

# District Athletics and Activities

Internal Audit Report

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# Table of Contents

	Page Number
EXECUTIVE SUMMARY	1
DEFINITIONS	2
BACKGROUND	3
OBJECTIVE, SCOPE, AND METHODOLOGY	3
BENCHMARKING	5
COMMENDATION	5
RESULTS AND RECOMMENDATIONS	5
DISTRICT ATHLETICS ORGANIZATION CHART	8
APPENDIX A – COMPARISON ANALYSIS	9

## EXECUTIVE SUMMARY

### Why We Did This Audit

The objective of this audit was to determine whether the District Athletics Division is performing within the established guidelines of the OCPS AD/Metro Orlando Interscholastic Athletic conference handbook and FHSAA by-laws and guidelines.

This is a planned engagement derived from the annual audit risk assessment process. This audit was included in the 2018-2019 Annual Audit Plan.

### Observations and Conclusions

Audit Results at a Glance			
Results and Observations	Risk / Impact Rating		
	Significant	Moderate	Minor
IA - Internal Audit or M - Management	IA - 2	IA - 2	-
D - Deficiency or O - Opportunity	D - 2	D - 2	-

Our overall evaluation is that the District Athletics-Activities Division is functioning effectively. However the following areas require attention and provide an opportunity for improvement:

1. Sale of advertising on school facilities at school athletic events
2. Purchase order and invoicing procedures
3. Timely use of district's funds for athletic programs.
4. Timely training and certification completion for non-faculty coaches.

We especially commend the Athletics Department for implementing an online training course for high school athletic directors and coaches and middle school athletic coordinators to take their required training on an annual basis.

### Results and Recommendations

As a result of our audit, we recommend that the following be implemented:

- Continuous monitoring and education of the proper reporting of athletic advertising revenues
- Ensure that funds released from the District to schools are used in a timely manner or reallocated if there is no longer a need
- Follow Management Directives and guidelines regarding the creation of purchase orders before services are approved and performed
- Monitor training and certification of non-faculty coaches

This report has been discussed with management and they have prepared their response, which follows.

**DEFINITIONS:**

**Risk / Impact Ratings**

Minor	Low risk with a financial impact of less than one percent and/or an isolated occurrence limited to local processes (low impact and low likelihood)
Moderate	Slight to moderate risk with a financial impact between one and five percent and/or a noticeable issue that may extend beyond local processes (low impact and high likelihood or high impact and low likelihood)
Significant	High risk with a financial impact greater than five percent and/or a significant issue that occurs in multiple processes (high impact and high likelihood)

**Observations Categories**

Deficiency	A shortcoming in controls or processes that reduces the likelihood of achieving goals related to operations, reporting and compliance
Opportunity	A process that falls short of best practices or does not result in optimal productivity or use of resources

**Criteria for Observations Sourced to Management**

- Internal audit was informed of the issue prior to starting detailed testing
- Management identified, evaluated, and communicated the issue to appropriate levels of the district
- Management has begun corrective action with clear, actionable plans and targeted completion dates

## District Athletics and Activities Internal Audit Report

### **BACKGROUND:**

The District Athletic Directors Division is under the supervision of Dr. Harold Border, Chief of High Schools. Douglas Patterson is the District Athletic Director. He has a one full-time secretary and is responsible for monitoring 20 High School Athletic Directors, 46 Middle School Athletic Coordinators, 48 JROTC Instructors, and assisting with scheduling athletic events and overseeing the ADs of 13 Charter Schools. The philosophy of the District Athletics Division is to promote the well-rounded development of student athletes. Its intention is to promote good sportsmanship, academic achievement and athletic talent. It follows the guidelines of the Florida High School Athletics Association and the Metro Orlando Interscholastic Athletic Conference for playoff rules and guidelines. OCPS believes that a dynamic program of student activities is vital to the educational development of the student. Their mission is to establish guidelines and policies for the organization, administration and supervision of interscholastic athletic programs; to develop, promote, and support such programs, and provide athletes with a high quality athletics program that enhances classroom instruction.

