



Council Meeting: November 18, 2008

SUBJECT: Transmittal of the FY 2006/2007 Performance Results Audit of Program 646 — Arts and Recreation Programs and Operation of Recreation Facilities

REPORT IN BRIEF

This report presents the audit of performance results reported during FY 2006/2007 by Program 646 - Arts and Recreation Programs and Operation of Recreation Facilities. The purpose of a performance results audit is to ensure budgetary and management decisions were based on valid and complete information. The program's performance reporting system was evaluated for: 1) reporting accuracy; 2) language transparency; 3) documentation/data integrity; and 4) the integration of reporting systems within workflow. The evaluation was performed through staff interviews, documentation review, and the recalculation of reported results. Findings and recommendations are presented in the attached report.

BACKGROUND

Measuring program performance has been a key feature of Sunnyvale's management and budgeting system for more than two decades. Funding for City programs is not budgeted by line item, but rather by the efforts or tasks undertaken in each program. These tasks are called activities. In the budget structure, activities are grouped into service delivery plans, which are further grouped into programs. Each activity has a budgeted number of dollars and staff hours to perform the tasks. The activities also have a budgeted number of "products" that management is expected to produce with the given resources. Expenditures and product counts are used to calculate product cost, products per hour, and hours per product. Each program also has a series of performance measures which measure how well the services are performed. Service level and funding decisions are made based on these measures and Council priorities.

The audit verifies measure results and activity product counts by reconciling the reported numbers to source documentation and by recalculating the results using the City approved methods outlined on the Measure Definition and Documentation Procedures document (the SOP). The language of SOPs, measures, and activity titles is reviewed to ensure that calculation instructions are easy to understand and the reported numbers reflect the intent of the measure, SOP, and product text. Documentation systems are reviewed for

completeness and to determine if easier ways to collect the data exist by integrating reporting systems into operational workflow.

EXISTING POLICY

The Fiscal Sub-element of the General Plan includes the following policies:

- Long Range Goal - VII: To ensure accuracy and policy consistency in City processes and reporting through regular financial and performance audits of programs.
- Internal Control - G.2.5: Performance audits will be conducted regularly on a schedule set by Council to verify that the performance data reported by each department is complete, valid, and accurate.

Per Council policy, performance results audits are performed on all operating programs over an eight year period. The audits presented in this report are part of the current audit plan's sixth year.

DISCUSSION

Program 646 — Arts and Recreation Programs and Operation of Recreation Facilities organizes and provides recreational programming and the use of recreational facilities to the youth, teen, adult, and senior populations in the City of Sunnyvale. This is a very large and complex program with an operating budget of over \$8 million. Programming is provided at many different venues and is not limited to City facilities. Work efforts are tracked in 122 activities which are grouped into sixteen service delivery plans. In addition to 122 activity products, program achievements are reported through 35 performance measures.

Coordinating information flow is always an issue with large programs. This program faced further reporting challenges in FY 2006/2007 with the following: 1) a new reporting structure and calculation methodologies; 2) a new registration software (VSI) implemented midway through the fiscal year; 3) manual tracking and calculation procedures for several activities; 4) management vacancies; and 5) the complexity of programming and the variety of methods needed to track customer participation and other products.

The accuracy of a reported result is determined by recalculating the result using source documentation and calculation procedures on the SOP. Error margins of $\pm 3\%$ for measure results and $\pm 5\%$ for activity products is considered acceptable for audit purposes. Statistical sampling was used to verify some of the results in this audit because the data sets were too large to efficiently count manually. The results provided from these samples are shown in the attached audit report. The sampling methodologies used follow accepted statistical theories and practices to provide reliable results at an acceptable confidence level.

The table below summarizes the results of Program 646's performance results audit.

Audit Statistics
Results of FY 2006/2007 Performance
Program 646 — Arts and Recreation Programs and Operation of
Recreation Facilities

Number of Results Reported within $\pm 3\%$ & $\pm 5\%$	58	68%
Number of Results Not Reported within $\pm 3\%$ & $\pm 5\%$	15	18%
Number of Results Not Able to Determine (NATD)	12	14%
Total Number of Measures/Activities Reviewed	85	100%
Total Number of Measures Not Reported	2	
Number of Results Not Audited	70	
Total Number of Measures/Activities in Program	157	
Number of SOPs Missing	0	
Number of Recommendations	50	

Fifty-eight (58) of the 85 results reviewed (68%) were reported within the acceptable margins of error as calculated by the guidelines approved by City management on the SOP. Fifteen results (18%) were reported outside the acceptable margins of error. Two results were not reported by the program due to staffing vacancies. Twelve results (14%) could not be verified. The audit makes fifty (50) recommendations to address reporting issues and noted seven (7) operational issues outside the scope of the audit.

FISCAL IMPACT

Costs associated with preparation of these audit reports were included in the City of Sunnyvale's operating budget in Program 745 — Program Performance Audits.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center, and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk.

ALTERNATIVES

1. Receive the audit report and concur with management's acceptance of recommendations.
2. Receive the audit report and direct staff to hold a study session to discuss the audit findings and recommendations.
3. Receive the audit report and give alternative direction regarding specific recommendations.

RECOMMENDATION

Staff recommends Alternative 1: Receive the audit report and concur with management's acceptance of recommendations.

Reviewed by:

Mary J. Bradley, Director of Finance
Prepared by: Sue English, Sr. Internal Auditor

Approved by:

Amy Chan
City Manager

Attachments

- A. City of Sunnyvale FY 2006/2007 Performance Results Audit, Department of Parks and Recreation, Program 646 — Arts and Recreation Programs and Operation of Recreation Facilities

City of Sunnyvale
FY 2006/2007
Performance Results Audit



Department of Parks and Recreation

Program 646
Arts and Recreation Programs and Operation
of Recreation Facilities

July 2008

Auditor: Sue English, Sr. Internal Auditor
Department of Finance, City of Sunnyvale

Field Work Start Date: March 2008

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AUDIT OBJECTIVE

The goal of a performance results audit is to ensure that budgetary and management decisions are based upon valid and complete performance information. This is accomplished by evaluating the following components of a program's performance reporting system:

- **Accuracy:** Auditor count or calculations are within ± 3.0 percent for program measures and within ± 5.0 percent for activity product counts.
- **Language:** Measure/Product text accurately represents the numbers portrayed in the reported result.
- **Documentation/Data Integrity:** Documentation systems are complete and data accurately reflects a program's operations. Each measure should have a Standard Operating Procedures (SOP) document describing data sources and calculation methodologies.
- **Integration:** Data collection systems are automated and integrated into the operational workflow of the organization whenever possible.

The evaluation is performed through staff interviews, documentation review, and by recalculating the reported results. The audit considers the year-end report to the City Manager as final. Handwritten corrections in the year-end report are acceptable.

AUDIT SCOPE

The City of Sunnyvale uses performance-based budgeting — a method in which the General Plan's goals are directly supported and accomplished by specific programs. Performance-based budgeting quantifies both performance and expenditures; it also presents the interrelation between the two. This interrelation is called “performance results” and is the focus of this audit.

To quantify performance, each program's function is defined by a program performance statement. The program performance statement provides the purpose of the program and how this purpose will be achieved. Performance measures are the benchmarks and data points are the statistics that provide context for the measures.

To quantify expenditures, each program is separated into service delivery plans (SDPs), which are separated further into activities [also referred to as organizational cost accounts (OCAs) or charge codes]. They are the “place” where all work hours, direct expenditures, and units of production (products) are charged.

The auditor reviewed the FY 2006/2007 performance results as reported by *Program 646 — Arts and Recreation Programs and Operation of Recreation Facilities*. The program's reporting structure consists of 35 performance measures and 122 activities.

The auditor tested 85 reported performance results (35 measures and 50 measure supporting activities). Seventy of the program's activities were not audited because the products are either work hours, training-related, allocated costs, or the activities were not directly related to a performance measure, thus not needed to verify a program measure. Work hours were not evaluated because there is no practical method to verify reported hours were actually worked. Training products were not audited because they are not a main operational function of the organization. Allocated costs are funds distributed to other programs to cover internal services. These costs were not audited because they are automatically calculated by the financial system.

Statistical sampling was used to verify some of the results in this audit because the data sets were too large to efficiently count manually. The sampling methodologies used follow accepted statistical theories and practices to provide reliable results at an acceptable confidence level.

PROGRAM BACKGROUND

Program 646 — Arts and Recreation Programs and Operation of Recreation Facilities organizes and provides recreational programming, or use of recreational facilities, to the youth, teen, adult, and senior citizen populations in the City of Sunnyvale. The program is part of the Parks and Recreation Department and operates from the Sunnyvale Community Center campus at 550 E. Remington Drive.

The complexity of Program 646 is reflected in the scope and diversity of the programs and services offered. This complexity in turn causes challenges to information flow and affects the products reported and how the results must be calculated.

Smaller recreational programs were combined during the City's budget restructuring efforts of FY 2006/2007 to create a comprehensive program. No historical performance data is available as this is the first budgeted year for the reporting structure. The program works closely with local school districts and independent contractors to provide recreational programming within the following sixteen service delivery plans:

1. Elementary School After-School and Summer Recreation Programs
2. Middle School After-School and Summer Recreation Programs
3. High School After-School and Summer Recreation Programs
4. Senior Recreation Classes, Activities, Services and Registration
5. Pre-School and Therapeutic Recreation Programs
6. Adult Visual and Performing Arts Classes and Activities
7. Youth Visual and Performing Arts Activities and Classes
8. Public Visual Art
9. Aquatics Classes and Activities

10. Youth Sports Classes and Activities
11. Adult Sports Classes, Activities and Leagues
12. Recreation Facilities Scheduling and Rentals
13. Recreation Facilities Scheduling and Support for City Activities
14. Registration, Front Counter Services, Community Outreach Special Events and Publicity
15. Management and Support Services
16. Proven People Program

The FY 2006/2007 budget of \$8,181,169 includes 147,549 work hours. Actual costs and hours expended in FY 2006/2007 were \$7,383,361 and 128,779 hours (90 and 87 percent of the budgeted amounts, respectively).

Coordinating information flow is always an issue with large programs. This program faced further reporting challenges in FY 2006/2007 with the following:

- ◆ A new budget reporting structure that converted four smaller programs into activities and placed them under the umbrella of an overarching program;
- ◆ New calculation methodologies for reporting performance;
- ◆ A new registration software (VSI) implemented midway through the fiscal year;
- ◆ Manual tracking and calculation procedures for several activities;
- ◆ Management vacancies;
- ◆ The complexity of programming and the variety of registration requirements and the methods needed to track customer participation.

For the most part, the reported results fit into the following six categories:

1. Number of participants;
2. Number of participant hours;
3. Number of occupancy hours;
4. Number of service hours provided;
5. Customer satisfaction; and
6. Cost recovery

Number of Participants: The Arts and Recreation Program offers a variety of sporting and cultural programs ranging from class series to one-time social events. Customers can participate in the programming by “dropping-in” to pre-scheduled events or by pre-registering.

To simplify the reporting process, the program has a policy to report the number of registered participants in programs that require pre-registration whether they attend or not. However, product tracking is complicated as not all programming requires prior

registration. Some programming can have a mix of drop-in and registered participants or can be solely drop-in. The difference in registration requirements is significant for product tracking as the number of registered participants is tracked within the registration system but drop-in participation must be manually tracked at the event. Events that combine both registered and drop-in participants must remember to combine, but not mix the two numbers for the final count.

Programming occurs at many different venues (schools, parks, pools, theaters, etc.) and is not limited to city facilities. Coordinators may be city staff, contract employees, or volunteers. The background and training of the coordinator may influence how participation is counted and reported. Although the program has a policy of reporting the number of registered participants, there was some evidence that in a few cases, staff inadvertently reported attendance numbers from the schools instead of the registration numbers.

Reporting was further complicated during the audited year as the program implemented a new registration system, Vermont Software Incorporated (VSI), in January. Half the fiscal year was tracked on the old system and half the fiscal year was tracked on the new system. In addition to compiling information from two sources, staff was learning how to access information in the new system. In some cases, results were based on a wrong report or a report that was run before the numbers were finalized. The program has recognized these issues and has addressed them.

