

Tennis Center Management & Maintenance Services Agreement Evaluation

Background

On September 13 2010, The Village of Wellington (the Village) entered into an agreement with Cheatham Inc. (Cheatham) for Tennis Center Management and Maintenance Services (Agreement). The Agreement commenced on October 1, 2010 for a period of one year and allowed four (4) additional one year renewals if agreed upon by both parties. The Agreement is currently on the third renewal, with one remaining.

According to the scope of services outlined in the Agreement, Cheatham shall direct and oversee the operations and maintenance of the tennis center located at the Wellington Community Center, 12165 Forrest Hill Blvd., Wellington, FL 33414. Cheatham is responsible for the primary operation of the tennis center including, fiscal management and coordinating with Wellington Parks and Recreation Department for the scheduling of tennis courts, instructions, clinics and the supervision of the tennis center facilities and staff.

Cheatham is also responsible for the operation and management of the tennis pro shop located at the tennis center. The pro shop will offer to the public tennis balls, rackets, tennis wear and other tennis related accessories.

Scope

This contract compliance review covered the 2013 fiscal year. The terms and conditions of the Agreement were reviewed and evaluated for compliance. Staff completed an analysis of the documentation submitted by Cheatham for completeness and accuracy based on the terms and conditions outlined in the Agreement. Staff also conducted a review of Cheatham's financial reporting in accordance with the Agreement.

Specifically, the following areas were reviewed for compliance:

- I. Compensation
- II. Responsibilities for Cheatham for Tennis Center management
- III. Tennis Center Hours of Operation
- IV. Court Schedule
- V. Tournament Schedules
- VI. Cheatham Responsibilities for Maintenance Services
- VII. Taxes
- VIII. Insurance
- IX. Background Checks
- X. Fee Paid to Wellington
- XI. Accounting Procedures

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Results

The Tennis Center Management and Maintenance Services Agreement is divided into three distinct segments, management of the Tennis Center and its employees; facility maintenance and the accounting and payment of fees to the Village.

Based on the procedures performed and a review of the supporting documentation it was determined that the terms of the agreement were substantially brought into compliance as to the management of the tennis center. A number of items in the agreement did not clearly define or provide a metric for measuring the level of compliance and as such could not be completely vetted. The maintenance of the Tennis Center is undocumented by Cheatham, but periodically checked by Village Staff for minimum standards. The payments to the Village have been reviewed and remediated.

Findings & Recommendations:

Finding #1: Background screenings: the terms of the agreement require Cheatham to *"Complete Wellington's mandated background screening check for Cheatham and all personnel, instructors, staff, or contractors associated with provision of tennis management and maintenance services. Cheatham is to pay for all background screening costs"*.

Recommendation: Cheatham should maintain a list of all employees and contractors along with the date they were last screened. A list of contractors who have been screened was not provided, however, his employees were screened by Village staff at his cost.

Finding #2: Tournament Schedule: the terms of the agreement require Cheatham to organize and conduct tennis tournaments and provide the annual schedule for these tournaments to the Parks and Recreation Director for approval prior to October 1st each year.

Recommendation: The tournament schedule needs to be delivered in a timely manner.

Finding #3: the Maintenance Services for the Tennis Center is not measured or recorded. The Agreement has specific guidelines for maintenance of the courts and cleaning of the facility.

Recommendation: Cheatham and Village staff should prepare a maintenance record monthly to measure specific tasks identified and times they are completed. Job descriptions for Cheatham staff could also be used to identify specific tasks and times completed.

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Finding #4: Accounting procedures and Quarterly Reporting. The reports provided were not definitive. The statements provided were based on a different accounting cycle than the Village's fiscal year. Annual reporting statements were used to determine the outstanding balance. Cheatham's Accountant provided profit and loss statements and staff is satisfied that the terms of the agreement have been met.

Conclusion

After meeting with the vendor and various staff members from the Parks and Recreation Department, the agreement has been substantially brought into compliance. A number of deficiencies were found with the reporting requirements; including the delivery of schedules and maintenance records which have been addressed and resolved. The fees paid to the Village have been discussed and clarified by Cheatham's accountant and an additional payment of \$ 5,723.47 has been remitted to the Village. For all future reporting, it has determined that consistent sources of information will be provide by the vendor and fees will be calculated based on these reports.