### **OBJECTIVE, SCOPE AND METHODOLOGY:**

#### **Objective**

The objective of this audit was to determine whether the District Athletics Division is performing within the established guidelines of the OCPS AD/Metro Orlando Interscholastic Athletic conference handbook and FHSAA by-laws and guidelines.

#### **Scope**

The scope of the audit addresses the District Athletics and Activities operations during the 2018-2019 fiscal year.

#### **Methodology**

This audit looked at how the District Athletics division operates. We reviewed the OCPS AD Handbook which entails most of the policies, directives and guidelines for OCPS Athletics. We also reviewed FHSAA, Metro Conference and Florida High School Athletic Association guidelines. We assessed whether departmental management has set a guiding policy, the methodology used for

*Background of District Athletics Division which oversees:*

- 20 high schools,
- 46 middle schools,
- 48 JROTC instructors, and
- 13 charter schools

*with a staff of 2 persons.*

*Types of planning assessed in this audit:*

- Interviews with District Management
- Review of OCPA Athletics Handbook
- Review of FHSAA policies and procedures
- Benchmarked practices from three large Florida school districts

## District Athletics and Activities Internal Audit Report

implementation, how extensive or detailed the plans are, how current the plans are, and whether the plans are tested. Our audit methodology included:

- interviewing the Sr. Administrator of the District Athletic Department; and ADs at various high schools and middle schools
- reviewing School Board Policies and departmental procedures;
- reviewing the FHSAA bylaws, guidelines and policies; and,
- benchmarking - We selected three large public school districts in the State of Florida and interviewed their District Athletic Directors regarding how they operate within their districts.
- testing for proper supplemental pay for a sample of athletic coaches
- testing training and certification compliance for a sample of coaches
- testing for HR PREO Clearance
- testing for proper booster club operations
- reviewing and testing the athletic event worksheets for middle and high school events.
- reviewing athletic accident related reports
- reviewing budgeted expenditures and verifying supporting documentation was correct and expenditures were within the department's missions.
- documenting and reviewing how ticket sales are ordered and dispersed, and how tickets sales are monitored/tracked.

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* of the Institute of Internal Auditors and included such procedures as deemed necessary to provide reasonable assurance regarding the objective. Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. We are required to note any material deficiencies in accordance with Florida Statutes, School Board Policy and sound business practices. We also offer suggestions to improve controls or operational efficiency and effectiveness.

*This audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.*

## District Athletics and Activities Internal Audit Report

### **BENCHMARKING – District Athletics and Activities**

At the request of the District Athletics Division, we conducted interviews with the Athletic Directors of three of the largest school districts in the State of Florida. These schools were Hillsborough County (3<sup>rd</sup>), Broward County (2<sup>nd</sup>) and Miami-Dade County (1<sup>st</sup>). The purpose of these interviews was to benchmark and document their current practices within their school districts. We performed several analyses and compared the results with Orange County Public Schools. The notable features of those programs were as follows:

- All three districts had a director and at least two office staff personnel.
- Scheduling for all athletic events was done by the district athletic director's office and forwarded to the school AD or AP.
- Those district offices monitor the AP/AD to ensure the policy and procedures per school board policy and the FHSAA are being followed. Those district offices handle unique situations that require management intervention.

Detailed results of this survey can be found in Appendix A to this report.

### **COMMENDATION:**

We commend the District Athletics Department for implementing an online training program in Canvas called "Approach to Athletics" which is a required course for all AD's, coaches and athletic coordinators on an annual basis.

### **RESULTS & RECOMMENDATIONS:**

**1) The athletic department at Boone High School does not deposit money from the sale of advertising on scoreboards during athletic events into the school's athletics internal funds account. - *Significant Risk***

**Best Practice:** Follow School Board policy DIB utilizing the Internal Accounts handbook regarding fundraising activities.

