
CITY OF SAN ANTONIO

OFFICE OF THE CITY AUDITOR



Audit of the Parks and Recreation Department

Park Maintenance

Project No. AU21-020

May 26, 2022

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

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the Parks and Recreation Department (PARD), specifically Park Maintenance. The audit objectives, conclusions, and recommendations follow:

Determine if maintenance operations within the City Park system are effective and efficient to include timeliness, adequacy, and fiscal oversight.

Overall, maintenance operations within the City Park system are effective and efficient, including timeliness, adequacy, and fiscal oversight. The PARD maintains an accurate directory of all City properties. They also have adequate processes to ensure scheduled maintenance is performed and account for additions and modifications to properties. The PARD staff completes work requests timely, and licensed individuals perform the work needed when required. Furthermore, PARD have effective controls to ensure expenses were allowable. Contractor use is appropriate, and their work is verified before payment. Lastly, the PARD has established controls that ensure employees have appropriate user access within the systems used.

However, we observed opportunities for improvement regarding park maintenance. The PARD can make improvements concerning staff training in high-risk areas. Additionally, controls can be strengthened surrounding maintenance equipment inventory management, specifically equipment tracking and asset disposition.

The Parks and Recreation Department Management agreed with the audit findings and has developed positive action plans to address them. Management's verbatim response is in Appendix B on page 7.

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Background

The Parks and Recreation Department (PARD) is a large Department responsible for operating the City's recreational programs and maintaining City-owned properties such as parks, urban trails, natural areas, sports facilities, recreation centers, and more. The PARD has approximately 545 employees. Approximately 275 are hourly staff responsible for property maintenance. Ron Darner Park Headquarters houses most of the staff and maintenance equipment. Additionally, there are multiple satellite facilities throughout the city consisting of assigned staff and maintenance equipment.

The PARD maintains over 250 properties ranging from .10 to 1,074 acres, totaling approximately 16,400 acres. Maintenance includes performing tasks such as trash removal, litter pick-up, mowing, landscaping, and overall facility upkeep. To effectively manage maintenance tasks, PARD has three divisions, Clean and Green; Natural Areas, Urban Forestry and Trails; and Operations and Trades.

Clean and Green is responsible for sanitation and routine maintenance such as removing trash, cleaning restrooms, and landscaping. They service over 210 properties divided into North, East, South, West, and Central sectors. Each sector is comprised of approximately 35 properties, 5 crew leaders, and 15-20 crew members. Crews are assigned specific properties within their sector. Properties are classified A to E, based on amenities, frequency of use, and size. This classification determines maintenance frequency ranging from once per week to daily.

The Natural Areas, Urban Forestry, and Trails division maintain greenway trails and walking trails. Approximately 80 employees maintain the trails daily. Teams are housed at the properties they maintain.

The Operations and Trades division is responsible for repairs, preventive maintenance, and requested maintenance. The division has nearly 100 employees who perform skilled trades such as carpentry, electrical, plumbing, and HVAC. Maintenance schedules and work orders determine much of their work. Contractors perform some work depending on the work needed and project size.

The PARD uses the Job Order Contractors (JOC) for some maintenance work. A JOC is used for work such as scheduled maintenance projects or other project which require a technical skill not on staff. JOCs are selected from a list of approved contractors available to all City departments. Additionally, the PARD has a contract specifically for mowing properties. PARD Supervisors perform monitoring to ensure contractor performance adheres to the contract.

Audit Scope and Methodology

The audit scope was Park Maintenance performed during fiscal years 2019 – 2021.

To establish criteria for testing we interviewed PARD management and key staff members to identify processes and relevant controls for Park Maintenance.

Our testing procedures included a review of property inclusion, actual maintenance completed, and documentation of maintenance performed.

We performed site visits at Ron Darner Park Headquarters and four satellite locations. We reviewed controls and documentation regarding maintenance equipment inventory management, physical safeguards, and disposition. For equipment disposition, we also relied on City Administrative Directives.

Furthermore, we reviewed expenses to confirm appropriateness. We also reviewed licensing for trade employees to ensure that all were current. Lastly, we reviewed training requirements in the COSA Safety Balanced Scorecard and training records maintained by the Safety Coordinator and Human Resources.

