
City of Laredo, Texas

Internal Audit Division



Special Assignment: Field Use License Agreement
Compliance Audit

Contract (Agency) Reviewed: Little Baseball Leagues and Softball
League Organizations
City Department/Division reviewed: Parks & Leisure Services
Department

June 16, 2022

City of Laredo
Internal Audit Division

**Field Use License Agreement Compliance Audit Report: Parks &
Leisure Services Department**

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EXECUTIVE SUMMARY

As per City Council directive given on September 20, 2021, and February 7, 2022, the Internal Audit Division conducted a Field Use License Agreement Compliance Audit of the Parks (Parks) and Leisure Services Department and the Youth and Softball Sports League (Leagues) Organizations registered.

The objective was to determine if the Leagues have complied with the terms of their respective license agreements and if the Parks Department has been administering and enforcing these license agreements accordingly.

The scope of this audit consisted primarily of a review of the license agreement terms and documentation submitted by the Leagues to the City's Parks Department for fiscal years 2021 and 2022 license agreements; Fiscal year 2022 encompassed the term of March 1, 2022, through November 30, 2022.

Based upon the audit test work performed, this report contains sixteen (16) findings along with recommendations. Below is a summarization of what we concluded:

- 1. Seven (7) Youth and Softball leagues were reviewed; in total, fourteen (14) license agreement(s) were tested for fiscal years 2021 and 2022. Our review concluded that the leagues both complied and did not comply with the various provisions written in the license agreements as depicted in Exhibit #1.**
- 2. The 501 (c3) non-profit status was reviewed. For fiscal year 2021, three (3) leagues provided their own respective 501 (c3) form, three (3) leagues provided the 501 (c3) pertaining to their affiliation, and one (1) league document was not found on file. For fiscal year 2022, all seven (7) leagues complied by providing their own 501 (c3) status.**
- 3. The 990-N form status was reviewed. For fiscal year 2021, there was no documentation on file for any of the seven (7) leagues. For fiscal year 2022, two (2) leagues complied by submitting their forms, three (3) leagues were not in compliance since they submitted a copy of an Electronic Notice confirmation from the IRS.gov but no copy of the 990-N form was provided, one (1) league provided a Federal Extension from the IRS.gov but we noticed the EIN is different from their form 501(c3), and one (1) league was claiming that they were a new league but all the records maintained were the same. This particular league should have submitted an annual information report form 990-N with their previous Employer ID Number to maintain good records of their financials.**
- 4. Two (2) of the license agreements submitted for fiscal year 2022 to Internal Audit by the Parks Department for review were not fully executed. While the agreements were signed by the League Presidents, the Parks Department noted they were not finalized due to leagues pending requirements for submittal.**

The above conclusions are only a summary and more detailed results can be found in the ensuing audit report. With the summary of audit results reflected above, we recommended that the process for obtaining a license agreement for City field usage change to incorporate an application process with a possible review by the Parks and Leisure Services Advisory Committee before consideration and approval from City Council every year.

BACKGROUND

The City of Laredo (City) has authorized and entered into license agreements with local league associations which grant permission for the use of certain specified City baseball, softball, soccer, and flag football fields for youth and adult sports programs. The most recent authorization of license agreements by the City Council took place on February 07, 2022, and encompassed the term period of March 1, 2022, through November 30, 2022. Additionally, any rental fees for the use of these City fields were waived in view of the public benefit of permitting the associations to use the City's facilities for baseball, softball, soccer, and flag football programs for the benefit of the youth of the Laredo. The listing below reflects all the youth sports leagues authorized to use City fields with a license agreement through the Parks Department, along with their corresponding field assignments as outlined in their respective license agreements.

Little and Softball Leagues:

- American (Baseball/Softball): Slaughter Field, Santa Fe Field, Independence Hills Field, Dryden Memorial Field, Garcia-Vela Field, and Mario Tijerina Field;
- Hillside (Baseball/Softball): Base Field #s 1, 6, 8, and Eistetter;
- Northwest (Baseball): Father Charles McNaboe Park Field #s 1-5;
- Pony: Not Specific Field Assignments or Not Indicated on License Agreement;
- Central: Jose "Pepe" Moreno Field, Al King Field, Cruz Field, Dr. Ike's Baseball Park, Eastwoods Practice Field, and Dryden Memorial Park (All Fields);
- Select: Anna Baseball Fields, Base Field # 1, Al King Field (Baseball/Softball); and
- Gateway: Base Community Sports Complex Field #s 3,4,5 and 7.

As part of the terms of the current license agreements, both the City and each respective league organization have been assigned responsibilities as part of the agreement. Listed below are the major responsibilities outlined for each responsible party.

Responsibilities of each League Organization (Licensee):

As per Article III (Licensee's Responsibilities) of the License Agreement, Licensee recognizes and agrees that prior to March 1, 2022, or prior to the commencement of the season, the Licensee must submit to the City the items listed in Section I (Request for Facilities), Subsection A:

1. Three Original Copies of this Temporary Non-Exclusive Licensing Agreement signed by the President or other individual with authority to bind License Agreement;
2. A current copy of the Licensee's Articles of Incorporation or Bylaws;
3. A list of the Licensee's current Board of Directors, their addresses, and phone numbers;
4. A certificate of insurance naming the City of Laredo as an additional insured and proof of comprehensive general liability insurance with a combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate, which coverage shall include sexual abuse and molestation and \$2,000,000 products/completed operations aggregate; workers' compensation including employers' liability for employees and volunteers of the Licensee with a waiver of subrogation in favor of the City;
5. Copies of all licenses and/or permits from the state, county, and local government agencies required in the provision of a youth program, in addition to proof of affiliation with a parent league, if any;

6. A proposed use schedule providing the dates the season will start and end, and the dates Licensee seeks to use the Licensed Area;
7. A current list of every coach, assistant coach, and manager and all other individuals who will have access to the Licensed Area; and
8. Current Food Handlers and any other required Health Permit for sale of food and beverages at the concession stand on the Licensed Area;
9. Proof of 501(c3) form/documents (not affiliations, each league must submit their OWN 501(c3) form/documents);
10. Assistance Request Form with Specific dates for registration, practice, and/or games.

Additionally, as per Section III (Licensee's Responsibilities), Subsection B of the License Agreement, Licensee recognizes and agrees that it shall be required to submit a detailed financial report to City on a monthly basis from June 1, 2022, thru December 1, 2022, that contains the following items:

1. Annual background checks on all volunteers or paid employees who will interact with youth;
2. Financial statement;
3. All monthly bank statements;
4. A copy of all board meeting minutes;
5. A financial report of the receipts derived from the operation of the concession stand;
 - Any other documentation deemed necessary by the City's Internal Auditor; and
6. A copy of an annual information report form 990-N.