### **Audit Results:**

This is a violation of the OCPS School Internal Accounts policy stating that school revenues should be deposited in internal accounts.

*We interviewed athletic directors of the three largest Florida school districts to compare their operations to ours. (OCPS is the 4<sup>th</sup> largest.)*

*Monies from the sale of advertising on scoreboards are not deposited in Boone's athletics internal accounts.*

## District Athletics and Activities Internal Audit Report

### Recommendation:

We recommend that to comply with school board policy, all monies earned from the sale of advertising on school property at school athletic events be deposited directly into the Boone High School's athletic internal fund account for proper recordkeeping.

### **2) Use of the District Athletics Resources - *Moderate Risk***

**Best Practice:** Use allocated resources in a timely manner since they are of limited availability and could be used elsewhere.

### Audit Results:

The District Athletics' Division provided Cypress Creek High School with a grant in the amount of \$8,500 in October of 2018 to fund the purchase of Lacrosse equipment for this new sport. As of December 31, 2019, those funds have not been used and are still in the school's internal fund account.

### Recommendation:

We recommend that the District Athletic Division monitor all sources and uses of District funds provided to any high or middle school in Orange County. This will ensure that limited District resources are being allocated or reallocated to those schools that are in most need of them.

### **3) Purchase orders initiated by the District Athletics Division were prepared after the vendor after the goods/service was already acquired. - *Significant Risk***

**Best Practice:** Compliance with Management Directive A-5 which states, in part: "Employees of Orange County Public Schools shall not sign contracts, leases, including but not limited to copier/multifunctional devices, vending machines, postage meters, any type of credit card or charge account agreement (other than P-card) or similar agreements, nor obligate schools or departments of Orange County Public Schools, in any manner, without the issuance of a purchase order."

### Audit Results:

*District Athletics should ensure that district resources are used effectively.*

*Purchase orders should be created before equipment or supplies are acquired per Management Directive A-5.*



## District Athletics and Activities Internal Audit Report

Two purchase orders in the amount of \$31,812 initiated by District Athletics were issued after the invoice for payment had already been submitted to the District by the vendor.

### Recommendation:

That all District Athletic personnel read and adhere to all management directives and ensure that purchase orders are not issued after the invoice date.

**4) Several non-faculty coaches did not have up to date training and certification as required by the District Athletics handbook. - *Moderate Risk***

**Best Practice:** Follow District Athletics policy and procedures for non-faculty coaches regarding training and certifications.

### Audit Results:

This is a violation of the OCPS District Athletics Handbook regarding the required training and certification of non-faculty coaches.

