City of SACRAMENTO

PARKS & RECREATION COMMISSION

Jag Bains, District 1
Fatima Malik, District 2
David Guerrero, District 3 (Vice Chair)
Julie Murphy, District 4
Joe Flores, District 5 (Chair)
Tyler Aguilar, District 6
Shane Singh, District 7
Chinua Rhodes, District 8
David Heitstuman, At Large
Jason Law, At Large
Rita Good, Mayoral

COMMISSION STAFF

Shannon Brown, Interim Director
Ilee Muller, Administrative Analyst
Sheryl Patterson, Senior Deputy City Attorney

Agenda

Parks & Recreation Commission

915 I Street, Council Chambers - NCH

Published by the Youth, Parks, & Community Enrichment Department (916) 808-5172

Thursday, February 1, 2018
6:30 p.m.

NOTICE TO THE PUBLIC

You are welcomed and encouraged to participate in this meeting. Public comment is taken on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select 3-5 speakers to represent the opinion of the group.

Notice to Lobbyists: When addressing the legislative bodies you must identify yourself as a lobbyist and announce the client/business/organization you are representing
(City Code 2.15.160).

Speaker slips are available on the City's Website and from staff, and should be completed and submitted to the Commission Clerk.

Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 24 hours prior to the Special meeting. The City posts Agendas at City Hall as well as offsite meeting locations.

The order and estimated time for Agenda items are listed for reference and may be taken in any order deemed appropriate by the legislative body.

The Agenda provides a general description and staff Recommendation; however, the legislative bodies may take action other than what is recommended. Full staff reports are available for public review on the City's website and include all attachments and exhibits. "To Be Delivered" and "Supplemental" reports will be published as they are received. Hard copies are available at the Department of Parks & Recreation and all written material received is available at the meeting for public review.

Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Youth, Parks, & Community Enrichment Department at (916) 808-5172 at least 48 hours prior to the meeting.

General Conduct for the Public Attending Parks & Recreation Commission Meetings

- Members of the public attending Parks & Recreation Commission meetings shall observe the same rules and decorum applicable to the Members and staff as noted in Chapters 3 and 4 of Council Rules of Procedure.
- Stamping of feet, whistles, yells or shouting, physically threatening conduct, and/or similar demonstrations are unacceptable public behavior and will be prohibited by the Sergeant-at-Arms.
- Lobbyists must identify themselves and the client(s), business or organization they represent before speaking to the Committee.
- Members of the public wishing to provide documents to the Committee shall comply with Rule 7 D of the Council Rules of Procedure.

Members of the Public Addressing the Parks & Recreation Commission

- Purpose of Public Comment. The City provides opportunities for the public to address the Board as a whole in order to listen to the public's opinions regarding non-agendized matters within the subject matter jurisdiction of the City during Regular meetings and regarding items on the Agenda at all other meetings.
  - Public comments should not be addressed to individual Members nor to City officials, but rather to the Parks & Recreation Commission as a whole regarding City business.
  - While the public may speak their opinions on City business, personal attacks on Members and City officials, use of swear words, and signs or displays of disrespect for individuals are discouraged as they impede good communication with the Committee.
  - Consistent with the Brown Act, the public comment periods on the Agenda are not intended to be "Question and Answer" periods or conversations with the Commitee and City officials. The limited circumstances under which Members may respond to public comments are set out in Rule 8 D 2 of the Council Rules of Procedure.
  - Members of the public with questions concerning Consent Calendar items may contact the staff person on the report prior to the meeting to reduce the need for discussion of Consent Calendar items and to better respond to the public's questions.
- **Speaker Time Limits.** In the interest of facilitating the Committee's conduct of the business of the City, the following time limits apply to members of the public (speakers) who wish to address the Committee during the meeting.
  - **Matters not on the Agenda.** Two (2) minutes per speaker.
  - **Consent Calendar Items**. The Consent Calendar is considered a single item, and speakers are therefore subject to the two (2) minute time limit for the entire Consent Calendar. Consent Calendar items can be pulled at a member's request. Such pulled Consent Calendar items will be considered individually and up to two (2) minutes of public comment per speaker on those items will be permitted.
  - **Discussion Calendar Items.** Two (2) minutes per speaker.

  Time Limits per Meeting In addition to the above time limits per item, the total amount of time any one individual may address the Committee at any meeting is eight (8) minutes.

- Each speaker shall limit his/her remarks to the specified time allotment.
- The Presiding Officer shall consistently utilize the timing system which provides speakers with notice of their remaining time to complete their comments. A countdown display of the allotted time will appear and will flash red at the end of the allotted time.
- In the further interest of time, speakers may be asked to limit their comments to new materials and not repeat what a prior speaker said. Organized groups may choose a single spokesperson who may speak for the group but with no increase in time.
- Speakers shall not concede any part of their allotted time to another speaker.

  The Presiding Officer may further limit the time allotted for public comments per speaker or in total for the orderly conduct of the meeting and such limits shall be fairly applied.

AGENDA

Thursday, February 1, 2018

6:30 p.m.

Council Chambers, 915 I Street, Sacramento, CA 95814

Open Session – 6:30 p.m.

Roll Call

Public Comments-Matters Not on the Agenda (2 minutes per speaker)

Special Presentation/General Communications Estimated Time: 10 minutes

A. Recognizing former Commissioner David O'Toole

Consent Calendar Estimated Time: 5 minutes

All items listed under the Consent Calendar are considered and acted upon by one Motion. Anyone may request an item be removed for separate consideration.

1. **Parks and Recreation Commission Meeting Minutes**
   Location: Citywide
   Recommendation: Approve Commission minutes for November 2, 2017 and January 10, 2018
   Contact: Ilee Muller, Administrative Analyst, (916) 808-1022, Fiscal and Management, Department of Youth, Parks, & Community Enrichment

Discussion Calendar Estimated Time: 60 Minutes

Discussion Calendar items include an oral presentation including those recommending "receive and file".

2. **The Mill at Broadway Park Master Plan**
   Location: District 3
   Recommendation: Support the City Council's adoption of the park master plan for the neighborhood park site at The Mill at Broadway development project.
   Contact: C. Gary Hyden, Supervising Landscape Architect, 916-808-1949; Dennis Day, Landscape Architect, (916) 808-7633, Department of Youth, Parks, & Community Enrichment; John Suesens of Quadriga Landscape Architecture and Planning Inc.

3. **Audit of Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management**
   Location: Citywide
   Recommendation: Receive and File
   Contact: Jorge Oseguera, City Auditor, (916) 808-7270, Office of the City Auditor; Lynn Bashaw, Assistant City Auditor, (916) 808-7278, Office of the City Auditor

4. **Parks and Recreation Director Report (Oral): Review Highlights for January**
   Location: Citywide
   Recommendation: Informational
   Contact: Shannon Brown, Interim Director, (916) 808-6076, Department of Youth, Parks, & Community Enrichment

Member Comments-Ideas, Questions and Meeting/Conference Reports

Adjournment

City of
SACRAMENTO
Youth, Parks, & Community Enrichment

Recognizing Dave O'Toole

WHEREAS, David O'Toole, was selected to represent City Council District 4 on the Sacramento City Parks Commission in April of 2012 and was subsequently selected to serve in a citywide appointment by the City Council on the same; and

WHEREAS, with Commissioner O'Toole's oversight, and support, the Parks Department has undertaken major park renovation and expansion activity, including the development of Sutter's Landing Park, McKinley Village Park, and the Brooks Truitt Bark Park; and

WHEREAS, Commissioner O'Toole encouraged expansion of successful programs aimed at proving children meaningful opportunities to learn about and enjoy city parks, such as the Sumner Oasis program; and

WHEREAS, with Commissioner O'Toole's support and input, the Commission dealt with dozens of highly- controversial tree appeals, seeking to provide sustainable decisions that balance urban development needs with preserving the city canopy wherever possible; and

WHEREAS, with his support while serving as Commissioner, the Commission jointly and actively advocated for the development and passage of Measure U, which provides approximately $4.9 million annually to the Sacramento City Parks Department and parks system; and

WHEREAS, Dave O'Toole has had a distinguished career of service to Sacramento neighborhoods, serving as president of the Land Park Community Association, president of the River Park Association, chair of the 65th Street Redevelopment Advisory Commission, and in other nonprofit board and school-related service roles.

NOW, THEREFORE, BE IT RESOLVED, by the Parks and Recreation Commission of the City of Sacramento, that we do hereby recognize Dave O'Toole for his outstanding and distinguished service to the community of Sacramento and wish him the best in his future endeavors.

ISSUED: This 1 day of February, 2018

City of SACRAMENTO

Meeting Minutes of the Parks and Recreation Commission

November 2, 2017

6:30 p.m.

Historic City Hall Hearing Room – 915 I Street, Sacramento, CA 95814

Open Session – 6:30 p.m.

Roll Call

The meeting was called to order by Chair Heitstuman at 6:35 p.m.

Present: Commissioners Aguilar, Good, Guerrero, Law, Murphy, Rhodes, Singh, Heistuman
Absent: Commissioners Bains, Flores, and Malik

Public Comments-Matters Not on the Agenda (2 minutes per speaker)

None

Consent Calendar

1. **Parks and Recreation Commission Meeting Minutes**
   Location: Citywide
   Recommendation: Approve Commission minutes for October 5, 2017
   Contact: Ilee Muller, Administrative Analyst, (916) 808-1022, Fiscal and Management Services

   Action: Approve the Consent Calendar.
   Moved, seconded (Singh/Good) and carried 8-0

Discussion Calendar **Estimated Time: 80 Minutes**

1. **Designating the Miller Regional Park Parking Lots as "Municipal Parking Lots"**
   Location: District 4
   Recommendation: Support designating the Miller Regional Park parking lots as "Municipal Parking Lots" to allow for imposition of paid parking, for City Council adoption.
   Contact: Shannon Brown, Operations Manager, (916) 808-6076; Jodie Vong, Administrative Officer, (916) 808-5122, Department of Parks and Recreation

Shannon Brown presented a proposal to designate the Miller Regional Park parking lots as "Municipal Parking Lots" to allow for paid parking. The fee will not exceed $10 for eight hours; proposed starting fee will be $5. Staff to provide an update in a year and to come back to the Parks and Recreation Commission if there is an intent to increase the fee in the future.

Action: Support staff recommendation.
Moved, seconded (Murphy/Singh) and carried 8-0

2. **Special Event Involving Cannabis**
Location: Citywide
Recommendation: Support City Council adoption of an Ordinance relating to use of cannabis In City parks as part of a Special Event.
Contact: Melissa Romero, Recreation General Supervisor, (916) 808-3824, Department of Parks and Recreation

Action: Staff pulled item due to state law that limits the location of cannabis special events only at state property such as Cal Expo or county fairgrounds.

Director Conlin informed the Commission the initial intent was to modify the special event ordinance to allow the use of cannabis in City parks only as part of a Special Event, similar to how we control alcohol consumption for such events. Otherwise, under state law and the City Code, cannabis use at City parks is prohibited.

3. **Parks and Recreation Director Report (Oral): Review Highlights for October**
Location: Citywide
Recommendation: Review and Comment
Contact: Christopher C. Conlin, Director, (916) 808-8526, Department of Parks and Recreation

Director Conlin provided an update on the following items:

- January's Commission meeting will be held on Wednesday, January 10, 2018 in the Council Chambers.
- Ninos Parkway – On September 28th International Garden volunteers helped make changes needed to meet SMUD requirements and the parkway master plan for garden plots.
- Field renovations – Some park fields will be unusable.
- City Cemetery – the Technical Assistance Committee met and are working on planning for improvements.
- Roll out of new department name will occur in January and will be fully implemented with the FY18/19 budget.
- Parks department reorganization is on-going.

Member Comments-Ideas, Questions and Meeting/Conference Reports

Commissioner Guerrero thanked staff for resolving the Ninos Pakrway International Garden issues.

Adjournment

Chair Heitstuman adjourned the meeting at 7:40 p.m.

Respectfully submitted:

Ilee Muller, Administrative Analyst
Department of Parks and Recreation

Approved by:

Joe Flores, Chair
Parks and Recreation Commission

City of SACRAMENTO

Meeting Minutes of the Parks and Recreation Commission

January 10, 2018

6:30 p.m.

City Hall – 915 I Street – Council Chambers

Open Session – 6:30 p.m.

Roll Call

The meeting was called to order by Chair Heitstuman at 6:32 p.m.

Present: Commissioners Aguilar, Flores, Good, Guerrero, Law, Malik, Murphy, Rhodes, Singh, Heitstuman
Absent: Commissioner Bains

Public Comments-Matters Not on the Agenda (2 minutes per speaker)

Jim Tygrett with the Sacramento Men's Senior Baseball League spoke about their organization and the need for more fields. He said that their league desires to partner with the City to rehabilitate Renfree Field by entering into the same MOU and lease with the City that was offered to the Sacramento International Baseball Association, given their three year delay in starting the renovation. He also said that they want to start a youth baseball league.

Commisisoner Good requested a report back regarding the outcome of Mr. Tygrett's request regarding Renfree Field.

Consent Calendar

None

Discussion Calendar **Estimated Time: 90 Minutes**

1. **Nomination and Selection of Chairperson**
   Location: Citywide
   Recommendation: Elect Charperson
   Contact: Mia Lorenz, Support Services Manager, (916) 808-1956, Fiscal and Management Services

Action: Commissioner Murphy made a motion to nominate Commissioner Flores for Chair; seconded by Commissioner Aguliar.

Motion carried 10-0

2. **Nomination and Selection of Vice Chairperson**
Location: Citywide
Recommendation: Elect Vice Charperson
Contact: Mia Lorenz, Support Services Manager, (916) 808-1956, Fiscal and Management Services

Action: Commissioner Singh made a motion to nominate Commissioner Guerrero for Vice Chair; seconded by Commissioner Aguilar.

