

DPW-Parks Division
January 1, 2008-December 31, 2008

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Comptroller's Summary

Background and Organization

The Dutchess County Department of Public Works – Parks Division operates the following facilities: Bowdoin Park, Wilcox Park, Quiet Cove Riverfront Park, Dutchess Stadium, the Harlem Valley Rail Trail, and the completed sections of the Dutchess Rail Trail. Additional information may be found at the Dutchess County Parks website: www.co.dutchess.ny.us/CountyGov/Departments/DPW-Parks

Audit Scope, Objective and Methodology

DPW – Parks Division processes for revenue collections, contract management, and fixed asset inventory tracking were reviewed.

Revenues for the period of January 1, 2008 through December 31, 2008 were recorded as \$132,305.33 for the DPW- Parks Division. Addendum I lists the 2008 revenues as reported in the county financial system (LOGOS).

Summary of Findings

As a result of our 2007 audit recommendations, written policies and procedures for revenue collections were drafted. However, additional oversight is necessary to ensure adherence to policies. Asset tracking for items over \$3,000.00 was well-maintained: However, tracking for items under \$3,000.00 was not in place.

Control Activities

Internal Controls

Selected Accounting Processes and Procedures

We reviewed the policies and procedures and the department's operating procedures including separation of duties, revenue accounting and inventory records.

Findings:

- The Park's policies and procedures were not adhered to regarding:
 - Segregation of duties
 - Deposit of funds
- Revenue accounting records were incomplete and processes were not in place to:
 - Maintain an accounts receivable ledger
 - Accrue applicable revenues at year end
 - Reconcile Parks revenue to the Department of Finance revenue accounts

Recommendations:

- Park's policies and procedures should be adhered to:
 - Management should ensure cash handling duties are segregated.
 - Management should ensure deposits are made in accordance with department policies to safeguard and account for funds in a timely manner.
- Processes should be implemented and monitored to maintain complete records for all revenue accounts including: maintaining accounts receivable ledgers, documenting all year end accruals and reconciling revenue accounts to Finance records monthly.

Reservation Revenue Collections

Reservations for the various Park facilities can be made on line or in person at either Wilcox or Bowdoin Park. Revenues are recorded in the Parks (Fees) line item.

Findings:

- The Parks "on line reservation system" does not provide complete tracking capabilities for payment information. Therefore, the department maintains additional spreadsheets to record payments which requires the re-entry of each reservation.
- Per the Parks policies and procedures: Revenue collected from the public for facility rentals in cash or check form must be receipted in a dual copy receipt book at the time of collection. This procedure was not consistently followed to account for funds received.

Recommendations:

- To streamline the recordkeeping, all information should be entered and maintained in one computerized system. Per the Park's Director, DC OCIS has been working on enhancements to the computerized reservation system.
- Revenue collection procedures should be consistently followed.

Revenue Collections for Selected Contracts

Contract#s: 07-0163-3/08PK (4/1/07-3/31/08), 08-0192 3/09PK (4/1/08-3/31/09), 07-0219-4/08PK (5/1/07-4/30/08), 08-0165-4/09PK (5/1/08-4/30/09) provided for the rental of property at Bowdoin Park and Wilcox Park. Two DPW Parks' employees rent the respective properties and rental payments are made through employee payroll deductions. The rental of the "Isolation Cottage" at Bowdoin Park provided income of \$4,800.00 per year. A total of \$4,622.02 was recorded as received in 2008. The rental of the cottage at Wilcox Park provided income of \$5,040.00 plus the cost of ½ the oil bill. A total of \$5,040.10 was recorded in the Rental of Real Property revenue line. The fuel bill was recorded in the Parks Fee revenue line.

Rental of Real Property A7110.24100.00 was budgeted for \$9,840.00 anticipated revenue for 2008; a grand total of \$9,662.12 was recorded as received.

Finding:

- The 2008 and the 2009 payroll deductions for the rental of the Bowdoin Park Cottage were incorrect resulting in shortages in rental collection. *The Park's Director was informed of the shortages and followup was in process with DC Finance-Payroll.*

Recommendation:

- Recoupment of funds is required.