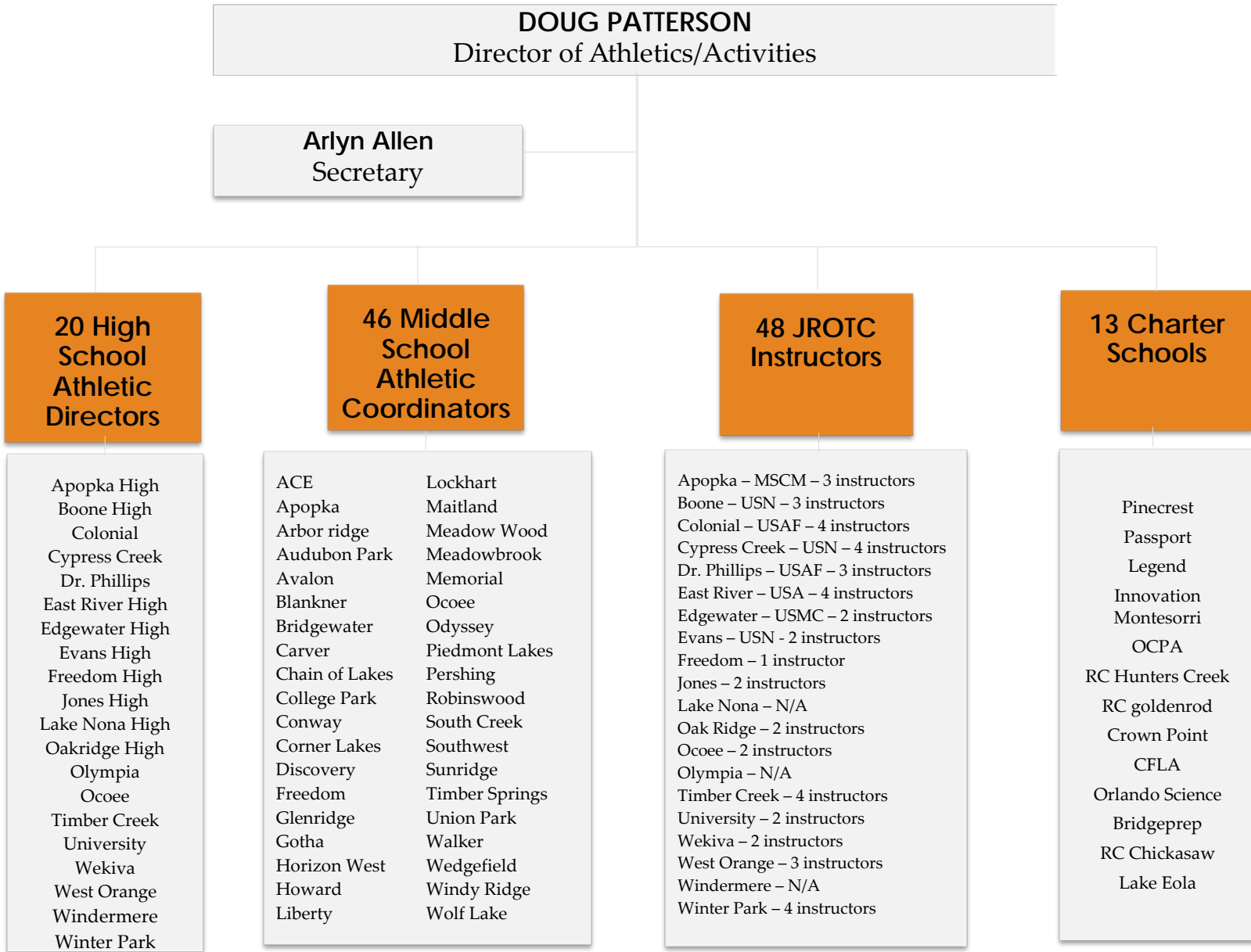
### Recommendation:

We recommend that to comply with OCPS District Athletics policies and procedures; non-faculty coaches be required to maintain current First Aid/CPR certification and take the Approach to Athletics course in Canvas annually.

We wish to thank the staff of the District Athletics Division and all of the Athletic Directors for their cooperation and assistance with this audit.