The auditor noted three methods used to calculate the number of participants:

- A. A participant was counted as “1” for an entire series of classes.
- B. A participant was counted as “1” for each day of the series that a class is scheduled to meet. (Inadvertently reported attendance numbers from the schools.)
- C. A participant was counted as “1” for each day of actual attendance.

To illustrate the difference, assume there is a class or program with five registered students that meets once a week for five weeks. Method A reports “5” participants as five students are registered for the class. Method B reports “25” participants as five students are registered to attend five classes. Method C reports a number somewhere between 0 – 25 participants depending on the number of students who showed up for each class.

It is important to note that that Method B was a mistake made by staff and occurred in only a few activities out of the over 100 activities in the program. Method C is used only for drop-in programs.

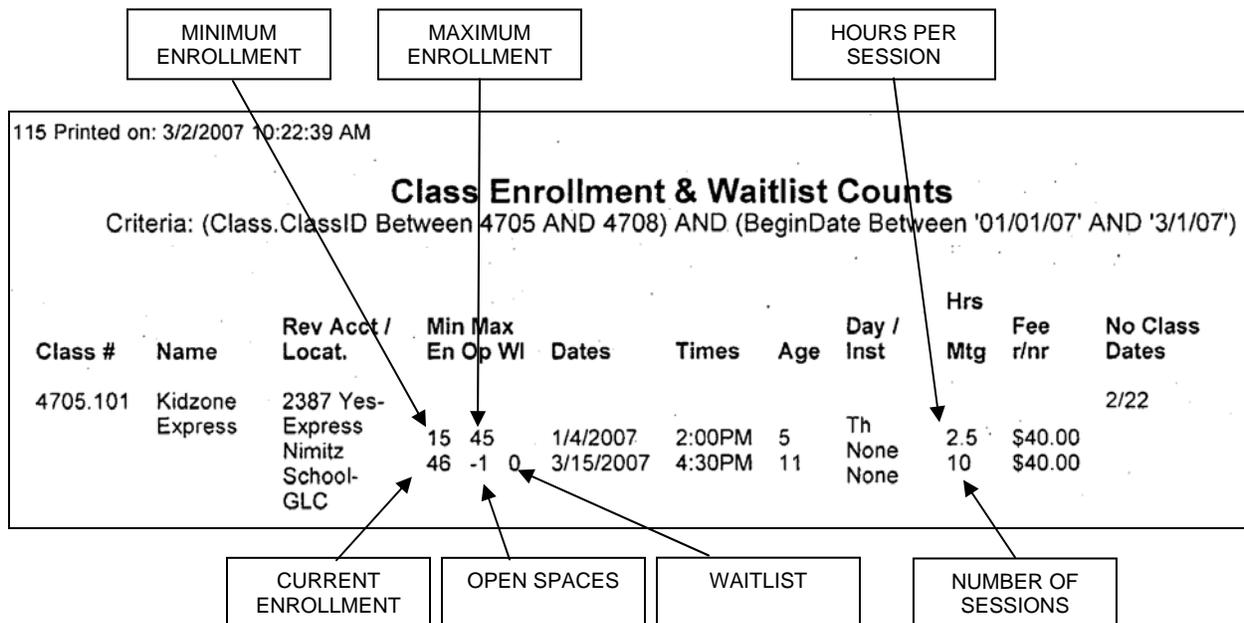
To complicate matters, not all programming requires prior registration. Some programs have a mix of drop-in and registered participants while others do not offer prior registration. The Program’s policy is to report the number of “registered” participants (Method A) for programs requiring pre-registration and actual attendance (Method C) for

drop-in programming, and a combination of both methods for programs with mixed registration requirements.

Participant Hours: Further complications come from reporting participant hours, rather than the number of participants, at the activity level. Supplemental tracking systems for the number of drop-in participants are created by coordinators. Some of these systems are adequate while others need to be improved. The auditor noted one occasion where some sign-in sheets for a single class had the same date on different pages and the sign-in signatures with corresponding times did not match on the two pages for some students.

Participant hours are calculated by multiplying the number of participants by the number of hours per program. For example, the program would track 1,150 participant hours for the Kidzone program on the registration sheet below in [Figure 1](#)

Figure 1:



In some cases, the participant hour calculations caused the number of participants to be inflated for the classes/programs spanning more than one fiscal period. When a class is reported as a unit, one journal voucher reflects the number of participants and the number of participant hours ([Table 1](#)). When classes are split into segments to report participant hours as they happen, the number of registered participants is now repeated on several journal vouchers. Since annual totals are derived by adding the totals from each journal voucher submitted throughout the year, participant figures are inflated. In this example, the participant count was inflated from 46 to 138 because the number of participants was repeated on three journal vouchers (A, B, and C) to calculate the number of participant hours in each fiscal reporting period ([Table 2](#)).

Table 1:

Products Reported at End or Beginning of Class				
Period	Number of Participants	Number of Class Sessions	Session Length	Total Participant Hours
A	46	10	2.5	1,150
TOTAL	46			1,150

Table 2:

Products Reported by Period Completed				
Period	Number of Participants	Number of Class Sessions	Session Length	Total Participant Hours
A	46	4	2.5	460
B	46	4	2.5	460
C	46	2	2.5	230
TOTAL	138			1,150

Occupancy Hours: Occupancy hour products reflect the number of hours that facilities were rented. Internal and external occupancy hours are tracked separately in Service Delivery Plan 12 (Recreation Facilities Scheduling and Rentals) and Service Delivery Plan 13 (Recreation Facilities Scheduling and Support for City Activities). Occupancy hours were manually calculated by color coding facility reports by user type and summing the hours for each color with a calculator. The program realizes the manual nature of these calculations is not optimal but is not satisfied with the facility usage module in the new VSI software. The program is exploring other software alternatives with the IT Department.

Service Hours: Service hour products reflect the number of hours the front counters were staffed at Senior Center and the Recreation Building (also referred to as the Community Center). The Senior Center reported actual hours that the front desk was staffed but the Recreation Building reported hours based on formula. The latter method reports anticipated coverage not actual coverage. Both calculation methods used by the program forgot to account for holiday closures. The auditor recommends tracking coverage with a spreadsheet formatted as a calendar to correlate service to different days of the week and holidays.

Customer Satisfaction: Customer satisfaction results were based on customer satisfaction surveys administered throughout the year. Reporting satisfaction was very complicated in FY 2006/2007 as the program was using thirteen different surveying tools with several different rating scales. The program has since standardized the survey form and rating scales for all surveys conducted in the various programs.

Cost Recovery: The concept of a cost recovery calculation is simple – determine the percentage that the revenues generated cover the costs of providing the services. Determining what costs and what expenses should be included in the calculation is

where the process becomes complicated. Sunnyvale's activity-based budgeting system helps to simplify the process by grouping revenues and operating costs within activities and service delivery plans; but some decisions still need to be made.

The program reports cost recovery rates for services offered to its four populations (youth, teen, adult, and seniors). The program made the mistake of basing its calculations on a few select activities within each of the service delivery plans instead of using the entire service delivery plan. Sunnyvale's budget structure has already grouped direct revenues and expenditures by population within the service delivery plans.

Although the budget structure will capture most of the revenues/expenditures associated with providing services to a single population in a service delivery plan, some revenues/expenditures may be tracked in other service delivery plans if they support multiple populations. For example, maintenance of the program's website, reception revenues and costs, production and distribution of guides, flyers, and brochures are all examples of activities in other service delivery plans that are essential for providing services to some or all of the populations. All or partial amounts of the revenues/expenditures tracked in these activities should be added to the cost recovery calculations for each population.

Determining what should, or should not, be included in a cost recovery calculation and/or splitting costs within individual activities to represent usage levels by population is complicated; but, these types of calculations are routine for the staff in the City's budget office. All programs within the City should remember that budget analysts are a valuable resource for reviewing calculation methodologies before results are reported.

Coordination between the Measures and the Activities: The City's financial system can track expenditure, revenue, and one product at the activity ("OCA" or "Charge code") level. However, the measures in the program report several aspects of the activities tracked in the service delivery plans. For products not tracked in the financial system, program staff had to build their own tracking and reporting systems. For example, all the programming activities in Service Delivery Plan #1 track participant hours for after school and summer programming at local elementary schools. There are four program measures (PMs) reporting on this group of activities:

- PM#1: Customer Satisfaction
- PM#11: Participant Hours
- PM#24: Cost Recovery
- PM#28: Number of Participants

Measures #11 and #24 report information tracked by the financial system but the data for measures #1 and #28 had to be collected independently by the program.

To parallel, the following measures report on senior activities in Service Delivery Plan #4:

- PM#5: Customer Satisfaction
- PM#15: Participant Hours
- PM#26: Cost Recovery
- PM#32: Number of Participants

Unlike the previous service delivery plan for elementary school programs, not all the activities in Service Delivery Plan #4 report participant hours. Some report the number of participants and others report the types of products produced (meals, trips, volunteer hours, etc.). In addition to independently tracking and collecting data, staff must be careful that they use the correct product for the correct measure from a list of multiple products being tracked for each activity.

The program made great strides to increase the accuracy of the reported results by implementing a “green sheet” review system during the fiscal year audited. Calculation sheets, reports, SOPs, and all other supporting documentation were organized behind a green coversheet and sent to a single manager for review before the results were finalized. Given the complicated nature of the reporting structure, the program should consider making the green sheet review process a standard part of finalizing the annual reported results.

The auditor also recommends that calculations for measures reporting different aspects of the same activities be performed on a single spreadsheet or on a single piece of paper. Some reporting errors were caused by using the wrong result for the wrong measure (transposition errors). It is difficult to use the number of participants for the number of participant hours if both numbers are on the same page. Participant hours will always be larger than the number of participants unless all the events meet only once and for one hour.

The program may also want to consider simplifying its reporting structure and reexamining why it reports the “number of participant hours” which is a compound statistic that multiplies the number of participants by the number of program hours. In some cases compound statistics are necessary. However, in this case reporting the two straight statistics together (number of participants and the number of programming hours) imparts the same information without the added calculation step.

AUDIT SUMMARY

The table below summarizes the results of the audit:

AUDIT STATISTICS		
Number of Results Reported Within 3% & 5%	58	68%
Number of Results Not Reported Within 3% & 5%	15	18%
Number of Results Unable to Verify	12	14%
Total Number of Measures/Activities Reviewed	85	100%
Total Number of Measures Not Reported	2	
Number of Results Not Audited	70	
Total Number of Measures/Activities in the Program	157	
Number of SOPs Missing	0	

Fifty-eight (58) of the 85 results reviewed (68%) were reported within acceptable margins of error according to the calculation guidelines approved by City management on the *Measure Definition and Documentation Procedures* document, commonly known as the “SOP.” Fifteen results (18%) were reported outside the acceptable margins of error. Two results were not reported by the program due to staffing vacancies. Twelve results (14%) could not be verified. The audit makes fifty (50) recommendations to improve the reporting system and noted seven (7) operational issues outside the scope of the audit.

Results Not Reported within Acceptable Margins of Error:

Fifteen results (twelve program measures and three activity products) were not reported within the acceptable margins of error (see table below). Nine of the fifteen results (60%) were underreported by the program. Statistical sampling was used to verify some of the results in this audit because the data sets were too large to efficiently count manually. The sampling methodologies used follow accepted statistical theories and practices to provide reliable results at an acceptable confidence level.

Measure #9 was under reported by 4.73% (see table below) due to an error in the calculation methodology. Fifty-one (51) survey cards of three questions each were received for this measure. Instead reporting the percentage of positive responses out of 153 questions, staff reported the percentage of cards that received a “satisfied” rating for all three questions. The program has standardized to one survey format during the course of the audit.

