

DEPARTMENT OF RECREATION AND HUMAN SERVICES
BUREAU OF RECREATION
REVIEW OF DAVID F. GANTT RECREATION CENTER PERMITS

Distribution: Lovely Warren, Mayor
James Smith, Deputy Mayor
Danielle Lyman-Torres, Commissioner/DHRS
Tim Curtin, Corporation Counsel

Office of Public Integrity
Date: March 18, 2021

I. EXECUTIVE SUMMARY

In this review, the Office of Public Integrity (OPI) examined permit activity to determine the adequacy of internal control procedures, the accountability of reported revenue collections and compliance with City and departmental policies for permits issued for the David F. Gantt Recreation Center. The results of the review indicate that, in general, internal controls over the Department of Recreation and Human Services (DRHS) permits are adequate, reported revenues are accurate and DRHS personnel comply with City and departmental policies. OPI was able to account for all revenue collected during our test period, and all collections were deposited in a timely manner.

II. BACKGROUND, OBJECTIVES AND SCOPE

A. Assignment

OPI routinely reviews City operations, internal controls and accountability for revenue collections.

B. Background

DRHS issues permits that allow the public to access lodges, ice rinks, auditoriums, gyms, softball and baseball fields, tennis courts and other City-owned facilities. DRHS maintains a rate schedule that details the permit fees for each facility.

To obtain a permit, applicants must first complete a Facility Use Permit Application. This application includes the facility requested, the date(s) and time(s), the type of activity, information pertaining to the responsible person, an emergency contact, and any special needs. The application also includes a "Release & Indemnification Certificate" that releases the City from any liabilities that may arise and attests that the information entered onto the application is accurate and true. The applicant must sign the application and this signature must be witnessed by a Notary Public or Commissioner of Deeds.

Applicants must submit full payment, including a \$20 application fee, when they submit the application. However, for athletic leagues and events that may cover several dates, the applicant may only have to pay the \$20 application upfront and then DRHS will bill the applicant for actual use once the season is over. Additionally, DRHS can grant fee waivers to organizations that meet certain criteria.

Applicants must make all payments by check, money order or credit card. DRHS does not accept cash payments for permits. Once DRHS personnel review and approve the application, they will issue a permit.

For fiscal year 2019, DRHS issued 1,172 permits and deposited \$173,877 in permit revenue.

C. Objective and Scope

The objectives of the review were to assess the adequacy and effectiveness of internal controls within the DRHS permits operation, to determine this area could account for reported revenue collections and to determine compliance with City and departmental policy. The review included an examination of all permits issued for the David F. Gantt Recreation Center during the period July 1, 2018 through June 30, 2019.

Management is responsible for establishing and maintaining a system of internal accounting and administrative control. Fulfilling this responsibility requires estimates and judgments by management to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of accurate, informative reports that are fairly stated.

Because of inherent limitations in any system of internal accounting and administrative control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any system evaluation to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with procedures may deteriorate.

We conducted this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS) and the International Standards for the Professional Practice of Internal Auditing. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

III. RESULTS OF REVIEW

The results of the review indicate that, in general, internal controls over DRHS permits are adequate, reported revenues are accurate and DRHS personnel comply with City and departmental policies and procedures. OPI was able to account for all revenue collected during our test period. No further review is deemed necessary.

IV. DEPARTMENTAL RESPONSE

The response of the Department of Recreation and Human Services to this report begins on the next page.



City of Rochester

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MAR 17 2021

City of Rochester
Office of Public Integrity

To: Anthony Grugnale, Sr. Field Auditor, Office of Public Integrity
From: Dr. Daniele Lyman-Torres, Commissioner, DRHS 
Date: March 16, 2021
Subject: David F. Gantt R-Center Permit Audit

With respect to the David F. Gantt R-Center Permit Audit conducted by the Office of Public Integrity, the result of the audit indicates that DRHS personnel complies with City and departmental policies and procedures. DRHS is in agreement with the results of this review.

Thank you for the opportunity to ensure DRHS permit process are meeting appropriate protocols.

cc: Mai Ho, Manager of Administration and Marketing