Responsibilities of the City of Laredo (City):

As per Article II (City's Obligations) of the License Agreement, the City is responsible for the following items:

- City agrees to waive the fees for the Licensee to use the following city-owned athletic field ("Licenses Area") to provide youth recreation programs only on the dates and times scheduled under the License Agreement;
- City agrees to fund the use of water, wastewater, and electricity by Licensee in providing youth recreation programs at the subject fields only on the dates and times scheduled under this Agreement;
- City will review the Licensee's proposed use schedule and will approve or deny the request not later than 10 days after receipt of the schedule. Once the schedule is approved, Licensee will have priority use of the field only for the dates and times noted in the schedule. City will approve or deny any subsequent amendment requests not later than 5 days after receipt;
- City shall appoint a Single Point of Contact (SPOC) with the Licensee for the performance of this Agreement; and
- City shall allow advertisements to be displayed facing toward the interior of the subject field for the duration of this Agreement only after the following conditions have been met:
 - The type of advertisement to be displayed is presented to City for approval in accordance with city ordinances, policies and state law*;
 - Proof of the total amount to be paid or that has been paid to the Licensee for the advertisement is provided to the City*;
 - Payment is submitted by the Licensee to the City in an amount that is equal to half of the total amount to be paid or that has been paid for the advertisement*.

**The last three points above are the responsibility of the Licensee (League Organizations) to submit to the City for approval and subsequent payment regarding advertising proceeds.*

➤ Any other documentation deemed necessary by the City's Internal Auditor – no documentation was deemed necessary at time of audit.

AUDIT SCOPE AND METHODOLOGY

The scope of this audit consisted of a review for compliance with the terms of the Fiscal Year 2021 and 2022 License Agreement(s). Fiscal year 2022 covered the time period of March 1, 2022, through November 30, 2022. All youth baseball and softball sports league organizations using City fields were selected as part of our sample, which consisted of a total of seven (7) youth baseball and softball sports league organizations. As such, we initially requested the following documentation that would pertain to the 2021 and 2022 License Agreements from the Parks Department:

- Copy of the current executed License Agreements for each of the league organizations; and
- Copy of all documentation required of the league organizations as per the terms of the 2021 and 2022 License Agreements; and
- Copy of the current code of ordinances pertaining to the Parks Department / Field Usage and fee structure.

The following timeline reflects the timeline notification(s) provided to the Parks Department for the league organizations documentation(s):

- September 20, 2021, A-2021-R-I6, at the City Council Meeting, Council Member Rodriguez had concerns with leagues taking advantage and profiting from the teams and recommended an audit be conducted before new contracts are given out;
- February 7, 2022, A-2022-R02, at the City Council Meeting, Council Member Rodriguez is requesting to cross-reference the previous season with the current season to verify that all leagues are in full compliance;
- February 10, 2022, Memorandum submitted to Parks and Leisure Department requesting The Field Use License Agreements for terms(s) of Fiscal Year(s) 2021 and 2022 with all documentation;
- February 15, 2022, Parks Department provided all folders available for the Fiscal Year 2021 for the Little and Softball Leagues with any documentation available;
- March 22, 2022, Internal Audit Division emailed the Parks Department for a follow-up on the status of the pending Field Use License Agreements for the term of the Fiscal year 2022;
- March 28, 2022, Parks Department emailed the Laredo American and Pony Little Leagues documentation (Both Contracts signed/dated on March 25, 2022);
- April 20, 2022, Parks Department emailed the following documentation as follows: Northwest Little League (Contract signed/dated March 7, 2022), Hillside Little League (Contract signed/dated April 13, 2022), and Central Little League (Contract signed/dated April 14, 2022);
- May 4, 2022, Internal Audit Division emailed the Parks Department with an updated listing of Contracts received and requested help with the status of the pending Field Use License Agreements for the term of the Fiscal Year 2022;
- May 4, 2022, Parks Department emailed the Laredo Gateway Girls Softball League documentation (Contract Not Approved or signed);
- May 18, 2022, Parks Department emailed the Laredo Baseball and Softball Select League documentation (Contract Not Approved or signed);
- May 20, 2022, Parks and Leisure Department sent a second email to the Laredo Baseball and Softball Select League documentation (Contract Not Approved or signed); and

- May 25, 2022, the Internal Audit Division closed the Audit to finalize the Audit Report Results. No more documents were received or accepted after this date. *It should be noted that there were two (2) leagues (Laredo Gateway Girls Softball League and Laredo Baseball and Softball Select League) that were not approved at the time the Internal Audit Division closed the Audit.*

The audit test work consisted of a review of the License Agreement(s) approved by the City Council on November 1, 2021, and February 7, 2022, to understand the terms of the agreement. Interviews with Parks staff responsible for the enforcement of the License Agreements were conducted. Copies of all required documentation available were obtained from the Parks Department and tested for compliance with the terms of the agreement. Follow-up meetings were scheduled with the Parks Director, Assistant Parks Director, Assistant City Attorney III, Administrative Assistant I, and Assistant City Managers for clarification of the License Agreement requirements.

AUDIT RESULTS AND RECOMMENDATIONS

The review for compliance consisted of testing provisions of the Fiscal Year(s) 2021 and 2022 league license agreements for compliance. As part of our process, we requested all required documentation needed for our audit from the Parks Department since they maintain the league license agreements. Depicted below is each provision of the license agreement tested along with the results of compliance and/or non-compliance with each provision. Detailed results on each provision can be found at the end of the audit report under Exhibits 1.

Article I (Request for Facilities) states that “in order to obtain use of a city field, Licensee must first submit the following to the City”:

1. *Three original copies of this Temporary Non-Exclusive Licensing Agreement Signed by the President or other individual with authority to bind License Agreement.*

Results of Testing / Finding #1

All seven (7) leagues tested had at least one copy of the license agreement signed by the league President for both Fiscal Years 2021 and 2022. As of May 25, 2022, two (2) leagues for Fiscal Year 2022 with a copy on file had not been approved.

2. *A current copy of the Licensee’s Articles of Incorporation or Bylaws.*

Results of Testing

All seven (7) leagues tested complied with this provision of the license agreement where the articles were found at the Parks Department for both fiscal years tested.

