

OFFICE OF THE CITY CONTROLLER



**PARKS AND RECREATION DEPARTMENT
YOUTH SPORTS DIVISION
PERFORMANCE AUDIT**

Sylvia R. Garcia, City Controller

Judy Gray Johnson, Chief Deputy City Controller

Steve Schoonover, City Auditor



OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS

May 26, 1998

The Honorable Lee P. Brown, Mayor
City of Houston, Texas

SUBJECT: Parks and Recreation Department – Youth Sports Division
Performance Audit (Report No. 98-26)

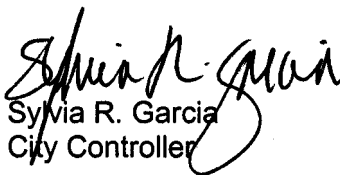
Dear Mayor Brown:

I am pleased to submit to you the Performance Audit Report on the Parks and Recreation Department's Youth Sports Division. This report represents the first phase of an independent effort to improve the effectiveness and efficiency of Department services. Empirical Management Services, in coordination with the City Controller's Office and Parks Department personnel, has identified opportunities for improving youth sports programs to ensure they are delivered in the most effective and cost-efficient manner.

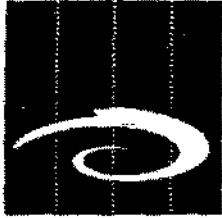
While commending the Youth Sports Division for noteworthy practices, recommendations for improvement were noted in the areas of program management and accountability, time and attendance accountability, and equipment and supplies inventory control. This report will help the Department continue improving service delivery to youth throughout the City.

We enjoyed working with the Department employees and appreciate their complete cooperation with this audit. We look forward to working with the Parks and Recreation Department on the next stage of the audit plan, which will focus on identifying opportunities for improving the quality of processes and the cost efficiency and deployment of resources related to overall Department operations and programs for the future.

Respectfully submitted,


Sylvia R. Garcia
City Controller

xc: City Council Members
Al Haines, Chief Administrative Officer
Richard Lewis, Deputy Chief Administrative Officer
Oliver Spellman, Jr., Director, Parks and Recreation Department
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May 26, 1998

The Honorable Sylvia R. Garcia
Controller
City of Houston
901 Bagby, 8th Floor
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Dear Ms. Garcia:

I am pleased to present to you the *Final Report* of Empirical Management Service's (EMS) Performance Audit of Youth Sports Programs for the City of Houston Parks and Recreation Department (PARC).

The objectives and scope of this performance audit included determining the extent of compliance with established goals, policies, and procedures for administering youth sports programs; reviewing and evaluating the existing service delivery system for youth sports programs; reviewing and evaluating the internal controls over expenditures; determining accountability for funds expended; determining and evaluating the reliability of reported registrants and active participants in each youth sports program, and making practical recommendations for improving youth sports programs to ensure they are delivered in the most effective and cost-efficient manner.

Although we have made 17 recommendations to improve program management and accountability, time and attendance accountability, and equipment and supplies inventory control, we have also commended PARC's Youth Sports Division for noteworthy practices. This report can help PARC make incremental improvements in its Youth Sports Division and continue to improve service delivery to children participating in youth sports programs throughout the City of Houston.

We are grateful for the cooperation of the PARC management team and Youth Sports Division personnel during this performance audit. We are especially grateful to the budget manager, who served as our liaison to PARC administration during the engagement.

Very truly yours,

Odysseus M. Lanier
President

City of Houston Parks and Recreation Department

Performance Audit of Youth Sports Programs for the Period July 1, 1996 through March 31, 1998

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EXECUTIVE SUMMARY

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Empirical Management Services (EMS) conducted a Performance Audit of Youth Sports Programs for the City of Houston Parks and Recreation Department (PARD) during the period July 1, 1996 through March 31, 1998. The performance audit was commissioned by the City Controller and director of PARD to achieve the following objectives:

- To determine the extent of compliance with established goals, policies, and procedures for administering youth sports programs;
- To review and evaluate the existing service delivery system for youth sports programs;
- To review and evaluate internal controls over youth program expenditures;
- To determine accountability for funds expended for youth sports programs;
- To determine and evaluate the reliability of reported registrants and active participants in each youth sports program; and
- To make practical recommendations for improving youth sports programs to ensure they are provided in the most effective and cost-efficient manner.