Motion carried 10-0

3. **Naming of Trailhead at Sutter's Landing Park for Karolyn W. Simon**
Location: Council District 3
Recommendation: Approve naming the Trailhead at Sutter's Landing Park for Karolyn W. Simon
Contact: Gary Hyden, Manager, 916) 808-1949, Park Planning and Development Services

Park Planning and Development Service Manager, Gary Hyden gave a brief overview of Karolyn W. Simon's contributions to the establishment of Sutter's Landing Park and encouraged the Commission to support the naming of the Trailhead at Sutter's Landing Park for Karloyn W. Simon.

Fromer Mayor Heather Fargo, Councilmember Harris, Michael Ault of the Downtown Partnership, and Cindy Cook board member of Gifts to Share Inc., all spoke in support of naming the Trailhead at Sutter's Landing Park for Karloyn W. Simon.

Action: Approve naming the Trailhead at Sutter's Landing Park for Karolyn W. Simon

Moved, seconded (Gurerro/Good) and carried 10–0

4. **Parks and Recreation Commission 2018 Meeting Calendar**
Location: Citywide
Recommendation: Approve Commission 2018 Meeting Calendar
Contact: Mia Lorenz, Support Services Manager, (916) 808-1956, Fiscal and Management Services

Action: Approve Commission 2018 Meeting Calendar

Moved, seconded (Sighn/Agular) and carried 10–0

5. **Parks and Recreation Commission Agenda Items for 2018**
Location: Citywide

Recommendation: Review and Comment
Contact: Mia Lorenz, Support Services Manager, (916) 808-1956, Fiscal and Management Services

Support Servives Manager Mia Lorenz presented the proposed Commission agenda items for 2018. Commissioner Flores asked that the City Auditor's Diversity Audit Report be added to the list of future agenda items.

6. **Parks and Recreation Director Report (Oral): Review Highlights for November and December 2017**
Location: Citywide
Recommendation: Review and Comment
Contact: Christopher C. Conlin, Director, (916) 808-8526, Department of Youth, Parks, & Community Enrichment

Chris Conlin and Shannon Brown provided an update on:

- Departmental changes in management for the Youth, Parks, & Community Enrichment (YPCE) Department. Chris Conlin has been appointed as Interim Assistant City Manager in the City Manager's Office overseeing YPCE and Public Safety. Shannon Brown has been appointed Interim YPCE Director.
- New department name and mission event at Oak Park Community Center.
- Mid-year budget close-out and preparing FY18/19 budget.
- Park maintenance projects; field renovation.
- Arborist to join the YPCE Department to oversee tree maintenance at City parks.
- Three new Park Rangers have been hired; Kim Mohler was appointed to oversee the Youth Division.
- Need Landscape & Learning Interview Panel Members.

Member Comments-Ideas, Questions and Meeting/Conference Reports

Commissioner Malik asked for an updated departmental organization chart.

Chair Flores asked for an update on the incident that occurred at Reichmuth Park.

Adjournment

Chair Flores adjourned the meeting at 7:40 p.m.

Respectfully submitted:

Ilee Muller, Administrative Analyst
Department of Parks and Recreation

Approved by:

Joe Flores, Chair
Parks and Recreation Commission

City of SACRAMENTO

Youth, Parks, & Community Enrichment Report
915 I Street, 1st Floor
www.CityofSacramento.org

Meeting Date: 02/01/18

Report Type: Discussion

Title: The Mill at Broadway Park Master Plan

Location: District 3

Recommendation: Support the City Council's adoption of the park master plan for the neighborhood park site at The Mill at Broadway development project.

Contact: C. Gary Hyden, Supervising Landscape Architect, 916-808-1949; Dennis Day, Landscape Architect, (916) 808-7633, Department of Youth, Parks, & Community Enrichment

Presenter: John Suesens, Quadriga Landscape Architecture and Planning Inc.

Department: Youth, Parks, & Community Enrichment

Division: Park Planning and Development Services

Dept ID: 19001021

Attachments:
- **01 Description/Analysis**
- **02 Park Location Map**
- **03 The Mill at Broadway Park Master Plan**

Submitted By:	Dennis Day
Signature:	DDay
Approved By:	Shannon Brown
Signature:	SBrown

Attachment 01 – Description/Analysis

Issue: The Mill at Broadway development project is located south of Broadway at the former location of the Setzer Mill industrial operation. The neighborhood park site at The Mill at Broadway is a 3.5-acre parcel located within the subdivision. The proposed Park Master Plan includes the following amenities: 1) Bike loop that connects to existing and planned regional trails, 2) Bocce courts/sports courts, 3) Picnic area with shade structures and outdoor barbeques, 4) Amphitheater, 5) Neighborhood center, 6) Exercise stations, 7) Dog park, 8) Event lawn area, 9) Re-purposed historic hopper landmark building, 10) Riparian garden for on-site storm water management, 11) Native tree groves, 12) Small parking lot and street parking, 13) Future phase child (age 2-12) playground, 14) Seating, trash receptacles and drinking fountains throughout, and 15) Bike parking.

Staff supports the developer's proposal and is recommending the Commission support the City Council's adoption of the Master Plan for the neighborhood park at The Mill at Broadway.

Policy Considerations: Providing parks and recreation facilities is consistent with the City's strategic plan to achieve sustainability and livability and to expand economic development throughout the City. The adoption of a park master plan is consistent with the park development process set forth in the Park and Recreation Master Plan.

Economic Impacts: Not Applicable

Environmental Considerations: Environmental review of The Mill at Broadway Park development project included the proposed neighborhood park.

Sustainability: The proposed Park Master Plan has been reviewed for consistency with the goals, policies, and targets of the City's Sustainability Master Plan (SMP) and the Parks and Recreation Sustainability Plan (PRSP). The park will advance the goals, policies, and targets of these plans by reducing greenhouse gas emissions and air pollution through the addition of trees and other plantings and improving health of residents through the access to a diverse mix of wellness activities. Individual products have not been chosen at this level of development, but the design will include products from recycled materials and shade covering for less heat gain. The park development will include sustainable design using water efficient irrigation design controlled by the centralized irrigation system, water conserving turf, low water use shrubs and groundcover, and use of native tree plantings.

Commission/Committee Action: Not Applicable

Rationale for Recommendation: The Mill at Broadway Neighborhood Park design will reflect the historic look and feel of the Setzer Mill, the company once located on the site. The residential neighborhood consists of a mixture of land uses including single-family, attached, and mixed-use housing, community gardens, the park, bikeways and open spaces. At the center of this new community is the proposed park site. The historic hopper, a tower-like piece of milling equipment, will be relocated to the site as a place making feature. The landmark building within the park was part of the Setzer Box Company and will be rehabilitated to serve as a community center within the park. It is anticipated that the city will lease the building to a non-profit organization to provide community recreational and enrichment programs. The child's playground is planned for a future phase after the development project is built-out.

Financial Considerations: Development of this park site will be a turn-key project, with park construction overseen and funded by the developer via a park impact fee credit agreement. Development of parks creates an ongoing cost for park maintenance and utilities based on the size of the park. The annual maintenance cost for this 3.5-acre park is approximately $15,000 per acre or $52,500. The Mill at Broadway development project will fund such costs through formation of or annexation into a parks maintenance district with the assessments paid by the homeowners.

Local Business Enterprise (LBE): Not Applicable

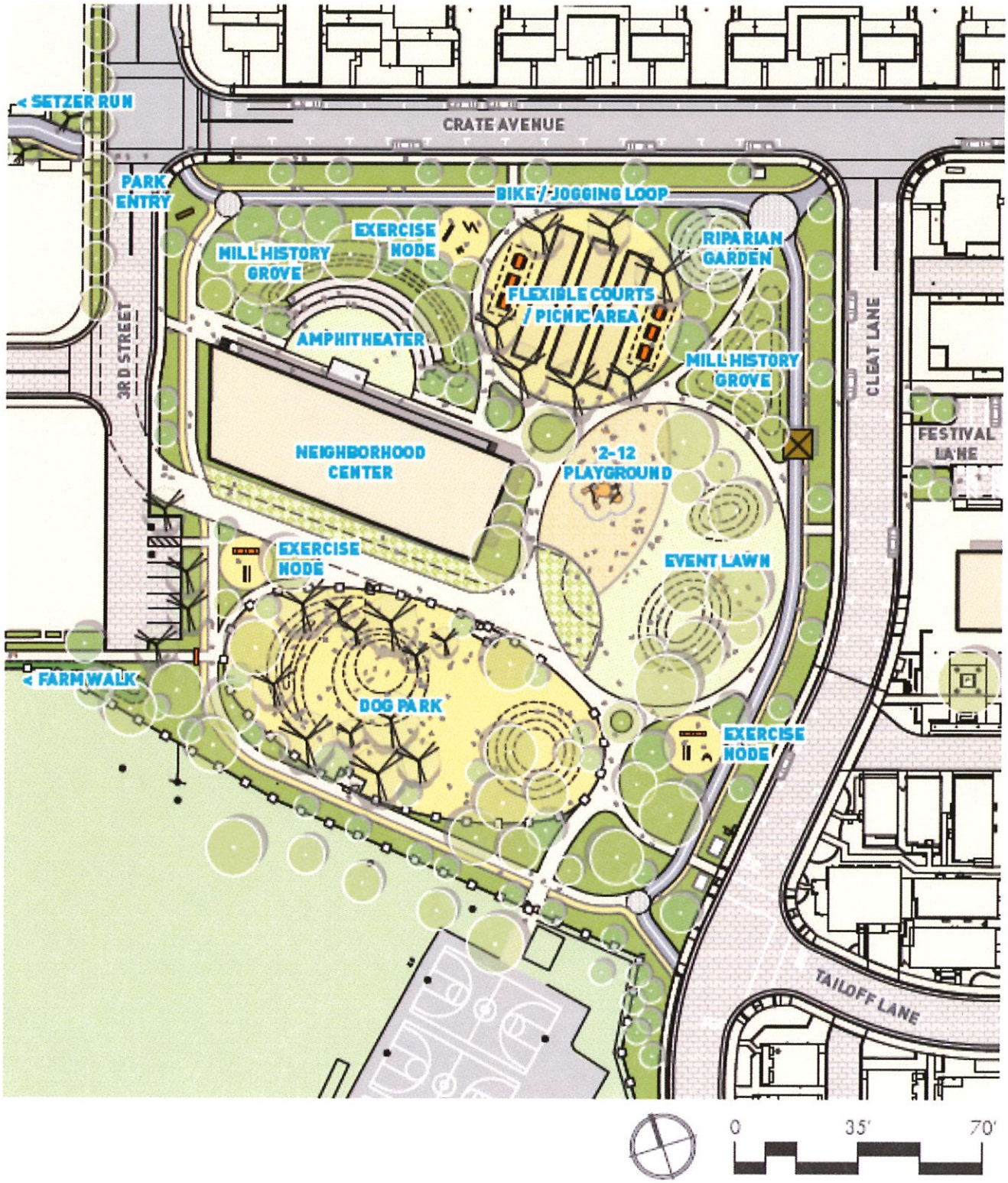
Attachment 2 - Park Location Map

Attachment 3 – The Mill at Broadway Park Master Plan

THE MILL AT BROADWAY

MASTER PLAN
THE PARK

QUADRIGA



City of SACRAMENTO

Meeting Date: 02/01/18

Report Type: Discussion

Youth, Parks, & Community Enrichment Report

915 I Street, 1st Floor
www.CityofSacramento.org

Title: Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management

Location: Citywide

Recommendation: Receive and File

Contact: Jorge Oseguera, City Auditor, (916) 808-7270, Office of the City Auditor

Presenter: Lynn Bashaw, Assistant City Auditor, (916) 808-7278, Office of the City Auditor

Department: Mayor and City Council

Division: Office of the City Auditor

Dept ID: 01001201

Attachments:

01 Description/Analysis
02 Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management

Submitted By:	Jorge Oseguera
Signature:	
Approved By:	Shannon Brown
Signature:	

Attachment 01 – Description/Analysis

Issue: The Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management was reviewed by the City Council's Budget and Audit Committee and approved by the City Council at their January 23rd meeting. This audit was undertaken as part of the City Auditor's fiscal year 2017/18 Audit Plan.

Policy Considerations: The City Auditor's presentation of the Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management is consistent with the Mayor and City Council's intent to have an independent audit function for the City of Sacramento.

Economic Impacts: None

Environmental Considerations: None

Sustainability: None

Commission/Committee Action: None

Rationale for Recommendation: The Audit compared best practices of other parks and recreation departments and focused on the need to update the Parks and Recreation Master Plan, develop performance measures, evaluate program costs and user fees, and consider new revenue sources such as naming rights and donations. Also, the Audit highlighted the need for managers of part-time employees to receive training.