We relied on computer-processed data in SAP to validate the maintenance equipment and expenses. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls. Our direct testing included accounting for maintenance equipment and appropriateness of expenses. We do not believe that the absence of testing general and application controls had an effect on the results of our audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results and Recommendations

A. Park and Facility Maintenance and Inspections

The PARD maintains an accurate directory of all City properties, parks, and facilities. Additionally, the PARD has adequate processes to account for additions and modifications to properties, resulting in maintenance and inspections changes. We reviewed 12 sample properties that were added or modified between January and September of 2021. We confirmed the 12 properties were included for maintenance and inspections and each had the required Substantial Completion Forms¹ submitted.

In addition, the PARD has controls in place that ensure scheduled maintenance is performed. We reviewed scheduled maintenance at 30 properties. Overall, we determined that properties had maintenance performed and documented in the work logs. Additionally, the PARD Supervisors reviewed the work logs for all 30 properties.

We also determined that the PARD Safety Coordinator completed all scheduled inspections and included documented actions and recommendations. We tested eight facility inspections the PARD Safety Coordinator performed, and all were completed accordingly.

Lastly, the PARD completes work requests timely and uses licensed professionals when required. The PARD uses a work order system to manage work requests and maintenance tasks. We reviewed 25 work orders and found that the PARD completed them on time with no additional action needed. Additionally, some of this work requires a licensed professional. The PARD has licensed employees to perform HVAC, Electrical, Plumbing, Pesticide Application, and Irrigation tasks. We tested 29 licenses or certifications. All licenses or certifications are current, and copies are maintained.

Recommendation

None

B. Fiscal Oversight

PARD has effective controls that ensure the appropriateness of expenses and monitor the completion of scheduled maintenance performed by contractors before

¹ Substantial Completion Forms are submitted when PARD meets with Public Works (PW) at the completion of a project. The form is signed by the contractor, designer, PARD and PW. At that point, PARD takes over the maintenance of new amenities.

payment. We tested 50 PARD expenses for appropriateness, 26 Purchasing Card (P-Card) expenses, and 24 Purchase Orders (PO) for maintenance equipment-related expenses. All expenses tested were appropriate. Additionally, we tested 24 contractor invoices to confirm completion of maintenance as contracted before payment. PARD Supervisors performed inspections and submitted inspection forms, which verify completion, for all 24 invoices. PARD reconciled all invoices to the inspection form before payment.

Recommendation

None

C. Safety Training

PARD employees attend required annual training. Per the COSA Safety Balanced Scorecard, each City employee must complete a minimum of one safety-related training session annually. We reviewed training records for 25 PARD employees and all completed their annual training.

However, PARD has not established training requirements for high-risk tasks such as chainsaw, mower, and string trimmer operation. PARD does not have procedures to identify employees who perform high-risk tasks and provide periodic training.

The risk of injuries may increase when PARD employees do not receive sufficient training.

Recommendation

The Parks and Recreation Director should establish periodic training for specific high-risk tasks.

D. Equipment Management

The PARD can strengthen existing controls surrounding maintenance equipment inventory management, specifically the tracking of equipment and the disposition of assets. We determined that the physical inventory of maintenance equipment is not consistent with the 2021 SAP Inventory kept by the PARD.

We selected 62 pieces of maintenance equipment located at Darner Headquarters and 4 off-site locations from the 2021 SAP Inventory. We could not find 13 of 62 pieces of maintenance equipment.

Furthermore, we obtained 20 inventory tag numbers from maintenance equipment stored at off-site locations. We reconciled the inventory tag numbers to the 2021 SAP Inventory. We could not find 4 inventory tag numbers in the 2021 SAP Inventory. Additionally, we located 3 items in the 2021 SAP Inventory at sites other than where they were assigned.

Finally, we reviewed 35 asset dispositions. We determined that 32 of 35 asset dispositions contained errors such as missing information or lacked approvals.

Per AD 8-7 Financial Management of Capital Assets and Tracked Property, equipment is marked with inventory tag numbers before issuance. The inventory tag number, equipment information, and site assigned are maintained in SAP, the City's primary source of record for equipment inventory information. Inventories should be adjusted when equipment is added, relocated, or dispositioned.

PARD can improve inventory management controls and procedures used to track and document maintenance equipment. In addition, the procedure for asset disposition is not adhered to.

Insufficient inventory management controls and procedures or not adhering to disposition procedures could result in financial losses or inappropriate use of City-owned equipment. We did not find inappropriate use or financial losses in our testing. However, we did not perform a full inventory count.