Review Methodology

The review methodology primarily involved using EMS guidelines and techniques for conducting performance audits. This included analyzing both existing data and new information obtained through various means, Youth Sports Division (YSD) personnel, PARD management and staff, and registrants and participants in youth sports programs. Strategies used to collect and analyze data to facilitate reporting results contained in this report include:

- Reviewing data provided by the PARD budget manager including organization charts, job descriptions, budget and staffing data, contracts with temporary agencies providing employees for the YSD, contracts for contract instructors and officials, youth sports program registration and attendance data, time cards, purchase orders, requisitions, inventory records, and payment vouchers;
- Conducting interviews with PARD and YSD management and staff;
- Commissioning Telesurveys Research Associates to conduct a bilingual telephone survey of the parents of 507 potential registrants/participants in youth sports programs to obtain perceptions and the level of satisfaction with each sports program;

- Conducting focus groups with active participants in youth sports programs to obtain their perceptions and level of satisfaction with each sports program;
- Testing expenditures for recreational equipment and supplies and contract instructors and officials during the period July 1, 1996 through March 31, 1998; and
- Developing findings and “implementable” recommendations based on the results of data collection and analysis activities.

Report Organization

The report is organized into five sections as follows:

- Executive Summary
- Program Management and Accountability
- Time and Attendance Accountability for Contract Instructors and Temporary Employees
- Equipment and Supplies Inventory Control
- Appendix

The Program Management and Accountability, Time and Attendance Accountability for Contract Instructors and Temporary Employees, and Equipment and Inventory Control sections contain a description of the current situation, findings, commendations, recommendations, implementation strategies, and fiscal impact for each recommendation. The Appendix contains the results of the telephone survey conducted by Telesurveys Research Associates and focus group results.

Major findings, commendations, and recommendations included in the body of the report are summarized below.

Major Findings

Program Management and Accountability

- Most of the youth sports program directors have achieved national recognition in their respective sports, serve on national sports boards and committees, and have many years of experience playing and coaching. Most youth sports programs appear to be very strong from a competitive standpoint. Several of the program participants have also won both local and national awards in their respective sports.

- Based on interviews with PARD executive management and YSD program directors, the previous mayor's goal was to develop the biggest and best municipally funded youth sports program in the country, beginning with a soccer program. According to program directors, the previous PARD director implemented this directive in a very short time frame, but with little planning and infrastructure in terms of program goals and objectives. In addition, no infrastructure had been put in place in the startup phase of the program to ensure successful program launches. Further, critical performance data and uniform standards for each program were never defined, communicated, and tracked. For example, no consistent written definition of a participant, attendee, or registrant was developed for use by all program directors, and as a result, participation by program has not been tracked and reported using a uniform standard.
- Performance measures gauge an organization's success in fulfilling its critical mission. The two critical performance measures tracked by the YSD are participant registration and program participation. Without reliable performance measures the YSD cannot make accurate assessments of its programs. The YSD's methods of gathering, processing, and reporting performance measurement data are inadequate and do not ensure that reliable performance measures are produced.
- In order to assess user satisfaction levels, the review team conducted a random telephone survey of the parents of YSD program registrants for the performance review period, which was FY 1995-96, FY 1996-97, and year-to-date 1998. The review team found those user satisfaction levels for all of the youth sports programs mentioned in the survey is high. Additionally, the review team held focus group sessions for all of the major youth sports programs. Both participants and parents attended these focus group sessions. Parents and youth participants consistently told review team members that overall, they were satisfied with service levels.