Financial Considerations: None

Local Business Enterprise (LBE): Not Applicable

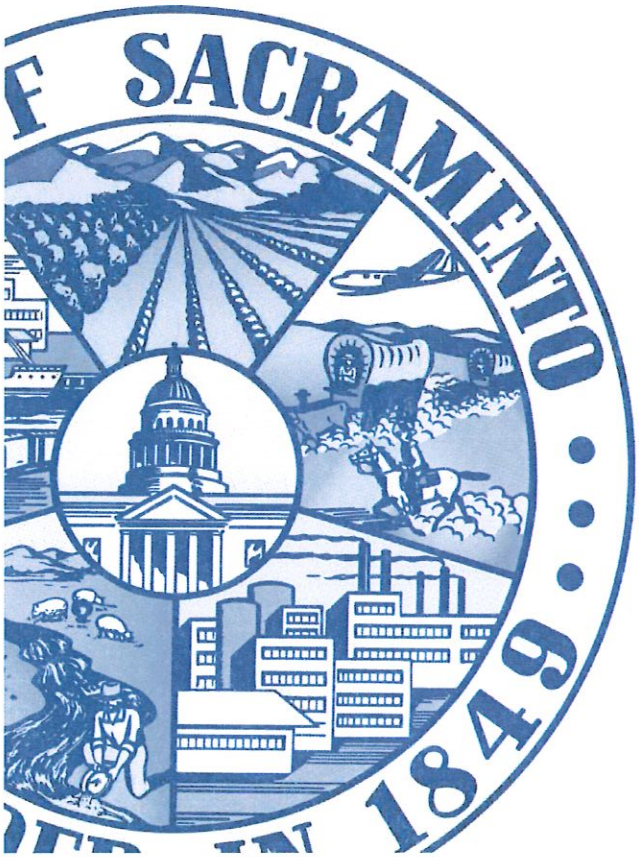
Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management

Report # 2017-08 | November 2017

The Department of Parks and Recreation Has Not Updated Key Strategic Planning Guidance

Developing a Formal Cost Recovery Philosophy May Help the Department of Parks and Recreation Better Align Its Pricing Practices with Its Mission and Core Values

Nearly Half of the Supervisors Responsible for Administering and Monitoring Part-Time Employee Hours and Benefits Have Not Received Labor Relations Training



City of
SACRAMENTO
Office of the City Auditor

Jorge Oseguera, City Auditor
Lynn Bashaw, Assistant City Auditor

The City of Sacramento's Office of the City Auditor can be contacted by phone at 916-808-7270 or at the address below:

915 I Street
MC09100
Historic City Hall, Floor 2
Sacramento, CA 95814

Whistleblower Hotline

In the interest of public accountability and being responsible stewards of public funds, the City has established a whistleblower hotline. The hotline protects the anonymity of those leaving tips to the extent permitted by law. The service is available 24 hours a day, 7 days week, 365 days per year. Through this service, all phone calls and emails will be received anonymously by third party staff.

Report online at https://www.reportlineweb.com/cityofsacramento or call toll-free: 888-245-8859.

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City of SACRAMENTO
Office of the City Auditor

AUDIT FACT SHEET

RECOMMENDATIONS

We made several recommendations aimed at improving key strategic planning guidance, developing a cost recovery framework, and conducting employee training. Our recommendations include:

Update Key Strategic Planning Guidance

- **Update the Parks and Recreation Master Plan.**
- **Complete the process of updating the Strategic Plan.**
- **Align the department's organizational structure to suit the department's objectives as defined by its mission, vision, and goals.**
- **Conduct a needs assessment survey.**
- **Track attendance for non-fee based programs and services to evaluate attendance and program success.**
- **Define when it is appropriate to use the "General Info" or "Other" call categories.**
- **Evaluate the call categories and develop a list that better captures the types of calls received about DPR programs and services.**
- **Develop programming performance measures.**
- **Develop department-specific policies and procedures.**

Develop a Cost Recovery Framework

- **Define the department's cost recovery goals and objectives.**
- **Evaluate the department's fees and charges to determine if they are in alignment with the department's mission, vision, and cost recovery goals.**
- **Comply with the *Citywide Fees and Charges Policy* by establishing cost recovery goals and identifying cost recovery levels.**
- **Consider implementing an advertising and sponsorship program.**
- **Consider updating the fee structure for some programs and services to include a non-resident fee.**
- **Consider developing and marketing a utility bill voluntary donation program.**

Conduct and Document Supervisor Training

- **Identify all employees responsible for performing human resources functions and require that they attend human resources training.**
- **Develop policies and procedures on part-time employee reporting, responsibility, and training.**
- **Review the process for determining prior CalPERS membership status to ensure it adequately captures all eligible members.**

Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management

November 2017 | 2017-08

BACKGROUND

The mission of the Department of Parks and Recreation (DPR) is "To provide parks, programs, and facilities and preserve open space to optimize the experience of living." DPR offers an array of diverse programs, services, and facilities to the residents of Sacramento and the broader Sacramento community. In addition to its programming, DPR manages and maintains several community centers, pools, parks, and trails. The FY2017/18 approved budget for DPR is approximately $36.1 million, which includes funding for 616 FTEs.

In October 2017, DPR staff presented to Council an outline of a plan that included the establishment of a Youth Division solely dedicated to the development and empowerment of the City's young residents. The proposed plan also recommended a department name change to the "Department of Youth, Parks, and Community Enrichment." According to the department's proposal, these changes are already underway and will formally take effect during the FY2019 budget process.

FINDINGS

The Department of Parks and Recreation Has Not Updated Key Strategic Planning Guidance. More specifically, we found:

- The Master Plan and Strategic Plan are obsolete;
- DPR could benefit from a needs assessment survey;
- Registration and call center data could be used to better inform the planning process if it was more complete;
- Many of the department's programs and services do not have performance measures to evaluate their success; and
- DPR lacks department-specific policies and procedures.

Developing a Formal Cost Recovery Philosophy May Help the Department of Parks and Recreation Better Align Its Pricing Practices with Its Mission and Core Values:

- Pricing and cost recovery levels for programs and services have not been evaluated department-wide;
- DPR is not establishing cost recovery goals or determining cost recovery levels as required by the *Citywide Fees and Charges Policy*; and
- Additional revenue enhancement practices could be explored.

Nearly Half of the Supervisors Responsible for Administering and Monitoring Part-Time Employee Hours and Benefits Have Not Received Labor Relations Training. Specifically, we determined that:

- Part-time employees are being offered benefits in accordance with CalPERS and health benefits hours-worked guidelines;
- Some supervisors were not formally trained on labor relations topics;
- Policies and procedures had not been developed to provide guidance; and
- A former CalPERS member had not been re-enrolled in CalPERS.

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Introduction

In accordance with the City Auditor's 2017/18 Audit Plan, we have completed an *Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management*. 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.

The City Auditor's Office would like to thank the Department of Parks and Recreation for their cooperation during the audit process.

Background

According to the City's FY2017/18 Approved Budget, the mission of the Department of Parks and Recreation (DPR) is "To provide parks, programs, and facilities and preserve open space to optimize the experience of living." DPR offers an array of diverse programs, services, and facilities to the residents of Sacramento and the broader Sacramento community. In addition to its programming, DPR manages and maintains several community centers, pools, parks, and trails. The figure on the next page provides a high-level overview of the types of programs and services offered by DPR.

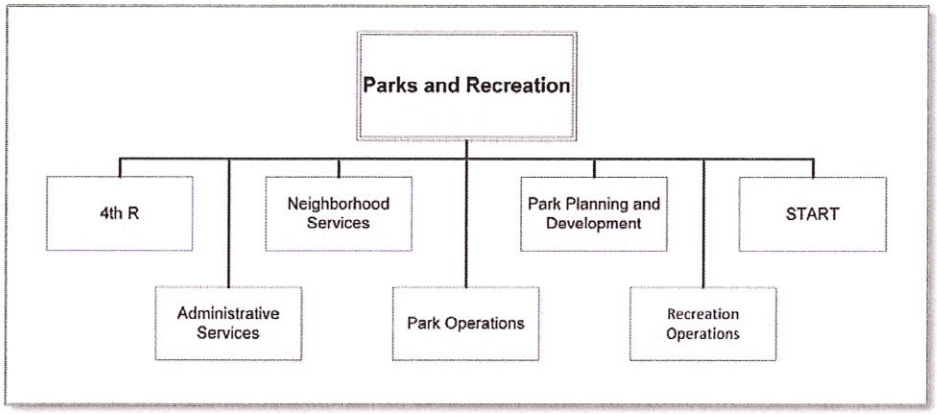
Figure 1: Department of Parks and Recreation at a Glance Infographic

Source: Developed by DPR and Office of the City Auditor staff.

Organizational Structure

DPR is organized into seven divisions that provide residents and visitors with various social and personal benefits. The figure below outlines the department's organizational structure.

Figure 2: Department of Parks and Recreation Organizational Chart



Source: City of Sacramento FY2017/18 Approved Budget.

The 4th "R" program offers year-round child care for kindergarten through 6th grade. DPR's Administrative Services is responsible for department-wide support of various budget and administrative operations. Community and neighborhood outreach, including the Sacramento Youth Commission and Summer at City Hall programs, are run by Neighborhood Services. Park Operations is responsible for routine maintenance and service for parkland, community gardens, and restroom cleaning. The Park Planning and Development team provides services for planning, parkland acquisition, and renovation of existing parks. Recreation programs, classes, community center operations, and facility rentals are all managed by the Recreation Operations Division. START is a before and after school program that focuses on academic assistance, science and technology classes, and structured recreation activities.

Proposed Development of a Youth Division and a Department Name Change

In April 2017, DPR received direction from City Council to align all youth-centric programs within a single division dedicated to youth development. In October 2017, DPR staff presented an outline of their plan to City Council that included the establishment of a Youth Division solely dedicated to the development and empowerment of the City's young residents. The proposed plan also recommended a department name change to the "Department of Youth, Parks, and Community Enrichment." According to the department's proposal, these changes are already underway and will formally take effect during the FY2019 budget process.

Budget and Staffing Levels

The FY2017/18 approved operating budget for DPR was approximately $36.1 million. The figure below shows the department's historical and approved operating budget by division.

Figure 3: Department of Parks and Recreation Division Budget Summary

Parks and Recreation Division Budgets	FY2014/15 Actuals	FY2015/16 Actuals	FY2016/17 Approved	FY2016/17 Amended	FY2017/18 Approved	Change More/(Less) Approved/Amended
4th R Division	5,905,719	5,627,574	6,486,288	6,486,288	6,026,842	(459,446)
Administrative Services Division	2,962,268	1,614,259	1,366,549	1,366,549	1,357,739	(8,810)
Neighborhood Services Division	-	731,665	705,839	765,839	706,333	(59,506)
Park Operations Division	11,528,629	11,609,368	13,245,848	12,814,048	14,603,057	1,789,009
Park Planning and Development Division	405,215	700,429	41,574	41,574	(38,597)	(80,171)
Recreation Operations Division	10,862,775	9,779,829	12,870,365	12,641,365	12,599,427	(41,938)
START Division	6,193,743	4,491,004	3,728,233	3,728,233	811,175	(2,917,058)
Total	**37,858,349**	**34,554,129**	**38,444,696**	**37,843,896**	**36,065,975**	**(1,777,921)**

Source: City of Sacramento FY2017/18 Approved Budget.

The figure below shows the historical and approved number of full-time equivalent positions (FTEs) by division. It is important to note that many of the 616 approved positions are filled by multiple part-time employees that equate, for budgetary purposes, to one FTE. The Sacramento City Unified and Twin Rivers Unified School Districts have contracted with other non-profit organizations to provide START services, resulting in the elimination of 80.26 FTEs.

Figure 4: Department of Parks and Recreation Staffing Levels

Parks and Recreation Division Budgets	FY2014/15 Actuals	FY2015/16 Actuals	FY2016/17 Approved	FY2016/17 Amended	FY2017/18 Approved	Change More/(Less) Approved/Amended
4th R Division	103.90	119.02	117.55	117.55	117.55	-
Administrative Services Division	11.40	11.40	10.00	11.00	11.00	-
Neighborhood Services Division	-	8.52	8.52	10.47	9.45	(1.02)
Park Operations Division	105.85	141.34	144.84	144.84	148.84	4.00
Park Planning and Development Division	8.00	8.00	9.00	9.00	9.00	-
Recreation Operations Division	199.11	279.65	284.65	287.90	292.12	4.22
START Division	142.30	139.99	108.45	108.45	28.19	(80.26)
Total	**570.56**	**707.92**	**683.01**	**689.21**	**616.15**	**(73.06)**

Source: City of Sacramento FY2017/18 Approved Budget.

National Recreation and Park Association

The National Recreation and Park Association (NRPA) is a "non-profit organization dedicated to the advancement of public parks, recreation and conservation." NRPA produces research, education, and policy initiatives for their members with the goal of enriching the communities they serve. NRPA offers individual certifications such as the Certified Park and Recreation Professional, Certified Park and Recreation Executive, Certified Playground Inspector, and Aquatics Facility Operator. In addition to the individual certifications, NRPA offers parks and recreation agencies a pathway to

accreditation through their Commission for Accreditation of Park and Recreation Agencies program.

Commission for Accreditation of Park and Recreation Agencies

The Commission for Accreditation of Park and Recreation Agencies (CAPRA) accredits parks and recreation agencies throughout the United States that have met the CAPRA standards by demonstrating a level of excellence in operation and service. Through compliance with these national standards, parks and recreation agencies seek CAPRA accreditation to assure policy makers, department staff, the general public, and tax payers that an accredited parks and recreation agency has been independently evaluated against established benchmarks as delivering a high level of quality. According to their website, "agency accreditation is available to all entities administering park and recreation systems, including municipalities, townships, counties, special districts and regional authorities, councils of government, schools, and military installations." Currently there are over 150 accredited parks and recreation agencies in the United States; the cities of Bakersfield, San Diego, Scottsdale, Tucson, Miami, Atlanta, Austin, Baltimore, and Minneapolis are among the list.

NRPA's book on the *Management of Park and Recreation Agencies, 4th Edition,* addresses the specific standards needed for CAPRA accreditation and provides guidance, examples, and best practices in how to achieve these standards. While DPR is not seeking accreditation at this time, the CAPRA standards and NRPA guidance serve as best practices and a level of excellence to which DPR can aspire. We reference these CAPRA standards and NRPA guidance throughout this report.

