turf services.

The Audit Team identified services that the Department fully or almost fully outsources, as shown in the following table:

<i>Outsourced Services</i>	<i>Information About Outsourced Services</i>	<i>Reason for Elimination to Review</i>
<i>Mowing</i>	<ul style="list-style-type: none"> • Four (4) contracted vendors. • Contracts scheduled to end on January 31, 2023. 	All contracts were scheduled to conclude during the middle of audit.
<i>Irrigation Installation and Repair</i>	<ul style="list-style-type: none"> • Two (2) contracted vendors. • Sum of all related agreements is \$928,940.00. 	The sum of the agreement amounts were low compared to the sum of the agreement amounts the synthetic turf installation and maintenance services.
<i>Lighting for Athletic Fields</i>	<ul style="list-style-type: none"> • Two (2) contracted vendors. • Sum of all related agreements is \$527,212.69. 	The sum of the agreement amounts were low compared to the sum of the agreement amounts the synthetic turf installation and maintenance services.
<i>Synthetic Turf Installation and Maintenance</i>	<ul style="list-style-type: none"> • Four (4) contracted vendors. • Sum of all related agreements is \$18,130,008.52. 	The Audit Team selected to review the contracts and process for this service.

Based on the Audit Team’s review of services that the Department fully outsources, synthetic turf installation, also known as artificial turf, and their related maintenance contracts were selected for review due to the sum of the agreement amounts for all four contracts being significantly higher than the other services.

OBJECTIVE

The objective of the audit was to identify the Parks and Recreation Department functions that are completely outsourced and determine whether or not there are effective controls to manage those contracts.

SCOPE

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*. These Standards require that County Audit plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the audit comments and conclusions based on the audit objectives. County Audit believes that the evidence obtained provides this reasonable basis.

The scope of the audit focused on the Department's oversight of the four (4) synthetic turf installation and maintenance vendors for park locations containing artificial turf. Contracts and maintenance of natural grass such as Bermuda and Bahia grass were excluded. The audit also included a review of invoice transactions that occurred from September 1, 2022 to April 30, 2023.

OVERALL EVALUATION

The Audit Team conducted interviews, observations, and internal control reviews governing the process for maintaining parks with artificial turf. For key outsourced processes, vendor contracts and invoices were reviewed to determine whether or not management of these outsourced services were well controlled.

PROCESS STRENGTHS AND SUCCESSES

- Parks and Recreation has a process to perform regular maintenance on their synthetic turf fields and playgrounds.
- Synthetic turf installations by vendors are inspected by Parks staff for appropriateness.
- Invoices are reviewed and approved prior to payment.

RISKS AND OPPORTUNITIES

- One (1) multi-sports playing field complex did not receive an annual maintenance.

Full testing results are included on page 5 of this Report.

OPINION

Control Maturity Levels



The overall control environment relative to the Parks and Recreation Management of Outsourced Services is at a managed maturity level. This means that the controls are well defined with greater use of prevention rather than detection, an overall chain of accountability exists, and procedures/processes with a formal structure are in place.

An exit conference was not held due to there being no recommendations for corrective action. Instead, the report was shared with the Parks and Recreation Department and County Leadership on October 20, 2023.

AUDITED BY

Heidi Pinner, CIA, CISA, CFE, CRMA, Chief Audit Executive
 Ben Everett, CPA, CIA, CFE, CISA, Audit Manager
 Tierra Cook, Internal Auditor

AUDIT COMMENT

**13 PARKS
6 PLAYGROUND
MAINTENANCE
CHECKLISTS WERE
REVIEWED.**

**ONE EXCEPTION
FOUND**

**47
INVOICES
REVIEWED**

**NO EXCEPTIONS
FOUND**

The Parks and Recreation Department has satisfactory controls in place to manage the artificial turf contracts and to perform regular maintenance.

The objective was to determine whether or not:

- Procedures are in place for monitoring contracted outsourced services for artificial turf.
- Processes are in place to verify that invoices are complete and accurate prior to processing payments.
- Department staff have procedures in place to document their review prior to processing payments.