Program 646 – Arts and Recreation Programs and Operation of Recreation Facilities
Performance Results Audit of FY 2006/2007

RESULTS NOT REPORTED WITHIN ACCEPTABLE MARGINS OF ERROR						
PROGRAM MEASURES						
Meas#	Measure	Data Point	Reported Result	Auditor Calculation	Accurate within 3%	
					Y/N	+/-
9	A customer satisfaction rating of 85% is achieved among users of front counter services at community center.	Percent of Satisfied Customers	92.157%	96.732%	No	(4.73)%
10	Number of hours Recreation Building and Senior Center front counters provide service to the public.	Number of Hours Front Counters Provide Service	5,366.00	5,050.50	No	6.25%
11	Number of youth participant hours in Recreation programs.	Number of Participant Hours	276,443.00	294,817.00	No	(6.23)%
14	Number of therapeutic participant hours in Recreation programs.	Number of Participant Hours	4,788.00	5,061.00	No	(5.39)%
15	Number of senior participant hours in Recreation programs.	Number of Participant Hours	235,029.00	*304,284.00	No	(22.76)%
24	Percent of cost recovery for youth programs.	Percent of Cost Recovery	96.040%	85.553%	No	12.26%
27	Percent of cost recovery for adult programs.	Percent of Cost Recovery	95.730%	83.370%	No	14.83%
28	Number of youth participants in Recreation programs.	Number of Participants	42,492.00	*44,476.00	No	(4.46)%
29	Number of teen participants in Recreation programs.	Number of Participants	7,992.00	7,741.00	No	3.24%
30	Number of adult participants (may include seniors and older teens) in Recreation programs.	Number of Participants	20,686.00	*16,327.00	No	26.70%
32	Number of senior participants in Recreation programs.	Number of Participants	126,375.00	*114,939.00	No	9.95%
34	Number of paid participants in Senior Center programs who are not members.	Number of Paid Participants	260.00	*914.00	No	(71.54)%
	* Auditor calculation is estimated from a statistical sample. Statistical theories and practices were followed to provide reliable results at an acceptable confidence level.					

Measure #10 was over reported because the calculation sheet was set up in such a manner that it was difficult to catch errors. The auditor suggests a calendar format for the spreadsheet so staff can visually reference service hours to the days of the week and holidays.

Measures #11, #12, #28, and #29 are part of two sets of measures which report different aspects (participants and participant hours) of the same service delivery plans. The activities on both service delivery plans report participant hours. Measure #11 was outside the margin of error as staff used the number of participants (750) for activity 646445 instead of the number of participant hours (19,125). Measure #12 was reported accurately as the products from the activity level directly roll up into this measure. The activities rolling up to Measures #28 and #29 report different products. Participant

counts were tracked and calculated on spreadsheets created by the managers. The spreadsheets missed participants indicated on the back-up documentation. The participant count for activity 646020 is the main cause of the error in Measure #28 and participant counts for activities 646065, 646070, and 646075 caused the error in Measure 29.

Program Measure #14 draws its data from activity 646230. Although the activity reports participant hour products, staff was unaware that the reported result could be calculated from information available in the new registration system. The measure and activity results were outside the acceptable margins of error as the number of sessions and/or the number of hours per session was occasionally incorrect on the independent calculation spreadsheet.

Measures #15 and #32 draw their data (participants and participant hours) from the same eight activities. Both the number of participants and the number of participant hours are tracked in each of these eight activities. However, for half the activities, the defined product is “number of participants.” For the other half, the defined product is “number of participant hours.” For Measure #15, the wrong activity product was used for four (4) numbers in the result calculations.

Measure #32 was outside the margin of error because the number of participants was over reported in Activity 646165. The over reporting was caused by reporting products as they occurred (see discussion and [Table 1](#) above). It is important to note that Activity 646165 is one of those that tracks both number of participants and number of participant hours. The defined product for the activity is “number of participant hours,” rather than “number of participants.” The calculation error for the measure was in the informal tracking system.

The same sort of situation occurred with Measure #29. All the activities rolling up to Measure #29 report the number of participant hours not the number of participants. Participant count errors in activities 646065, 646070, 646075, and 646110 caused the error at the measure level. Errors are not seen at the activity level as all these activities correctly reported their defined product.

All the activities rolling up to Measure #30 reported participant hours not the number of participants. Activity 646265 for adult dance classes did not have the supplemental infrastructure to calculate the number of participants and reported an estimate of “5,423+”. The actual number of participants was 12,124. The supplemental tracking system for participant numbers needs to be improved in this activity.

The two cost recovery measures (24 and 27) were reported outside the margin of error as staff misinterpreted instructions on the SOPs. Instead of reporting the actual percent of cost recovery that was achieved, staff reported the percent of the budgeted cost recovery “goal” that was achieved for the fiscal year.

The reported result for Measure #34 was an estimate as the program did not have the infrastructure in place to distinguish the number of non-member participants from member participants in some drop-in programming. The auditor suggests that the program create a tracking system based on the cash receipt vouchers submitted to the Department of Finance. Non-members can be distinguished on these reports by the fees paid to attend the events.

RESULTS NOT REPORTED WITHIN ACCEPTABLE MARGINS OF ERROR						
ACTIVITIES						
Charge Code	Charge Code Title	Product Title	Reported Result	Auditor Calculation	Accurate within 5%	
					Y/N	+/-
646165	Coordinate Senior Classes with Adult Education Providers	A Participant Hour	65,854.00	*72,439.00	No	(9.09)%
646230	T/R Classes and Activities (69% Direct Cost Recovery)	A Participant Hour	4,788.00	5,061.00	No	(5.39)%
646550	Recreation Building Rental (146% Direct Cost Recovery)	An Occupancy Hour	2,051.00	*2,297.00	No	(10.72)%
	* Auditor calculation is estimated from a statistical sample. Statistical theories and practices were followed to provide reliable results at an acceptable confidence level.					

Three activities had results that were not reported within the acceptable margin of error of $\pm 5\%$. Activities 646165 and 646230 were under reported. The calculation sheets for activity these activities occasionally used the wrong session lengths and number sessions to calculate the number of participant hours. Plus, the number of sessions was sometimes misprinted in the official activity guide. The activity guide may have been used as a data source since as the new registration system was still in the process of being implemented. These types of errors will no longer be an issue as the new registration system will be calculating participant hours in the future.

Activity 646550, which tracks the occupancy hours for building rentals, was under reported because results were manually calculated by color coding a printed facility report and summing the hours for each user type (color) with a calculator. Miscoding and time miscalculations caused the reported result to be outside the margin of error. The program is not satisfied with the facility usage tracking module in the new VSI software and is exploring other software alternatives with the IT Department.

Results Unable to Verify:

Twelve results (six program measures and six activity products) could not be verified. (See table below.) The three fee waiver results (Measures #16, #17, and Activity 646715) could not be verified as the waivers were administered by an outside contractor who did not provide adequate backup documentation. The program reestablished control over the fee waiver program in October of 2007. Fee waiver use can now be tracked in the new VSI registration system. Documentation and result calculations should no longer be an issue for fee waivers.

Program 646 – Arts and Recreation Programs and Operation of Recreation Facilities
Performance Results Audit of FY 2006/2007

RESULTS UNABLE TO VERIFY					
PROGRAM MEASURES					
Meas#	Measure	Data Point	Reported Result	Auditor Calculation	Reason
16	Number of recipients benefiting from the Recreation Fee Waiver Program.	Number of Individuals	1,015.00	UTV	Administered by contractor. Support documents not available.
17	Number of program hours from Recreation Fee Waivers.	Number of Program Hours	14,270.00	UTV	Reported results are based on a formula which multiplies the number of fee waivers issued by an estimate of 10 programming hours per activity.
18	Number of occupancy hours from rentals of recreation facilities.	Number of Rental Occupancy Hours	18,623.00	UTV	A formula to calculate estimated occupancy hours for the artist studios at the Raynor Park had not been developed. The audit also suggests a formula to estimate picnic area usage which is not currently included in the measure.
19	Average number of Arts staff hours to complete one art in private development project.	Number of Staff Hours Required to Complete One AIPD Project	39.00	UTV	Art in private development projects are too large and diverse to be verified by a task time analysis. The audit has no means to verify the reported results for this measure
20	Number of artworks in City's permanent collection that are inspected annually.	Number of Artworks Inspected	50.00	UTV	A full year has elapsed since the inspections and repairs were completed for FY 2006/2007. Condition of the pieces have reverted.
33	Number of Senior Center memberships.	Number of Memberships	3,660.00	UTV	Membership totals were different depending on the report used. Also, 128 memberships on the listing pages showed the fee paid as \$0.00. The computer system may have been including prior memberships that were not renewed as current memberships with a fee paid of \$0.00 in the overall total reported.

Occupancy hours (Measure #18) could not be verified as a formula to estimate occupancy hours for the artist studio rentals at Raynor Park had not been established. The number of studios rented (4) is reported at the activity level. The auditor also noted that picnic area use is not included on the SOP for this measure. Staff explained that picnic permits are valid for the entire day of the reservation and there is no feasible way to measure actual occupancy. The auditor suggests including picnic area rental hours in the reported result by multiplying the number of permits by the number of hours of area use each permit allows or by an estimated average picnic duration based on staff experience.

All private nonresidential development in Sunnyvale is required to install public art pieces equaling 1% of construction costs or to pay an "in-lieu" fee if an appropriate location does not exist on the property. These projects are managed by the Arts and Recreation Program and can span several months, or even years, depending on construction progress. The audit has no means of verifying the reported result for Measure #19 as the projects are too large and diverse for performing a task-time analysis.

The two results for the cleaning and inspection of City-owned artwork (Measures #20 and Activity 646375) could not be verified as the work occurred at the beginning of the fiscal year and the fieldwork for the audit occurred at the end of the fiscal year. Prior cleaning efforts could not be confirmed as the artwork was due to be cleaned and inspected again at the time of the audit.

Program 646 – Arts and Recreation Programs and Operation of Recreation Facilities
 Performance Results Audit of FY 2006/2007

Program 646 provided three sources to support the number of senior center memberships from the old registration system. The auditor could not verify the reported result for Measure #33 as each source indicated a different annual total. Also, the list of members showed 128 members who paid \$0.00 for their memberships. This number is too high to be explained by promotional events or membership door prizes. The computer system may have been counting memberships that were not renewed as part of the annual total. Although these reports were run on the old registration system, the auditor recommends the data in the new VSI system be verified with an operational audit.

Results for the remaining activities could not be verified as support documents were incomplete due to any combination of the following issues: missing pages, missing sets of documents, or missing information on the documents.

RESULTS UNABLE TO VERIFY					
ACTIVITIES					
Charge Code	Charge Code Title	Product Title	Reported Result	Auditor Calculation	Reason
646005	Year-Round Mobile Recreation Program	A Participant Hour	22,744.00	UTV	Attendance sheets were generated multiple times and sometimes included the same date on different versions. The auditor noted different sign-out times written on separate sheets for the same dates and students. Also, some attendance records were missing pages.
646010	School Year Recreation / Enrichment Programs	A Participant Hour	6,084.00	UTV	As backup documentation, the audit received emails messages with list of names, blank attendance sheets with no record of attendance, or attendance sheets that had some attendance data but not all dates according to the contracts. The data should be available as the service agreement with the Sunnyvale Elementary School District stipulates that both school and city staff should be tracking attendance and comparing records.
646160	Senior Classes and Activities (32% Direct Cost Recovery)	A Participant Hour	127,574.00	UTV	Backup documentation was incomplete. The audit received a list of 62 class titles and two summary tables with participant hours. Only four activities were specified on the summary tables.
646170	Senior Trips (116% Direct Cost Recovery)	A Trip Taken	1,542.00	UTV	Data was missing and not reported for two of the scheduled trips on the list.
646375	Repair/Maintain City Public Art Collection (0% Direct Cost Recovery)	An Artwork Inspected/ Maintained	50.00	UTV	A full year has elapsed since the inspections and repairs were completed for FY 2006/2007. Condition of the pieces have reverted.
646715	Provision and Administration of Recreation Fee Waiver Program	A Recipient	1,015.00	UTV	Administered by contractor. Support documents not available.

Results Not Reported:

The employee position that normally collects satisfaction data for two measures was vacant for a year. These measures were not reported by the program as the data was not collected.

