



January 10, 2006

Mr. Harvey Rose
Board of Supervisors, Budget Analyst Office
1390 Market St., Suite 1025
San Francisco, CA 94102

Dear Mr. Rose:

This is the Recreation and Park Department's official response to your management audit concluded in November 2005. My staff and I have reviewed the recommendations. We have provided general responses in this letter for the major section and more specific responses to each recommendation in the attached document.

My new management team and I thank you for your analysis and recommendations and for noting and concurring with many of the on-going structural changes we've implemented in the last 18 months. Many of the recommendations provided us with significant additional guidance as we work with line staff to return the department to a leadership position in the field of Recreation and Parks.

Operations Division

Within the Operations Division, the management audit has correctly identified several functional areas where process improvement will result in enhanced delivery of enriching recreational activities and improved park maintenance as called for in the Department's mission statement. Accomplishment of several of the recommendations is underway per initiatives that have already commenced within the Division. The Operations Division appreciates the Budget Analyst's key findings and recommendations related to core Department functions. We are identifying the core 'lines of business' that most closely align with the Department's recreation mission. This effort will support an improved allocation of staffing resources and will sharpen the Department's focus on providing quality leisure options as recreation industry trends and neighborhood preferences change. A similar analysis of gardener tasks that are required to accomplish Proposition C park maintenance standards is already in progress and will have an equal benefit for the City's park users.

The Operations Division welcomes the findings and recommendations for better accessibility and accountability for program participation, gate admission, and event permits. The Department is already in negotiations with Active Networks to acquire the *Class* recreation management software which will greatly enhance customer access to recreation program participation as well as provide enhanced visibility and opportunity for event reservations on parklands and facilities. It will also provide accurate, real time participation rates for the Department's many recreation activities which will significantly improve our performance measurement / productivity efforts. Improved management of permits and accountability in the collection of event fees will be further addressed by restructuring the Department's fee schedule and rewriting, clarifying, and simplifying the Department's policies for permits and reservations.

The Structural Maintenance Division supports the infrastructure material needs of the entire Department and will benefit from the improved maintenance, planning, and inventory practices recommended in the management audit.

Finance and Administration Division

The findings from the management audit identify several areas within the Administration and Finance Division that require improvement. In particular, the division appreciates the Budget Analyst's findings and recommendations regarding cash handling procedures, lease management and monitoring, and communication between the division's property management and revenue units. The audit's analysis of these important functions will help the department to identify a course of corrective action. The department anticipates that solutions to the problems identified by the audit will be both short and long term in nature. The department has already begun projects that



will address issues highlighted by the audit in Administration and Finance. These projects include the acquisition, development and implementation of systems such as the Class reservation system, which will reduce the amount of cash handled throughout the Recreation and Park system, and a new revenue tracking system, which will help inform both revenue and property management staff and serve as the foundation for a new lease management tracking system.

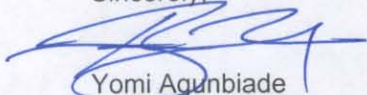
In addition to these systems, the Administration and Finance staff will use a variety of strategies to address the findings and recommendations in the audit. The audit presents an opportunity for the division to review processes and procedures and update and improve them as necessary. The department also anticipates using recommendations from the audit as a tool in the 2006-2007 budget process.

Capital Division

The findings cited within management audit for the Capital Division accurately reflects areas of concern and potential improvement for both procedural activities as well as reporting guidelines. The recommendations are not only welcome, but they provide a framework from which the desired improvements can be outlined, implemented and measured internally and by our constituents. Areas of particular concern include the formalization of the Division's project evaluation and selection criteria for determining funding availability and the forward movement of a capital project. As noted in the section entitled Next Steps in the draft copy of the 2005 Capital Plan, the Capital Division follows very clear defined guidelines such as maintaining open communication with the public and the Board of Supervisors through community representation such as the PROSAC committee with monthly meetings and building credibility by work closely with the public to identify and implement desired improvements in their parks.

Another very key area of concern is the management and tracking of capital projects overall. The Department recognizes the need for managing its projects more effectively and becoming more fiscally accountable for their outcome. To that end, the Capital Division is currently participating in the City wide facilities assessments activity for the current budget cycle and has reviewed a number of project management processes already in use by various city departments as a means of determining how best to approach the overarching need to clearly understand the condition of all of our properties and thereby be able to correctly evaluate the improvement needs – both on-going and capital, frame a capital project, manage said project to its conclusion and ultimately plan when new improvements need to be made and to what degree. The intent is to implement an assessment/project management system that can accommodate the necessary inputs and also produce the necessary reporting for the public, the city officials and can interface with the City's financial system, FAMIS. With the implementation of such a system, a large number of the concerns identified in the management audit can be effectively mitigated.

Sincerely,



Yomi Agunbiade
General Manager

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