Objective, Scope, and Methodology

The objective of the *Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management* was to assess the department's strategic planning and part-time employee management to identify areas of risk and opportunities for potential savings. The scope of our audit included the department's key strategic planning documents, budget reports, registration attendance, fee data, and call center data. We also reviewed industry best practices, labor agreements, conducted interviews, performed benchmarking, and tested part-time employee reports. While some historical information is provided for context, the primary focus of our audit scope period was from FY2015 through FY2017.

Finding 1: The Department of Parks and Recreation Has Not Updated Key Strategic Planning Guidance

According to NRPA guidance on parks and recreation management, parks and recreation departments must continually strive to improve service delivery and adapt to resident's evolving expectations. The cornerstone of a successful organization lies in its understanding of "why it exists (mission), where it is heading (vision), and its guiding principles (values)." A department's goals and objectives are a means to this end. The NRPA advises that strategic planning should be an ongoing process and is a foundational element of decision-making. When we reviewed DPR's strategic planning, we found that some of the key guidance had not been updated and that data quality could be improved. More specifically, we found:

- The Master Plan and Strategic Plan are obsolete;
- The Department of Parks and Recreation could benefit from a needs assessment survey;
- Registration and call center data could be used to better inform the planning process if it was more complete;
- Many of the department's programs and services do not have performance measures to evaluate their success; and
- The Department of Parks and Recreation lacks department-specific policies and procedures.

The cornerstone of a successful organization lies in its understanding of "why it exists (mission), where it is heading (vision), and its guiding principles (values)."

Outdated strategic guidance could lead to poor planning and inefficient resource allocation. Without specific goals in mind, there are no real benchmarks for evaluating success. We recommend DPR update their strategic planning documents, conduct a needs assessment survey, establish performance measures, and develop department-specific policies and procedures.

The Master Plan and Strategic Plan are Obsolete

Master Plan

A Master Plan is a forward-looking document that helps guide department staff through a set of shared values and principles. The Master Plan provides direction on how DPR will meet the park operations, land use, and recreation goals outlined in the City's General Plan. The most recent DPR Master Plan is titled *Parks and Recreation Master Plan 2005-2010* and was initially completed in 2004, with a technical update in 2009. One of the goals of the DPR Master Plan is to "Chart the growth, direction, priorities, and agenda for the Department through the current decade (2010)." As DPR's most current master

plan was only designed to carry the department through 2010, it is no longer a forward-looking document. Many of the studies cited in the plan are more than 15 years old, and the list of qualitative assessment methods from the 2009 technical update did not include input from public workshops, collaboration with external partners, or population and trend analysis. In addition, DPR is currently shifting its organizational structure to bring their youth programs under one umbrella—a Youth Division. This new division's purpose, goals, and objectives are not addressed in the current master plan.

According to the *Sacramento 2035 General Plan*, "State law requires each city and county to prepare and adopt a comprehensive and long-range general plan for its physical development. A comprehensive general plan provides a jurisdiction with a consistent framework for land use decision-making." The *Sacramento 2035 General Plan* was adopted in March 2015. General Plan Policy ERC 2.2.1 states that "The City shall maintain and implement a Parks and Recreation Master Plan to carry out the goals and policies of this General Plan. All new development will be consistent with the applicable provisions of the Parks and Recreation Master Plan." The figure below shows the organizational relationship between the General Plan, at the top of the pyramid, and a Master Plan, in the middle of the pyramid.

Figure 5: City Planning and Strategy Framework

Source: Sacramento 2035 General Plan.

In addition to the goals outlined in the General Plan Policy ERC 2.2.1, CAPRA Standard 2.4 also requires that, in order to become an accredited agency, an agency must have a Parks and Recreation Master Plan. The CAPRA Standard 2.4 states that "The agency shall have a comprehensive park and recreation system plan that provides recommendations for provision of facilities, programs, and services; parkland acquisition and development; maintenance and operations; and administration and management." The CAPRA standard requires the Master Plan contain the following:

- Agency mission;
- Agency objectives;
- Recreation and leisure trend analysis;
- Needs assessment;
- Community inventory; and
- Level of service standards.

While DPR is not seeking accreditation at this time, these CAPRA standards serve as industry best practices. Given the major changes the department is currently undergoing, it is imperative that these changes get incorporated and memorialized in these key planning documents.

DPR's current Master Plan appears to be out-of-date and not in line with the goals of the *Sacramento 2035 General Plan*, which include maintaining and implementing a Parks and Recreation Master Plan, nor does it meet the CAPRA accreditation standard which requires a current master plan. We recommend DPR update the Parks and Recreation Master Plan to ensure it continues to be a forward-looking document that guides DPR's decisions in agreement with the goals outlined in the *Sacramento 2035 General Plan*.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

1. Update the Parks and Recreation Master Plan.

Strategic Plan

NRPA CAPRA standard *2.5 Strategic Plan* recommends that parks and recreation agencies have a strategic plan, authorized by the approving authority, that outlines how the agency will achieve its mission, vision, and goals over the next three to five years. The standard requires that the goals and objectives of the plan be measurable so that the agency can evaluate progress towards meeting these goals and objectives. NRPA's chapter on *Planning for Strategic*

Management provides the following guidance on the importance of developing and implementing strategic plans:

> "Driven by a mission statement, strategic planning is the blueprint for the implementation of agency vision and is guided by the fundamental directives of the agency...Strategic planning can be thought of as a systematic process through which an organization agrees on priorities that are essential to its mission and responsive to the environment, while building commitment among key stakeholders through inclusion in the planning process."

Recognizing the need to update their strategic plan, DPR hired consulting firm MIG in late 2016 to assist in updating their strategic plan; however, the project has subsequently been put on hold. As mentioned in the background section of this report, DPR received direction from Council in 2017 to become more youth-focused in their programming and is in the process of reorganizing the department's structure to better align with this goal. However, realigning the department's organizational structure prior to completing a needs assessment, or determining the department's overall key objectives, is not in keeping with the guidance provided by NRPA. According to the NRPA's guidance on *Organizational Structure and Administrative Operations,* an organization should be structured to efficiently and effectively meet its objectives. NRPA guidance states that:

> "The organization should establish a formal structure through which organizational components are based, defined, directed and coordinated to achieve mission success. The form depends on the history of the organization; its mission, vision, and values; its size, complexity, and interorganizational networking requirements...and the organizational culture, including preferred communicational and operational norms."

Based on the guidance provided by NRPA, the department should complete a needs assessment from key stakeholders and use that information to update DPR's key planning documents, prior to reorganizing its structure. The department's organizational structure should be a reflection of the department's and Council's approved stated objectives and goals. In our opinion, realigning the department's organizational structure prior to completing these key tasks may lead to a department structure that does not align with all of its objectives, resulting in inefficient or ineffective operations.

Given that the reorganization is already underway, we suggest DPR complete the process of updating their strategic plan as expeditiously as possible.

RECOMMENDATIONS

We recommend the Department of Parks and Recreation:

2. Complete the process of updating the Strategic Plan.
3. Align the department's organizational structure to suit the department's objectives as defined by its mission, vision, and goals.

The Department of Parks and Recreation Could Benefit from a Needs Assessment Survey

CAPRA standard 6.0 *Programs and Services Management* states that "A program is a means to leisure and recreation as well as a vehicle to deliver benefits to participants. High-quality programming is a dynamic process that continues as the recreation experience unfolds. A systematic and well-researched analysis should be completed in determining what programs and services should be provided by the agency." The NRPA recommends that in combination with the department's overall philosophy and mission (Master Plan and Strategic Plan), constituent interests and needs should help to form the basis for determining the department's programming. In addition, NRPA CAPRA Standard 6.3.1 *Outreach to Diverse Underserved Populations* recognizes the need for agencies to "proactively extend programs and services to residents who may be underserved in the community." Performing a needs assessment, including residents and policy makers in the planning process, and identifying underserved communities are part of the NRPA recommended best practices for determining what programs and services to offer.

While DPR has recently completed some assessments related to park maintenance, pool facilities, and customer service, DPR has not conducted a needs assessment survey in several years to determine if there are gaps in the department's programming. While there are various options DPR could employ to obtain community input on the programs and services offered, one option is to conduct a needs assessment survey of the public to learn more about which programs and services the public would like to see offered in their areas and to ensure programs remain relevant. For example, the City of Alexandria, Virginia hires a consultant every two years to perform a needs assessment survey. The purpose of their survey is to "help establish priorities for the future development of parks, recreation and cultural facilities, programs and services within the community." They expect the results of their most recent assessment to be available in the fall of 2017.

In developing Alexandria's 2015 needs assessment, their consultant surveyed over 600 households to gather information from residents on various aspects of their Parks and Recreation Department, including frequency of use and quality of park facilities, participation and quality of programs, how residents learned about programs, which programs residents have a need for, and the importance of particular programs to the residents. The consultant then analyzed the information and provided a matrix on the importance of facilities and programs based on the input from residents. The survey results revealed that farmers markets and cultural special events were the top two most needed recreation programs desired by residents. In addition, surveyed residents indicated that they would be most willing to support improving existing neighborhood parks with their tax dollars. In order to better understand their customer base, the survey also asked residents to voluntarily provide their demographic information, including age, race, gender, number of dogs in the household, and the number of years they have resided in the City. All of this input from residents helps to guide the City of Alexandria's Parks and Recreation Department in better understanding their customer base, identifying unmet needs, and determining which existing programs or services may no longer be of great interest to residents.

A needs assessment and community involvement are NRPA recommended best practices as part of an agency's overall comprehensive planning process.

A needs assessment and community involvement are NRPA recommended best practices as part of an agency's overall comprehensive planning process. The needs assessment generally occurs as part of the master plan development process described in the previous section of this report. We recommend DPR perform a needs assessment survey and use the results of the survey to inform their strategic plan development, and drive future program offerings.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

4. Conduct a needs assessment survey.

Registration and Call Center Data Could Be Used to Better Inform the Planning Process if It Was More Complete

As the name suggests, the Government Accountability Office's (GAO) *Standards for Internal Control in the Federal Government*[1] set internal control standards for federal entities. While these standards are primarily aimed at helping

[1] United States Government Accountability Office. *Standards for Internal Control in the Federal Government*. (2014) Chapter 13. http://www.gao.gov/assets/670/665712.pdf.

federal agencies operate more efficiently and effectively, their internal control guidance can also serve as best practices for other government agencies. The GAO's standards state that "Management should use quality information to achieve the entity's objectives." The GAO considers information to be of "quality" if it is relevant, complete, accurate, accessible, and timely.

Registration Data is Not Complete or Easily Accessible

One of the key data sets that DPR has at its disposal to assess programs and trends is its CLASS registration system. The CLASS registration system is an online portal through which individuals can sign up for fee-based classes and programs offered through DPR. Attendance levels and fee income are tracked through this system for many, but not all, of the programs offered by DPR. For example, programs related to 4th "R" and START are tracked on a separate system and some of the programs that are offered at no-cost to the user are not tracked in an electronic system. However, as it was the best available information, we have provided a summary of the registration data for the last four fiscal years from the CLASS system to demonstrate how attendance and preferences change over time. Figure 6 shows the attendance levels by program type.

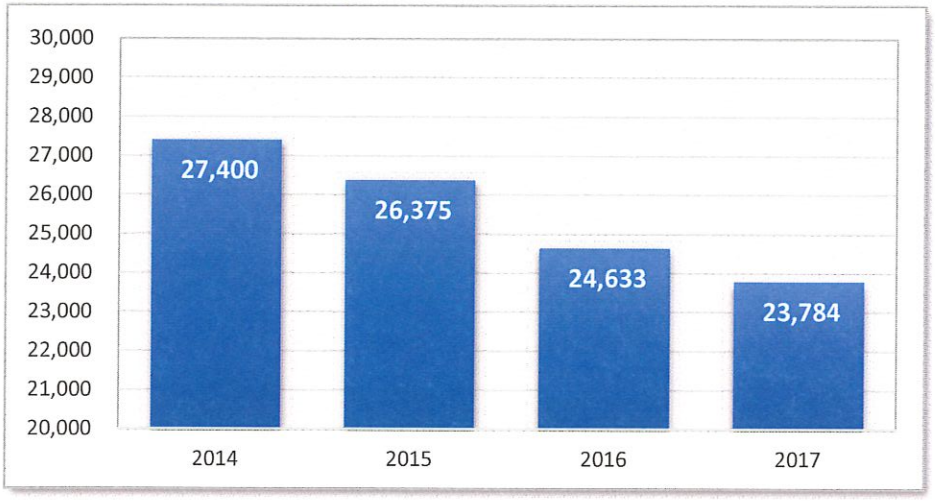
Figure 6: CLASS Registration System Program Attendance by Fiscal Year

Program Type	2014	2015	2016	2017
Adult Sports Leagues*	1	1	1	1
Drama & Music	185	188	174	127
Dog Obedience	301	311	322	310
City Excursions	338	648	485	332
Art & Special Interest Classes	672	766	786	837
Other_Not Categorized	413	633	639	943
After School Programs & Day Camps	2,127	1,571	1,791	1,523
Martial Arts	1,628	1,361	1,480	1,632
Fitness	2,182	1,872	1,913	1,764
Sports	4,204	3,198	2,451	2,173
Tots 0-5 yrs	2,299	2,224	2,374	2,310
Access Leisure	2,643	2,790	2,924	2,608
Community Centers	2,966	3,255	2,903	2,827
Aquatics	2,452	2,516	2,370	3,018
Dance	4,989	5,041	4,020	3,379
Grand Total	**27,400**	**26,375**	**24,633**	**23,784**

Source: Auditor generated based on CLASS registration data.
**Adult Sports League fees are paid in lump sum and therefore reflect an attendance of "1."*

CLASS data indicates that overall attendance in fee-based dance and fitness classes have declined, while DPR experienced an increase in fee-based aquatics class attendance. This type of information would typically be used to help inform decisions regarding the types of programs and services to offer. It appears that DPR is not fully leveraging this information to assess its programs and identify trends. The information is not complete as it does not include all attendance-based programs and services offered by DPR. Without attendance data related to non-fee based programs and services it is difficult to gauge overall participation in the department's programs and services. As the figure below demonstrates, overall year over year attendance in DPR sponsored fee-based programs and services appears to be declining.