PROGRAM MEASURES			
Meas#	Measure	Data Point	Reported Result
4	A customer satisfaction rating of 85% is achieved for therapeutic recreation programs.	Percent of Satisfied Customers	Not Reported
8	A customer satisfaction rating of 85% is achieved among users of front counter services at senior center.	Percent of Satisfied Customers	Not Reported

Results Reported within Acceptable Margins of Error:

The auditor makes 23 recommendations on the 58 measures that were reported within the acceptable margins of error to improve the transparency of the numbers reported and the integrity of reporting systems used.

Operational Issues Outside the Scope of the Audit:

1. Sale details were not being submitted to the Department of Finance with the Cash Receipt Vouchers. This issue was corrected during the course of the audit.
2. The product reporting method for activity 646010 led to a misunderstanding on the part of the auditor. According to the product counts and service agreements supplied for the activity, one school enrolled five students more than the maximum and should have been invoiced an additional \$250 charge. However, the additional five students reported on the product sheets replaced five students who had dropped from the program. No additional charge was necessary. The program is rewriting the service agreement to alleviate any further misunderstandings.
3. Development projects are difficult to track as they are multi-year and references such as permit numbers, addresses, owners, and developers all can change during the course of completion. These projects have components which are managed by different departments within the City. Program 646 manages the “Arts in Private Development” component. The Department of Community Development manages the design, building, and permitting processes. The Department of Public Works manages utility infrastructure. The Department of Finance manages the exchange of funds and other financial aspects. All of these departments are impacted by the tracking issues associated with changing names, changing addresses, permits being added or deleted during the process, and difference in reference systems used within individual departments (permit number, work order number, invoice number, project number, etc.). The City should consider developing a common project

identifier system which would organize the different aspects of these projects under an umbrella reference system. This will eliminate the confusion from changing references (owners, developers, addresses, etc.) and will increase coordination between departments as all the parts will be referenced to a single identifier.

4. The theater and pools do not have cash register systems which affected the reported results as the funds collected and participant counts are tracked manually. Efforts are underway to implement the point of sale module of the Vermont (VSI) registration system at the theaters but no plans currently exist to implement a cash registering system at the pools. Funds were collected from 12,275 recreational swim participants at the five pools during the fiscal year. Current fees range from \$2-\$4 per participant. The City may want to consider implementing cash register systems at the five pools.
5. Calculation errors and population distribution figures that did not total the overall class sizes were noted on the reports from the new VSI registration system. The auditor recommends that a systems and data processing audit of the new registration system be performed.
6. Based on the product counts for enrichment programming (and copies of the service agreements to provide enrichment programming at local elementary schools), additional charges should have been added to the invoice for student enrollment figures above the service contract amount. The auditor recommends that the program work with the Department of Finance to add a line to the invoice form to indicate service levels on the contract and to calculate additional charges for enrollment over the service agreement amount.
7. Overall the program met its cost recovery goals; but, the auditor noted a large number of classes that ran with enrollment numbers under the minimums published by the registration system – including several classes with only one or two students.¹ Assuming that the minimum enrollment numbers represents the number of participants necessary to cover the cost of providing the services, it makes sense that the amount of cost recovery achieved by the program would increase if programming that didn't attract the minimum numbers was cancelled. The auditor recommends the City consider exploring this issue further with a systems and data processing audit. There may be issues, such as the structure of instructor contracts, causing these programs to run despite the low demand.

¹ Fifteen youth gymnastic classes (2%) in activity 646460 and nine youth sports classes (3%) in activity 646465 had only one student in FY 2006/2007. Excluding private lessons, 63 of the 342 youth swimming classes (18%) in activity 646405 ran with only 1 or 2 students; Twenty-one of the 48 classes/events in (43%) activity 646230 ran with enrollment numbers under the minimum; thirty-four classes were under the minimum enrollment (2%) in activity 646020, etc. This is not a comprehensive list as backup documentation did not always supply minimum enrollment numbers.

AUDIT CONCLUSION

The audit makes fifty (50) recommendations to address the findings and issues discussed above. The following table lists the audit findings and recommendations by measure, data point, and activity product. The Program's response to each finding and recommendation is located to the right of each recommendation. The last column indicates the City's decision to implement or not implement a recommendation.

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - MEASURES

Meas #	Type	Measure	Data Point	SOP Missing	Reported Result	Auditor Calculation	Accurate within 3%		Findings	Recommendations	Department Response	Disposition
							Y/N	+/-				
1	Q	A customer satisfaction rating of 85% is achieved among youth participants of recreation programs.	Percent of Satisfied Customers	NO	98.141%	97.376%	Yes	0.78%	There are too many survey versions. Survey results were calculated from eight different survey formats using seven variations of three different scales (1-3; 1-4; and 1-5). 562 surveys were not used in the calculations as staff distributed a 9th survey version which asked the wrong question.	1 Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible given the modifications needed to survey children.	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
2	Q	A customer satisfaction rating of 85% is achieved among teen participants of recreation programs.	Percent of Satisfied Customers	NO	99.394%	99.383%	Yes	0.01%	Results based on 165 surveys administered in 1 of the 8 teen recreation activities. This is not enough data upon which to base and report overall satisfaction levels with teen recreation programs.	2 Increase the number of teen programs surveyed for reporting future satisfaction levels. If surveys are difficult to administer than decide on a proxy measure such as enrollment rates to measure satisfaction levels.	Division staff will attempt to increase the response rate on teen surveys and consider potential modification of this measure in the next budget cycle if the response rate cannot be improved	Implement
Same survey structure as Measure 1.										Dup	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
3	Q	A customer satisfaction rating of 85% is achieved among adult participants of recreation programs.	Percent of Satisfied Customers	NO	99.344%	98.687%	Yes	0.67%	Same survey structure as Measure 1. This measure introduced the 10th survey version used by the program.	Dup Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible .	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
4	Q	A customer satisfaction rating of 85% is achieved for therapeutic recreation programs.	Percent of Satisfied Customers	NO	N/A	N/A	N/A	- - -	Survey not administered due to a year-long manager vacancy in the special populations unit. The measure has the same survey structure as Measure 1.	Dup Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible .	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
5	Q	A customer satisfaction rating of 85% is achieved for senior center programs.	Percent of Satisfied Customers	NO	99.819%	99.809%	Yes	- - -	Staff did not survey senior volunteers as they felt the program was not an "activity" or a "class." However, it is an activity (646185) and participation is dependant upon customer satisfaction.	3 If satisfaction surveys are not administered for all classes and activities then a formalized list of what classes and activities to be surveyed should be established as a reference.	Agreed.	Implement
6	Q	A customer satisfaction rating of 85% is achieved among users of recreation facilities.	Percent of Satisfied Customers	NO	95.455%	95.349%	Yes	- - -	More than half of the activities for this measure were not surveyed. Support documentation indicated that staff may be unclear about what should be surveyed.	Dup If satisfaction surveys are not administered to all activities then a formalized list of what Activities to survey should be established as a reference.	Agreed and staff has received additional training on the SOP.	Completed. Implementation will be verified during the follow-up audit.

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - MEASURES

Meas #	Type	Measure	Data Point	SOP Missing	Reported Result	Auditor Calculation	Accurate within 3%		Findings	Recommendations	Department Response	Disposition
							Y/N	+/-				
7	Q	A customer satisfaction rating of 85% is achieved among users of senior lunch program.	Percent of Satisfied Customers	NO	100.000%	98.755%	Yes	1.26%	This measure introduced the 11th survey version used by the program.	Dup Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible .	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
									The scales on the survey did not match the scales on the calculation sheet. Responses from the survey were translated into the scale on the calculation sheet.	Dup Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible .	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
									Thirty surveys administered in July did not use a rating scale but instead asked participants to provide comments about the lunch provided. Staff translated the comment cards into results based on the scales. This is not a good practice as translating random comments into a structured scale is subjective	Dup Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible .	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
8	Q	A customer satisfaction rating of 85% is achieved among users of front counter services at senior center .	Percent of Satisfied Customers	NO	N/A	N/A	N/A	- - -	Survey not administered due to a year-long manager vacancy in the special populations unit. The measure has the same survey structure as Measure 1.	Dup Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible .	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
9	Q	A customer satisfaction rating of 85% is achieved among users of front counter services at community center .	Percent of Satisfied Customers	NO	92.157%	96.732%	No	(4.73)%	The measure was under reported as staff calculated the result from the number of cards received (51) and not from the number of responses received (153). A card was counted as positive only if all three questions receive a satisfied rating. This is the 12th survey version.	Dup Follow the citywide survey guidelines to standardize the surveys, scales, and calculation methodologies as much as possible .	The program has already standardized to one survey format. Cannot respond to the second part of this recommendation until staff has had a chance to review the scales and calculation methodologies of the citywide standards when they are published.	Standardization completed - will verify during follow-up audit. Review the feasibility of implementing citywide standards when published.
									This and Measure #10 use different names for the same desk (Community Center Front Counter versus Recreation Building Front Counter).	4 Standardize to the same name to avoid confusion.	During the next budget cycle the name will be changed to Recreation Center front counter in both measures.	Implement

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - MEASURES												
Meas #	Type	Measure	Data Point	SOP Missing	Reported Result	Auditor Calculation	Accurate within 3%		Findings	Recommendations	Department Response	Disposition
							Y/N	+/-				
									Customer satisfaction surveys for Las Palmas Tennis Center (Activity 646680) were submitted as back-up documentation for the audit but were not used for the reported results of any measure. The survey was the 13th survey version used by the program.	5 Decide where the information from the tennis center best fits into the reporting structure then standardize the survey form and update the SOP(s) for the measure(s) that will use the information.	Customer Satisfaction should have been reported in Measure #3. The SOP of Measure #3 will be updated to include activity 646680	Implement
10	P	Number of hours Recreation Building and Senior Center front counters provide service to the public.	Number of Hours Front Counters Provide Service	NO	5,366.00	5,050.50	No	6.25%	SOP does not indicate where to find the data used to calculate this reported result.	6 Update the SOP to indicate that this measure reports the sum of products from activities 646190 and 646730.	Agreed - SOP will be revised in next budget cycle.	Implement
									Activities 646190 and 646730 both had calculation issues which caused the reported result for this measure to be incorrect. Activity 646190 used a spreadsheet formula that was difficult to proof that missed non-routine hours and holiday closures. Activity 646730 used a formula that also forgot to subtract holiday closures.	--- None. Recommendations are made at the activity level.	N/A	---
11	P	Number of youth participant hours in Recreation programs.	Number of Participant Hours	NO	276,443.00	294,817.00	No	(6.23)%	This and Measure #28 report different aspects of the same 19 activities. Staff used the number of participants instead of the number of participant hours for activity 646445 in the calculations.	7 Combine the calculations for this and Measure #28 onto a single sheet of paper (or spreadsheet) so all the data can be seen at once. The auditor suggests using formulas in spreadsheet to check for errors.	Agreed.	Implement
12	P	Number of teen participant hours in Recreation programs.	Number of Participant Hours	NO	72,886.00	73,132.50	Yes	(0.34)%	The actual number of students attending driver's education classes and ski trips in activity 646110 was 4% less than registered.	--- None. Informational finding only.	N/A	---
13	P	Number of adult participant hours (may include participation by seniors and older teens) in Recreation programs.	Number of Participant Hours	NO	119,012.00	Sample	Yes	(0.50)%	This and Measure #30 report different aspects of the same 15 activities. Although there were no calculation errors as seen with Measure #11 above, the program may want to consider implementing recommendation #7 for this measure.	Dup Combine the calculations for this and Measure #30 onto a single sheet of paper (or spreadsheet) so all the data can be seen at once. The auditor suggests using formulas in spreadsheet to check for errors.	Agreed.	Implement
14	P	Number of therapeutic participant hours in Recreation programs.	Number of Participant Hours	NO	4,788.00	5,061.00	No	(5.39)%	In some cases the number of hours and weeks for classes were incorrectly calculated at the activity level.	Dup No recommendation. The new registration system will calculate these numbers in the future (see activity 646230) and staff has received additional training.	Agreed.	N/A
15	P	Number of senior participant hours in Recreation programs.	Number of Participant Hours	NO	235,029.00	Sample	No	(22.76)%	This and Measure #32 Report different aspects of the same 8 activities. The program may want to consider implementing recommendation #7 for this measure.	Dup Combine the calculations for this and Measure #32 onto a single sheet of paper (or spreadsheet) so all the data can be seen at once. The auditor suggests using formulas in spreadsheet to check for errors.	Agreed.	Implement
									Four of the eight activities used to calculate this measure report a different product – the number of participants. The reported result was incorrect as the number of participants was used instead of the number of participant hours for three activities in the calculations.	Dup Same as above	N/A	N/A