Recommendation

The Parks and Recreation Director should review and revise existing controls and procedures to ensure accurate documentation of the equipment management process.

Additionally, the Parks and Recreation Director should ensure the proper execution of existing disposition procedures.

E. User Access

The PARD has controls in place to ensure employees have appropriate user access. We took a sample of 20 PARD employees. We determined all 20 employees had appropriate access to SAP & SAePS, the City's primary fiscal systems utilized. Additionally, the PARD has identified potential conflicting roles. However, they have established compensating controls to comply with Administrative Directive 7.8d Access Control.

Recommendation

None

Appendix A – Staff Acknowledgement

Buddy Vargas, CPA, CIA, CFE, Audit Manager
Ken Lyssy, CFE, Auditor in Charge
Yadi Valenzuela, Auditor

Appendix B – Management Response



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

May 20, 2022

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

RE: Management's Corrective Action Plan for the Audit of the Parks and Recreation Department, Park Maintenance.

The Parks and Recreation Department has reviewed the audit report and has developed the Corrective Action Plan below corresponding to the report recommendation.

Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
C	<p>Safety Training</p> <p>The Parks and Recreation Director should establish periodic training for specific high-risk tasks.</p>	4	Accept	Lyn Kinton, Parks Administrator	Ongoing
<p>Action Plan:</p> <p>This recommendation is related to staff training above and beyond that which is standard and currently in place in coordination with the Office of Risk Management. Examples include but are not limited to periodic training on the use of chainsaws or welding equipment or any specialized trade skill. The Parks and Recreation Department is finalizing a reorganization around the pillars of Excellence, Equity, Empowerment, and Engagement. This reorganization has established an elevated approach in staff development including focused training and will enhance efforts towards meeting employee safety needs.</p> <p>Additionally, the City's enterprise Safety Management System was developed to ensure safety compliance and management in all City departments; establish strategies and actions to reduce risk of injury and illness; and improve safety performance continuously. The Department is going through the process to become certified in SMS by the Summer of 2023 which includes document development; related training at all levels; and monitoring of SMS operations.</p> <p>These actions will allow for consistency and improved outcomes in training in the context of a growing park system which may require the use of other specialty or potentially high-risk equipment.</p>					

Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
D	Equipment Management	4	Accept	James Ramirez, Fiscal Administrator	Sep 30, 2022
	The Parks and Recreation Director should review and revise existing controls and procedures to ensure accurate documentation of the equipment management process.				
	The Parks and Recreation Director should ensure the proper execution of existing disposition procedures.				
Action plan: This recommendation is related to the consistency in documentation for the tracking of equipment inventory. Of the audit sample size examined, 13 of 62 items or 20% of the sample size were not located. Since the date of the audit exit conference on April 21, 2022, two (2) items have been located, reducing the number of items not located to 11 totaling \$7,866.52. Six (6) of the 11 items date back to 2015 & 2016 with an average purchase price of \$531.42. Four (4) of the 11 items have a date range of 1991 – 2010 with the highest value being a piece of welding equipment at \$3,350 purchased in November 1991. The other 3 items in this 19-year date range have an average purchase price of \$282.66. Lastly, a blower purchased in July 2020 with a listed value of \$480 was not located. The Parks and Recreation Department is finalizing a reorganization around the pillars of Excellence, Equity, Empowerment, and Engagement. This reorganization is building a systems-based approach to increasing accountability across the Department including equipment inventory management. In doing so, this function will be coordinated by the Fiscal Administration Team, promoting centralized inventory management controls. Through this centralized approach, the Department will provide additional training for all staff on inventory management and disposition protocols including necessary approvals. Additionally, the Department is pursuing national accreditation through the National Recreation Park Association (NRPA) which is the sole national accrediting body for park systems. To achieve this national accreditation, the Department is assessed on more than 150 standards. Two of the standards required to be met to achieve accreditation focus on <i>Inventory and Fixed Assets Controls</i> and <i>Agency-Owned Equipment, Materials, Tools, and Supplies Policies and Procedures</i> . NRPA will conduct a virtual site from May 31 – June 3, 2022, to review all evidence submitted for accreditation.					

We are committed to addressing the recommendation in the audit report and the plan of action presented above.

Sincerely,



Homer Garcia III
Director
Parks and Recreation Department

5/19/22

Date



David W. McCary
Assistant City Manager
City Manager's Office

5-18-22

Date