



Fiscal Audit

Department of Parks and Recreation Allegheny Regional Asset District (ARAD) Trust Fund-Parks

Report by the
Office of City Controller

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June 13, 2019

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MICHAEL E. LAMB

CITY CONTROLLER

First Floor City-County Building • 414 Grant Street • Pittsburgh, Pennsylvania 15219

June 13, 2019

To the Honorables: Mayor William Peduto and
Members of Pittsburgh City Council:

The Office of the City Controller is pleased to present this Fiscal Audit of the **Allegheny Regional Asset District (ARAD) Trust Fund-Parks** conducted pursuant to the Controller's powers under Section 404(b) of the Pittsburgh Home Rule Charter.

EXECUTIVE SUMMARY

The Allegheny Regional Asset District Trust Fund (ARADTF) was established in January of 2005 to account for all monies collected from the Allegheny County Regional Asset District 1% sales tax revenue for the benefit of the Department of Parks and Recreation (Citiparks) and the Department of Public Works (DPW). Resolution 833 was passed in December of 2017, amending the prior said resolution allowing for grant monies to be split into two trust funds, thereby establishing the Allegheny Regional Asset District-Parks and Recreation Trust Fund (ARAD TF-Parks). Funds deposited into the trust fund are utilized by the Department of Parks & Recreation to pay for expenses related to the operation of the City's Regional Parks.

We performed testing to determine whether policies, procedures and internal controls relating to the administration of the fund are adequate and that expenditures charged to the fund are allowable and properly supported. Based on our testing, we uncovered weaknesses in existing internal controls. Furthermore, we noted improper usage of funds, unallowable funding sources, as well as inadequate recordkeeping and retention practices, which if left unaddressed increase the level of potential risks.

Improved controls in the form of establishing policies and procedures to include the duties and responsibilities for the administration of the fund, along with increased oversight of fund activities, will promote greater efficiency and mitigate potential risk of further irregularities. These issues and our recommendations are further discussed in the Result section of this report.

We appreciate the cooperation of the staff involved with the management of the fund as well as their patience during the course of our audit.

Sincerely,

Michael E. Lamb
City Controller

INTRODUCTION

This fiscal audit of the **Allegheny Regional Asset District (ARAD) Trust Fund-Parks** was conducted pursuant to the Controller's powers under Article IV, Section 404(b) of the Pittsburgh Home Rule Charter.

SCOPE AND METHODOLOGY

Our procedures were conducted pursuant to the Article IV, Section 404(b) of the City of Pittsburgh Home Rule Charter. Our procedures covered the period January 1, 2015, to December 31, 2017.

The objectives of this audit are to determine whether procedures and internal controls relating to the administration of the trust fund are adequate. In order to achieve these objectives, we performed the following procedures:

- Interviewed personnel from the Department of Parks & Recreation involved with the fund to gain an understanding of the fund's operations, processes, and internal controls.
- Interviewed personnel from the Office of Management and Budget involved with the oversight and required filings to Allegheny Regional Asset District.
- Reviewed the Allegheny Regional Asset District's Amended and Restated Cooperation and Support Agreement (Operating) with the City of Pittsburgh (for Regional Parks).
- Reviewed procedures and related internal controls over the administration of the fund as well as the Citiparks Cash Management Policy.
- Reviewed the City of Pittsburgh's Purchasing Policy.
- Reviewed procedures for the receipt and deposit of all revenue categories.
- Applied procedures to a sample of expenditures to determine whether they were properly incurred and administered.
- Performed variance analysis on expenditures for plausible relationships.
- Summarized revenues by source and expenditures by category for the period of our audit.
- Performed tests of reimbursements related to utility bills.

BACKGROUND

The Allegheny Regional Asset District Trust Fund (ARADTF) was established in January of 2005 to account for all monies collected from the Allegheny County Regional Asset District 1% sales tax revenue, for the benefit of the Department of Parks and Recreation (Citiparks) and the Department of Public Works (DPW). Funds deposited into the trust fund were utilized by Citiparks and DPW to cover all expenditures related to the Regional Parks, which included Frick Park, Schenley Park, Highland Park, and Riverview Park. Pennsylvania Act 77, which established the Allegheny County Regional Asset District (ARAD), requires regional parks to be larger than 200 acres. All expenditures required approval by the Directors of Citiparks and/or DPW, in which departments had separate account numbers in the ARADTF.