Time and Attendance Accountability for Contract Instructors and Temporary Employees

- YSD's athletic director and soccer program director are temporary workers. Both are responsible for critical management, control, and accountability functions within the YSD. The athletic director oversees the entire YSD, which has a budget of more than \$3 million, while the soccer program director oversees the largest of the sports programs, with a budget of \$1.3 million. Temporary workers assigned to such critical managerial positions inhibit operational effectiveness of the sports programs. For example, because the athletic director is not a city employee, the purchasing manager will not process requisitions for recreational equipment and supplies exceeding \$750 without the approval of the deputy director of Administration and Management.

- No uniform system is in place to monitor and control the time and attendance of contract instructors and game officials. Some programs have instituted more and different controls than others. Time and attendance monitoring is crucial because of the nature of the YSD's activities. Sporting events are held at different times and various locations throughout the city, including community centers, city parks, school campuses, and public housing units. Without uniform systems to monitor and control the time, attendance, and activities of contract instructors and game officials, there is no assurance that:
 - Contract instructors and game officials are where they should be when they should be;
 - Timesheets provided by contract instructors and game officials accurately reflect hours worked;
 - Program resources such as equipment and supplies are being used economically and efficiently;
 - Sports equipment is safeguarded from damage and theft;
 - Compliance with city policies and procedures is being achieved;
 - The goals and objectives of sports programs are being met.
- The YSD is behind schedule converting contract workers to employee status. In City Controller Audit Report 97-106 dated July 31, 1997, city auditors recommended that the YSD continue efforts to reclassify contract workers previously identified as misclassified. Auditors noted that steps should be taken to "eliminate or minimize possible IRS penalties related to past worker misclassification." The YSD responded that all current contracts would be reviewed to determine proper worker classification and improperly classified workers would be converted to employee status. Some contract instructors such as golf marshals and game officials will remain independent contractors as a result of the review. The YSD established a deadline of July 1, 1998 to complete the conversion. As of May 12, 1998 the conversion process has been initiated for only 22 percent of the contractors to be converted and no independent contractors have been fully converted to city employees.

Equipment and Supplies Inventory Control

- PARD has appropriate internal controls over YSD expenditures for recreational equipment and supplies. Multiple levels of approvals are used to review and authorize requisitions from YSD. To test the expenditure authorization and approval process, EMS selected a random sample of 33 payment vouchers during the period July 1, 1996 through March 31, 1998, representing 46 percent of total expenditures for recreational equipment and supplies. The payment vouchers were tested for the appropriate levels of approval (i.e., program director, athletic director, purchasing manager, and deputy director of Administration and Management), agreement of requisition, purchase order, receiving documents, and invoice;

and reasonableness of expenditure. An exception was noted for the Marching Thunder program, for which the payment voucher could not be located for one of the transactions tested. This exception is not material and does not suggest ineffective control over expenditures for recreational supplies and equipment. However, based on test results, PARD has sufficient internal controls over YSD expenditures for recreational supplies and equipment.

- Recreational equipment and supplies are delivered to multiple locations by vendors rather than to the central warehouse. Deliveries going to multiple locations can result in a lack of control over the receipt of recreational equipment and supplies; and YSD's risk of inventory loss is increased. Moreover, unauthorized personnel could be receiving equipment and supplies. director of
- YSD has not established performance standards and related expectations for YSD warehouse operations. Program directors expressed considerable concern about the efficiency of YSD warehouse operations and controls to members of the review team. Some directors were concerned that warehouse personnel were not controlling access to the warehouse and some of their equipment was missing. Others refused to allow vendors to deliver shipments of T-shirts and other recreational supplies to the YSD warehouse unless they were present because of concerns about the effectiveness of the receiving process. One program director had so little confidence in the receiving and subsequent checkout process for uniforms that he created a checkout form independent of the YSD warehouse checkout form. To enhance his comfort level