Figure 7: CLASS Registration System Total Attendance by Fiscal Year



Source: Auditor generated based on CLASS registration data.

While the decline may be due to various factors, in our opinion, incomplete information limits the usefulness of data to help identify and address issues and trends. To address this issue, the department should be capturing data related to attendance of non-fee based programs. More complete data could help DPR to evaluate their overall engagement level with the community and better inform the strategic planning process.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

5. Track attendance for non-fee based programs and services to evaluate attendance and program success.

311 Call Center Data is Not Appropriately Categorized for Trend Analysis or Decision Making

311 is a phone number that Sacramento residents, businesses, and visitors can call while within the City limits to reach the City's centralized call center[2]. Callers can request non-emergency services, report incidents, or get information on a variety of City services, including building permits, stray animals, utilities billing, and park amenities. In order to learn more about the types of calls the 311 Call Center receives related to DPR, we obtained and analyzed data from the call center's software system. The figure below shows DPR call categories, the number of calls received in each category, and the percentage of total for fiscal year 2017.

[2] Report emergencies such as fires or crimes in progress to 911.

Figure 8: 311 Calls for the Department of Parks and Recreation by Category for Fiscal Year 2017

Call Category	Number of Calls	Percentage of Total
Other	1,029	21.43%
General Info	952	19.83%
Irrigation	733	15.26%
Grounds Cleaning	413	8.60%
Directory Assistance	269	5.60%
Mowing/Weeds	232	4.83%
Playgrounds	168	3.50%
Citizen Safety Concern	157	3.27%
Restrooms	153	3.19%
Lighting	127	2.64%
Fencing/Gate	122	2.54%
Nuisance	112	2.33%
Community Centers	93	1.94%
Permit/Reservation	86	1.79%
Dog Off-Leash	67	1.40%
Park Dispute	23	0.48%
In Park After Dark	17	0.35%
No Value	17	0.35%
Transfer	14	0.29%
Smoking/Drinking in Park	13	0.27%
Suspected Criminal Activity	5	0.10%
Grand Total	**4,802**	**100.00%**

Source: Auditor generated from 311 Call Center Oracle Service Cloud data.

Consolidating DPR's call center data, as shown in the figure above, revealed that over 40 percent of the calls were categorized as either "Other" or "General Info." The 311 Call Center does not maintain definitions of the call categories; however, we reviewed the notes associated with some of the entries classified as "General Info" to determine if they could have been assigned to a more specific call category. Here are some examples of where, in our opinion, the calls could have been assigned to a more specific category:

Figure 9: Examples of 311 Calls That Could Have Been Placed into More Specific Call Categories

Reference #	Date Created	Date Closed	Notes	Call Category	More Specific Call Category
170409-000311	04/09/2017 03:03 PM	04/09/2017 03:03 PM	PARK RESERVATION DISPUTE NEAR CREST DR AT DANBROOK DR. I ADVISED NO RESERVATION AREA AT NW END OF PARK; FIRST COME FIRST SERVE.	General Info	Permit/ Reservation
161113-000150	11/13/2016 11:39 AM	11/13/2016 11:39 AM	shasta park - park maintenace on call advised gates are open.	General Info	Fencing/ Gate
161006-001007	10/06/2016 06:45 PM	10/06/2016 06:58 PM	NORTHGATE PARK northeast side - Several lights out ; inadequate light for soccer practice	General Info	Lighting
160726-000558	07/26/2016 12:12 PM	07/28/2016 09:11 AM	serious crack in plastic slide in the children's play ground, it is not usable and could be dangerous.	General Info	Playgrounds

Source: Auditor generated from 311 Call Center data.

In our opinion, applying the "General Info" and "Other" categories to more than 40 percent of the calls prevents DRP from collecting complete, accurate, and relevant data. DPR should work with the City's 311 Call Center to define more appropriate categories and clarify for 311 Call Center staff when it is appropriate to use the "General Info" or "Other" categories. DPR should actively monitor and analyze information to identify issues, trends, and opportunities for improvement. Having more precise and consistent data would aid DPR in their strategic planning process, and by pinpointing the types of calls being received, DPR could work to reduce the number of incoming service calls related to their programs and amenities.

RECOMMENDATIONS

We recommend the Department of Parks and Recreation work with the 311 Call Center to:

6. Define when it is appropriate to use the "General Info" or "Other" call categories.
7. Evaluate the call categories and develop a list that better captures the types of calls received about DPR programs and services.

Many of the Department's Programs and Services Do Not Have Performance Measures to Evaluate Their Success

NRPA's guidance on program and services management states that "Goals and objectives are critical to program planning and management. Goals for the organization relate to the extent and nature of the coverage, the basic program design, and promotional and financial aspects. Each program or service should have specific goals and objectives." We reviewed the City's FY2017/18 Approved Budget and noted that DPR's performance measures primarily addressed park operations and did not set goals for the department's programming.

The NRPA recommends that goals and objectives be:

- Written;
- Reviewed at the beginning of each year or season;
- Prepared in consultation with participation councils, planning committees, supervisory personnel, and recreation leaders;
- Specific and realistic; and
- Based on the department's overall mission, goals, and philosophy.

Establishing and monitoring programming performance measures will better equip DPR to evaluate their progress over time.

Performance measures should be tailored to the program or service being evaluated; some examples of basic performance measures related to programming include the number of programs, number of program participants, participants per program, average daily activity at community centers, and participant satisfaction. Some cities also display these metrics on a per capita basis to adjust for growth or decline in the City's population.

Establishing and monitoring programming performance measures will better equip DPR to monitor and evaluate their progress over time. Failure to establish goals and objectives could lead to programs and services that continuously underperform or do not meet management or the public's expectations. We recommend DPR establish performance measures that align their goals and objectives with the department's overall mission and vision.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

8. Develop programming performance measures.

The Department of Parks and Recreation Lacks Department-Specific Policies and Procedures

Policies and procedures are a foundational element of a well-controlled environment, and help establish guidelines and document expectations for both employees and managers. Citywide policies address issues that affect the vast number of City employees, while department-specific policies apply only to employees of the department or area that they operate within. Department-specific procedures are commonly used across many City departments and in instances where the unique nature of the position or job duties calls for more comprehensive direction from management than would be practical in a Citywide policy.

Policies and procedures are a foundational element of a well-controlled environment, that help to establish guidelines and document expectations for both employees and managers.

During this engagement, we noted a general lack of department-specific policies and procedures that provide direction to staff on management's expectation regarding DPR processes. Without direction from documented policies and standards, organizations can become disoriented and perform ineffectively. DPR management recognizes the need for policies and procedures to provide clarity on a number of topics, and they are actively working towards developing and implementing several policies. We recommend DPR continue the process of identifying policy gaps and develop policies where needed.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

9. Develop department-specific policies and procedures.

Finding 2: Developing a Formal Cost Recovery Philosophy May Help the Department of Parks and Recreation Better Align Its Pricing Practices with Its Mission and Core Values

According to GreenPlay LLC[3], a national consortium of experts on parks, recreation, and open space, "The creation of a cost recovery and subsidy allocation philosophy and policy is a key component to maintaining an agency's financial control, equitably pricing offerings, and helping to identify core services including programs and facilities." Establishing a comprehensive revenue policy that includes cost recovery levels, is also a recommended NRPA best practice. DPR has not developed a department-wide cost recovery philosophy that guides their program pricing. Historically, fees and charges have been updated on an ad-hoc basis and evaluated independently of each other. Without guiding principles or philosophies, it is difficult to determine if the department's pricing structure is in line with management and the public's expectations, adequately supports the sustainability of programs, benefits a wide range of constituents, or is fiscally responsible. More specifically we found:

- Pricing and cost recovery levels for programs and services have not been evaluated department-wide;
- DPR is not establishing cost recovery goals or determining cost recovery levels as required by the *Citywide Fees and Charges Policy*; and
- Additional revenue enhancement practices could be explored.

We made recommendations for DPR to develop a cost recovery methodology that is in line with industry best practices and the *Citywide Fees and Charges Policy*. We also provided some examples of revenue enhancement practices used by other cities that DPR could consider incorporating into their model.

A cost recovery model provides the basis for determining the amount of subsidy (i.e. general fund contribution) that will go towards supporting programs and services, and provides a justification for fee increases or reductions where user fees are charged to offset the cost of providing a service.

Pricing and Cost Recovery Levels for Programs and Services Have Not Been Evaluated Department-Wide

During the course of a year, the City of Sacramento Department of Parks and Recreation offers an extensive list of over 300 recreational and educational programs and classes. Many of these programs, both City-sponsored and

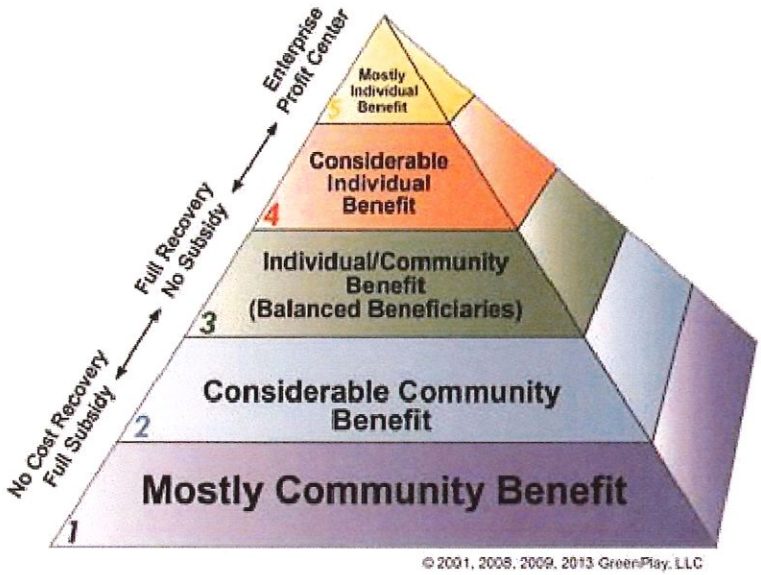
[3] According to their Statement of Qualifications, GreenPlay LLC operates as a consortium of experts to provide services nationally for park, recreation, open space, and related agencies. Since 1999, GreenPlay has completed over 450 projects in 43 states for governmental agencies and private sector companies. http://www.greenplayllc.com

vendor-operated, require that a user fee be paid to participate in the class or program. Some programs, such as Youth Employment, are provided at little or no cost to the user. A number of these programs are offered by third-party vendors who operate in partnership with the City, whereby the vendor offers courses at a City facility; DPR receives 30 percent of the revenue from registration fees, and the third-party vendor retains the remaining 70 percent. Currently, pricing for programs and services are set independent of each other and are not considered as part of an overall department-wide cohesive plan.

According to GreenPlay LLC, establishing a carefully considered philosophy for cost recovery is a good foundation for charging fees for facilities, programs, and services. A cost recovery model provides the basis for determining the amount of subsidy (i.e. general fund contribution) that will go towards supporting programs and services, and provides a justification for fee increases or reductions where user fees are charged to offset the cost of providing a service.

While there may be many ways for DPR to evaluate their pricing, cost recovery, and diversity of programs on a department-wide scale, one well-established method is the pyramid model. The pyramid cost recovery model is used by the cities of San Diego, Alexandria, and Davis. The figure below shows an example of a pyramid cost recovery model and how a parks and recreation department could structure its funding in order to balance the amount of subsidy provided towards those programs, while also maximizing community benefit. Programs and services at the bottom of the pyramid are subsidized by general fund revenue and are generally provided at little or no cost to the user, whereas programs and services in the mid-ranges charge user fees but are partially subsidized by the general fund. Programs and services at the top of the pyramid operate at or near full cost recovery with the user paying for the full cost of the service.

Figure 10: Pyramid Cost Recovery Model



Source: Greenplay, LLC website.

When using this cost recovery model, an agency would generally design their cost recovery program with input from the public on which services should be subsidized and which programs should charge user fees. One option is to design the cost recovery pyramid model so that programs offering a high level of benefit to the entire community are heavily subsidized, while programs that offer mostly individual benefit are offered at prices that are closer to full cost recovery. These decisions and pricing levels would ideally be made with the department's mission, vision, and overall philosophy in mind.