3. *A list of the Licensee’s current Board of Directors, their addresses and phone numbers.*

Results of Testing / Finding #2

- For Fiscal Year 2021, five (5) out of the seven (7) leagues tested complied with this provision. No documentation was on file at Parks Department for the two (2) leagues not in compliance.
- For the Fiscal Year 2022, seven (7) leagues complied with the license agreement requirement; however, it was noted that documentation for five (5) leagues was missing a specific date or fiscal year.

4. *A certificate of insurance naming the City of Laredo as an additional insured and proof of comprehensive general liability insurance with a combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate, which coverage shall include sexual abuse and molestation and \$2,000,000 products/completed operations aggregate; workers’ compensation including employers’ liability for employees and volunteers of the Licensee with a waiver of subrogation in favor of the City.*

Results of Testing

All seven (7) leagues were in full compliance with the terms of this provision for both Fiscal Year(s) 2021 and 2022.

5. *Copies of all licenses and/or permits from state, county and local government agencies required in the provision of a youth program; in addition to proof of affiliation with a parent league, if any.*

Results of Testing / Finding #3

- For Fiscal Year 2021, five (5) of the seven (7) leagues submitted proof of affiliation with a parent league.
 - For fiscal year 2022, six (6) leagues complied with the required documentation. The remaining one (1) league submitted a letter of proof of affiliation with a parent league but was missing a date.
6. *A proposed use schedule providing the dates the season will start and end and the dates Licensee seeks to use the Licensed Area.*

Results of Testing / Finding #4

Our testing of the documentation provided, reflected six (6) leagues submitted a partial schedule(s); it was noted that leagues submitted either the Spring and/or Fall Season schedule only. Other leagues submitted schedules with missing dates and no specific fiscal years or seasons. One (1) league did not submit any use schedule.

7. *A current list of every coach, assistant coach and manager and all other individuals who will have access to the Licensed Area.*

Results of Testing / Finding #5

- For Fiscal Year 2021, two (2) leagues provided the coach listing with missing a date or specific fiscal year. The other five (5) leagues had no documentation found in their respective folders.
 - For fiscal year 2022, two (2) leagues provided the coach and/or coach/volunteers listings; but again, the listings are missing dates or specific fiscal year.
8. *Current Food Handlers and any other required Health Permit for sale of food and beverages at the concession stand on the Licensed Area. Use of concession stands will be subject to approval from the Laredo Health Authority.*

Results of Testing / Finding #6

City Food Licenses

- For fiscal year 2021, three (3) leagues had current licenses on file with the Parks Department for 2021 fiscal year, and the additional four (4) leagues did not have a license permit on file.
- For fiscal year 2022, three (3) leagues submitted the current license permit to the Parks Department, and (4) did not submit any documentation.

City Food Handler's Certificates

- For fiscal year 2021, one (1) league had current permits on file while the other six (6) leagues did not have any documentation on file.
- For fiscal year 2022, five (5) leagues submitted certificates to the Parks Department and two (2) did not submit any certificates.

9. *Proof of 501 (c3) form/documents (not affiliations each league must submit their own 501 (c3) form/documents)*

Results of Testing / Finding #7

- For fiscal year 2021, three (3) leagues provided their own respective 501 (c3) forms, three (3) leagues provided the 501 (c3) pertaining to their affiliation, and one (1) league document was not found on file.
- For the fiscal year 2022, all seven (7) leagues complied by providing their own 501 (c3).

10. *Assistance Request Form with specific dates for registration, practice and/or games.*

Results of Testing / Finding #8

All seven (7) leagues provided the Assistance Request Forms for both fiscal year(s) 2021 and 2022. However, it should be noted the forms were incomplete and missing the following items: the assistance request section was not marked, the President of the league and/or Parks Director did not date the form, President of the league did not sign the form, and form was not marked as approved, denied, available or not available.

Recommendations for Finding #s 1 – 8

General Recommendations on Findings Noted Above

The Internal Audit Division recommends the Parks Department comply with the requirements outlined in the license agreements by the leagues by meeting with league presidents or authorized representatives before the start of the season to further reinforce the submittal of the requirements of the license agreement. In addition, it is recommended the Parks staff assigned to manage and enforce the league license agreements should conduct frequent spot checks through the fiscal year for compliance with the terms of the agreement.

Additionally, we recommend the Parks Department stamp and initial documents as received and provide a copy to the league for their records.

Insurance Requirement Recommendations

Internal Audit recommends all Certificates of Liability insurance submitted to the Parks Department also be submitted to the City's Risk Management Division for verification of active status, limit requirements, and additional insured requirements. Furthermore, spot checks for compliance with the terms of the agreement should be checked monthly or quarterly. It should be found that any canceled certificate with in the fiscal year, their agreement will be closed immediately and the penalty receive should be that they will not be able to submit an application to use the City fields for five (5) years. This league will not be accepted even though they change

their name, affiliation, 501 (c3), managers or board members, as they broke an important requirement from the agreement.

Article III (Licensee’s Responsibilities), Section B states “*Licensee recognizes and agrees that it shall be required to submit a detailed financial report to City on a monthly basis from June 1, 2022, thru December 1, 2022, that contains the following items*”:

1. *Annual background checks on all volunteers or paid employees who will interact with youth*

Results of Testing / Finding #9

- For fiscal year 2021, six (6) leagues tested did not comply with this provision; we found no documentation on their files. One (1) league complied with the requirement but was incomplete as some backgrounds were missing.
- For fiscal year 2022, seven (7) leagues submitted backgrounds but were incomplete with some backgrounds missing. It is noted that one (1) league submitted local backgrounds checks instead of national evaluations.

2. *Financial Statements*

Results of Testing / Finding #10

- For fiscal year 2021, seven (7) leagues did not provide financial statements. However, two (2) out of the seven (7) leagues provided an “Income and Expense Reports” in an Excel format with only two months of information. A third league provided an “Income and Expense Reports” in Word format for the 2021 spring season.
- For fiscal year 2022, six (6) leagues did not submit financial statements. One (1) league complied with the requirement. From the six leagues that did not comply, one (1) submitted a manual “Income and Expense report” for six months.

3. *All monthly bank statements*

Results of Testing / Finding #11

- For fiscal year 2021, one (1) league complied with providing all monthly bank statements. The other six (6) leagues did not provide a set of complete monthly bank statements with only two (2) providing three to five months’ worth of bank statements and/or incomplete bank statements.
- For fiscal year 2022, four (4) leagues complied and provided all bank statements. Two (2) leagues provided documentation reflecting that they opened a new bank account in February 2022 and April 2022 respectively, and one (1) league provided no documentation.