Resolution 833 was passed in December of 2017, amending the prior said resolution allowing for grant monies to be split into two trust funds, while further clarifying the sources and uses of the funds. The Allegheny Regional Asset District-Parks and Recreation Trust Fund (ARAD TF-Parks) was established, allowing for all monies granted from ARAD to the City of Pittsburgh to be deposited, for use in the following “Regional Parks”: Frick Park, Schenley Park, Highland Park, Emerald View Park, and Riverview Park. Furthermore, the funds deposited into the ARAD TF-Parks are to cover all expenditures relating to the Regional Parks.

FUNDING SOURCES

On March 31, 1994 the Commissioners of Allegheny County enacted the Allegheny Regional Asset District (“District”) as a special purpose area wide unit of government. The City of Pittsburgh’s Regional Parks qualify as a “Regional Asset”, as they provide educational, research and recreational resources which contribute to the economic growth, health, welfare, education, and quality of life of the citizens of Allegheny County. The Regional Asset and the District entered into a Cooperation and Support Agreement setting forth the terms pursuant to which the Regional Asset received funding from the District for years 1995 through 2014. In 2013, the Agreement was amended and restated to continue funding the Regional Asset through 2019.

The Agreement provides for annual operating grants to the City for fiscal years 2015 through 2019. The agreement also requires that the City submit quarterly financial reports, an annual budget, and a Close Out Report to the District¹.

Communication between the Office of Management and Budget (OMB), Citiparks, and DPW determines Citiparks’ financing needs with regards to the Regional Asset, resulting in appropriation of funds. It was noted that the split of funding changed historically over the 2015-2018 timeframe, resulting in allocations between Citiparks and DPW of 30/70 in 2015, 25/75 during 2016-2017, and 20/80 in 2018, respectively.

¹ The Office of Management and Budget provided auditors with samples of the quarterly financial statements as well as the Close Out Report, which were reviewed.

EXPENDITURE OF FUNDS

Citiparks uses JD Edwards (JDE) accounting software to record revenues and expenditures for the trust fund, in addition to an internally tracked log book. We noted funds were used for movies shown at Citiparks' 'Cinema in the Park', as well as the reimbursement of utility expenses. 'Cinema in the Park' is operated by Citiparks in the following parks: Schenley Park, Highland Park, West End/Elliott Overlook, Brookline Memorial Park, Arsenal Park, Grandview Park, and Riverview Park. Auditors tested a sample of expenditures related to the rental of movies shown at locations that participated in the 'Cinema in the Park' program, and did not note any instances of improper usage of these funds.

Previously, the Department of Innovation and Performance (I&P) was responsible for paying utilities during 2015 through mid-2016. An I&P representative would send a quarterly letter to Citiparks requesting reimbursement of utilities paid, detailing utility account numbers, locations, energy provider, and monthly totals per utility type. The Director of Citiparks would then communicate with the Controller's Office, requesting the transfer of funds per I&P's original request.

Currently, DPW is responsible for administering the City's utility payments and uses EnergyCAP software to compile utility costs by department. This then provides the basis for departmental reimbursement requests. Auditors were granted access to the EnergyCAP software and tested a sample of electricity bills from Duquesne Light and Constellation, to confirm the validity of utility totals allocated to the department. The results of the testing will be further discussed in the results section of the audit.

AUTHORIZATION OF EXPENDITURES

Departments within the City of Pittsburgh utilize JDE to initiate the purchase of goods and services by way of Purchase Orders (POs). Expenditures made via POs had required approval via two separate signatures on paper Departmental Invoices (DIs) up until July 31, 2017. On August 1, 2017 the Office of Management and Budget, by way of the Procurement Optimization Project, replaced the physical signatures on DIs with electronic approvals in the JDE system for POs and explanatories² only. Encumbrances still require approval by way of physical signatures.

While the majority of expenditures require that POs be generated through JDE, others types of expenditures can be executed with a Bank of America issued Purchasing Card (P-Card). P-Cards are Visa credit cards that are individually issued to designated cardholders for business-related purposes. The City's Purchase Card Policy guides cardholders in determining whether to use the P-Card or a PO for departmental expenditures.

