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# **CITY OF SAN ANTONIO**

## **OFFICE OF THE CITY AUDITOR**



Follow-Up Audit of Parks and Recreation

Online Reservation Payment System

Project No. AU20-F02

May 26, 2020

Kevin W. Barthold, CPA, CIA, CISA  
City Auditor

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## Executive Summary

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As part of our annual Audit Plan approved by City Council, we conducted a follow-up audit of the recommendations made in the prior audit of Parks and Recreation Department (Parks) Online Reservation Payment System, dated January 9, 2019. The objective for this follow-up audit is:

**Determine if the recommendations made in the prior audit of Parks Online Reservation Payment System have been effectively implemented.**

We determined that Parks has successfully implemented adequate controls to address prior audit recommendations. Specifically, the Parks and Recreation Department, in coordination with ITSD, has reviewed and made appropriate modifications to ActiveNet user profiles and performed a user access review to ensure elevated privileges are limited and duties are segregated. Additionally, Parks developed and implemented policies for modifying and waiving reservation fees and requiring documented management approval for all refunds.

Parks and Recreation Management's acknowledgement of audit results is in Appendix B on page 7.

# Table of Contents

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Executive Summary .....	i
Background.....	1
Audit Scope and Methodology .....	2
Prior Audit Recommendations and Status .....	4
A. ActiveNet User Access .....	4
B. Refund Processing .....	4
C. Waived and Modified Reservation Fees .....	5
Appendix A – Staff Acknowledgement .....	6
Appendix B – Management Acknowledgement .....	7

## Background

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On January 9, 2019 the Office of the City Auditor completed an audit of the Parks and Recreation Online Reservation Payment System. The objective of the audit was as follows:

**Determine if controls and processes within the ActiveNet reservation and payment system are adequate and properly managed.**

The Office of the City Auditor concluded that the ActiveNet system was working as intended, however there were opportunities to strengthen the controls associated with ActiveNet user access, cash refunds, and modifying or waiving reservation fees. Specifically, we recommended that Parks management:

- Limit elevated privileges within the ActiveNet system based upon least privileges and ensure proper segregation of duties exists. Additionally, Parks management should remove inactive users and perform periodic user access reviews.
- Ensure that all cash refunds have documented management approval. Additionally, limit the ability to process refunds with the ActiveNet system to management personnel.
- Develop a policy for modifying or waiving reservation fees in the ActiveNet system. Additionally, Parks management should limit the number of users who have the ability to modify or waive fees.

Parks and Recreation management agreed with conclusions and developed action plans to address the audit recommendations.

## Audit Scope and Methodology

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The audit scope was limited to the recommendations and corrective action plans made in the original report for the time frame from February 2019 through December 2019.

We interviewed Parks personnel to obtain an understanding of newly implemented controls and processes for the ActiveNet system regarding user access, refunds, and waived reservation fees. We reviewed source documents such as internal policies and procedures, ActiveNet system reports, refund documentation and tracking logs, as well as user access reviews and authorization forms.

In accordance with generally accepted government auditing standards, we assessed and documented the significance of internal control to the extent necessary to address audit objectives. From our assessment, we identified the following internal control components and principles as significant within the context of this audit:

Control Component	Control Principle
Control Environment	Commitment to competence Organizational structure Assignment of authority and responsibility
Risk Assessment	Risk identification and analysis
Control Activities	Authorizations and approvals Segregation of duties Verifications Policies and Procedures Physical Controls Controls over standing data Reconciliations Supervisory Controls
Information and Communication	Quality of Communication
Monitoring	Ongoing Monitoring

We relied on computer-processed data in the ActiveNet system to validate system user access, refund processing, and waived reservation fees. Our direct testing included verifying accuracy and appropriateness of refunds as well as identifying waived reservation fees. We evaluated general controls in regards to user access to ensure all individuals were authorized and granted appropriate access. Our reliance was based on performing direct tests on the data rather than evaluating the system's application controls. We do not believe that the absence of testing application controls had an effect on the results of our audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. 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.

## Prior Audit Recommendations and Status

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### A. ActiveNet User Access

#### *Prior Recommendation:*

To ensure compliance with AD 7-8D Access Control, Parks management should limit elevated privileges within the ActiveNet system based upon least privileges to perform job functions and ensure proper segregation of duties. Additionally, Parks management should remove inactive users and perform periodic user access reviews.

#### **Status: Implemented**

Parks, in coordination with ITSD, reviewed and made appropriate modifications of ActiveNet user profile groups along with associated privileges. In addition, Parks performed a review of ActiveNet users to ensure access was appropriately restricted and all terminated users were removed.

We performed a review of ActiveNet System access and determined that access was appropriately restricted and all users were active City employees. In addition, we determined that new users are adequately provisioned and granted appropriate access based on job duties.

#### **Recommendations**

None.

### B. Refund Processing

#### *Prior Recommendation:*

Parks management should ensure that all cash refunds have documented management approval. Additionally, limit the ability to process refunds within the ActiveNet system to management personnel.

#### **Status: Implemented**

Parks has developed and implemented a new refund policy that prohibits all cash refunds and now requires documented management approval in order to be processed. We validated that refunds are properly supported by management approval and appropriate documentation in accordance with the Parks refund

policy. In addition, Parks limited the ability to process refunds as a part of the review of ActiveNet user profiles and associated privileges.

### **Recommendations**

None.

### **C. Waived and Modified Reservation Fees**

#### *Prior Recommendation:*

Parks management should develop a policy for modifying and waiving reservation fees in the ActiveNet system. Additionally, Parks management should limit the number users who have the ability to modify or waive fees.

#### **Status: Implemented**

Parks developed and implemented a policy for modifying and waiving reservation fees. This policy states that reservation fees established by the Parks and Recreation department can be waived or modified for other City departments or external community organizations such as schools, non-profits, intergovernmental agencies, etc. if a formal request is received and approved by the Park's Director and documented in the ActiveNet system.

We validated that waived reservation fees are properly supported by director approval and appropriate documentation. In addition, Parks limited the number of users who have the ability to modify or waive fees during the review of ActiveNet user profiles and associated privileges.

### **Recommendations**

None.



## **Appendix A – Staff Acknowledgement**

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Gabriel Trevino, CISA, Audit Manager  
Daniel Kuntzelman, CIA, CISA, Auditor in Charge

## Appendix B – Management Acknowledgement

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### CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

April 13, 2020

Kevin W. Barthold, CPA, CIA, CISA  
City Auditor  
San Antonio, Texas

RE: Management's Acknowledgement of its Review of the Parks and Recreation Online Reservation Payment System Follow-Up Audit

Parks and Recreation Department has reviewed the audit report and provided its comments to the auditors. As there are no recommendations for management, no management responses are required.

Parks and Recreation Department:



☒ Fully Agrees



☐ Does Not Agree (provide detailed comments)

Sincerely,

A handwritten signature in blue ink, appearing to read "Homer Garcia III".

Homer Garcia III  
Director  
Parks and Recreation Department

5-19-2020

Date

A handwritten signature in blue ink, appearing to read "Dr. Colleen M. Bridger".

Dr. Colleen M. Bridger  
Assistant City Manager  
City Manager's Office

5/19/2020

Date