*Several non-faculty coaches did not have current training and certification.*

# District Athletics and Activities Division



**District Athletics and Activities  
Internal Audit Report**

Appendix A –Comparison Analysis

Benchmarks	Orange	Hillsborough	Miami-Dade	Broward
<b>Name of District Athletic Director</b>	Doug Patterson	Lanness Robinson	Dung Nguyen	Shawn Cerra
<b>Size of District</b>	9th Largest school district in the United States	8th largest district in the United States	4th largest school district in the United States	6th largest school district in the United States
<b>High Schools</b>	20	33	37	33
<b>Middle/K-8</b>	46	42	50	43
<b>Charter Schools under athletic supervision of the County</b>	13	45	54	56
<b>District Level Staffing</b>	Staff consist of 1 director and 1 secretary	Staff consist of 1 Director, 1 Asst Director of Athletics, 1 Accountant and 1 Executive Asst.	Staff consists of Director, part-time Office manager and 1 Admin Asst	Staff consist of 1 Director of Athletics and Student Services, 1 HS AD, 1 MS AD
<b>Budget</b>	\$200,000	\$3,200,000	No information provided	\$5,000,000
<b>Scheduling Games</b>	Football only at District Office all other event are schedule by the school's AD	District Office	District Office	District Office
<b>Ticket ordering and monitoring</b>	Ordered by District and sent to schools	Ordered by District and sent to schools		Tickets are ordered by each individual school
<b>Physical &amp; Release of Liability Forms</b>	Handled by the AD of each school	Handled by the AP of each school	Handled by the AD of each school	Handled by both the District office and the AD at each school
<b>Authentication of Student Athlete Residential Address</b>	Handed by the AD of each school	Handled by the AP of each school	Handled by the AD of each school	Handled by both the District office and the AD at each school
<b>Accidents and Injury</b>	Reported by the AD/AT at each school	Reported by the AD/AT at each school	Reported by the AD/AT at each school	Reported by the AD/AT at each school
<b>Training/Certification of Coaches</b>	Required annually and is supposed to be tracked by the AD of each school	Handled by the AP of each school	Handled by the AD of each school	Handled by both the District office and the AD at each school



Department / School Name	Athletics/Activities
Administrator / Department Head	Doug Patterson, Director, District Athletics
Cabinet Official / Area Superintendent	Dr. Harold Border, Chief of High Schools

Exception Noted (Finding / recommendation) What is? What should be?	Management Response (Corrective Action) What needs to be done?	Responsible Person (Name & Title) Who needs to do it?	Expected Outcome & Completion Date What is the evidence of the corrective action? When will the action be completed? <b>(04/09/2020)</b>
<b>The athletic department at Boone High School does not deposit money from the sale of advertising on scoreboards during athletic events into the school's athletics internal funds account.</b>	The Boone High School Athletic Association will deposit all marketing dollars that are collected for <u>ON CAMPUS</u> advertisements be deposited into the Boone Internal account, not the BHSAA 501c3. This will align to school board policy.	Dusty Johns BHS Principal & Doug Patterson OCPS Sr. Admin. Athletics/Activities	The BHSAA has been notified by email by Principal Johns, Doug Patterson and BHS AD, Kevin Demer were copied on the email. This practice will take place starting April 2020. A contract will be drafted by Principal Johns which will be approved by Legal making the BHSAA a vendor working in conjunction with BHS for marketing reasons.
<b>Use of the District Athletics Resources</b>	District Athletics will recoup the money provided to Cypress Creek HS for them to start a boy's lacrosse program.	Doug Patterson OCPS Sr. Admin. Athletics/Activities	District funds provided upon classified employees returning to work from COVID-19 order. District funds will not be provided until a school is prepared to start a program and requests District assistance.
<b>Purchase orders initiated by the District Athletics Division were prepared after the vendor after the goods/service was already acquired</b>	The Districts Athletics Division will not order goods from a vendor until purchase orders are approved.	Arlyn Allen Secretary-Athletics & Doug Patterson OCPS Sr. Admin. Athletics/Activities	District Athletics will comply with Management Directive A-5. District Athletics new secretary has been briefed and trained accordingly.



<p><b>Several non-faculty coaches did not have up to date training and certification as required by the District Athletics handbook</b></p>	<p>District Athletics will cross check with school based AD's prior to submitting supplements to ensure that policy and procedures for all paid coaches for training and certifications are complete.</p>	<p>School based Athletic Directors, Arlyn Allen Secretary- Athletics &amp; Doug Patterson OCPS Sr. Admin. Athletics/Activities</p>	<p>This will be completed prior to each sport season starting with fall sports in July of 2020.</p> <p>School based AD's will submit to District Athletics certificate checklist to ensure compliance.</p> <p>District Athletics will randomly spot check schools</p>
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