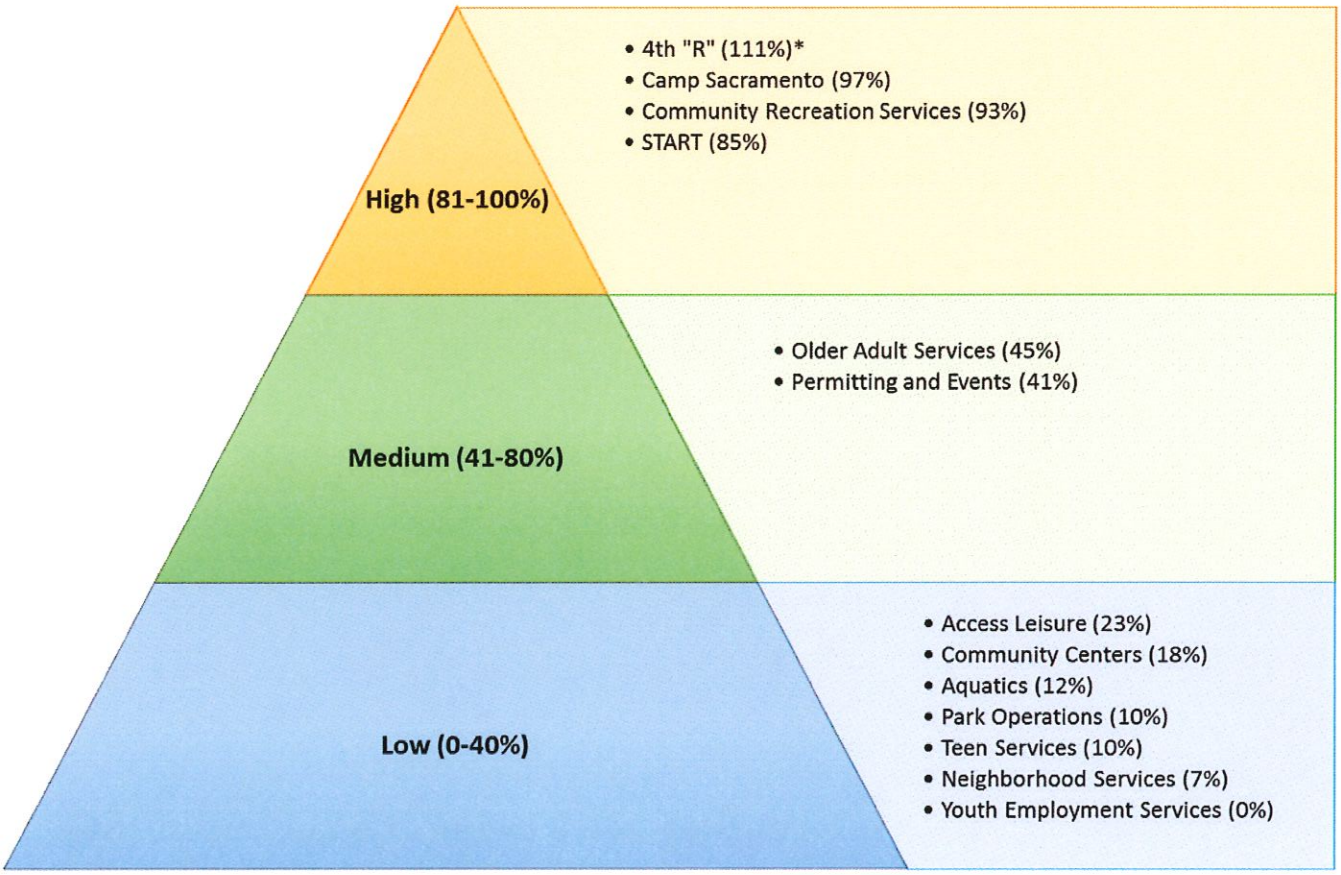
The City of Portland's *PRK-3.06 Cost Recovery Policy for City Parks and Recreation Programs* defines their cost recovery goals by broad demographic groups. For example, their cost recovery goals are broken out between four groups, with a cost recovery goal associated with each: Youth (42 percent), Adults (63 percent), Low Income Youth (23 percent) and Low-Income Adults (26 percent) of total costs. In addition to the low-income pricing, the City of Portland also offers financial assistance programs through scholarships, promotions, and partnerships. However, no two cities are identical and tax bases differ across states and local agencies. In our opinion, DPR should endeavor to identify a holistic cost recovery model that aligns with its mission and vision and seeks to offer inclusion and recreation activities to a broad range of residents.

We attempted to assess DPR's cost recovery levels, however our ability to evaluate cost recovery at the program-level for DPR was hindered by a lack of

readily available data. While some information is available, DPR does not regularly track revenue and expenses for all programs at the individual program level. Therefore, we performed a high-level analysis using the department's FY2016 year-end revenue and expense data by division in order to demonstrate the potential of implementing a cost recovery model.

The figure below shows the results of our high-level analysis and the corresponding cost recovery percentages based on direct operating expenses only.

Figure 11: High-Level Overview of DPR's Direct Operating Expense Cost Recovery by Division



Source: Auditor generated from City FY2016 financial data.
**Does not include costs associated with indirect expenses or capital improvement projects.*

Due to lack of time and resources, we did not perform a deep dive into the department's revenue and expense accounts to determine the applicability of individual transactions in the cost recovery model and we relied on the information in the City's revenue and expense summary reports. The

department or a consultant could perform a more robust analysis in order to more precisely evaluate cost recovery percentages by program.
It is important to note that we only included the department's annual operating costs in our analysis and did not include multi-year expenses from capital improvement projects (CIP) or indirect expenses, such as department-wide IT support, fiscal services, park safety, or park development. Incorporating CIP and indirect expenses into the analysis would likely increase the total cost associated with providing these services, thereby lowering the cost recovery percentages. Including indirect costs may cause Older Adult Services and Permitting and Events to fall into the *Low (0-40%)* cost recovery category and DPR would have no programs or services in the *Medium (41-80%)* range.

Having such a large number of programs and services in the *Low (0-40%)* cost recovery category means that the general fund is expected to subsidize a number of the department's programs and services. Moving some of the programs and services towards the *Medium (41-80%)* cost recovery category could offset more of the costs to provide these programs and services, while relieving some of the pressure on the general fund. However, this is a policy decision and should be evaluated as a department-wide holistic approach to determine which programs and services the public wants to subsidize, and at what level. Resulting pricing changes may need to be phased in over time, and reevaluated after an initial test period, to determine their effects on overall attendance levels. We recommend DPR define cost recovery goals and objectives that are in line with industry best practices and the *Citywide Fees and Charges Policy.*

RECOMMENDATIONS
We recommend the Department of Parks and Recreation:

10. Define the department's cost recovery goals and objectives.
11. Evaluate the department's fees and charges to determine if they are in alignment with the department's mission, vision, and cost recovery goals.

The Department of Parks and Recreation is Not Establishing Cost Recovery Goals or Determining Cost Recovery Levels as Required by the Citywide Fees and Charges Policy

The *Citywide Fees and Charges Policy* (Resolution 2006-106) was adopted by City Council on February 7, 2006 and later amended on May 8, 2014 (Resolution

2014-0111). The City of Sacramento's *Citywide Fees and Charges Policy* outlines the types of fees the City charges and sets forth guidelines for:

- Establishing cost recovery goals;
- Determining the categories of cost recovery levels in which to categorize/organize fees;
- Methods for categorizing fees; and
- Establishing and modifying fees and charges.

The *Citywide Fees and Charges Policy* lists five cost recovery categories with which to classify fees. The cost recovery categories are outlined in the figure below.

Figure 12: Citywide Fees and Charges Policy Cost Recovery Categories

Cost Recovery Level	Cost Recovery Percentage	Cost Type
Enterprise	100	Total Costs
High	81-100	Total Costs
Medium	41-80	Direct Costs
Low	0-40	Direct Costs
Other	N/A*	N/A*

Source: Auditor generated based on the Citywide Fees and Charges Policy (Resolution 2014-0111).
**Set at market rate or by Council policy.*

The *Citywide Fees and Charges Policy* also requires that "At the beginning of the budget process each department will submit a list of proposed adjustments to their section of the master fee schedule. Each service must be assigned a target cost recovery level as defined above." While DPR staff regularly sought Council approval for program pricing changes, DPR staff did not establish cost recovery goals or determine cost recovery levels in accordance with the direction provided in the *Citywide Fees and Charges Policy.*

The *Citywide Fees and Charges Policy* was adopted by Council "to ensure that City fees and charges reflect Council's direction regarding recovery of costs related to providing programs and services." In addition, annual review of fees and charges helps to ensure that the City's cost recovery keeps pace with changes in cost of living and service delivery levels. Fees and charges that do not comply with the policy may not reflect the guidelines established by City Council or may not keep pace with the cost of living. We recommend DPR bring their pricing in line with the *Citywide Fees and Charges Policy*.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

12. Comply with the *Citywide Fees and Charges Policy* by establishing cost recovery goals and identifying cost recovery levels.

The Department of Parks and Recreation Could Improve Cost Recovery by Implementing Some Revenue Enhancement Practices

DPR Should Consider Implementing the Commercial Sponsorship Program

After experiencing two consecutive years of budget cuts, in April 2010 the Department of Parks and Recreation sought to implement an advertising program that would enable revenue-generating sponsorship agreements with the private sector. In support of these initiatives, Council adopted a *Donation and Sponsorship Policy* and an *Advertising Policy Pertaining to Advertising on Department of Parks and Recreation Property* under Resolution 2010-184. This resolution authorized the Director of the Department of Parks and Recreation to implement a *Community Sponsorship Initiative* using the sponsorship and advertising policies previously mentioned. The *Community Sponsorship Initiative* included plans to test the feasibility of acquiring sponsorships at the Sacramento Softball Complex and by permitting commercial advertising in the department's recreation magazine. According to DPR staff, this program never fully materialized. As it stands today, there are no DPR staff assigned to generating commercial sponsorships, no commercial sponsorship at the Sacramento Softball Complex, and no commercial advertising in DPR's programming brochure.

To determine the potential revenue that could be generated from implementing a sponsorship and advertising program, we reviewed similar programs at other cities. For example, the City of Long Beach, California charges commercial advertisers for space in their *Recreation Connection* brochure. The commercial advertising rates range from $550 for a quarter page to $2,700 for the back cover. The figure below is a snapshot from their Advertising Guide.

Figure 13: Long Beach Parks, Recreation and Marine "Recreation Connection" Advertising Guide

The City of Long Beach, Department of Parks, Recreation and Marine (LBPRM) "Recreation Connection" promotes classes and activities to over 88,000 households in Long Beach each quarter. Copies are direct mailed to over 75,000 homes, and distributed to local libraries, City offices, park community centers, and to City offices in the cities of Seal Beach, Signal Hill, Los Alamitos and Lakewood. Published quarterly, the "Recreation Connection" has a minimum shelf life of three months and is an excellent vehicle for reaching families and active adults in the Long Beach community.

ADVERTISING RATES	City	Commercial
Back Cover:	$2,500	$2,700
Inside Front Cover:	$2,350	$2,350
Inside Back Cover:	$2,350	$2,350
Full Page:	$1,350	$1,700
Half Page Vertical:	$800	$950
Quarter Page:	$450	$550

AD SIZES	
Inside Front Cover:	7 1/8" (horizontal) x 9 1/2" (vertical)
Inside Back Cover:	7 1/8" (horizontal) x 9 1/2" (vertical)
Back Cover:	7 1/8" (horizontal) x 7 5/8" (vertical)

Source: City of Long Beach website.

In contrast, the back cover of DPR's *Come Out and Play* brochure for Fall/Winter 2016 is essentially blank, and the Summer 2017 brochure back cover is a listing of the community center locations/hours, which is information that is repeated from a previous interior page. While it appears the intent of the *Community Sponsorship Initiative* was to develop a sponsorship and advertising program, this program has no dedicated staff and has not been implemented.

The City of Folsom, California employs a Marketing Coordinator whose responsibilities include, among other things, developing a comprehensive sponsorship program. Currently, this sponsorship program includes commercial marketing in their programming brochure. Depending on the interest level from local businesses, the Marketing Coordinator estimates annual revenue from commercial advertising to be between $0 and $6,000 per year. This helps to partially offset some of the expense associated with printing and mailing their brochures to residents, a service which DPR no longer offers due to the cost.

The potential downside of implementing a commercial sponsorship program is staff time associated with contacting potential advertisers and coordinating the advertising content; however, we believe this could be a potential option for DPR to explore and evaluate whether there is enough commercial sponsorship interest to support the staff time associated with managing the program. Recognizing that historically, the demand for funding has far outweighed the general fund's ability to fully cover costs, DPR must continually search for alternative revenue sources in order to maintain their current level of service. We recommend that DPR explore implementing an advertising and sponsorship program, including advertisements at the Sacramento Softball Complex and in the department's programming brochure.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

13. Consider implementing an advertising and sponsorship program.

Non-Resident Fees are a Common Practice

Sacramento City residents pay into the City's General Fund through property taxes, which are then used to support the various programs and services offered throughout the City, including those provided by DPR. Another potential revenue enhancement strategy DPR could consider incorporating in their pricing model is applying a surcharge to non-residents when they elect to participate in the City's programs and services. With the exception of Camp Sacramento reservations, DPR does not apply a non-resident fee to any of its programs or services. A potential drawback of implementing a non-resident fee could include staff time for residency verification. In addition, fees may need to be phased in over time, or adjusted after an initial testing period, to determine how the changes affect overall attendance levels.

We surveyed ten cities to evaluate the frequency of charging non-residents a surcharge for participating in City-sponsored programs and services. We primarily surveyed California cities, but to broaden our population we also included two cities located in other states. The survey results are displayed in the figure below. A "Yes" result indicates the city charges a higher fee to non-residents, while a "No" indicates the city does not charge a higher fee to non-residents. A "Yes" does not necessarily mean all programs within the category charge a non-resident fee.

Figure 14: Non-Resident Fee Survey

City	Swim Lessons	Enrichment Classes	Facility Rentals	Park Site Rentals	Summer Camps
Austin, TX	Yes	Yes	Yes	Yes	Yes
Bakersfield, CA	Yes	No	No	Yes	No
Folsom, CA	No	Yes	Yes	No	Yes
Long Beach, CA	No	No	Yes	No	No
Oakland, CA	Yes	Yes	Yes	Yes	Yes
Palo Alto, CA	Yes	Yes	Yes	Yes	Yes
Portland, OR	Yes	Yes	No	No	Yes
Roseville, CA	Yes	Yes	Yes	No	Yes
Sacramento, CA	**No**	**No**	**No**	**No**	**Yes**
San Jose, CA	Yes	Yes	Yes	Yes	Yes

Source: Various city fee schedules and activity brochures.