The cardholder is required to submit a pre-purchase approval request, which is reviewed internally within the department. Once approved, the cardholder can use the P-Card at the Point of Sale similar to a credit card. The cardholder is required to submit receipts for the transaction posted in Bank of America's P-Card application (Works). All transactions are subject to City Council review, as Council is provided with a list of transactions on a weekly basis.

² Explanatories purchases over \$3,000, which are not cover by a contract, require City Council approval.

SUMMARY OF REVENUES/EXPENDITURES

A total of \$4,384,462 was deposited into the trust fund during the period of our audit, January 1, 2015 through December 31, 2017 as detailed below:

Table I: Allegheny Regional Asset District (ARAD) TF-Parks Revenues				
For the Period January 1, 2015-December 31, 2017				
<i>Fund Source</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>Total</i>
Act 77-Tax Relief	\$1,603,705	\$ 1,376,693	\$ 1,404,044	\$4,384,442
Riverview 5k Fee	-	-	20	20
<i>Total</i>	<i>\$1,603,705</i>	<i>\$1,376,693</i>	<i>\$1,404,064</i>	<i>\$4,384,462</i>

A total of \$4,004,984³ was paid out of the trust fund during the period of our audit, January 1, 2015 through December 31, 2017 as detailed below:

Table II: Allegheny Regional Asset District (ARAD) TF-Parks Expenditures				
For the Period January 1, 2015-December 31, 2017				
<i>Expenditure Category</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>Total</i>
Personnel	\$547,149	\$608,376	\$676,423	\$1,831,947
Maintenance/Construction	1,010,810	632,906	124,655	1,768,371
Utilities	101,119	109,991	93,620	304,730
Supplies	(46,290)	94,717	69,566	117,993
Professional Services/Training	48,352	32,705	35,832	116,888
Fees/Other Services	5,502	650	425	6,577
Transportation	(205)	589	887	1,271
Property/Equipment	(246,411)	65,607	38,010	(142,794)
<i>Total</i>	<i>\$1,420,025</i>	<i>\$1,545,540</i>	<i>\$1,039,418</i>	<i>\$4,004,984</i>

³ Per 2018's fiscal audit of the Frick Park Trust Fund, the FPTF reimbursed the ARAD TF-Parks in 2015 for the amount of \$823,810 to cover expenses posted in ARAD TF-Parks in 2013 and 2014 related to Frick Park, which resulted in negative amounts for certain expenditure categories listed in Table II.

FINDINGS AND RECOMMENDATIONS

2019 FINDINGS & RECOMMENDATIONS

We randomly selected a 20% sample for testing from each of the 46 Cost Types (i.e. expenditure categories) used to record expenditures in JDE accounting software for the TF. Auditors tested for whether expenditures were: properly recorded into JDE accounting software; properly approved and documented; and used for allowable purchases. The results of the testing are further detailed in the remainder of the report, in addition to findings, recommendations, the auditee's response, and status⁴.

Finding #1: Improper Use of Trust Fund Monies

Auditors noted that 4 samples were used for activities not related to Regional Parks as specified in Resolutions 49 of 2005 and 833 of 2017 and the ARAD Amended and Restated Cooperation and Support (Operating) Agreement. Specifically, funds were spent on activities in Mellon Park and East Hills Park; additional funds were used for a guided river tour at Ohio pyle. Such fund usage demonstrates a disregard for guidelines established in said resolutions and agreements.

Our prior audit in 2016 noted similar instances of improper usage of trust fund monies; thus establishing this as an open issue as the risk remains unaddressed⁵.

Recommendation

Ensure the trust fund is solely utilized for expenses related to the Regional Parks as stipulated by the resolution and RAD agreement.

Auditee's Response:

The Citiparks Department's organizational structure has changed since both the initial 2016 report findings and the 2019 follow-up review of the four samples referenced above. This organizational change has allowed tighter controls over all fiscal activities, not just those relative to the ARAD Trust Fund. It is clear and understood that all trust fund monies must be allocated to only the Regional parks per the resolution(s) and RAD agreement, and Citiparks is extremely mindful of the importance of sound and transparent fiscal management practices.

Finding #2: Unallowable Funding Source

Citiparks deposited funds from an unallowable funding source into the ARAD TF-Parks, which included payment of registration fee(s) to the Riverview 5k Race. Resolutions 49 of 2005 and 833 of 2017 designates the sole source of funding to be grants issued by the Allegheny County Regional Asset District. Citiparks was made aware of the said funding source and they acknowledged the

⁴ See Addendum for further definition of status types of current audit recommendations.