4. *A copy of all board meeting minutes*

Results of Testing / Finding #12

- For fiscal year 2021, two (2) leagues complied with this provision; no documentation was found for the other five (5) leagues on their file.
- For fiscal year 2022, six (6) leagues submitted copies of board meeting minutes. One (1) league did not submit any documentation.

5. *A financial report of the receipts derived from the operation of the concession stand*

Results of Testing / Finding #13

- For fiscal year 2021, none of the seven (7) leagues provided financial reports of their concessions for their files. One (1) league submitted an incomplete sales report in a Word document.
- For fiscal year 2022, none of the seven (7) leagues have submitted financial report for their concessions. Three (3) leagues submitted vendor receipts but these are not considered financial reports.

6. *A copy of an annual information report form 990-N*

Results of Testing / Finding #14

- For fiscal year 2021, no copies of the annual information report form 990-N for the seven (7) leagues was found.
- For fiscal year 2022, two (2) leagues complied with the requirement by proving a copy of their annual information report form 990-N, 990-EZ, or 990 for their fiscal year 2021. Three (3) leagues were not in compliance since they submitted a copy of an Electronic Notice (e-Postcard) confirmation from the IRS.gov for the fiscal year 2020. We were informed these three leagues fiscal year runs from October 01, 2020, to September 30, 2021, but none of these leagues provided a copy of their annual information report form 990 for the fiscal year 2020. One (1) league provided a Federal Extension from the IRS.gov but we noticed the Employer ID Number (EIN) is different from their form 501(c3). Finally, the last league was claiming they were a new league but all their records maintained were the same. They should submit an annual information report form 990-N to their previous Employer ID Number to maintain good records of their financials.

Recommendations for Finding #s 09-14

General Recommendations on Findings Noted Above

The Internal Audit Division recommends, the Parks Department comply with the requirements outlined in the license agreements by the leagues. We recommend meetings be provided to the league presidents or authorized representatives before the start of the season to further reinforce the submittal of the requirements of the license agreement. In addition, it is recommended the Parks staff assigned to manage and enforce the league license agreements should conduct frequent spot checks throughout the fiscal year for compliance with the terms of the agreement.

We would recommend that the license agreement language be more detailed on the requirements for the above six items and be reviewed by the Parks Department, Legal Department, and Internal Audit Division and amended to request:

- **Backgrounds checks should be National Level for Board of Directors, Coaches, Assistant Coaches, Managers, and Volunteers,**
- To reflect the **time period** requested for **Certified** Financial Statements,
- All **complete** monthly bank statements,
- **Dated** board meeting minutes,
- Concession **dated monthly/annual financial reports (not vendor receipts)** and
- To provide **a copy of their complete annual information report form 990-N form.**

In addition, it should to be mentioned on the license agreement that Leagues should **NOT** submit any of the requirements/documentation edited, blackout, or redacting to the Parks Department.

Additionally, we recommend the Parks Department stamp and initial documents as received and provide a copy to the league for their records.

**AUDIT RESULTS & RECOMMENDATIONS (PARKS & LEISURE SERVICES
DEPARTMENT)**

Finding #15

In fiscal year 2021, the agreements to lease the fields to the individual leagues were not submitted to City Council for authorization before the April 19, 2021 start date as per the season 2021 license agreement. License agreements were submitted to City Council for authorization back on October 4, 2021, October 18, 2021, were presented (2021-O-2016) Final Reading of Ordinance, and subsequently approved by City Council on November 1, 2021.

Recommendation

It is recommended that the Parks Department make every effort to stand by the provisions of Section 2.08 of the City Charter. Specifically, as it pertains to this item, Section 2.08 requires an ordinance be brought forward for City Council approval in order to “convey or lease or authorize the conveyance or lease of any lands of the City.”

Finding #16

The Internal Audit initially requested a copy of all documentation required of the league organizations that had been submitted to the Parks Department as per the terms of the 2021 fiscal year license agreement. In our receipt of the required documentation on file at the Parks Department, we found a large amount of documentation not available at the onset of our audit as can be seen in more detail in Exhibit #1.

For fiscal year 2022, requirements/documentation were submitted to the Internal Audit Division by email; there was missing documentation and some documents were not legible.

Recommendation

The Internal Audit conducted audits of the license agreements for City field usage by sports leagues in 2016 and 2017. It had been recommended during those audits, that the request for field usage be treated similar to the Third-Party Funding application process where an annual application must be filled out and submitted with required documentation by the league organizations to the Parks Department for consideration before to City Council granting authorization for field use.

As the application and documentation processes are still lacking, we ***reiterate our prior recommendation*** for the Parks Department to capture as much of the required documentation at the onset of the process. Additionally, we recommend the Parks Department stamp and initial documents as received and provide a copy to the league for their records.

We also recommend that an application deadline be implemented by the Parks Department and that all applications with required documentation be reviewed by the Parks and Leisure Services Advisory Committee for recommendations before submission to City Council for approval.

We recommend enforcement of the terms of these license agreements is fundamental to maintaining consistent compliance from the various league organizations. The Parks Department needs to evaluate its current staffing resources for enforcement of these license agreements, make

necessary changes so that future enforcement of and guidance on these license agreements is applied consistently to all leagues registered with the City, and have proper written policies and procedures documenting process.

APPENDIX A – STAFF ACKNOWLEDGEMENT

Tina O. Rodriguez, Internal Auditor

Elia Y. Rodriguez, Auditor II

EXHIBIT 1
Internal Audit Results of Compliance Testing on League License Agreements
(Little Leagues and Softball League)