Based on the survey results, seven out of ten cities charge non-resident fees for at least a portion of their swim lessons, enrichment classes, and facility rentals. Charging non-resident fees for park site rentals, such as picnic site reservations, were not as popular.

Some cities we surveyed marketed the lower rate for residents as a "resident discount" instead of focusing on the higher fee for non-residents. However, the result is the same in that the city charges a higher user fee to non-residents. The amount of the non-resident fee increase varied among the cities surveyed. Some cities charged a percentage increase above the resident rate, and others tailored the amount to the individual program or service.

The City of Folsom estimated that nearly 30 percent of their attendees for programs and services were non-residents. If we estimate a 25 percent non-resident participation rate for the City of Sacramento's DPR programs and services, a 25 percent non-resident fee would potentially increase their annual fee revenue by approximately $90,000. Charging non-residents an additional fee for participating in the City's programs and services is a relatively common practice among the cities we surveyed, and one that DPR could consider incorporating into their fee schedule as another revenue enhancement practice.

Charging non-residents an additional fee for participating in the City's programs and services is a relatively common practice among the cities we surveyed, and one that DPR could consider incorporating into their fee schedule as another revenue enhancement practice.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

14. Consider updating the fee structure for some programs and services to include a non-resident fee.

Consider Developing and Marketing a Utility Bill Voluntary Donation Program

The City of Sacramento Utilities Department issues approximately 146,000 invoices to businesses and residents and collects payment for utilities services (water, wastewater, recycling, etc.) every month. On an annual basis, this equates to over 1.7 million invoices per year. This regular interaction with the City's residents provides a unique opportunity for DPR to leverage by reaching out to those who may have the capacity and willingness to make financial donations, let them know where the need for additional funding is, and provide a mechanism for payment. The donations could be used to enhance various programs and services, to sponsor low-income or disadvantaged residents who cannot afford to participate in the City's fee-based programs, or to fund other community needs as identified by DPR.

The City of Austin, Texas (estimated population 947,890) already has a utility bill voluntary donation program and received approximately $238,000 in donations between FY2014 and FY2016. Their donation program supplements three different services and allows residents to elect how much they want to contribute, and which service they would like to support. The figure below shows the advertisement on the City of Austin's website for the utility bill voluntary donation program and a snapshot of what the utility bill looks like.

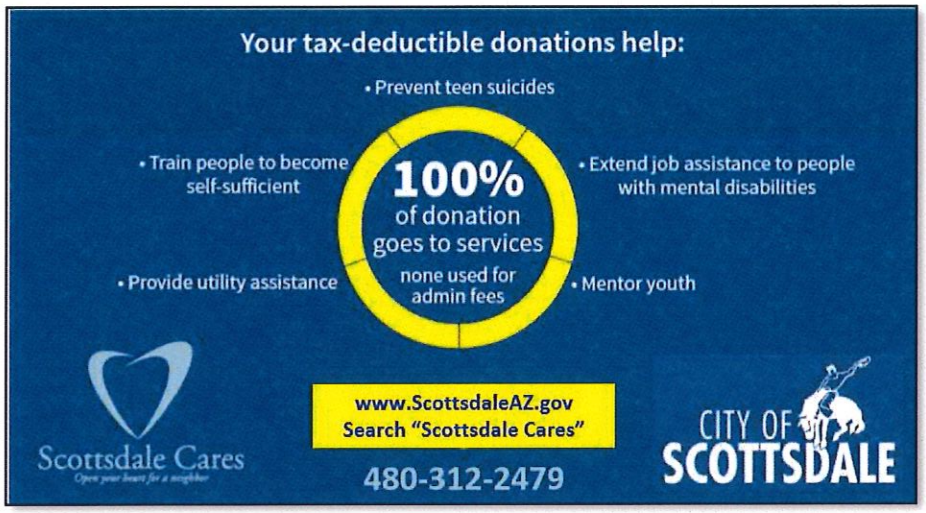
Figure 15: Advertisement for City of Austin's Utility Bill Voluntary Donation Program

Source: City of Austin website.

The City of Scottsdale, Arizona (estimated population 246,645) also offers utility customers the option to provide a donation when paying their utility bill. However, their approach differs slightly from the City of Austin's program. The City of Scottsdale added a prepopulated $1.00 donation as part of the bill's "Grand Total." If a resident does not want to donate $1.00, they can opt out and pay the "Utility Amount Due" listed on their bill. In support of their effort, the City of Scottsdale maintains a "Scottsdale Cares" website that provides residents with information about the program. Some of the areas highlighted on the website include where the money is spent, the tax-deductible nature of donations, and that none of the donations go towards paying administrative fees.

The figure below is a snapshot from Scottsdale's website that describes how to participate in the Scottsdale Cares program and what the donations are used for. While $1.00 may not seem like a significant donation, the crowdsourcing effect of reaching so many households means that even if a small percentage of the overall population contributes, it adds up quickly. Over the last two years the program has raised approximately $280,000.

Figure 16: Scottsdale Cares Infographic



Source: City of Scottsdale website.

By leveraging the monthly interaction that the City of Sacramento's Utilities Department already has with Sacramento residents, DPR could develop a utility bill voluntary donation program that could potentially be used to fund scholarships for low-income or disadvantaged residents, or to supplement DPR's existing programs and services. If five percent of Sacramento residents voluntarily contributed just $1 per month on their utility bill, we estimate that DPR could potentially receive approximately $90,000 in donations per year. Costs associated with implementing this type of program are minimal, as the program leverages existing resources. While it is important to recognize that donation levels may fluctuate from year to year, as a program of this nature relies on voluntary contributions that may be adversely affected by downturns in the economy, DPR could consider implementing this new program as one facet of their overall revenue enhancement strategy.

RECOMMENDATION

We recommend the Department of Parks and Recreation:

15. Consider developing and marketing a utility bill voluntary donation program.

Finding 3: Nearly Half of the Supervisors Responsible for Administering and Monitoring Part-Time Employee Hours and Benefits Have Not Received Labor Relations Training

Navigating the applicability of retirement and health benefits eligibility for part-time and temporary City employees can be a complex task. A myriad of Federal, State, and Local regulations must be considered when determining eligibility. Failure to follow these rules can result in undesirable consequences, including grievances, penalties, and fines. For example, in 2015, labor union IUOE Stationary Engineers Local 39 (Local 39) filed a grievance against the City alleging failure to comply with job classification requirements and for working non-career employees more than 1,040 hours without offering them benefits. In compliance with the terms of the settlement agreement, the City's Human Resources Department hired a consultant to perform a job classification study and evaluate DPR's job classifications to determine if improvements can be made in this area. As this study is still in progress, we focused our testing on some of the other areas of concern that were brought forward by the labor union in the 2015 grievance, such as part-time employee benefits eligibility and human resources training for supervisors.

Training should be part of an on-going process, whereby employees attend classes on a consistent basis to ensure their skills and understanding of applicable laws, regulations, and labor agreements remains current.

Based on our testing sample, part-time employees who met the hours-worked requirements were being offered retirement and health benefits. Areas for improvement included providing formal training for supervisors and developing written guidance. Specifically, we determined that:

- Part-time employees are being offered benefits in accordance with CalPERS and health benefits hours-worked guidelines;
- Some supervisors were not formally trained on labor relations topics;
- Policies and procedures had not been developed to provide guidance on part-time employee hours-worked reporting and responsibility; and
- A former CalPERS member had not been re-enrolled in CalPERS.

In addition to the department's full-time staff, DPR has over 800 active part-time and temporary employees who are responsible for contributing to the success of the various programs and services that DPR offers. While having a number of part-time employees to draw from offers the department some level of flexibility in staffing its programs and services, it also requires a great deal of time and experience to properly administer. In our opinion, supervisor training and a clear set of policy guidelines are essential to ensure DPR administers part-time employees in a responsible and efficient manner.

Part-Time Employees are Being Offered Benefits in Accordance with CalPERS and Health Benefits Hours-Worked Guidelines

The CalPERS *Public Agency & Schools Reference Guide*[4] outlines the thresholds on when a part-time or "Less Than Full-Time" employee must be enrolled in CalPERS. The reference guide states that if a part-time employee works more than 1,000 hours in a fiscal year they are no longer excluded from membership and must be enrolled no later than the first day of the next pay period. In order for an employer to monitor and comply with this threshold, CalPERS requires that employers track the number of hours that employees work in a fiscal year (July 1 – June 30).

The Local 39 labor agreement covers employees in the Operations and Maintenance, Office and Technical, and Professional Units. Generally, this is the labor agreement that applies to hourly and part-time employees who work in DPR. Article 8 of the Local 39 labor agreement outlines minimum requirements for health benefit eligibility and defines contribution amounts the City will provide towards health benefits for eligible employees and their families. In order for non-career part-time employees to qualify for health benefits, they must work more than 1,040 hours within one year of each date of employment.

In an effort to comply with the requirement for CalPERS membership eligibility and labor agreement health benefits eligibility, DPR staff regularly generate reports from the City's timekeeping system that informs them of the number of hours worked by part-time employees. These reports are also monitored by the City's Human Resources Department so they can verify that DPR is enrolling eligible employees for retirement and health benefits in a timely manner. We tested the accuracy and reliability of the information in the reports generated from the City's benefit tracking software (eCAPS) to determine if they appeared to meet the benefits thresholds outlined in the CalPERS guidance and the Local 39 labor agreement. Based on the information we reviewed, all employees who met the predetermined hours-worked thresholds in our sample had been offered benefits.

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[4] California Public Employees' Retirement System. *Public Agency & Schools Reference Guide*. (May 2017). https://www.calpers.ca.gov/docs/forms-publications/pas-ref-guide.pdf

Some Supervisors Were Not Formally Trained on Labor Relations Topics

In the grievance settlement with Local 39, the City agreed to "provide Human Resources training to appropriate Parks and Recreation staff on the following issues: discipline, grievances, benefits, leaves, overtime, schedule changes, and worker's compensation." These labor relations issues go beyond the accuracy and reliability of an hours-tracking report and delve into more nuanced areas of human resources that, in our opinion, could be enhanced by formally training DPR supervisors on the City's expectations and consistently reinforcing employee responsibilities in these areas. DPR could establish policies and procedures that provide guidance on who should receive labor relations training and how often.

In order to evaluate the extensiveness of supervisor training, we compared a listing of active DPR employees with supervisory titles to the list of employees who attended City-sponsored human resources labor relations training. We obtained the list of all DPR employees from the City's human resources and payroll system (eCAPS) and identified 39 employees whose job titles specified that they were either a "manager", "supervisor," "director", or "superintendent." We also identified two additional employees who did not hold a supervisory title but were being included on the part-time employee hours report distribution lists, indicating that they had some role in this process. It is important to note that this exercise serves as a litmus test to evaluate DPR employee labor relations training, and the list of employees should not be considered all-inclusive. There may be employees who perform a supervisory role, but whose job titles do not clearly indicate so.

According to City training records, out of the 41 DPR employees we identified as having a supervisory title, 20 have not attended human resources labor relations training. The figure on the next page displays the results of our testing.

Figure 17: Labor Relations Training Testing for DPR Supervisors and Managers

Job Code	Job Description	Attended Labor Relations Training?
015110	Aquatics Recreation Supervisor	NO
001922	Assistant Camp Sacramento Supv	NO
001912	Camp Sacramento Supervisor	YES
020019	Director of Parks & Recreation	YES
001778	Neighborhood Services Area Mgr	NO
001896	Operations Manager	YES
001781	Park Maintenance Manager	YES
001782	Park Maintenance Superintendent	YES
001782	Park Maintenance Superintendent	NO
015028	Parks Supervisor	NO
015028	Parks Supervisor	NO
015028	Parks Supervisor	NO
015028	Parks Supervisor	NO
015028	Parks Supervisor	NO
015028	Parks Supervisor	NO
015028	Parks Supervisor	YES
015091	Program Supervisor	YES
015091	Program Supervisor	YES
015091	Program Supervisor	YES
015091	Program Supervisor	NO
015091	Program Supervisor	NO
015091	Program Supervisor	YES
015091	Program Supervisor	YES
015091	Program Supervisor	YES
015091	Program Supervisor	YES
015091	Program Supervisor	NO
015091	Program Supervisor	NO
015091	Program Supervisor	NO
015091	Program Supervisor	YES
015091	Program Supervisor	YES
001805	Recreation General Supervisor	YES
001805	Recreation General Supervisor	NO
001803	Recreation Manager	YES
001803	Recreation Manager	YES
001804	Recreation Superintendent	YES
001804	Recreation Superintendent	YES
001804	Recreation Superintendent	NO
001804	Recreation Superintendent	YES
001834	Support Services Manager	NO
016210	Program Coordinator	NO
016210	Program Coordinator	NO

Source: Auditor generated based on eCAPS and Target Solutions records.

We also reviewed the list of employees who attended human resources training in 2017, when the course was offered again, to evaluate the frequency of labor

relations training. Based on the City's training records, we found 12 employees who attended training in 2015, and are still actively employed with the City, did not attend human resources training again in 2017. Five employees attended human resources training in both 2015 and 2017. As the figure below indicates, there appear to be inconsistencies in the frequency of training. Some employees repeated the training after two years, while others did not.

Figure 18: Frequency of DPR Labor Relations Training

Job Description	2015 Training	2017 Training	Received Training in 2015 and 2017?
Camp Sacramento Supervisor	✓	✓	YES
Recreation Manager	✓	✓	YES
Personnel Transactions Coordinator	✓	✓	YES
Recreation Superintendent	✓	✓	YES
Program Supervisor	✓	✓	YES
Recreation Superintendent	✓		NO
Program Supervisor	✓		NO
Operations Manager	✓		NO
Parks Supervisor	✓		NO
Program Supervisor	✓		NO
Park Maintenance Superintendent	✓		NO
Program Supervisor	✓		NO
Program Supervisor	✓		NO
Program Supervisor	✓		NO
Program Supervisor	✓		NO
Administrative Officer	✓		NO
Program Supervisor	✓		NO
Total	**17**	**5**	

Source: Auditor generated based on eCAPS and Target Solutions records.