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - MEASURES

Meas #	Type	Measure	Data Point	SOP Missing	Reported Result	Auditor Calculation	Accurate within 3%		Findings	Recommendations	Department Response	Disposition	
							Y/N	+/-					
									The calculation sheets for activity 646160 indicated 127,304 participant hours but the number reported for the activity was 127,574 and the number used to calculate this measure was 128,386. There is a data flow problem in the reporting system as both the activity result and the result used to calculate this measure should match the number on the calculation sheets.	8	Standardize the systems to track, calculate, and report products. If possible, work with the IT department to automate and centralize the new system(s). The new system needs to be easy for managers to proof.	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	Completed. Implementation will be verified during the follow-up audit.
16	P	Number of recipients benefiting from the Recreation Fee Waiver Program.	Number of Individuals	NO	1,015.00	UTV	N/A		Reported results could not be verified as backup documentation was not available from the outside contractor administering the program.	---	None. Parks and Recreation reestablished control and has been administering the fee waiver program since October of 2007.	N/A	---
									The new registration installed in January of 2008 has the capability of tracking fee waiver usage by person and by class attended. Since the system was installed midway through FY 2007/2008, the program is also tracking fee waiver numbers independently on an Excel spreadsheet.	9	Continue tracking fee waiver data independently and use these numbers to audit the new registration system. Independent tracking can cease once the registration system has been confirmed to be working properly.	Completed.	Completed. Implementation will be verified during the follow-up audit.
17	P	Number of program hours from Recreation Fee Waivers.	Number of Program Hours	NO	14,270.00	UTV	N/A		Reported results are based on a formula which multiplies the number of fee waivers issued by an estimate of 10 programming hours per activity.	10	Report the actual registered programming hours provided by fee waivers based on the new registration system reports.	Recreation staff is researching whether or not VSI software can track this information. If it can, staff will implement this recommendation and revise the SOP for Measure #17.	Implement if feasible.
18	P	Number of occupancy hours from rentals of recreation facilities.	Number of Rental Occupancy Hours	NO	18,623.00	UTV	N/A		Occupancy hours for the four artist studios rented at Raynor Park could not be quantified from the rental agreements. If the program were to define occupancy hours as "business hours" then the measure could have been underreported as much as 45% or 8,320 hours (2080 hrs x 4 studios).	11	Measure occupancy hours at the artist studios or determine a reasonable estimate that can be used for reporting purposes.	Recreation staff recommends removing Raynor Artist Studios (646595) from this calculation as these are professional artists leasing property from the City. This is not a recreational use.	Audit agrees. Delete Raynor data from calculations.
									Rental hours for picnic areas are currently not reported in this measure as use is tracked in the activity as the number of reservations not number of occupancy hours.	12	Consider including picnic area rental hours in the reported result for this measure. Occupancy hours can be calculated by multiplying the number of permits by the number of hours each permit allows for picnic area use.	Agreed - SOP will be revised in next budget cycle.	Implement
19	P	Average number of Arts staff hours to complete one art in private development project.	Number of Staff Hours Required to Complete One AIPD Project	NO	39.00	UTV	N/A		Art in private development projects are too large and diverse to be verified by a task time analysis. The audit has no means to verify the reported results for this measure.	13	This information is reported at the activity level. Consider deleting the measure.	Agreed - Will submit the change in the next budget cycle.	Implement according to budget decisions.
20	P	Number of artworks in City's permanent collection that are inspected annually.	Number of Artworks Inspected	NO	50.00	UTV	N/A		The reported products can not be verified as a full year has elapsed since the inspections and repairs were completed for FY 2006/2007. Condition of the pieces have reverted.	---	None	N/A	---

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - MEASURES												
Meas #	Type	Measure	Data Point	SOP Missing	Reported Result	Auditor Calculation	Accurate within 3%		Findings	Recommendations	Department Response	Disposition
							Y/N	+/-				
21	P	Number of volunteer hours managed by Recreation staff.	Number of Volunteer Managed by Recreation Staff	NO	22,985.00	23,050.90	Yes	---	1) Product text missing word "hours" 2) Auditor calculations based on activities 646075 and 646185.	None. Clerical error fixed in FY09 budget restructure.	N/A	---
									The SOP does not indicate which activities should be used as data sources for the measure.	14 Update the SOP.	Agreed - SOP will be revised in next budget cycle.	Implement
22	F	Actual total expenditures for Arts and Recreation Programs and Operation of Recreation Facilities will not exceed planned program expenditures.	Total Program Expenditures	NO	\$ 7,383,361.00	\$ 7,383,361.00	Yes	---	The correct figure from the financial system was reported. Individual transactions not audited.	None	N/A	---
23	F	Actual total revenues for Arts and Recreation Programs and Operation of Recreation Facilities will meet or exceed planned program revenues.	Total Program Revenues	NO	\$ 3,294,877.00	\$ 3,294,877.00	Yes	---	The correct figure from the financial system was reported. Individual transactions not audited.	None	N/A	---
24	CE	Percent of cost recovery for youth programs.	Percent of Cost Recovery	NO	96.040%	85.553%	No	12.26%	The SOP was not clear. Staff reported the percent of the budgeted goal that was achieved not the actual of cost recovery percentage for the year.	Update the SOP to instruct staff to first add the annual revenue and expenditure totals for the nineteen activity data sources. Overall cost recovery is calculated by dividing the grand total of revenue for the 19 activities by the grand total of expenditures for the 19 activities. The resulting quotient can be expressed as a percentage if multiplied by 100.	In next budget cycle, modify SOP for this measure to provide clearer instructions.	Implement
									The met/not met calculation methodology on the SOP is not generic. It instructs staff to divide the actual cost recovery percentage by 89.07 and multiply by 100. It should instruct staff to divide the actual cost recovery by the budgeted cost recovery and express the resulting quotient as a percentage by multiplying the number by 100.	16 Update the SOP.	In next budget cycle, modify SOP for this measure to provide clearer instructions.	Implement
25	CE	Percent of cost recovery for teen programs.	Percent of Cost Recovery	NO	34.750%	34.752%	Yes		The SOP includes a deleted activity as a data source.	Delete activity 646120 as a data source on the SOP.	Agreed.	Implement
									Staff correctly reported this measure but the SOP follows the same format as Measure 24 above.	Dup Implement the two recommendations from Measure 24 to update the SOP.	In next budget cycle, modify SOP for this measure to provide clearer instructions.	Implement
26	CE	Percent of cost recovery for senior programs.	Percent of Cost Recovery	NO	41.810%	41.810%	Yes		The program reported the result as specified by the SOP but the SOP does not include the reception, case management, supervisory, administrative, and activity guide production activities that support senior programming. Cost recovery was under reported by 0.4% if expenditures/revenues for the reception and the case management activities are included in the calculations. Cost recovery was over reported by an estimate of 10% if administration, supervisor services, and the activity guide publication activities are included.	Reevaluate the activities to include in the cost recovery calculations and update the SOP.	In next budget cycle, modify SOP for this measure to provide clearer instructions.	Implement

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - MEASURES

Meas #	Type	Measure	Data Point	SOP Missing	Reported Result	Auditor Calculation	Accurate within 3%		Findings	Recommendations	Department Response	Disposition
							Y/N	+/-				
27	CE	Percent of cost recovery for adult programs.	Percent of Cost Recovery	NO	95.730%	83.370%	No	14.83%	Instead of reporting the actual percentage of cost recovery, the program reported the percent of planned cost recovery that was achieved.	Dup 24. Same recommendation as Program Measure 24.	In next budget cycle, modify SOP for this measure to provide clearer instructions.	Implement
									The calculation methodology on the SOP captured expenditures/revenues from all direct service activities related to adult programming. Costs for administrative support and supervisory services were not included in the calculations.	Dup Mirror the methodology implemented in Program Measure 26 above. Include expenditures from indirect cost activities if included in other cost recovery calculations within the program or city.	In next budget cycle, modify SOP for this measure to provide clearer instructions.	Implement
28	P	Number of youth participants in Recreation programs.	Number of Participants	NO	42,492.00	Sample	No	(4.46)%	This measure and Measure #11 report different aspects of the same nineteen activities – number of participants and participant hours. Calculations for Measure #11 were incorrect as the number of participants for one activity was used as the number of participant hours.	Dup The audit recommends that this measure and Measure #11 use the same calculation sheet to catch transposition errors.	Agreed.	Implement
									Most activities report participant hours not the number of participants. The number of participants is recorded and tracked outside the financial system by individual managers. The audit noted three different methodologies for calculating the number of participants for class or event series requiring registration.	19 Systematize how participant products are tracked and calculated across program divisions for the different types of registration requirements (registered participants only, registered & drop-in participants, drop-in participants only).	There is already a system in place to track participants and participant hours (products). Due to the nature of the recreation programs there are three reporting methodologies. Some programs require pre-registration in which case products are tracked in the registration software reports. Some programs are drop-in only and products are tracked on participant sign-in sheets. Other programs and Activities include both registered and drop-in activities in which case both methodologies are used.	Completed. Implementation will be verified during the follow-up audit.
29	P	Number of teen participants in Recreation programs.	Number of Participants	NO	7,992.00	7,741.00	No	3.24%	The activities for this measure report participant hours not the number of participants. The number of participants is recorded and tracked outside the financial system by individual managers.	Dup Same recommendation as Measure #28 - Systematize how participant products are tracked and calculated across program divisions for the different types of registration requirements (registered participants only, registered & drop-in participants, drop-in participants only).	There is already a system in place to track participants and participant hours (products). Due to the nature of the recreation programs there are three reporting methodologies. Some programs require pre-registration in which case products are tracked in the registration software reports. Some programs are drop-in only and products are tracked on participant sign-in sheets. Other programs and Activities include both registered and drop-in activities in which case both methodologies are used.	Completed. Implementation will be verified during the follow-up audit.
30	P	Number of adult participants (may include seniors and older teens) in Recreation programs.	Number of Participants	NO	20,686.00	Sample	No	26.50%	Activity 646265 did not count all the participant products but instead reported 5,423+ participants when the actual total was 12,124.	--- None. Recommendations are made at the activity level. The program should work with the IT department to correct tracking and calculation sheets.	N/A	---
31	P	Number of therapeutic participants in Recreation programs.	Number of Participants	NO	343.00	335.00	Yes	2.39%	None	--- None	N/A	---