Background

Numerous County parks offer playgrounds for children and/or multi-sports playing fields used by local sports leagues, such as football, soccer, and baseball. Some playgrounds and multi-sports fields use artificial turf rather than natural grass. All playing fields require maintenance which may be performed by parks staff or by outside contracted vendors. Citizens or sports leagues may report any problems or concerns with the fields or playgrounds to parks staff or by contacting the County’s customer service center.

In order to maintain the quality of the synthetic turf for public use, the Department performs routine inspections and maintenance on the multi-sports fields and playgrounds. Maintenance is performed by the Parks and Recreation staff and four (4) synthetic turf installation and maintenance contracted vendors:

Contracted Synthetic Turf Installation and Maintenance Vendors
• JSM Services Inc.
• World Sports Turf and Marketing LLC
• APT Acquisition Construction Corporation (“AstroTurf”)
• Abilacy Holdings LLC (“Forever Lawn”)

The 13 multi-sports playing fields receive monthly inspection and maintenance services performed by Department staff, which is required for warranty coverage. These services include inspecting for wear and tear areas and brushing the turf with a stiff bristle brush that stands the turf fibers up after use. The results of each inspection and maintenance service is entered into the Enterprise Asset Management (EAM) System, which is an application software package used by the Department to manage various operational tasks and maintain records.

Multi-sports fields are also required to receive an annual maintenance service in order to qualify for warranty coverage, which is performed by the vendor APT Acquisition Construction Corporation. The annual maintenance, known as the Rhino Service, is a deep cleaning of the synthetic turf including a full field vacuum, debris removal, and field groom to level out infill across the playing surface. The six playgrounds receive a semi-annual inspection and maintenance performed by Parks staff. A work order is entered into the EAM system for the inspection and maintenance.

Invoices submitted by the vendors are received and reviewed by the Department's Fiscal Team for accuracy and compliance with approved contracted services. As part of the Department's procedures, the Fiscal Team verifies with Parks management that the site has been inspected, completed, and approved to contract standards. Once an approval of the vendor's work has been approved by the Parks staff, the invoice is submitted to County Finance for processing of payment.

Test Procedure

The Audit Team obtained a list of park locations that contain synthetic turf, for a total of thirteen (13) multi-sports fields and six (6) playgrounds. All supporting documentation was reviewed in the EAM system by the Audit Team to determine whether or not each park location is properly inspected and maintained.

The Audit Team reviewed monthly inspection checklists for all thirteen (13) multi-sports fields for the four (4) month period of January 2023 through April 2023 and also inquired with the Department about each multi-sports field's most recent annual Rhino Service. For the six (6) playgrounds, the Audit Team reviewed the most recent semi-annual inspection and maintenance EAM checklists to ensure the maintenance was performed.

Additionally, invoices for all transactions with the four (4) vendors for the audit period of September 1, 2022 to April 30, 2023 were obtained and reviewed by the Audit Team. A total of 47 invoices were identified and all 47 (100%) were tested to verify that the invoices matched the agreement and purchase orders (POs) and that the work was physically inspected and approved prior to payment.

TESTING RESULTS

All thirteen multi-sports fields received a monthly inspection and maintenance service by the Parks and Recreation Department. One of the thirteen multi-sports fields, the Wimauma Sports

Complex, did not receive an annual maintenance for the year 2022. There was a procurement error where this site was omitted from an administrative award and when it came time to do the annual maintenance, there were no funds available. However, the vendor advised the Parks Department that they will still honor the warranty. All six playgrounds received a semi-annual inspection and maintenance service by the Parks and Recreation Department.

Each invoice was evaluated for accuracy and compliance with the terms of the contracts. All charges on all forty-seven invoices appeared accurate and matched the terms of the agreements and purchase orders. Fourteen (14) invoices were related to other contracts managed by other County departments or functions such as the Capital Improvements Program or the Repair, Replacement, Renovation and Maintenance (R3M) Program. Therefore, the Audit Team could not test whether or not there was an approval prior to payment for those invoices. The remaining thirty-three (33) invoices had appropriate approval documentation for 91% of the items. Approval documentation could not be found for three (3) invoices due to the Parks Department sometimes approving payments verbally (by phone or in-person).

RECOMMENDATION

The limited residual risk in the process makes implementing further controls unnecessary. Therefore, the Audit Team does not have any recommendations for corrective action.