Contract#s 07-0505-1/08PK (8/1/07-1/5/08) & 08-0483-1/09PK (7/1/08-1/10/09) with Kevin McCurdy d/b/a Imagin Art Studios provided revenue to the Parks for 2008 through the operation of the Haunted Mansion and the Mid-Hudson Valley Holiday Spirit Festival. The contracts stipulated the County would receive 10% of the gross admissions of the Holiday Festival and 20% of the gross admissions of the Haunted Mansion, Frightrail and the Ghosts and Legends programs: all payments were to be made to the County within thirty (30) days of the conclusion of each event. The contracts also stipulated electric usage during the preparation and actual event term would be paid for by the vendor.

Findings:

- Reimbursements for electricity were not received timely from the vendor.
 - The 2007 electricity usage payment was received March 25, 2008
- Parks did not bill the vendor for all applicable 2008 electricity usage.
 - \$256.59 (an estimated meter read) was billed for the period November 11, 2008 - January 13, 2009 and paid on April 14, 2009. The actual bill dated January 13, 2009 through March 13, 2009 was not apportioned and billed to the vendor. In addition, electric usage from September - November 2008 was not billed. **As a result of this review, additional funds tentatively identified by the Parks Director as due totaled \$1,132.00.**

Recommendations:

- Additional oversight should be exercised by Parks to ensure contract terms are adhered to and billed in a timely manner. Accounts receivables should be monitored.

Inventory

The department had 77 items listed on the county's fixed asset inventory with an original cost of at least \$3,000.00. We verified approximately 95% of the items listed, as well as all 2009 items purchased. A comprehensive listing was not available for items under \$3,000.00.

Findings:

- At the time of our audit review, 6 items purchased in 2009 totaling \$238,758.62 were not entered into the County's fixed asset listing:
 - 2 - John Deere - Commercial Mowers and accessories total of \$40,913.28
 - John Deere Tractor and accessories totaling \$48,397.52
 - Woods 15 foot Turf Bat Wing Mower purchased for \$13,990.00
 - Chevrolet Utility Truck purchased for \$52,647.02
 - Toro Groundsmaster 5910 Rotary Mower purchased for \$82,810.80

- As per County policy, a comprehensive inventory listing was not available for assets under \$3,000.00.

Recommendations:

- The Parks should follow County past practices and incorporate any new policy and processes for asset management. Inventory asset management for items exceeding \$3,000.00 should be reviewed and updated periodically to provide proper accountability for County property.
- As per County policy, the Parks management should establish and monitor procedures for trackable assets to safeguard and account for County property.

Addendum I

DPW-Parks Division collected a total of \$132,305.33 in revenues in 2008 from Parks reservations for the various buildings, fields and camp sites.

REVENUES A7110-Parks	Description	2008 Budget	Reported YTD 12/31/08
20010.00	Parks (Fees)	\$100,095.00	\$117,214.23
20120.00	Recreational Concessions	250.00	0.00
24100.00	Rental of Real Property	9,840.00	9,662.12
24500	Commissions	75.00	0.00
26830.00	Self Insurance Recoveries	0.00	1,867.25
27010.00	Refund of Prior Year's Expense	0.00	598.21
28010.99	Refund of Prior Yr's Expense APs	0.00	2,963.52
	Total Parks Revenue	<u>\$110,260.00</u>	<u>\$132,305.33</u>

2008 PERMIT REVENUE (A7110.20010.00)	PARK	TOTALS
Lodge, Pavilions,& Cabins	Bowdoin	\$42,383.50
Ball fields	Bowdoin	10,555.00
Auditorium	Bowdoin	5,200.00
Chapel	Bowdoin	1,170.00
Bandshell	Bowdoin	100.00
Alcohol Permits	Bowdoin	3,005.00
School and Summer Programs	Bowdoin	8,595.87
Camping/Pavilions	Wilcox	42,217.50
½ Oil -Wilcox Apartment Rental Agreement	Wilcox	516.86
Miscellaneous Billing- Haunted Mansion& Holiday Spirit Festival	Bowdoin	4,942.50
Deferred Income from 2007 for 2008*	Wilcox & Bowdoin	2,444.00
Deferred Income from 2008 for 2009*	Bowdoin	(3,916.00)
Total Parks and Recreation Fees	A7110.20010.00	<u>\$117,214.23</u>

*Deferred Income relates to deposits received in advance for rentals or events for the years noted above.