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - MEASURES												
Meas #	Type	Measure	Data Point	SOP Missing	Reported Result	Auditor Calculation	Accurate within 3%		Findings	Recommendations	Department Response	Disposition
							Y/N	+/-				
32	P	Number of senior participants in Recreation programs.	Number of Participants	NO	126,375.00	Sample	No	9.95%	This and Measure #32 Report different aspects of the same 8 activities. The program may want to consider implementing recommendation #7 for this measure.	Dup Consider implementing recommendation #7 for this measure.	Agreed.	Implement
									Activity 646165 split courses spanning more than one fiscal period to report the number of participant hours occurring in each reporting period. This inflated the number of participants (see discussion in audit report). Differences in the numbers for the same activities at various stages of the reporting process (products reported in the financial system, numbers on the green coversheets, numbers on the monthly summaries and/or period reporting sheets, and individual numbers from the back-up documentation) indicate that there is a data flow or organizational problem.	20 Standardize to report products during the fiscal period in which the class is completed.	This was an error on staff's part and additional training has addressed this situation.	Completed. Implementation will be verified during the follow-up audit.
										Dup Standardize the systems to track, calculate, and report products. If possible, work with the IT department to automate and centralize the new system(s). The new system needs to be easy for managers to proof.	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	Completed. Implementation will be verified during the follow-up audit.
33	P	Number of Senior Center memberships.	Number of Memberships	NO	3,660.00	UTV	N/A		Staff reported a number from the wrong column on a report because the column heading on the report indicated it was the number that should have been reported.	21 Update the SOP to be specific about the report and location on the report of the result that should be reported. Attaching a copy of the report to the SOP with the numbers to be used clearly marked is sufficient.	Agreed - SOP will be revised in next budget cycle.	Implement
									The reported result could not be verified due to differing numbers on various reports and 128 memberships showing \$0.00 as the fee paid. The computer system may have been counting prior memberships that were not renewed as current memberships with a fee paid of \$0.00. Although the reports for the audit were generated by the old registration system, the new VSI system is also experiencing issues.	OP An operational audit of the new VSI system should be performed to ensure it is tracking and producing membership information correctly.	The issues referred to by the auditor are currently being researched and will be addressed.	A formal data processing audit by the Dept. of Finance is scheduled in FY08-09 to verify the integrity of cash handling processes.
34	P	Number of paid participants in Senior Center programs who are not members.	Number of Paid Participants	NO	260.00	Sample	No	(71.54)%	Comments submitted to the city manager with the year-end report indicate that the reported result was an estimate as the measure was not tracked. Auditor calculations were based solely on activity 646150. The actual number of non-member paid participants in FY07 is far greater than calculated by the audit.	22 Use the daily cash receipt vouchers submitted to the Dept. of Finance as data sources to calculate the measure.	Agreed.	Completed. Implementation will be verified during the follow-up audit.
									The SOP does not indicate which activities should be used as data sources for the measure but does direct staff to exclude data from the senior lunch program.	23 The SOP should stipulate that any activity or event collecting different fees from members and non-members is a data source.	Agreed.	Implement
									---	24 Consider including non-member senior lunches served in this measure as the senior lunch measures do not report non-member statistics.	Agreed - SOP will be revised in next budget cycle.	Implement
35	P	The number of Sunnyvale citizens served by the Case Management Program.	A Senior Served	NO	44.00	44.00	Yes	---	Based on the results reported in activity 646205. No Findings.	--- None	N/A	---

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition	
						Y/N	+/-					
646000	School Year/School Based After School Programs (41% Direct Cost Recovery)	A Participant Hour	NO	10,248.00	10,204.00	Yes	- - -	None	- - - None	N/A	- - -	
646005	Year-Round Mobile Recreation Program	A Participant Hour	NO	22,744.00	UTV	N/A		The audit could not reconcile the product numbers as some attendance lists were missing the first pages.	25 Keep all attendance sheets as supporting documentation for a minimum of two years.	Agreed.	Implement	
								Attendance sheets were generated multiple times and sometimes included the same date on different versions. The auditor noted different sign-out times written on separate class sheets for the same dates and students.	26 Although the program will no longer be generating product counts from attendance sheets, it still will need to devise a system for not duplicating session dates so students sign-out times can be accurately documented.	Auditor's findings were based on a staff error and follow-up training has been conducted. Staff will still use attendance sheets for summer mobile recreation program and VSI report for school year program.	Implement	
								To conform to the city's policy of reporting to the 10th of an hour, staff rounded class sessions with 15 and 45 minute increments up to 0.3 and 0.8 before multiplying the number of hours by the number of participants to calculate participant hour products. This inflated the reported participant hours by 1.3% in the example reviewed.	27 Do not round to the 10th of the hour until the end of the calculation.	Agreed.	Implement	
646010	School Year Recreation / Enrichment Programs	A Participant Hour	NO	6,084.00	UTV	N/A		Support documentation did not provide complete attendance data. According to the service agreement with the Sunnyvale Elementary School District both school and city staff should be tracking attendance and comparing records.	28 A copy of attendance rosters submitted to school site coordinators at the end of every week should be kept as backup documentation for this measure.	Finding was not correct. Only VSI registration reports are used to report products although she was given school attendance reports in addition to the registration report. This was an error made by the recreation staff. Additionally, the auditor misunderstood the terms of the KLAS agreement with SESD, which added to the confusion. The school district is required to track daily attendance in order to receive reimbursement from the state for the entire KLAS program. (Sunnyvale recreation programs are just one component of the partnership.) While we sometimes get the attendance reports, products are calculated from the City's registration report.	Verify during the follow-up audit	
								Some product calculation sheets did not count students that were crossed off of the attendance sheets but other calculation sheets counted all names whether they were crossed off or not.	Dup Systematize how participant products are tracked and calculated across program divisions for the different types of registration requirements (registered participants only, registered & drop-in participants, drop-in participants only).	There is already a system in place to track participants and participant hours (products). Due to the nature of the recreation programs there are three reporting methodologies. Some programs require pre-registration in which case products are tracked in the registration software reports. Some programs are drop-in only and products are tracked on participant sign-in sheets. Other programs and Activities include both registered and drop-in activities in which case both methodologies are used.	Completed. Implementation will be verified during the follow-up audit.	

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES											
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition
						Y/N	+/-				
								According to the product counts supplied for the audit, Lakewood Elementary School enrolled 5 students more than the maximum amount allowed by the service agreement in Session 2 and the program did not invoice for the additional \$250 charge.	OP Work with the Department of Finance to modify the invoice form to include a line or column to calculate additional charges due to extra enrollment.	Staff will rewrite future KLAS agreements to deal with the issue of attrition. There is often turn-over in the KLAS program and when students drop out new ones are registered. The report used to calculate the products should delete the dropped students when new ones are added. This has been corrected.	Verify during the follow-up audit
646015	Summer Camps (50% Direct Cost Recovery)	A Participant Hour	NO	39,362.00	39,054.50	Yes	0.79%	Difference is due to rounding errors and including participant hours from classes that didn't occur on the July 4 holiday.	--- Clerical error. No recommendations.	N/A	---
646020	Summer Enrichment Program (145% Direct Cost Recovery)	A Participant Hour	NO	18,539.00	18,560.50	Yes	---	The result was reported accurately but it was noted during the reconciliation process that 34 of the 117 programs (29%) occurred with enrollment numbers under the minimum. Assuming that minimum enrollment figures represent the number of students needed to cover the cost of providing the service, the activity exceeded its cost recovery goal of 145% despite 29% of the programs running at a loss.	--- Informational finding only. No recommendations.	See Footnote for full text.	---
646025	Summer Drop-in Programs (140% Direct Cost Recovery)	A Participant Hour	NO	4,448.00	4,464.00	Yes	---	None	--- None	N/A	---
646030	Supervisory Services for Elementary School Aged Children	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---
646035	Administrative Support for Elementary School Aged Children	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---
646055	School Year / School Based After School Program at Sunnyvale (3% Direct Cost Recovery)	A Participant Hour	NO	9,529.00	9,480.20	Yes	0.51%	Review of the 109 rosters provided as support showed the Legacy system recorded the incorrect figure for 22 days. This is an error rate of 20%. Overall, the errors increased the reported number by 19 students or 1%.	--- No recommendation. The Legacy system has been replaced by the new VSI system.	N/A	---
								The program keeps detailed attendance records for cash handling purposes but reports the registered student enrollment numbers to calculate product counts.	--- Informational finding only. Reporting registered or paid hours of instruction instead of actual hours of instruction is a policy decision between the program and the city manager.	There are both registered classes and drop-in programs in this Activity. Products for registered classes are reported based on the VSI registration reports. Products for drop-in programs are based on daily sign-in sheets. Products are calculated using the data from the most appropriate source.	---
646060	School Year Excursions and Special Activities for Middle School Teens (23% Direct Cost Recovery)	A Participant Hour	NO	3,607.00	3,531.50	Yes	2.14%	The calculation spreadsheet used by the program did not add all the numbers in the participant column for the basketball shootout event.	29 Correct the calculation spreadsheet	Agreed.	Implement
								Support documentation estimated the number of spectators for the basketball shootout at 150 not 200. It is unclear why a figure of 200 was used in the program's calculations.	--- Clerical error. No recommendations.	Staff error.	---

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition	
						Y/N	+/-					
646065	Serve as the Fiscal Agent for the After School Sports Program at Sunnyvale Middle School (82% Direct Cost Recovery)	A Participant Hour	NO	23,590.00	23,533.50	Yes	- - -	This activity enables the local school district to pay teachers or coaches to provide after school sports programming. While preparing documents for the audit, city staff realized that student registration for these co-op programs was not being processed through the city's registration system which automatically produces liability forms for signature. As a consequence, the city did not have signed liability waivers for these classes on file.	OP	Operational issues such as this are outside the scope of the audit. However, these programs were implemented years ago and the city may want to review its overall liability of acting as the fiscal agent since the city has: 1) no control over facility maintenance and safety; 2) no control over how the programs are managed and administered; and 3) little contact with contracted staff who are selected by the schools to work at school locations.	As part of the most recently adopted agreement between the City and the SESD, registration is now required through the City and liability waivers are signed for all participants. The new agreement signed in January 2006 clearly defines both the City's role as the fiscal agent and the District's role as the provider of the coop sports programs. The City has some control over facility maintenance and safety at Columbia Middle School as the City maintains the gym. Regardless, the agreement includes a mutual indemnification clause that protects both the City and SESD.	Verify during the follow-up audit
646070	Serve as the Fiscal Agent for the After School Sports Program at Columbia Middle School (69% Direct Cost Recovery)	A Participant Hour	NO	15,140.00	15,230.50	Yes	(0.59)%	This is a cooperative program with the same issues as activity 646065 above.	Dup	Same as Above	As part of the most recently adopted agreement between the City and the SESD, registration is now required through the City and liability waivers are signed for all participants. The new agreement signed in January 2006 clearly defines both the City's role as the fiscal agent and the District's role as the provider of the coop sports programs. The City has some control over facility maintenance and safety at Columbia Middle School as the City maintains the gym. Regardless, the agreement includes a mutual indemnification clause that protects both the City and SESD.	- - -
646075	Summer Teen Volunteer Program for Recreation	A Volunteer Hour	NO	4,021.00	4,052.30	Yes	(0.77)%	Hours reported on volunteer timesheets were often rounded up to the next hour increment instead of rounding to the next 10th of an hour increment for the final result. The auditor's calculations used the numbers directly off of the timesheets (no rounding). Even though the program's starting numbers were larger than the auditor's, the final result calculated by the program was smaller than the auditor's final number. There is an error somewhere in the program's tracking or calculation sheets.	30	Determine what caused the reporting discrepancy and control for future errors.	Completed.	Completed. Implementation will be verified during the follow-up audit.
646080	Summer Camps and Trips (36% Direct Cost Recovery)	A Participant Hour	NO	7,490.00	7,490.00	Yes	- - -	None	- - -	None	N/A	- - -
646085	Supervisory Services for Middle School Aged Teens	A Work Hour	Not Audited	- - -	- - -	- - -	- - -	- - -	- - -	- - -	N/A	- - -
646090	Administrative Support for Middle School Aged Teens	A Work Hour	Not Audited	- - -	- - -	- - -	- - -	- - -	- - -	- - -	N/A	- - -
646110	Recreation and Educational Programs (52% Direct Cost Recovery)	A Participant Hour	NO	7,500.00	7,500.00	Yes	- - -	The reported result was 300 hours higher than reported given the program's policy to report "registered" participant hours not "actual" participant hours; but the audit considers it accurate as the SOP calculation method could be interpreted to report attendance.	31	Clarify the calculation methodology on the SOP.	There are both registered classes and drop-in programs in this Activity. Products for registered classes are reported based on the VSI registration reports. Products for drop-in programs are based on daily sign-in sheets. Products are calculated using the data from the most appropriate source.	Implement