In our opinion, training should be part of an on-going process, whereby employees attend classes on a consistent basis to ensure their skills and understanding of applicable laws, regulations, and labor agreements remains current. Laws and regulations are subject to change, and labor agreement terms are renegotiated every few years. Failure to consistently train employees on benefits, labor agreements, employment and classification rules could lead to supervisors and managers incorrectly applying these rules. In order to avoid misapplication of laws and regulations, we recommend DPR work with the Department of Human Resources to formally identify all job classifications and

roles responsible for managing and scheduling employees, require that they attend human resources training on a regular basis, and track completion of the training in the City's training software system.

RECOMMENDATIONS

We recommend the Department of Parks and Recreation work with the Department of Human Resources to:

16. Identify all employees responsible for performing human resources functions, including managing and scheduling employees.
17. Require that the identified employees attend human resources training and determine the frequency of subsequent training to ensure they remain current.
18. Develop policies and procedures on part-time employee reporting, responsibility, and training.

A Former CalPERS Member Had Not Been Re-Enrolled in CalPERS

The CalPERS *Public Agency & Schools Reference Guide* states that an individual who is already a CalPERS member, unless working in a position excluded by law or contract exclusion, must be enrolled into CalPERS membership on the date of hire. This essentially means that once an individual has qualified for CalPERS membership, they do not need to meet the minimum qualifications again to re-qualify for membership, and must be enrolled immediately upon being hired by another CalPERS member agency, such as the City of Sacramento. As this requirement is triggered by a new employee's former CalPERS membership status, and not by the number of hours worked, it would not be captured by the hours-worked reports.

During our review of part-time employee enrollment in CalPERS, we noted a part-time employee that had a low City of Sacramento Employee ID number, indicating that they had been assigned a City Employee ID number several years ago, and cross referenced it against the CalPERS database to see if they had previously been enrolled in CalPERS. Based on the information in the CalPERS database, they were a former CalPERS member, but were not listed in the CalPERS system as a current City of Sacramento part-time employee.

We contacted the City's Human Resources Department to determine why the part-time employee had not been enrolled. The City's Human Resources Department contacted CalPERS to verify if enrollment was required and CalPERS determined that the City should have enrolled the part-time employee when they started working for the City. While the Department of Human Resources'

current procedure for onboarding new employees states that Benefits Services staff will search the CalPERS system "for **every** new hire", this may not have been the department's process when the employee was first hired by the City in 2007.

It is the employer's responsibility to determine if its employees are eligible for CalPERS membership, and failure to enroll eligible members could cost the City an administrative fee of $500 per incident. In addition, the City would have to pay arrears for employee contributions due for member earnings that were not previously reported. Due to a software system change, the City does not have payroll records prior to August 2008 and will therefore be unable to provide records prior to August 2008 to CalPERS.

While this individual would not have been identified by the hours-worked benefits reports generated by DPR to notify them of employees who become CalPERS eligible (because the employee had not worked enough hours to qualify for membership in the fiscal year) this employee should have been enrolled in CalPERS immediately upon hire. This example underscores both the complexity of the benefits rules and the importance of employee training on how to properly administer employee benefits.

It is important to note that we did not perform a comprehensive analysis of all part-time employees to determine if they had been properly enrolled, as this was not the focus of our audit; there may be more part-time employees that need to be enrolled in CalPERS. We recommend the Department of Human Resources perform a more comprehensive review of the process for determining CalPERS membership eligibility status for newly hired part-time employees and review current part-time employees to ensure all eligible employees are enrolled.

RECOMMENDATIONS

We recommend the Department of Human Resources:

19. Review the process for determining prior CalPERS membership status to ensure it adequately captures all eligible members.
20. Verify that all current part-time employees who are eligible for CalPERS membership are enrolled with CalPERS.

City of
SACRAMENTO
Parks and Recreation

To: Jorge Oseguera, City Auditor

From: Christopher C. Conlin, Director

CC: Howard Chan, City Manager

Date: October 24, 2017

Re: Response to Audit of the Department of Parks and Recreation's Strategic Planning and Part-Time Employee Benefits Management

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1. On behalf of the Department of Parks and Recreation, I would like to thank the City Auditor and staff for their thorough review and identification of areas for improvement, as well as recommendations supported by industry recognized best practices and standards of excellence.
2. The Department of Parks and Recreation acknowledges receipt and concurs with the recommendations from the City Auditor's draft report.
3. Corrective actions are already in progress. The Department is developing new draft policies, procedures, and training plans. Additionally, the Department will soon resume our strategic planning process to identify opportunities for optimal effectiveness and efficiency.
4. The Department's specific responses to the 20 audit recommendations follow:

AUDIT RECOMMENDATIONS AND DEPARTMENTAL RESPONSE

1. **Update the Parks and Recreation Master Plan**

Response: DPR concurs; the Department last updated the Master Plan in April of 2009, however, the staff position and resources for this effort were eliminated during the economic downturn. The Department will make a future budget request to restore the staff and resources necessary to update the Parks and Recreation Master Plan.

2. **Complete the process of updating the Strategic Plan**

Response: DPR concurs; this recommendation is currently in progress. The Department contracted the services of consultant group MIG in October 2016 to develop the Department's Strategic Plan. The planning process progressed through several sessions of internal and stakeholder workshops developing draft core values, vision statement, mission statement, goals and functional areas. In April 2017 the planning process was paused to accommodate the Department's Youth Development reorganization efforts. Based on approval by the City Manager for the reorganization plan, MIG has been notified to resume planning and complete the department's strategic plan by early 2018.

3. **Align the department's organizational structure to suit the department's objectives as defined by its mission, vision, and goals.**

Response: DPR concurs; this recommendation will be implemented upon completion of the Strategic Plan, and incorporation of input from community stakeholders, City Council, and City Manager in the context of the City Council directed Youth Development reorganization.

4. **Conduct a needs assessment survey**

Response: DPR concurs; the Department has conducted several needs assessment surveys over the past several years, to include an Aquatics survey, Facilities survey, Parkland survey, and Stakeholder survey. The Department is coordinating with the City Manager's Office to incorporate needs requests into the City-wide survey assessment that is being formulated.

5. **Track attendance for non-fee based programs and services to evaluate attendance and program success.**

Response: DPR concurs; the Department is currently implementing a more robust registration, payment, and data management system that will allow for increased tracking of both fee-based and non-fee based programs. Specifically, the non-fee based program START mentioned within the audit is already tracked through another data management system that best satisfies grant compliance and reporting requirements; however, this program's attendance data is not currently included in the fee-based data management system with regard to data for attendance, participant stipend payments, and school participation. The Department will compile and review these START data points for department planning purposes. For the remaining non-fee based programs, such as drop-in programs and services, the Department will pilot attendance tracking methods such as participant sign-in sheets, manual participant counts by staff, and meal counts for programs offering food to program participants.

6. **Define when it is appropriate to use the "general Info" or "other" call categories.**

Response: DPR concurs; this recommendation currently being implemented to better define and determine the appropriate classification of Department-related 311 calls. For instance, Suspected Criminal Activity is being changed to Suspicious Activity so that callers/internet users will have a broader category to choose from, and eliminate the use of the more ambiguous "other" category. In many instances, this "other" category is erroneously being used to inform the City of illegal camps in the park. The "Homeless Camps" category is a standalone category outside of the Parks dropdown that the Department will consider including as a Parks specific reporting option.

7. **Evaluate the call categories and develop a list that better captures the types of calls received about DPR programs and services.**

Response: DPR concurs; this recommendation is currently being implemented. Staff has coordinated with 311 to provide an expanded list and an explanation of the categories, as well as more user-friendly explanations as to how they are to be used. The Department will review call logs periodically to ensure this recommendation is fully implemented.

8. **Develop programming performance measures**

Response: DPR concurs; this recommendation is currently being implemented. The Department developed and has tracked programming performance measures related to Measure U Intramural Sports, Park Maintenance, and START since 2014 as part of the City Manager's Office pilot performance measurement initiative. At the City Manager's request, the department recently developed revised performance measures for all department divisions to better assess and improve service delivery. These new performance measures will be implemented upon final approval.

9. **Develop department-specific policies and procedures**

Response: DPR concurs; this recommendation is currently being implemented. For human resources-related policies, the Department will defer and conform to adopted citywide policies established by the Department of Human Resources. The Department is currently developing draft, department-specific policies and procedures to be reviewed and approved by respective labor bargaining units and the Department of Human Resources for compliance with labor agreements and citywide policy. Additionally, the Department will utilize the APPS program to ensure policies and procedures are vetted by the City's Budget Division.

10. **Define department's cost recovery goals and objectives**

Response: DPR concurs; this recommendation is currently being implemented. The Department is executing a City Council directed reorganization and has contracted the services of a consultant to resume the Strategic Planning process. Once the Youth Development reorganization and Strategic Plan are complete, the Department will have an accurate basis to better define cost recovery goals and objectives, and then align service delivery accordingly.

11. **Evaluate the department's fees and charges to determine if they are in alignment with the department's mission, vision, and cost recovery goals.**

Response: DPR concurs; this recommendation is currently being implemented. As referenced in the Audit Report, there is an industry-validated cost recovery model and policy development process the Department is utilizing. This is a two-phase process in which DPR is currently identifying all actual revenues and expenditures for programs and services to determine the status quo. Once the Department reorganization and Strategic Plan are complete, the Department will begin to align service delivery fees and charges with the revised mission, vision, and cost recovery goals.

12. **Comply with the Citywide Fees and Charges Policy by establishing cost recovery goals and identifying cost recovery levels.**

Response: DPR concurs; this recommendation is currently being implemented. As referenced above, the Department will adopt and utilize the cost recovery model provided in the Audit to ensure compliance with the Citywide Fees and Charges Policy. In so doing, DPR currently analyzing our present fee structures. After completing the Department reorganization and Strategic Plan, we will identify the cost recovery goals and ensure that the fee structure comes into alignment with those goals.

13. **Consider implementing an advertising and sponsorship program**

Response: DPR concurs; the Department established a formal Community Sponsorship Initiative (CSI) and related policy in 2010 in response to the economic downturn. The CSI efforts resulted in business and product advertising at various sports fields and amenities, and a sponsorship with supermarket chain SaveMart benefitting our Access Leisure Program. The staff position dedicated to the CSI and department media and marketing was unfortunately eliminated as part of required budget reductions. DPR will continue to research new opportunities for advertising and sponsorships as well as seek restoration of the CSI position.

14. **Consider updating the fee structure for some programs and services to include a non-resident fee.**

Response: DPR concurs; the Department will research and consider updating the fee structure for programs and services that require registration and/or reservations to include a non-resident fee.

15. **Consider developing and marketing a utility bill voluntary donation program.**

Response: DPR concurs; the Department will research the effectiveness of such a voluntary donation program in coordination with the affected departments, and if municipalities that have these programs also have other assessment programs concurrently.

16. **Identify all employees responsible for performing human resources functions, including managing and scheduling employees.**

Response: DPR concurs; this recommendation has been implemented. The Department has identified all employees responsible for performing human resources functions, and has developed procedures for managing and scheduling employees.

17. **Require that the identified employees attend human resources training and determine the frequency of subsequent training to ensure they remain current.**

Response: DPR concurs; the Department will require that identified employees attend human resources training upon initial hire, as well as annually. The Department has enlisted the assistance of the Department of Human Resources Training Specialist to develop and deliver human resources training.

18. **Develop policies and procedures on part-time employee reporting, responsibility, and training**

Response: DPR concurs; this recommendation is currently being implemented. The Department has developed procedures for part-time employee reporting, and is concurrently refining an accompanying policy. The Department is also collaborating with the Department of Human Resources to develop and implement formal training for responsible supervisory staff.

19. **Review the process for determining prior CalPERS membership status to ensure it adequately captures all eligible members.**

Response: Per the City Auditor, Human Resources will be responding to this recommendation directly.

20. **Verify that all current part-time employees who are eligible for CalPERS membership are enrolled with CalPERS.**

Response: Per the City Auditor, Human Resources will be responding to this recommendation directly.

City of
SACRAMENTO
Department of Human Resources

M E M O R A N D U M

TO: Jorge Oseguera, City Auditor

FROM: Samantha Wallace, Human Resources Manager

DATE: October 31, 2017

RE: Audit of the Parks and Recreation Department's Strategic Planning and Part-Time Employee Benefits Management

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This communication is in response to the City Auditor's Report #2017-08.

1. The Human Resources Department acknowledges receipt and concurs with the findings and recommendations from the City Auditor's report.
2. I would like to take this opportunity to thank the City Auditor and staff for their recommendations and for their efforts in identifying areas for improvement.
3. Below please find the Human Resources Department's response to recommendations 19 and 20 in the audit report.

19. Review the process for determining prior CalPERS membership status to ensure it adequately captures all eligible members.

Response

Human Resources will review the process for determining prior CalPERS membership status and consult with CalPERS as necessary to determine memberships status for eligible members.

20. Verify that all current part-time employees who are eligible for CalPERS membership are enrolled with CalPERS.

Response

Human Resources will review current part-time employees who are eligible for CalPERS membership are enrolled in with CalPERS and consult with CalPERS as necessary to determine membership eligibility.

SWallace

Samantha Wallace
Human Resources Manager

Benefit Services Division
Main: (916) 808-5665; Fax: (916) 808-7326
915 I Street, Plaza Level
Sacramento, CA 95814-2604