⁵ See Update to Prior 2016 Report section, page 12.

error. The deposit of these funds demonstrates a lack of oversight and review of account activity. Funds deposited into the incorrect account and left unnoticed may be unrecoverable and/or not used for their designated purpose.

Recommendation:

Ensure that funds deposited into the ARAD TF-Parks are issued from the Allegheny County Regional Asset District.

Auditee's Response:

The Citiparks Department has worked to consistently to demonstrate accurate and transparent fiscal oversight of all/any monies and funding sources within its purview. The department now has in place internal resource documents and fiscal tracking processes to ensure accurate record keeping that not only assist in managing all related transactional activities, but also allow ease of reporting and greater accountability, for those internal to the department as well as external personnel. This specific finding was respective to a single check, of a very small sum, that was incorrectly identified and deposited into the above mentioned account. This error, though made and acknowledged, was not intentionally or egregiously performed, as every action taken by the Citiparks department works to prevent such mistakes. Implementing revised and improved Citiparks' fiscal management practices and processes will address these types of occurrences.

Finding #3: Inadequate Supporting Documentation

Citiparks was unable to provide supporting documentation for multiple samples requested for testing. Additionally, supporting documentation provided for 31 of the 388 samples requested did not indicate the specific park funds were used for. Such continued lack of adequate documentation precludes the determination of valid expenditures.

Our prior audit in 2016 noted similar instances of inadequate supporting documentation; thus establishing this as an open issue as the risk remains unaddressed⁶.

Recommendation

Maintain adequate records with appropriate detail to ensure that expenditures charged to the fund are properly supported and valid per the resolution establishing the trust fund.

Auditee's Response:

The findings resultant from this re-examination of the previous report issued in 2016 indicate the additional documentation was not provided. The re-sampling indicated that approximately 7.9% of the documents resampled "did not indicate the specific park funds were used for." It is presumed that all/any relevant documents would've been made available in 2016 specific to the requests then made and improbable that any new supporting documents could/would have been "created"

⁶ See Update to Prior 2016 Report section, page 12.

between the original sample period and the re-sample period in 2019. Additionally, it is now clear that it's best practice to add an additional descriptive layer to each transaction, indicating the specific RAD park the funds/each expenditure were appropriated for, but this detail may have not been a known inclusion during the sample period(s). However, the finding does point out that the all of the documents resampled were identified as RAD specific and Citiparks will work to ensure that additional descriptive information is included on all/any relevant documentation.

Finding #4: Lack of Formal Policies and Procedures

Citiparks references Resolutions 49 of 2005 and 833 of 2017, which establishes the trust fund and thereby documents their current policy and procedures. Additionally, the Citiparks' Cash Management Policy (2015) is utilized for the management of cash. Auditors were not provided any additional set(s) of policies and procedures for the management of the Trust Fund. Auditors noted several processes that would benefit from a set of policies and procedures, including mileage reimbursements and invoice processing. The absence of policies and procedures leads to weakened internal controls, which facilitate increased levels of potential risk.

Our prior audit in 2016 noted the continued lack of departmental policies and procedures; thus establishing this as an open issue as the risk remains unaddressed⁷.

Recommendation

Develop written policies and procedures to include duties and responsibilities for administration of the fund. Furthermore, ensure that said procedures include actual processes performed in the management of the fund, including mileage reimbursements and invoice payments.

Auditee's Response:

Citiparks will review its current policies and procedures as well as address/create any new policies to ensure adequate fiscal controls and oversight of all/any monies and established trust funds. Internal policies managed and created should align with existing (external) departmental policies and procedures to ensure coordination and compliance across all/any transactional activities.

Finding #5: Irregularities in Utility Reimbursements

Irregularities were noted regarding reimbursement of utility expenses. Specifically, Citiparks' reimbursement of utility payments were untimely. Citiparks provided a sample of supporting documentation for utility bills paid for electricity, natural gas, and water/sewage for 2015 through 2017. Auditors noted the varying number of days for the reimbursement in those years were 31, 3, and 140 in 2015, 2016, and 2017 respectively. Citiparks currently does not have a policy citing timely payment of invoices. Best practice typically involves a 30 day time frame for invoice processing to be considered timely. Thus, utility reimbursement for 2015 and 2017 was considered untimely.