| | LITTLE LEAGUES | | | | | | | | | | SOFTBALL LEAGUE | | | |
|--|--|--|--|--|--|--|--|--|--|--|---|---|--|--|
| | American | | Hillside | | Northwest | | Pony | | Central | | Select | | Gateway | |
| | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 |
| ARTICLE I. REQUEST FOR FACILITIES - SECTION A - In order to obtain use of a city field, LICENSEE must first submit the following to CITY: | | | | | | | | | | | | | | |
| 1) Three original copies of the Temporary Non-Exclusive Licensing Agreement Signed by the President or other individual with authority to bind License Agreement. | 2 Copies Found at Parks Signed on 04-19-2021 | 1 Copy Emailed from Parks Signed on 03-25-2022 | 1 Copy Found at Parks Signed on 04-30-2021 | 1 Copy Emailed from Parks Signed on 04-13-2022 | 1 Copy Found at Parks Signed on 04-22-2021 | 1 Copy Emailed from Parks Signed on 03-07-2022 | 1 Copy Found at Parks Signed on 04-22-2021 | 1 Copy Emailed from Parks Signed on 03-25-2022 | 1 Copy Found at Parks Signed on 04-20-2021 | 1 Copy Emailed from Parks Signed on 04-14-2022 | 1 Copy Found at Parks Signed on 04-19-2021 | 1 Copy Emailed from Parks Signed on 10-22-2021 to 10-22-2021 & 10-22-2022 to 03-22-2022 | 1 Copy Found at Parks Signed on 05-13-2021 | 1 Copy Emailed from Parks Signed on 05-13-2021 |
| 2) A current copy of the Licensee's Articles of Incorporation or Bylaws | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES |
| 3) A List of Licensee's current Board of Directors, their addresses, and phone numbers | YES | YES | YES | YES | NO | YES | YES | YES | YES | YES | NO | YES | YES | YES |
| 4) A Certificate of insurance with proof of comprehensive general liability insurance with a combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate. | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES |
| (a) Insurance Coverage Dates: | 01-01-2021 to 01-01-2022 | 01-01-2022 to 01-01-2023 | 01-01-2021 to 01-01-2022 | 01-01-2022 to 01-01-2023 | 01-01-2021 to 01-01-2022 | 01-13-2022 to 01-01-2023 | 04-01-2021 to 04-01-2022 | 04-01-2022 to 04-01-2023 | 03-25-2021 to 01-01-2022 | 01-25-2022 to 01-01-2023 | 10-22-2020 to 10-22-2021 & 03-22-2021 to 02-01-2022 | 10-22-2020 to 10-22-2021 & 03-22-2022 to 02-01-2023 | 08-01-2020 to 09-01-2021 | 08-01-2021 to 08-01-2022 |
| (b) Naming the CITY of Laredo as an additional Insured | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES |
| 5) Copies of all licenses and/or permits from state, county and local government agencies required in the provision of a youth baseball program; in addition to proof of affiliation with a parent league if any. | YES | YES | YES | YES | NO | YES | NO | YES | YES | YES | YES | YES | YES | NO |
| 6) A proposed use schedule providing the dates the season will start and end, and the dates LICENSEE seeks to use the Licensed Area | 05-03-2021 to 06-30-2021 | 04-12-2022 to 06-07-2022 | 05-03-2021 to 06-19-2021 | 04-19-2022 to 06-02-2022 | 07-26-2021 to 11-12-2021 | 04-05-2022 to 06-02-2022 | 07-30-2021 to 08-22-2021 | 03-21-2022 to 05-31-2022 | 07-14-2021 to 08-20-2021 | 03-02-2022 to 10-31-2022 | 07-(2-4)-2021 & 08-(7-9)-2021 (2) Fundraiser | 05-17-2021 to 07-2021 & 10-11-2021 to 11-01-2021 | NO | NO |
| 7) A current list of every coach, assistant coach, and manager and all other individuals who will have access to the Licensed Area | YES | NO | NO | NO | NO | YES | NO | NO | YES | YES | NO | NO | NO | NO |
| 8) Current Food Handlers and any other required Health permit for sale of food and beverages at the concession stand on the Licensed Area: (a) City Food License, and | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO |
| (b) Food Handlers' Certificate | YES; 03-13-2020 to 03-13-2022 | YES; 01-27-2022 to 01-28-2024 | NO | YES; 03-25-2023 | NO | NO | NO | NO | NO | YES; 03-01-2022 to 11-30-2022 | YES; 04-20-2021 to 11-30-2021 | YES; 05-17-2021 to 11-30-2021 | YES; 03-09-2022 | YES; 03-09-2022 |
| 9) Proof of 501 (c3) form/documents Assistance Request Form | YES | YES | NO | YES | NO | YES | YES | YES | NO | YES | NO | YES | YES | YES |
| ARTICLE III (LICENSEE'S RESPONSIBILITIES) SECTION B. LICENSEE recognizes and agrees that it shall be required to submit a detailed financial report to CITY on a monthly basis not later June 1, 2022, that contains the following items: | | | | | | | | | | | | | | |
| 1) Annual background checks on all volunteers or paid employees who will interact with youth | NO | YES | YES | YES | NO | YES | NO | YES | NO | NO | NO | YES | NO | YES |
| 2) A financial statement | NO | NO | NO | NO | NO | NO | NO | YES | NO | NO | NO | NO | NO | NO |

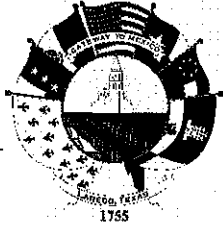
EXHIBIT 1
Internal Audit Results of Compliance Testing on League License Agreements
(Little Leagues and Softball League)

| | LITTLE LEAGUES | | | | | | | | | | | | SOFTBALL LEAGUE | |
|--|----------------|--|--|--|--|--|---------------------|---------------------|---------------------|--|-------------------------------------|---------------------------------|--|---|
| | American | | Hillside | | Northwest | | Pony | | Central | | Select | | Gateway | |
| | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 |
| 3) All monthly bank statements | NO | YES January 2022 | NO; provided an Unofficial Bank Stmt and Erase Information | YES January to March 2022 | YES January to March 2021 | Open a New Bank Account and Partial February 2022 Stmt | YES January 2022 | YES January 2022 | YES January 2022 | YES January 2022 | YES Open a New Bank Account | YES | NO; Provided Incomplete Bank Stmt May to August 2021 | NO May 2021 & July to November 2021 |
| 4) A copy of all board meeting minutes | NO | NO | YES | YES | NO | YES | YES | NO | NO | NO | YES | YES | YES | YES |
| 5) A financial report of the receipts derived from the operations of the concession stand; | NO | NO; Provided Vendor Receipts | NO | NO | NO | NO | NO | NO | NO | NO; Provided Vendor Receipts | NO; Provided Vendor Receipts | NO; Provided (1) Vendor Receipt | NO; Provided a Word 2021 Sales Report | NO |
| 7) A Copy of an Annual Information Report Form 990-N | NO | NO; Provided an Electronic Notice confirmation from IRS.gov but no copy of 990 Submitted | NO; Provided an Electronic Notice confirmation from IRS.gov but no copy of 990 Submitted | NO; Provided an Electronic Notice confirmation from IRS.gov but no copy of 990 Submitted | NO; Provided an Electronic Notice confirmation from IRS.gov but no copy of 990 Submitted | NO | YES | NO | NO | NO; Provided an Electronic Notice confirmation from IRS.gov but no copy of 990 Submitted | NO; League Mentions is a New League | NO | NO | NO; Provided a Federal Extension submitted to the IRS.gov |

LEGEND:

Documentation Provided by the Parks and Leisure Department

No Documentation Provided by Parks



CITY OF LAREDO

Parks & Recreation Department



MEMORANDUM

TO: Tina O. Rodriguez, Internal Auditor

FROM: Juan J. Gomez, Jr., Director, Parks and Recreation Department

RE: Field Use License Agreement Compliance Audit dated June 16, 2022

DATE: July 11, 2022

Attached are responses to the Field Use License Agreement Compliance Audit dated June 15, 2022. We have met internally to discuss your recommendations and are planning to incorporate them into our processes which should make the entire task of document collection much more streamlined.