Survey Results

- Ninety-three percent of the respondents to the telephone survey felt the City of Houston should spend more money on youth sports programs. When asked why they felt more money should be spent on youth sports, frequent responses were that the program gives kids something productive to do and the program reduces criminal activity, gang participation and drug use in youth.
- Parents with children participating in soccer, basketball, and golf programs accounted for 75 percent of survey respondents. Seventy-six percent of respondents with children participating in soccer, 93 percent with children participating in golf, and 84 percent with children participating in basketball rated the program good to excellent.
- When asked to rate the performance of the people who run the youth sports programs in which their children participate, 83 percent rated the performance as fair to poor. This appears to indicate that, while parents are generally satisfied with the quality of youth sports programs, they perceive individuals responsible for running them as moderate to poor performers.

- When asked if they could give advice to improve the quality of youth sports programs, respondents suggested more coaches and better instructors, more parental participation, better organization of programs and schedules, and better communication and advertisement of programs.

Major Commendations

Program Management and Accountability

- The YSD program directors are experts in their respective sports and have coached their teams to local and national championships.
- YSD has achieved high user satisfaction levels in all of its major sports programs.

Equipment and Supplies Inventory Control

- PARD has implemented sufficient internal controls over YSD expenditures to provide reasonable assurance that unauthorized expenditures for recreational supplies and equipment will not be made.

Major Recommendations

Program Management and Accountability

- **Develop a more equitable means of allocating resources to each of the YSD programs.** The YSD should develop a performance-based budget model. Spending priorities should be established through the division's long-range plan. Specific, quantifiable goals should incorporate efficiency and effectiveness measures; recognition of division-level goals and spending priorities; justification of current programs and expenditure levels; and economic justification for additional spending requests.
- **Revise the method of calculating registration and participation performance measures and strengthen methods of gathering, processing, and reporting, registration, participation, and attendance data.**

Time and Attendance Accountability for Contract Instructors and Temporary Employees

- **Implement a policy requiring that the athletic director and all directors of youth programs are full-time City of Houston employees.** The administrative and managerial functions of the athletic director and program directors are too critical to be performed by

temporary workers. To establish appropriate levels of accountability and managerial oversight, only full-time permanent employees should be assigned to these positions.

- **Develop uniform techniques to monitor and control time and attendance for contract instructors and game officials.** Apply such techniques consistently across all sports programs. Example of techniques that can be implemented include:
 - ❑ Master schedule of events.
 - ❑ Participant feedback through interviews, evaluations, and surveys.
 - ❑ Contractor performance appraisals.
 - ❑ Monthly meetings conducted by program directors.

- **Accelerate the conversion of contract workers to employee status.** Significant penalties and interest could accrue to the YSD if workers previously classified as independent contractors are reclassified as employees by the Internal Revenue Service. The YSD should accelerate the conversion of these workers to minimize the financial risks associated with reclassification.

Equipment and Supplies Inventory Control

- **Strengthen and enforce PARD's policy requiring all deliveries to be accepted only at the central warehouse.** The director of PARD should strengthen and enforce the department's policy requiring all deliveries to be accepted only at the central warehouse. The deputy director of Administration and Management and the director of PARD should cosign a formal letter to all recreational equipment and supplies vendors stating that deliveries to locations other than 6200 Wheeler Street will not be accepted and invoices will not be paid. The existing policy should be strengthened to include disciplinary action against program directors who circumvent the central receiving process.

- **Develop and implement performance standards and related expectations for YSD warehouse operations.** Performance standards should be developed for the warehouse linked to expectations for the overall efficiency and effectiveness of warehouse operations. The performance standards must be clearly identified, achievable, measurable, and consistent. The following activities produce meaningful performance measurements against established benchmarks:

Chapter 1

PROGRAM MANAGEMENT AND ACCOUNTABILITY

This section of the report reviews the organizational and management functions of the City of Houston Parks and Recreation Department (PARC) Youth Sports Division (YSD), and contains two major subsections:

- A. Planning and Program Effectiveness
- B. Community Outreach

BACKGROUND

The purpose of the Youth Sports Division is to provide programs with athletic, academic, and community service opportunities for Houston’s youth. These programs are offered free of charge to participants, and provide recreational opportunities that might otherwise not be available.

