

## 2012-121 AUDIT SCOPE AND OBJECTIVES—Department of Parks and Recreation

The audit by the State Auditor's Office will provide independently developed and verified information related to the Department of Parks and Recreation (Parks) and will include, but not be limited to, the following:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Determine Parks' current number of vacant positions. Further, determine the amount budgeted for these vacant positions.
3. Review and assess Parks' process for monitoring staffing decisions. Determine whether improvements in the process are necessary to ensure management is aware of significant staffing decisions.
4. For any vacation buyouts that occurred at Parks in the most recent three-year period, determine the following:
  - a. The number and dollar amount of the vacation buyouts.
  - b. The source of funds used for the vacation buyouts.
  - c. The extent to which programs were affected by the vacation buyouts.
  - d. Identify the legal or regulatory authority Parks cited to support the vacation buyouts.
  - e. Whether any internal controls were breached to perform the vacation buyouts.
  - f. Whether any additional controls should be implemented to ensure only properly authorized vacation buyouts occur in the future.
5. For the State Parks and Recreation Fund and the Off Highway Vehicle Trust Fund, perform the following for the most recent three-year period:
  - a. Identify the statutory purposes for which the revenue in each fund is to be expended.
  - b. Identify the revenue sources for each fund.
  - c. Identify any reserve balances and the accounts in which the reserve balances are held.
  - d. Determine the period of time over which the reserve amounts grew and whether the reserve balances were accurately reported to the Department of Finance (Finance) and the Legislature during that time period. If this information was not accurately reported to Finance and the Legislature, determine the reasons.

- e. Determine the methods used by Parks, Finance, and the Office of the State Controller (state controller) to ensure the accuracy of financial data in their respective reports.
  - f. Review and assess whether Finance and the state controller provide any oversight to Parks to ensure the accurate reporting of financial data.
  - g. Determine whether Parks should take any corrective action to eliminate any deficiencies in the methods it uses to report accurate financial data to Finance and the state controller. Provide recommendations for any other measures to ensure the accurate reporting of financial information by Parks.
6. Determine the status of any cost reduction or revenue enhancing measures, such as operational agreements, donations, and concessions, which have been or are being negotiated by Parks' efforts to keep park units open. Determine the total amount of these cost reduction or revenue enhancing measures and their impact on the operations of Parks, including its park unit closure plan.
  7. Review and assess the process Parks uses to track the budget of each park unit. Determine whether Parks should take any corrective action to ensure the accounting and reporting of funds and eliminate any deficiencies in the methods it uses to track those funds.
  8. Review and assess any other issues that are significant to Parks oversight and management of the state park system.