Parks and Recreation - Field Use License Agreement Compliance Audit

| FINDINGS | RECOMMENDATION | DEPARTMENT RESPONSE |
|--|--|---|
| <p># 1 <i>Three original copies of this Temporary Non-Exclusive Licensing Agreement Signed by the President or other individual with authority to bind the License Agreement.</i> For both Fiscal Years 2021 and 2022, all seven (7) leagues tested had at least one copy of the license agreement signed by the league President. At the time this audit was closed we had two (2) leagues for the Fiscal Year 2022 with a copy on file but not approved.</p> | <p>For Findings # 1 through 8, Internal Audit recommends the Parks Department comply with the requirements in the agreements by meeting with league presidents or authorized reps before the start of the season to reinforce the submittal of the requirements of the agreement. It is recommended the Parks staff assigned to manage/enforce the league agreements should conduct frequent spot checks through the fiscal year for compliance with the terms of the agreement. Additionally, we recommend the Parks Department stamp/initial documents as received and provide a copy to the league. Audit recommends all Certificates of Liability insurance submitted to the Parks Department also be sent to the City's Risk Division for verification of active status, limit requirements, and additional insured requirements. Furthermore, spot checks for compliance with the terms of the agreement should be checked monthly or quarterly. It should be found that any canceled certificate within the fiscal year, their agreement will be closed immediately and the penalty received should be that they will not be able to submit an application to use the City fields for five (5) years. This league will not be accepted even though they change their name, affiliation, 501 (c3), managers or board members, as they broke an important requirement from the agreement.</p> | <p>One of the 2 leagues had the license agreement approved on June 8, 2022; after the closing of the audit on May 25, 2022. To date, the last league has not been approved by the Interim City Manager. No further action required.</p> |

FINDINGS**RECOMMENDATION****DEPARTMENT RESPONSE**

| | | |
|--|-----------------------|--|
| <p># 2 <i>A list of the Licensee's current Board of Directors, their addresses, and phone numbers.</i> For the fiscal year 2021 from seven (7) leagues, five (5) tested and complied with this provision. For the remaining two (2) leagues not in compliance, we found no documentation on file at the Parks Department. For the Fiscal Year 2022, seven (7) leagues complied with the license agreement requirement; however, it was noted that documentation for five (5) leagues was missing a specific date or fiscal year.</p> | <p>Same as above.</p> | <p>For the fiscal year 2021, the two leagues in question submitted just a list of the board of Directors. Phone and address were included elsewhere in the packet. In 2022, all leagues complied with the list, address, and phone numbers of the board members however, five leagues resubmitted their full list with dates, and complied with the required documentation in full, albeit after the audit end date of May 25, 2022. Staff will meet with league presidents in early November to ensure all required documents are submitted before the end of January to assess all documents for compliance, format and content. No further action needed.</p> |
| <p># 3 <i>Copies of all licenses and/or permits from the state, county, and local government agencies required in the provision of a youth program; in addition to proof of affiliation with a parent league, if any.</i> Five (5) of the seven (7) leagues submitted proof of affiliation with a parent league for the fiscal year 2021. For the fiscal year 2022, six (6) leagues complied with the required documentation. The remaining one (1) league submitted a letter of proof of affiliation with a parent league but was missing a date.</p> | <p>Same as above.</p> | <p>For Fiscal year 2021, one of the 2 leagues in question did submit proof of affiliation. For the fiscal year 2022 for the one league in question, we received an email on March 30, 2022, from the Director of USA Softball of Texas with the proof of affiliation attached but not dated. On June 28, 2022, we received proof of affiliation with the date on the document. The meeting in November will solidify format required for uniformity. Staff will also be following up with the affiliates throughout the term to ensure affiliation remains valid. No further action needed.</p> |

| FINDINGS | RECOMMENDATION | DEPARTMENT RESPONSE |
|---|-----------------------|---|
| <p># 4 A proposed use schedule providing the dates the season will start and end and the dates Licensee seeks to use the Licensed Area. Six (6) leagues submitted a partial schedule(s); it was noted that leagues submitted either the Spring and/or Fall Season schedule only. Other leagues submitted schedules with missing dates and no specific fiscal years or seasons. One (1) league did not submit any use schedule.</p> | <p>Same as above.</p> | <p>The continuation of the Spring and/or Fall Season depends on the number of players available for those seasons. Teams cannot submit a schedule in March for August play. Generally, teams will start in March or April and finish in June. Register in July for next season and start in August through September and then go for the 3rd season and finish November 30. Others wait until they have enough teams to start. In 2022, one league did not submit a use schedule. The league in question suffered a lack of teams which caused constant cancellation of games so they were submitting a weekly schedule on availability. Staff will meet with league presidents in early November to ensure all required documents are submitted before the end of January to assess all documents for compliance, format, and content. Our department will also be posting schedules and field use for public information. Staff will also be following up on the schedules on a weekly basis for field updates.</p> |
| <p># 5 A current list of every coach, assistant coach, and manager and all other individuals who will have access to the Licensed Area. During the fiscal year 2021, only two (2) leagues provided the coach listing with missing a date or specific fiscal year. The other five (5) leagues had no documentation found in their respective folders. For the fiscal year 2022, only two (2) leagues out of seven (7) tested provided the coach and/or coach/volunteers listings; but again, the listings are missing dates or specific fiscal year.</p> | <p>Same as above.</p> | <p>In 2021, the parks and fields were being released from the COVID restrictions, and on April 1, 2021, the leagues were advised to submit requirements. The 5 leagues in question did not submit a list, but rather individual volunteer forms per coach or assistant that listed their information as they were signing on. In 2022, they originally mirrored what was done the previous year but we have subsequently asked the leagues to create a one-page list with the date at the top and listing all coaches, assistants, and their roles and we now have all forms for fiscal year 2022. No further action is needed. Staff will meet with league presidents in early November to ensure all required documents are submitted before the end of January to assess all documents for compliance, format and content. In addition, staff will require a monthly updated list to ensure compliance.</p> |

FINDINGS

6 *Current Food Handlers and any other required Health Permit for sale of food and beverages at the concession stand on the Licensed Area. Use of concession stands will be subject to approval from the Laredo Health Authority.* Regarding City Food Licenses, three (3) leagues had current licenses on file with the Parks Department for 2021 fiscal year, and the additional four (4) leagues did not have a license permit on file. For the fiscal year 2022, three (3) leagues submitted the current license permit to the Parks Department, and (4) did not submit any documentation. Regarding City Food Handler's Certificates, for the fiscal year 2021, one (1) league had current permits on file while the other six (6) leagues did not have any documentation on file. For the fiscal year 2022, five (5) leagues submitted certificates to the Parks Department and two (2) did not submit any certificates.