The Youth Sports Division was initially part of the Recreation Division (adult and youth sports). Based on interviews with PARC executive management and Youth Sports Program directors, the review team was told that the previous mayor directed the former Parks Director to start the Youth Sports Program in August 1996. **Exhibit 1-1** reviews key program statistics and presents a chronology of the development of each Youth Sports Program since inception.

**Exhibit 1-1
Youth Sports Division
Chronology/Program Development**

Program	Date Program Director Hired	Program Director’s Initial Employment Status	Official Program Start Date	First Year Anticipated Budget	First Year Program Participation Goal	Program Budget FY 1998	Estimated Participants FY 1998
Soccer	Feb 1994	Temporary	April 1994	\$125,000	2,500	1,284,771	21,300
Baseball/ Softball/ T-ball	Sept 1996	Temporary	Aug 1997	\$500,000	4,000	675,542	1,800
Basketball	July 1996	Permanent	June 1994	\$500,000	5,000	375,824	5,000
Football	June 1994	Full Time	June 1994	N/A	750	95,153	2,000
Tennis	June 1994	Full Time	June 1994	N/A	250	246,369	5,000
Junior Golf	Mar 1994	Full Time	Mar 1994	\$40,000	730	114,870	1,650
Marching Thunder	Aug 1996	Temporary	June 1996	N/A	1,800	638,468	2,500
Cycling	April 1988	Full Time	Aug 1998	N/A	N/A	N/A	N/A

Source: Youth Sports Directors (N/A = not available)

The Youth Sports Division currently sponsors 11 component sports for young male and female athletes that include:

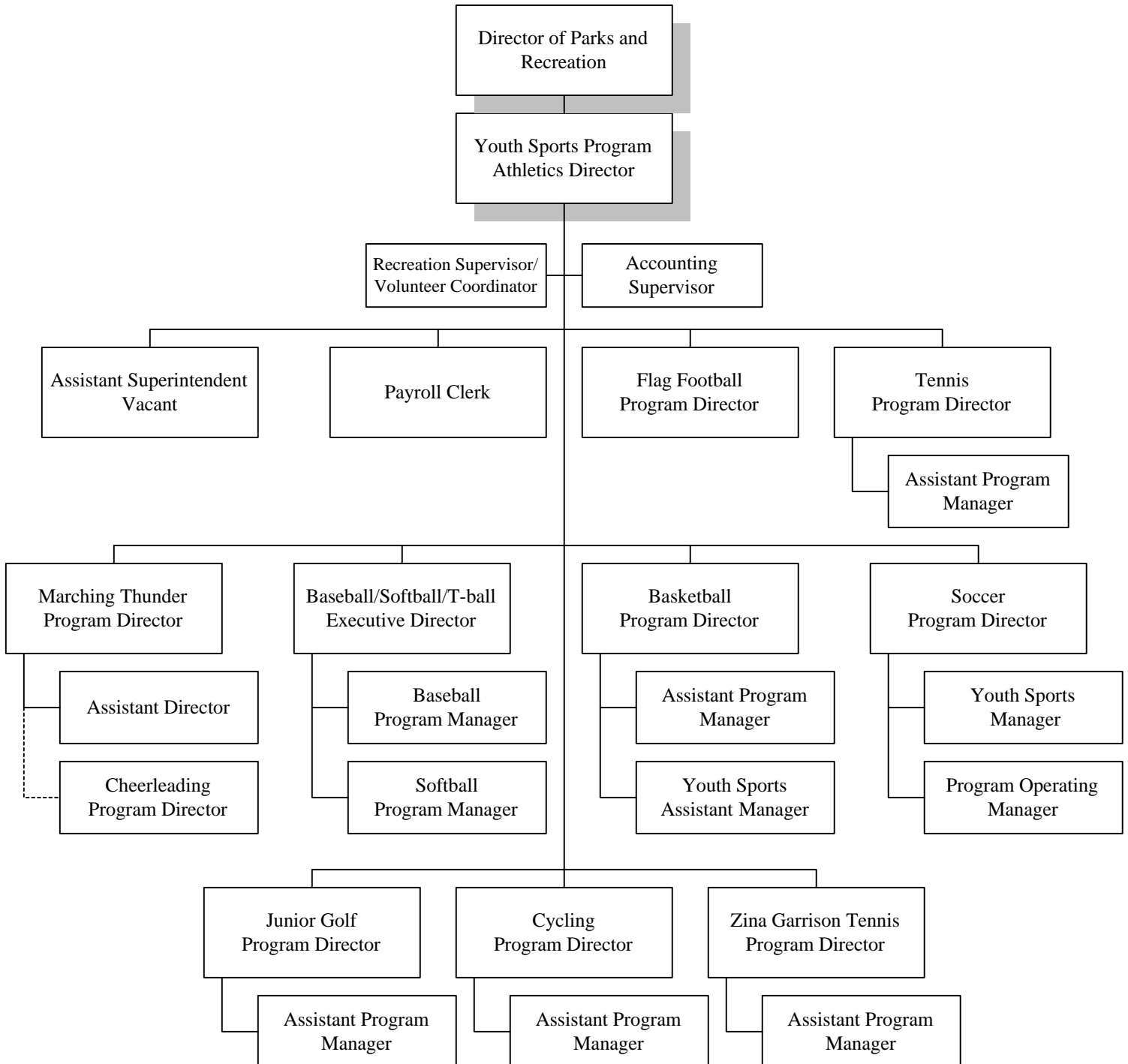
- Soccer
- Baseball/Softball/T-ball
- Basketball
- Football
- Tennis
- Junior Golf
- Marching Thunder
- Cheerleading
- Cycling