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition	
						Y/N	+/-					
646115	Entertainment Programs (5% Direct Cost Recovery)	A Participant Hour	NO	2,009.00	2,003.00	Yes	---	Audit accepted spectator attendance that was estimated by coordinator "headcounts."	32 Investigate ways to more accurately determine spectator attendance. For example, clicker count attendance at entry points or count the number of programs distributed.	Agreed.	Implement	
646125	Supervisory Services for High School Aged Teens	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646130	Administrative Support for High School Aged Teens	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646150	Coordinate Senior Health Services Provided by Volunteers	A Participant	NO	3,230.00	3,204.00	Yes	0.81%	Reported result is slightly inflated as staff mistakenly counted the number of signatures provided by notary services instead of the number of clients served.	--- Clerical error. No recommendations.	N/A	---	
									33	Update the SOP to also include participant hour calculation methodologies.	Completed.	Completed. Implementation will be verified during the follow-up audit.
									34	Delete the word "Health" from the activity title or redefine which activities should be reported in the result on the SOP.	An alternate solution has been implemented. Activities 646150 and 646155 have been combined in FY08-09 into one activity entitled: "Coordinate Senior Health and Support Services by Volunteers."	Alternate solution acceptable. Implementation will be verified during the follow-up audit.
646155	Coordinate Senior Support Services Provided by Outside Agencies	A Participant	NO	750.00	747.00	Yes	---	Backup documentation for the flu shot and VTA programs consisted of informal notes on scrap pieces of paper.	35 Look for other methods of tracking product counts for these activities. For example, create a sign-in sheet for the VTA programs or copy the paperwork kept by the nurses giving the flu shots.	Completed.	Completed. Implementation will be verified during the follow-up audit.	
									Dup	See recommendation for Program Measure #15.	Agreed.	Implement
									36	This activity is similar to Activity 646150 as the number of products includes data from both health and non-health related activities.	Option 1: Consider deleting the word "support" from the activity title so Activities 646150 and 646155 are complimentary; Option 2: Combine the two activity into one overarching activity; or Option 3: Redistribute the tasks reported in each activity so health tasks are reported in 646150 and support tasks are reported in this activity.	Option 2 was implemented. Activities 646150 and 646155 have been combined in FY08-09 into one overarching activity entitled: "Coordinate Senior Health and Support Services by Volunteers."
646160	Senior Classes and Activities (32% Direct Cost Recovery)	A Participant Hour	NO	127,574.00	UTV	N/A	---	The audit received only two summary tables and a list of 62 senior classes and activities as backup documentation. The summary tables list only four of the 62 senior activities. It is unclear how information is being tracked and product counts are being calculated for this activity.	37 Work with the IT Department and the auditor to revise how information is tracked. Product tracking and reporting sheets should detail the number of participants and hours for each activity so the reported results can be proofed before finalized.	Staff error that has been corrected.	Completed. Implementation will be verified during the follow-up audit.	

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES											
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition
						Y/N	+/-				
								The calculation sheets for activity 646160 indicated 127,304 participant hours but the number reported for the activity was 127,574 and the number used to calculate this measure was 128,386. There is a data flow problem in the reporting system as the number calculated should match the number reported.	Dup Standardize the systems to track, calculate, and report products. If possible, work with the IT department to automate and centralize the new system(s). The new system needs to be easy for managers to proof.	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	Completed. Implementation will be verified during the follow-up audit.
646165	Coordinate Senior Classes with Adult Education Providers	A Participant Hour	NO	65,854.00	Sample	NO	(9.09)%	The program's participant hour calculations matched the auditor's calculations for 9 of the 41 classes reviewed (46.3%). Errors ranged from over reporting by 93 hours to underreporting by 891 hours. The final reported total was under the auditor's calculation by 1,332 hours or 9.1%.	- - - See recommendations below	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	- - -
								Calculation sheets occasionally used incorrect session lengths and number of sessions when calculating the reported results. Weekly totals for some classes were incorrectly printed in the official activity guide.	38 Check calculation figures (session length, weekly totals, etc.) with an automated spreadsheet. Consider changing and standardizing how class dates are described in the official activity guides.	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	Completed. Implementation will be verified during the follow-up audit.
								The reported participant totals were calculated as the number of registered participants per class session. In other words, if there were 7 registered students for a class and the class met for 3 sessions then 21 participants were reported.	39 Follow Arts and Recreation standards decided in recommendation 18 above. Systematize how participant products are tracked and calculated across program divisions for the different types of registration requirements (registered participants only, registered & drop-in participants, drop-in participants only).	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	Completed. Implementation will be verified during the follow-up audit.
								Reporting products for one class in more than one reporting period inflates the number of participants reported.	Dup Standardize to report products during the fiscal period in which the class is completed.	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	Completed. Implementation will be verified during the follow-up audit.
646170	Senior Trips (116% Direct Cost Recovery)	A Trip Taken	NO	1,542.00	UTV	N/A	- - -	Data was missing and not reported for two of the scheduled trips on the list.	Dup Same recommendation as Activity 646160: Work with the IT Department and the auditor to revise how information is tracked. Product tracking and reporting sheets should detail the number of participants and hours for each activity so the reported results can be proofed before finalized.	This program area lacked direct management oversight during the one year period it took to recruit and hire a new manager. The new Recreation Supervisor has already implemented an alternate solution to address these issues.	Completed. Implementation will be verified during the follow-up audit.
								The measure is reporting the number of participants who took senior trips during the fiscal year not the number of trips organized by the program.	40 Consider changing the product title to "A Trip Participant" to clarify the number being reported.	Agreed - Product title will be revised in next budget cycle.	Completed. Implementation will be verified during the follow-up audit.

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition	
						Y/N	+/-					
646230	T/R Classes and Activities (69% Direct Cost Recovery)	A Participant Hour	NO	4,788.00	5,061.00	No	(5.39)%	In some cases the number of hours and weeks for classes were incorrectly calculated on the program's spreadsheets.	--- None. The new registration system will calculate these numbers in the future.	Agreed.	---	
								Twenty one of the 48 classes/events (43%) reported in this activity occurred with enrollment numbers under the minimum. One class with a minimum enrollment of six ran with one student.	--- Informational finding only. No recommendation.	See Footnote for full text.	---	
646235	Supervisory Services for Pre-School and Therapeutic Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646240	Administrative Support for Pre-School and Therapeutic Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646260	Music Classes and Activities for Adults (70% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646265	Dance Classes and Activities for Adults (188% Direct Cost Recovery)	A Participant Hour	NO	40,056.00	40,698.10	Yes	(1.58)%	Participant hours were calculated correctly but the number of participants for the "Single Squares of Sunnysvale" was not calculated for the year which effected the results of Measure #30. The overall number of participants reported for this activity was an estimate of "5,423+." The actual number of customers participating in this activity's programming was 12,124.	Dup Work with the IT department to correct the tracking/calculation spreadsheet.	Completed. Tracking and calculation spreadsheet was changed in 2007 to correct this error.	Completed. Implementation will be verified during the follow-up audit.	
646270	Drama Classes and Activities for Adults (156% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646275	Visual Arts Classes and Activities for Adults (59% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646280	Pottery Classes and Drop-in Studio (60% Direct Cost Recovery)	A Participant Hour	NO	13,311.00	13,195.00	Yes	0.88%	The green coversheet created for the audit indicates video lunch program products should be reported in this activity but the SOP indicates only pottery classes and drop-in studio products should be reported. Auditor calculations reflect only pottery hours.	42 Determine where the products for the video lunch program should be reported.	An error of 200 participant hours was made. These should have been reported in 646275.	Completed. Implementation will be verified during the follow-up audit.	
646285	City Presented Theatre Performances (43% Direct Cost Recovery)	A Participant Hour	NO	4,888.00	4,956.00	Yes	(1.37)%	The reported result is accurate based on a 3½ hours per performance but the session length is excessive as it includes 30 minutes for the audience to find their seats and 3 hours for each concert. Direct programming does not occur while the audience finds their seats and should not be included in the product calculations. 30 minutes multiplied by the annual audience number equals 717 participant hours or 14.3% of the overall total.	43 Update the SOP to reduce the overall session length used in the product calculations from 3½ hours to somewhere between 2 and 2½ hours (concert plus 30 minutes of encores).	Staff has no problem making this change in the SOP during the next budget cycle beginning 2010/2011. However, a previous Finance auditor recommended that we include all the time the audience is in the theatre for an event, not just performance time.	Implement	
								The auditor pulled three <i>Cash Receipt Voucher</i> packets submitted to the Finance to confirm the number of ticket sales and found no sale details were submitted with the deposit receipts as required by the Department of Finance.	--- None. The program was tracking the information and will submit sale details for both the box office and Artsopolis with future voucher packets submitted to Finance.	N/A	---	

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition	
						Y/N	+/-					
646290	Gallery Shows	An Exhibit	NO	0.00	0.00	Yes	---	SOP lists the reported products as participant hours. If the current product of "Exhibits" is kept, the SOP will need to define how to count the products (i.e. count the number of shows or count the number of art pieces). Note: Gallery was closed during FY07.	44 Update the SOP.	Agreed - SOP will be revised in next budget cycle.	Implement	
646295	Supervisory Services for Adult Visual and Performing Arts Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646300	Administrative Support for Adult Visual and Performing Arts Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646320	Music Classes and Activities for Youth (99% Direct Cost Recovery)	A Participant Hour	NO	14,302.00	14,752.00	Yes	(3.05)%	No findings	---	No recommendations	N/A	
646325	Dance Classes and Activities for Youth (132% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646330	Drama Classes and Activities for Youth (219% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646335	Visual Arts and Special Interest Classes and Activities for Youth (69% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646340	Supervisory Services for Youth Visual and Performing Arts Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646345	Administrative Support for Youth Visual and Performing Arts Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646365	Art in Public Places Program (0% Direct Cost Recovery)	A Project in Development	Not Audited	---	---	---	---	---	---	N/A	---	
646370	Art in Private Development Program (29% Direct Cost Recovery)	A Project in Development	NO	18.00	18.00	Yes	---	Development projects are difficult to track as they are multi-year and references such as permit numbers, addresses, owners, and developers all can change during the course of completion.	OP The tracking of development projects is not an isolated issue. Many departments within the City manage components within these projects. The City should consider developing a common project identifier system which could organize the different aspects of the projects under an umbrella reference system. This will eliminate the confusion from changing references (owners, developers, addresses, etc.) and will increase coordination between departments as all the parts will be referenced to a single identifier.	Recreation staff begins tracking a "project in development" once a developer contacts the Visual Arts Coordinator to begin work on their AIPP requirement. Not all development projects in the City are required to provide Public Art.	N/A	
646375	Repair/Maintain City Public Art Collection (0% Direct Cost Recovery)	An Artwork Inspected/Maintained	NO	50.00	UTV	N/A	---	The reported products can not be verified as a full year has elapsed since the inspections and repairs were completed for FY 2006/2007.	---	None.	N/A	
646380	Supervisory Services for Public Art Prog	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646385	Administrative Support for Public Art Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646405	Youth Swim Lessons (137% Direct Cost Recovery)	A Participant Hour	NO	10,983.00	10,983.00	Yes	---	The report generated by the registration Legacy system mislabeled one of the total amounts with the wrong class number. The reports may be pulling information from the wrong cells in the source tables.	---	No recommendation. The Legacy system was replaced by VSI.	N/A	
								Excluding the data from private lessons, 60 of the youth swim classes (18%) taught in FY 2006/2007 had only 1 or 2 students enrolled.	---	Informational finding only. No recommendation.	See Footnote for full text.	
646410	Adult Swim Lessons (85% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	N/A	---	