RECOMMENDATION

Same as above.

DEPARTMENT RESPONSE

The contract requires Current Food Handlers and any other required Health Permits for the sale of food and beverages on the licensed premises if any. Not all fields have concession stands nor do they all run their concession stand, if available because they don't have the necessary staff to man it. In the fiscal year 2021, 3 leagues did not have a running concession stand. In the fiscal year 2022, 2 leagues do not have concession stands and 5 leagues have their certificates. It is important to note that the Health Department needs a copy of the signed contract to issue licenses. As of June 28, 2022, all 5 leagues have food handlers' certificates. Staff will ensure all required documents are submitted before the end of January and will request an email to specify if they intend to use the concession, if available, to attach to this request. We will also work with the Health Department to ensure both the certificate and food handlers are in order for those leagues who choose to use, if available, the concession stands and also ask the Health Department to monitor the concession stands to ensure compliance throughout the term of the agreement.

| FINDINGS | RECOMMENDATION | DEPARTMENT RESPONSE |
|--|-----------------------|--|
| <p># 7 Proof of 501 (c3) form/documents (not affiliations each league must submit their own 501 (c3) form/documents) For the fiscal year 2021, three (3) leagues provided their own respective 501 (c3) forms, three (3) leagues provided the 501 (c3) pertaining to their affiliation, and one (1) league document was not found on file. For the fiscal year 2022, all seven (7) leagues complied by providing their own 501 (c3).</p> | <p>Same as above.</p> | <p>In the fiscal year 2021, only 1 league did not submit a 501c3, as they were applying for their own 501c3 not to be partnered with another existing League and submitted proof of filing. In 2022, all were in compliance. No further action required.</p> |
| <p># 8 Assistance Request Form with specific dates for registration, practice, and/or games. All seven (7) leagues provided the Assistance Request Forms for both fiscal years (s) 2021 and 2022. However, it should be noted the forms were incomplete and missing the following items: the assistance request section was not marked, the President of the league and/or Parks Director did not date the form, President of the league did not sign the form, and form was not marked as approved, denied, available or not available.</p> | <p>Same as above.</p> | <p>Staff will meet with league presidents in early November to ensure all required documents are submitted before the end of January and assess them for compliance, format and content.</p> |

FINDINGS

9 *Annual background checks on all volunteers or paid employees who will interact with youth.* For the fiscal year 2021, six (6) leagues tested did not comply with this provision; we found no documentation on their files. One (1) league complied with the requirement but it was incomplete as some backgrounds were missing. In the fiscal year 2022, seven (7) leagues submitted backgrounds but they were incomplete, again some backgrounds were missing. It is noted that one (1) league submitted local background checks instead of national evaluations.

RECOMMENDATION

Recommendations for Finding #s 09-14 The Internal Audit Division recommends, the Parks Department comply with the requirements outlined in the license agreements by the leagues. We recommend meetings be provided to the league presidents or authorized representatives before the start of the season to further reinforce the submittal of the requirements of the license agreement. In addition, it is recommended the Parks staff assigned to manage and enforce the league license agreements should conduct frequent spot checks throughout the fiscal year for compliance with the terms of the agreement. We would recommend that the license agreement language be more detailed on the requirements for the above six items and be reviewed by the Parks Department, Legal Department, and Internal Audit Division and amended to request: Background checks should be National Level for Board of Directors, Coaches, Assistant Coaches, Managers, and Volunteers; To reflect the time period requested for Certified Financial Statements; All complete monthly bank statements, Dated board meeting minutes; Concession dated monthly/annual financial reports (not vendor receipts) and to provide a copy of their annual information report form 990-N form. In addition, it should be mentioned on the license agreement that Leagues should NOT submit any of the requirements/documentation edited, blackout, or redacting to the Parks Department. Additionally, we recommend the Parks Department stamp and initial documents as received and provide a copy to the league

DEPARTMENT RESPONSE

In 2021, the parks and fields were being released from the COVID restrictions, and on April 1, 2021, the Leagues were advised to submit requirements. Leagues would provide backgrounds as coaches would sign up to volunteer. For FY 2022 all backgrounds have been submitted, either national or local. Staff will meet with Leagues in November to ensure all required documents are submitted before the end of January and also work with Audit and Legal to amend the contract as it currently does not specify from where the background needs to be done. Staff will also conduct frequent spot checks for compliance.

| FINDINGS | RECOMMENDATION | DEPARTMENT RESPONSE |
|---|-----------------------|--|
| <p># 10 <i>Financial Statements</i> For fiscal year 2021, the seven (7) leagues did not provide financial statements. However, two (2) out of the seven (7) leagues provided an “Income and Expense Reports” in an Excel format with only two months of information. A third league provided an “Income and Expense Reports” in Word format for the spring season 2021. For fiscal year 2022, six (6) leagues did not submit financial statements. One (1) league complied with the requirements. From the six leagues that did not comply, one (1) submitted a manual “Income and Expense report” for six months.</p> | <p>Same as above.</p> | <p>For the fiscal year 2021, 3 of the leagues provided some type of Financial Report. For the fiscal year 2022, 1 league complied and 1 complied to some degree. Staff will meet with Leagues in November to ensure all required documents are submitted before the end of January and also work with Audit and Legal to amend the contract as it currently does not specify the time period requested nor does it ask for Certified Financial Statements.</p> |
| <p># 11 <i>All monthly bank statements</i> For the fiscal year 2021, only one (1) league complied with the requirement of the lease agreement. The other six (6) leagues did not provide a set of complete monthly bank statements; two (2) out of the six (6) leagues provided three to five months’ worth of bank statements and/or incomplete bank statements. For the fiscal year 2022, four (4) leagues were in compliance and provided all bank statements. Two (2) leagues provided documentation reflecting that they opened a new bank account in February 2022 and April 2022 respectively, and one (1) league provided no documentation.</p> | <p>Same as above.</p> | <p>For the fiscal year 2022, we currently have bank statements for 6 leagues as the last league just opened a new account. We currently have all monthly statements for all 6 leagues with exception of one that is not yet approved. Staff will meet with Leagues in November to ensure all required documents are submitted before the end of January to assess all documents for compliance, format and content.</p> |