Since inception, the YSD has lacked clear leadership and managerial direction. Based on interviews with PARD executive management and Youth Sports program directors, the athletic director and the previous Director of PARD have historically had a tenuous relationship. As a result, program directors have been torn between trying to please two different administrators who frequently had conflicting goals.

Organizational Structure

The Youth Sports Division reports directly to the athletic director, who in turn reports to the Director of PARD. Each program is managed by a program director who is responsible for the day-to-day management and administration of the program. **Exhibit 1-2** presents the Youth Sports Division's current organizational structure based on the review team's interviews with Parks Department executive management and Youth Sports program directors.

**Exhibit 1-2
Youth Sports Division Organizational Structure**



Source: Review Team

A. PLANNING AND BUDGETING

BACKGROUND

Planning and budgeting are critical to effective management. Planning enables an organization to define goals and objectives, establish priorities, select appropriate implementation strategies, and determine critical performance measures in achieving those goals and objectives.

The budget process follows the plan development and implementation by allocating resources necessary for reaching the performance targets established in the plan. When coordinated effectively, the combination of planning and budgeting enhances the distribution of scarce resources.

FINDING

Based on interviews with PARD executive management and YSD program directors, the previous mayor's goal was to develop the biggest and best municipally funded youth sports program in the country, beginning with a soccer program.

According to program directors, the previous PARD director implemented this directive in a very short time frame, but with little planning and infrastructure in terms of program goals and objectives. Short- and long-range written goals and objectives were not linked to budgetary guidelines. The review team requested documentation from every youth sports program on short- and long-range program goals, including detailed budgetary and staffing guidelines, but none had been developed for any of the programs. All of the YSD program directors said that they did not have sufficient program direction from the director of PARD to develop long-range plans for their respective programs.

In addition, no infrastructure had been put in place in the startup phase of the program to ensure successful program launches. Based on interviews with PARD executive management and YSD Program directors, most program directors were hired within a very short time frame, and several were hired on a temporary or contract basis. By hiring program directors on a temporary basis, they could be brought into the organization more quickly.