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition	
						Y/N	+/-					
646415	Recreation Open Swim (45% Direct Cost Recovery)	A Participant Hour	NO	27,285.00	Sample	Yes	0.90%	<p>A: The measure was reported accurately but 14% of the daily reports sampled did not match the numbers used on the calculation sheets. This error rate needs to be corrected to ensure accurate reporting in the future.</p> <p>B: The daily cashier reports manually track the number of customers and amount of fees collected with tick marks and hand calculations. Mathematical errors on these sheets were not caught on the program's calculation sheets.</p>	45 3.	Recreation staff is proposing a new CIP to purchase POS equipment for each pool site.	Completed. CIP submittal will be verified during the follow-up audit.	
								Line staff may be confused about what should be counted for the total number of participants on daily cash reports. The total should include all paying customers, customers using passes, and all members of swim groups including volunteers and staff.	46	Clarify what should be counted by adding the following statement to the <i>Cashier's Daily Report</i> under the "Total Participants" line: "Total should include paying customers, customers using passes, and all members of swim groups including volunteers and staff."	Situation has been corrected with staff training.	Completed. Implementation will be verified during the follow-up audit.
								The pools are open from the beginning of June through the end of September for recreational swims. Activity products for June are reported in the next fiscal year so pool statistics are kept together and tracked by season. However, the SOP does document this change in reporting protocol.	47	Update the SOP to indicate that June products should be reported in the next fiscal year.	Agreed.	Implement
646420	Supervisory Services for Aquatic Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646425	Administrative Support for Aquatic Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---	
646445	Sunnyvale Youth Basketball League (90% Direct Cost Recovery)	A Participant Hour	NO	19,125.00	19,125.00	Yes	---	Reported result is accurate according to the numbers from VSI but the registration system needs to be audited. The tally of Sunnyvale residents and non-residents taking the classes is often larger than the total number of participants on the report.	Dup An operational audit of the VSI system should be performed to ensure it is tracking and producing information correctly.	As issues are identified, Recreation staff will work with VSI to resolve them. This issue is in progress.	A formal data processing audit by the Dept. of Finance is scheduled in FY08-09 to verify the integrity of cash handling processes.	
646450	Youth Drop-in Sports Programs (83% Direct Cost Recovery)	A Participant Hour	NO	0.00	0.00	Yes	---	Staff position responsible for developing and offering programming within this activity was vacant throughout the year. No programming was provided.	---	No Recommendations	N/A	
646455	Youth Sports Camps (50% Direct Cost Recovery)	A Participant Hour	NO	32,848.00	32,848.00	Yes	---	No findings	---	No Recommendations	N/A	

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES											
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition
						Y/N	+/-				
646460	Youth Gymnastics (173% Direct Cost Recovery)	A Participant Hour	NO	16,828.00	16,835.08	Yes	---	Summary figures at the bottom of one report were incorrect.	Dup An operational audit of the new VSI system should be performed to ensure it is tracking and producing information correctly.	As issues are identified, Recreation staff will work with VSI to resolve them. This issue is in progress.	A formal data processing audit by the Dept. of Finance is scheduled in FY08-09 to verify the integrity of cash handling processes.
								According to the class unit reports, 15 classes (2%) were held with only one student enrolled. Minimum enrollment numbers were not included on the reports.	--- Informational finding only. No Recommendation.	See Footnote for full text.	---
646465	Youth Sports Classes (963% Direct Cost Recovery)	A Participant Hour	NO	19,664.00	19,662.13	Yes	---	According to the class unit reports, 9 classes (3%) were held with only one student enrolled. No findings or recommendations pertaining to the accuracy of the reported results.	--- Informational finding only. No Recommendation.	See Footnote for full text.	---
646470	Supervisory Services for Youth Sports Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---
646475	Administrative Support for Youth Sports Programs	A Work Hour	Not Audited	---	---	---	---	---	---	N/A	---
646495	Adult Sports Camps (106% Direct Cost Recovery)	A Participant Hour	NO	0.00	0.00	Yes	---	None were planned or implemented in FY07.	--- ---	N/A	---
646500	Adult Sports Classes (113% Direct Cost Recovery)	A Participant Hour	NO	18,915.00	18,913.27	Yes	---	No findings	--- No Recommendations	N/A	---
646505	Adult Drop-in Sports Programs (80% Direct Cost Recovery)	A Participant Hour	NO	15,726.00	15,726.00	Yes	---	No findings	--- No Recommendations	N/A	---
646510	Adult Softball League (81% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	--- ---	N/A	---
646515	Adult Basketball League (105% Direct Cost Recovery)	A Participant Hour	NO	7,033.00	7,168.00	Yes	(1.88)%	No findings	--- No Recommendations	N/A	---
646520	Adult Volleyball League (93% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	--- ---	N/A	---
646525	Supervisory Services for Adult Sports Programs	A Work Hour	Not Audited	---	---	---	---	---	--- ---	N/A	---
646530	Administrative Support for Adult Sports Programs	A Work Hour	Not Audited	---	---	---	---	---	--- ---	N/A	---
646550	Recreation Building Rental (146% Direct Cost Recovery)	An Occupancy Hour	NO	2,051.00	Sample	NO	(10.72)%	Occupancy hours are calculated by manually color coding a printed report and summing the hours for each user type (color) with a calculator. Errors occurred due to the amount of information being manually sorted and the number of staff members who work on the calculations.	48 The program is currently working with IT department to automate facility rental. The audit recommends that the new system categorize facility use as currently used by the program: rentals, internal use, programs, and non-profit/special agreements	IT is in the process of developing new Facility Reservation software.	Implementation in process - will be verified during the follow-up audit.
646555	Indoor Sports Center Rental (443% Direct Cost Recovery)	An Occupancy Hour	Not Audited	---	---	---	---	---	--- ---	N/A	---
646560	Creative Arts Center Rental (78% Direct Cost Recovery)	An Occupancy Hour	Not Audited	---	---	---	---	---	--- ---	N/A	---
646565	Theatre Rental (58% Direct Cost Recovery)	An Occupancy Hour	NO	3,888.00	3,852.00	Yes	0.93%	The SOP for this measure should indicate that occupancy hours for city use are tracked in activity 646645.	49 Update the SOP.	Agreed.	Implement
646570	Senior Center Rental (143% Direct Cost Recovery)	An Occupancy Hour	NO	492.00	Sample	Yes	---	No findings	--- No Recommendations	N/A	---

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations		Department Response	Disposition
						Y/N	+/-					
646575	Park Buildings Rental (190% Direct Cost Recovery)	An Occupancy Hour	NO	8,761.00	Sample	Yes	(2.14)%	This activity uses the same data sources and methodology as Activity 646550.	Dup	See recommendation for Activity 646550.	IT is in the process of developing new Facility Reservation software.	Implementation in process - will be verified during the follow-up audit.
646580	Picnic Areas Rental (742% Direct Cost Recovery)	A Reservation	Not Audited	---	---	---	---	---	---	---	N/A	---
646585	Sports Fields Rental (227% Direct Cost Recovery)	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646590	Swimming Pools Rental (597% Direct Cost Recovery)	An Occupancy Hour	NO	52.00	52.00	Yes	---	No findings	---	No Recommendations	N/A	---
646595	Raynor Artist Studios Rental (3,961% Direct Cost Recovery)	A Studio Rented	NO	4.00	4.00	Yes	---	No findings	---	No Recommendations	N/A	---
646600	Oversee Special Use Agreements	An Agreement	Not Audited	---	---	---	---	---	---	---	N/A	---
646605	Supervisory Services for Facilities-Scheduling and Rentals	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646610	Administrative Support for Facilities-Scheduling and Rentals	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646615	Coordination of Facilities Scheduling and Rentals	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646620	Baylands Vehicle Entry Fee (237% Direct Cost Recovery)	A Dollar Collected	Not Audited	---	---	---	---	---	---	---	N/A	---
646630	Recreation Building Support for Recreation Use	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646635	Indoor Sports Center Support for Recreation Use	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646640	Creative Arts Center Support for Recreation Use	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646645	Theatre Support for Recreation Use	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646650	Senior Center Support for Recreation Use	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646655	Washington Pool	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646660	Lakewood Pool	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646665	Sunnyvale Middle School Pool	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646670	Columbia Pool	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646675	Peterson Pool	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646680	Tennis Center (204% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646685	Fremont Swim Pool (37% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646690	Supervisory Services for Facilities	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646695	Administrative Support for Facilities	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646700	Recreation Facility Use by Other Departments	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646705	Coordination of Recreation and Other City Use	An Occupancy Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646715	Provision and Administration of Recreation Fee Waiver Program	A Recipient	NO	1,015.00	UTV	N/A	---	Reported results could not be verified as backup documentation was not available from the outside contractor administering the program.	---	None. Parks and Recreation reestablished control and has been administering the fee waiver program since October of 2007.	Recipients are now tracked through VSI software.	Completed.

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES												
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition	
						Y/N	+/-					
								The new registration installed in January of 2008 has the capability of tracking fee waiver usage by person and by class attended. Since the system was installed midway through FY 2007/2008, the program is also tracking fee waiver numbers independently on an Excel spreadsheet.	Dup Duplicate recommendation from Program Measure #16. Continue tracking fee waiver data independently and use these numbers to audit the new registration system. Independent tracking can cease once the registration system has been confirmed to be working properly.	Completed.	Completed. Implementation will be verified during the follow-up audit.	
								Reported results are based on a formula which multiplies the number of fee waivers issued by an estimate of 10 programming hours per activity.	Dup Duplicate recommendation from Program Measure #17. Report the actual programming hours provided by fee waivers based on the new registration system reports.	Recreation staff is researching whether VSI can track fee waiver program hours as well.	Implement	
646720	4th of July Celebration (0% Direct Cost Recovery)	A Participant Hour	NO	0.00	0.00	Yes	---	No findings	---	No recommendations	N/A	---
646725	Hands on the Arts Festival (13% Direct Cost Recovery)	A Participant Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646730	Recreation Reception and Registration Services (2% Direct Cost Recovery)	An Hour Open for Service	NO	2,296.00	2,223.00	Yes	3.28%	A: The formula used to calculate the reported results forgot to subtract for holiday closures beyond the week between Christmas and January 1. B: Reporting results based on a formula reports planned service hours not actual service hours. Unexpected closures or extended service hours for building maintenance or special events are not captured by this type of calculation methodology.	50 Set up a calendar spreadsheet identical to the one proposed for the Senior Center (Activity 646190) to calculate the service hours provided.	Agreed.	Implement	
646735	Production of Recreation Activity Guides (General & Seniors)	An Activity Guide	Not Audited	---	---	---	---	---	---	---	N/A	---
646740	Recreation Division Web Page	A Created or Updated Webpage	Not Audited	---	---	---	---	---	---	---	N/A	---
646745	Recreation Promotion and Publicity Materials	A Piece of Promotional Material	Not Audited	---	---	---	---	---	---	---	N/A	---
646750	Supervisory Services for Customer and Business Services	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646755	Administrative Support for Customer and Business Services	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646775	Management and Supervisory Services	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646780	Administrative Support Services - Division-wide	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646785	Employee Training and Development	A Training Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646805	Administer Proven People Program	A Work Hour	Not Audited	---	---	---	---	---	---	---	N/A	---
646980	Program Wide Allocation	None	Not Audited	---	---	---	---	---	---	---	N/A	---

DETAILED FINDINGS AND DEPARTMENTAL RESPONSE - ACTIVITIES											
Charge Code	Charge Code Title	Product Title	SOP Missing	Reported Result	Auditor Calculation	Accurate within 5%		Findings	Recommendations	Department Response	Disposition
						Y/N	+/-				
	<p>FOOTNOTE: There are a variety of business reasons why classes will be conducted below the minimum number of registrations that are originally specified. Examples include:</p> <ul style="list-style-type: none"> • New classes where a session or two will be required for the class to "catch on" • New instructors where a session or two will be required for the class to "catch on" • Agreements with contractors who are contracted to work in a program and teach multiple classes. (For example, an instructor may be contracted to teach chess for three one hour classes in a row with minimum enrollment of 10. The first class and the third class have above minimum to maximum number of participants and the middle class has only five.) The middle class will still be run because the other classes offset the reduced registrations. Additionally, instructors will not work with a one hour break between classes.) • Employee work schedules. (For example, in the swim programs instructors are hired to teach thirty minute classes over a six hour day. If one thirty minute class in the middle of the morning and another in the early afternoon has less than minimum enrollment, water safety instructors will not accept unpaid time during their shifts, so classes are still run.) • In some classes where appropriate, two levels of classes that are below minimum may be merged to meet minimum. 										