| FINDINGS | RECOMMENDATION | DEPARTMENT RESPONSE |
|--|-----------------------|---|
| <p># 12 A copy of all board meeting minutes. For the fiscal year 2021, two (2) leagues complied with this provision; no documentation was found for the other five (5) leagues on their file. For the fiscal year 2022, a total of six (6) leagues submitted copies of board meeting minutes. One (1) league did not submit any documentation.</p> | <p>Same as above.</p> | <p>For the fiscal year 2021, 2 leagues did submit proper documents, 3 leagues submitted their last meeting minutes which were in 2020, 1 league submitted 2019 minutes and 1 did not submit minutes. For FY 2022 we currently have all board meeting minutes. Staff will meet with Leagues in November to ensure all required documents are submitted before the end of January to assess all documents for compliance, format and content.</p> |
| <p># 13 A financial report of the receipts derived from the operation of the concession stand. For the fiscal year 2021, none of the seven (7) leagues provided financial reports of their concessions for their files. One (1) league submitted an incomplete sales report in a Word document. For the fiscal year 2022, none of the seven (7) leagues have submitted a financial report for their concessions. Three (3) leagues submitted vendor receipts but these are not considered financial reports.</p> | <p>Same as above.</p> | <p>In the fiscal year 2021, 3 leagues did not have a running concession stand. In the fiscal year 2022, 2 leagues do not have concession stands. Staff will meet with Leagues in November to ensure all required documents are submitted before the end of January and also work with Audit and Legal to amend the contract to clarify the type of financial report of the receipts derived from the concession stand is required.</p> |

| FINDINGS | RECOMMENDATION | DEPARTMENT RESPONSE |
|---|--|---|
| <p># 14 A copy of an annual information report form 990-N. For fiscal year 2021, no copies of the annual information report form 990-N for the seven (7) leagues was found. For the fiscal year 2022 two (2) leagues complied with the requirement by providing a copy of their annual information report form 990-N, 990-EZ, or 990 for their fiscal year 2021. Three (3) leagues were not in compliance since they submitted a copy of an Electronic Notice (e-Postcard) confirmation from the IRS.gov for the fiscal year 2020. We were informed these three leagues fiscal year runs from October 01, 2020, to September 30, 2021, but none of these leagues provided a copy of their annual information report form 990 for the fiscal year 2020. One (1) league provided a Federal Extension from the IRS.gov but we noticed the Employer ID Number (EIN) is different from their form 501(c3). Finally, the last league was claiming they were a new league but all their records maintained were the same. They should submit an annual information report form 990-N to their previous Employer ID Number to maintain good records of their financial.</p> | <p>Same as above.</p> | <p>FY 2021 leagues were not required to submit a 990-N form. This was required on September 20, 2021. For FY 2022, 2 leagues submitted a 990 form, the other 4 leagues have until September 30, 2022 to file for a 990-N form, and 1 league asked for an extension because they changed presidents therefore EIN will also change. One league applied as a new league and has no documents. Staff will meet with Leagues in November to ensure all required documents are submitted before the end of January and also requesting copies of the submitted Form 990 from the previous year in order to proceed with upcoming year.</p> |
| <p># 15 In fiscal year 2021, the agreements to lease the fields to the individual leagues were not submitted to City Council for authorization before the April 19, 2021 start date as per the season 2021 license agreement. License agreements were submitted to City Council for authorization back on October 4, 2021, October 18, 2021, were presented (2021-O-2016) Final Reading of Ordinance, and subsequently approved by City Council on November 1, 2021.</p> | <p>It is recommended that the Parks Department make every effort to stand by the provisions of Section 2.08 of the City Charter. Specifically, as it pertains to this item, Section 2.08 requires an ordinance be brought forward for City Council approval in order to “convey or lease or authorize the conveyance or lease of any lands of the City.”</p> | <p>We concur with the recommendations and during our November meeting, we will advise all leagues of the required document deadline in order to take item to council prior to the term on the Agreement.</p> |

| FINDINGS | RECOMMENDATION | DEPARTMENT RESPONSE |
|---|---|---|
| <p># 16 The Internal Audit initially requested a copy of all documentation required of the league organizations that had been submitted to the Parks Department as per the terms of the 2021 fiscal year license agreement. In our receipt of the required documentation on file at the Parks Department, we found a large amount of documentation not available at the onset of our audit as can be seen in more detail in Exhibit #1. For fiscal year 2022, requirements/documentation were submitted to the Internal Audit Division by email; there was missing documentation and some documents were not legible.</p> | <p>The Internal Audit conducted audits of the license agreements for City field usage by sports leagues in 2016 and 2017. It had been recommended during those audits, that the request for field usage be treated similar to the Third-Party Funding application process where an annual application must be filled out and submitted with required documentation by the league organizations to the Parks Department for consideration before to City Council granting authorization for field use. As the application and documentation processes are still lacking, we reiterate our prior recommendation for the Parks Department to capture as much of the required documentation at the onset of the process. Additionally, we recommend the Parks Department stamp and initial documents as received and provide a copy to the league for their records. We also recommend that an application deadline be implemented by the Parks Department and that all applications with required documentation be reviewed by the Parks and Leisure Services Advisory Committee for recommendations before submission to City Council for approval. We recommend enforcement of the terms of these license agreements is fundamental to maintaining consistent compliance from the various league organizations. The Parks Department needs to evaluate its current staffing resources for enforcement of these license agreements, make necessary changes so that future enforcement of and guidance on these license agreements is applied consistently to all leagues registered with the City, and have proper written policies and procedures documenting process.</p> | <p>We partially concur with the recommendations and during our November meeting, we will advise all leagues of the required document deadline in order to take item to council prior to the term on the Agreement. We will also require that all documents are placed in a folder with tabs for each requirement and then have all documents time stamped. Regarding taking the items to the Parks Board, we believe that it is an administrative task and staff will review for compliance, format and content. They will then be reviewed by the Director/Assistant Directors for same.</p> |