In addition, critical performance data and uniform standards for each program were never defined, communicated, and tracked. For example, no consistent written definition of a participant, attendee or registrant was developed for use by all program directors, and as a result, participation by program has not been tracked and reported using a uniform standard. For example, the review team was given three separate and conflicting sources of information in trying to find the number of registrants for the soccer program.

Further, YSD program seasons are not always scheduled to begin parallel with the local school district. This coordination of scheduling with the local school district is important for two reasons. First, PARD offers students who are unable to participate in organized school sports an alternative after-school extracurricular activity. Additionally, the YSD programs, such as the soccer program for pre-kindergarten through junior high school (ages 4-12) youth fill a void in school district sports offerings. One of the reasons the soccer program was given such a large budget initially was because the program serves many of the immigrant Hispanic youth enrolled in the local school district, who historically do not participate in extracurricular activities at school. Critical program planning initiatives such as the intended purpose of the soccer program for Hispanic youth has not been documented in a YSD planning process.

In order to successfully launch and support daily operations of YSD's programs, an effective long-range plan that contains the following elements has to be in place:

- A written plan is developed for each program area within the division.
- Written goals, and specific, measurable objectives support the departmental plan, and are linked to the budget.
- Program objectives are based on a thorough analysis of projected program and facility usage as well as community needs.
- The organization provides resources, in terms of both dollars and personnel, to support these goals and activities, which in turn support the objectives. The results of these activities are measured and evaluated regularly through feedback mechanisms, and corrective measures are built into the planning process.

Recommendation 1:

Develop comprehensive short- and long-range plans for each YSD program.

The director of PARD should establish the overall direction for YSD. Once this direction has been established, the YSD program directors, in conjunction with the athletic director, should develop comprehensive short- and long-range plans for each program that tie into an overall plan for the PARD. In addition, these plans should be based on a thorough analysis of projected program and facility usage as well as community needs. Centralized, uniform reporting requirements should be developed and communicated to each of the program directors to ensure program accountability. Also, YSD program schedules should be developed to coordinate with organized sports activities in the local district.

The plan should incorporate the following elements:

- The plan should reflect the goals and objectives of the PARD (by major program and department), along with implementation strategies, timelines, and assignments of responsibilities.
- The plan should be updated each year and used to establish budget priorities.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|--------------------------|
| 1. The Director of PARD directs the athletic director to develop short- and long-range plans for YSD that tie to the overall objectives of the PARD and to the budget. | August 1998 |
| 2. The Director of PARD forms a planning committee consisting of the athletic director, program directors, program participants, and parents. | September – October 1998 |
| 3. The committee assembles any historic data available about past participation levels and community recreational needs in order to project realistic five-year growth trends. | November 1998 |
| 4. Each program director develops short- and long-range plans (one- and five-year plans) for their respective sports. | December 1998 |
| 5. The athletic director reviews and approves the plans and consolidates these plans into an overall plan for YSD. | January 1999 |
| 6. The athletic director submits the plan to the director of PARD for review and inclusion in the Parks Department overall long-range plan. | February 1999 |

FISCAL IMPACT

Implementation of this recommendation can be accomplished with existing resources.

FINDING

The YSD budget process is poorly coordinated and communicated to program directors. For past program years (FY 96-FY 98), with the exception of the soccer director, program directors told the review team that their annual budget amount was not communicated to them. PARD executive management has the discretion to move individual YSD program dollars from one youth sport to another without the knowledge and input of the individual sports program director. Some program directors said they did not know what their annual budgets were. Also, program directors said that they did not receive regular monthly budget administration documentation to compare actual program expenditures to the budget. As a result, program directors were unable to make effective long-range spending decisions.

Exhibits 1-3 and 1-4 shows budgetary allocations by program for YSD.