⁷ See Update to Prior 2016 Report section, page 11.

A sample of electricity payments covering 2015-2017 for Riverview Park Pool, Highland Swimming Pool, and Schenley Park Skating Rink was selected. Testing consisted of comparing Duquesne Light and Constellation electricity bills to the amounts listed in departmental invoices. Auditors noted \$726.53 of departmental invoices that could not be traced to utility bills in EnergyCAP.

Recommendation:

Citiparks should establish acceptable parameters for timely payment of invoices, and ensure that adequate staffing levels are dedicated to timely invoice processing. In addition, utility bills stored in EnergyCAP should be maintained in their entirety by DPW, thereby ensuring that departmental utility invoices are supportable.

Auditee's Response:

Though the recommendation of these specific 2015-2017 findings appears to be sound, there existed and exists a dependency on other entities to assist in processing timely and accurate utility payments. Citiparks is but one of several departments that co-managed/co-manages these payment activities, and internal departmental points-of-contact and direct support have changed and transitioned. There is agreement that the Department of Public Works (DPW) should maintain utility bills respective to EnergyCAP and/or other utility services and payments, and the current process reflects better overall management of these activities. Citiparks will add an additional layer of invoice date/time tracking to more clearly demonstrate our internal departmental role in these and all other related shared/co-managed payment processes.

Finding #6: Irregularities in Mileage Reimbursements

Auditors noted irregularities in the mileage expense reimbursements. Employees may be reimbursed for mileage expenses (covering fuel costs) using trust fund monies. Auditors tested a sample of mileage reimbursements and noted several irregularities. Specifically, an employee was under reimbursed for travel stemming from the use of improper mileage rates for the year the expense was incurred.

Additionally, Citiparks' 'Request for Mileage Reimbursement' forms were not approved by a supervisor. Furthermore, the destinations (to/from) listed were vague and didn't list specific locations needed by auditors to complete testing. Finally, we noted incomplete mileage reimbursement forms in the samples tested. Citiparks' lacks a standard policy and procedure for mileage reimbursements as well as proper oversight and review of forms submitted.

Recommendation:

Develop a formal policy and procedure covering the mileage reimbursement process. The procedure must detail requirements for adequate oversight, review, and timely authorization. Ensure that employees are properly trained on said policy and what constitutes an adequately completed 'Request for Mileage Reimbursement' form.

Auditee's Response:

The Citiparks Department has in fact taken additional steps to ensure proper mileage reporting and mileage expense reimbursements. It is assumed that the sampling period specific to this finding occurred between 2015 and 2017, which may have been prior to the department's more stringent review and approval of mileage submissions and subsequent reimbursements. Citiparks will further define and develop a written policy that will align itself with any changes in internal or external reimbursement procedures, approvals, etc. and all forms will be updated for each/every program area annually.

UPDATE TO PRIOR 2016 REPORT

A fiscal audit of the Allegheny Regional Asset District Trust Fund (ARAD-Parks) was conducted in 2015 and a report was formally released in January of 2016. As a standard practice, we reviewed prior observations to assess the progress made on the implementation of prior recommendations. Below are findings noted in 2016, along with progress achieved to date⁸.

Prior Finding #1: Lack of Formal Policies and Procedures

There are no formal operating policies and procedures governing the operation of the trust fund other than the resolution establishing it. Formal policies and procedures define responsibilities as well as explain processes and controls involved in the administration of the fund. To ensure adequate monitoring and management of the fund, detailed documentation of operating procedures that incorporate appropriate level of internal controls are important. Detailed operating policies and procedures should include duties and responsibilities of those involved with the fund as well as requirements for adequate supporting documentation for all expenses charged to the fund.

Prior Recommendation:

Develop written policies and procedures that include duties and responsibilities of those involved with the administration of the fund. Establish requirements for adequate supporting documentation for all expenses charged to the fund.

Prior Auditee's Response:

Citiparks currently conforms to the City of Pittsburgh's prescribed methods for program and project accounting. Furthermore, Citiparks operates our accounting through a structured enterprise management system (JD Edwards) that necessitates standardized procedures for all City of Pittsburgh agencies and Departments that have access to ARAD Trust Fund resources, including the City of Pittsburgh's Department of Public Works and the City of Pittsburgh's Office of Management and Budget. Modifications to these processes would have to be done at the direction of these organizations, but would also effect and require conformity by all JD Edwards users across city government.

Current Status Update-Open

⁸ See Addendum for further definition of status types of prior audit recommendations.

Prior Finding #2: Improper Use of Trust Fund Monies

Trust fund monies were not used in accordance with the resolution establishing the trust fund or the grant requirements under the contract with RAD. During our review, we noted that the *Special Parks Programs Imprest Trust Fund (SPPIF)* was replenished twenty-two times from the ARADTF-Parks during the period July 2012 through September 2015 for a total of \$201,758.

The *SPPIF* is typically used to pay for expenses related to Big League Program events such as payments to referees and umpires for officiating sporting events or other special programs that may not necessarily be at any of the regional parks.

In addition, 11 invoices with a total amount of \$8,512 were charged to the trust fund, however only a portion of the program or activity was related to a regional park. These invoices should have either been split between the Regional Parks and the other Facilities or paid fully from another funding source.

Prior Recommendation:

Ensure the trust fund is solely utilized for expenses related to the Regional Parks as stipulated by the resolution and RAD agreement.

Prior Auditee's Response:

Citiparks notes that ARAD funds in question have all been utilized in a manner consistent with ARAD mandate to provide cultural, educational and recreational opportunities to the citizens of Allegheny County. All the program expenditures highlighted in your review conform to that mandate and were performed entirely in or for the benefit of improving ARAD supported facilities and programs such as the Schenley Ice Rink, the Frick and Highland Park Tennis Courts, Riverview Heritage Day, BIG League soccer, softball and baseball in Emerald View Park, etc.

Current Status Update-Open

Prior Finding #3: Inadequate Supporting Documentation

Expenditure records were not adequately documented to verify payments made from the trust fund are in accordance with the requirements of the Resolution and/or RAD agreement. We examined supporting documentation for a sample of expenditures charged to the trust fund to determine whether they were authorized, properly documented and allowable in accordance with the resolution and the agreement with RAD. We were unable to verify 13 out of 121 (11%) of invoices totaling \$63,020 were actually for expenses incurred at one of the regional parks. Section 3a of the contract between RAD and the City stipulates that it is the City's

responsibility to “maintain adequate books, records, and accounts regarding the utilization of the grant”.

Prior Recommendation:

Maintain adequate records with an appropriate level of detail to ensure all expenditures charged to the fund are properly supported and allowable per the resolution establishing the trust fund.

Prior Auditee’s Response:

Citiparks would refer to our responses for Findings #1 and #3 to respond to this finding. The policies and procedures that are identified for improvement have not defined by Citiparks but rather by the City of Pittsburgh's enterprise management system. While we recognize the many failings of this system, we are bound, at this time, to conform to the comprehensive directives of this mandate.

We do, however, look forward to working with the Controller's Office to develop improved and automated process to improve the efficiency and effectiveness of our management systems and software. Consequently, we have engaged with the Controller's Office to pilot a process improvement project for invoice processing that should serve as a stepping stone to wider automation and improved performance.

Current Status Update-Open

ADDENDUM

CURRENT AUDIT RECOMMENDATIONS

Auditors obtain and report views of responsible individuals of the audited entity concerning the findings, conclusions, recommendations in the examination report, as well as any planned corrective actions. A specific status type has been assigned to the current audit findings and recommendations, using the following criteria:

- **Accepted**-Auditee agrees with the recommendation and plans to implement within the prescribed time frame. Management is informed of a follow-up review that will be performed by the auditors.
- **Declined**-Auditee does not agree with the recommendation and is not planning to implement. When management elects this option, they are advised of the responsibility for accepting the identified risk that generated the recommendation.

STATUS OF PRIOR RECOMMENDATIONS

Auditors evaluate whether the audited entity has taken appropriate corrective action to address findings and recommendations from previous engagements. A specific status type has been assigned to the prior findings and recommendations in the audit report, using the following criteria:

- **Open**-Auditee has not fully implemented the prior recommendation; rationale may include:
 - Corrective action efforts continue as a work in progress;
 - Auditee declined prior audit recommendations and risk remains as described in current findings.
- **Closed**-One of the following conditions was noted:
 - Auditee implemented the prior recommendation, which was confirmed by auditors during the current fiscal audit; or
 - The recommendation is no longer relevant based upon changed conditions.