**Exhibit 1-3
Youth Sports Division
Expenditure Analysis by Program**

Program	FY 1998 Revised Budget			Total FY 1998 Revised Budget (\$)	FY 98 Estimated Registrants*	Annual Budget Dollars Per Registrant
	Personnel (\$)	Uniforms, Equipment, & Supplies (\$)	Contract Workers' Salaries, & Other Services (\$)**			
Baseball/Softball/ T-ball	\$259,542	\$102,800	\$313,200	\$675,542	1,800	\$375.
Marching Thunder	\$242,319	\$61,000	\$335,149	\$638,468	2,500	\$225
Basketball	\$170,524	\$9,900	\$195,400	\$375,824	5,000	\$75
Junior Golf	\$98,870	\$11,000	\$5,000	\$114,870	1,650	\$69
Soccer	\$294,942	\$113,900	\$875,929	\$1,284,771	21,300	\$60
Tennis	\$29,569	\$24,500	\$192,300	\$246,369	5,000	\$49
Flag Football	\$29,853	\$19,300	\$46,000	\$95,153	2,000	\$47
Total	\$1,125,619	\$342,400	\$1,962,978	\$3,430,997	39,250	\$87

Source: YSD Budget Division

Note * = YSD Budget Division

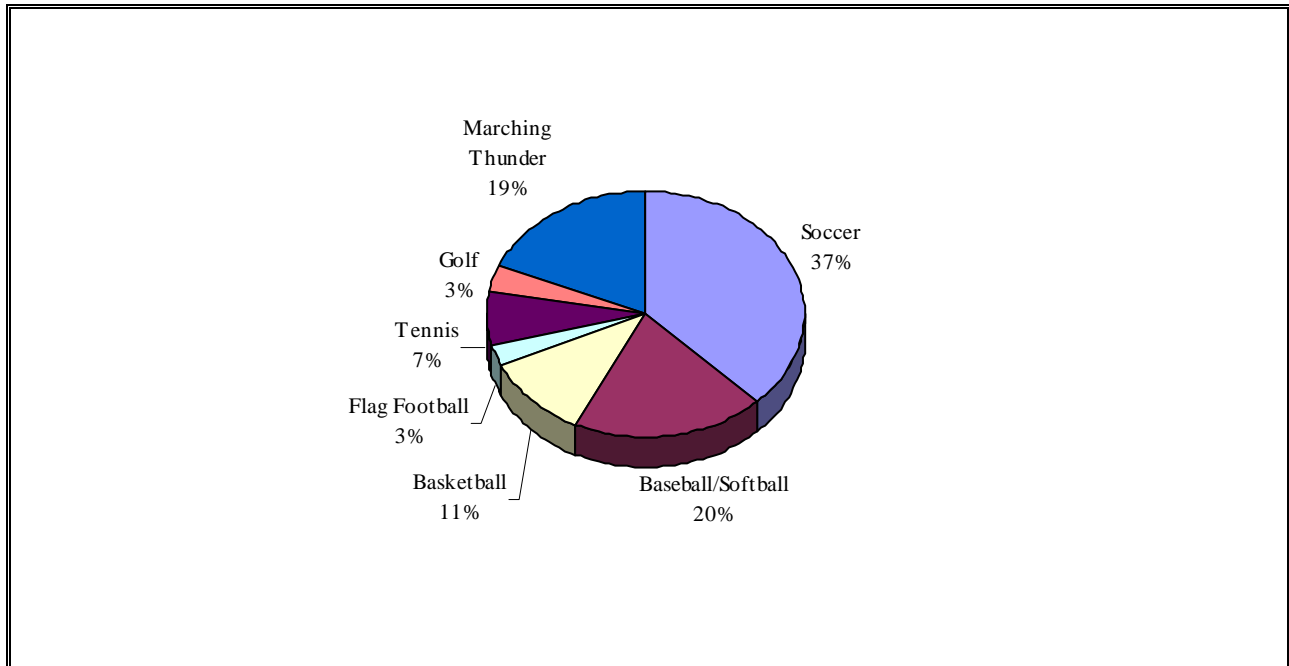
Note ** = Includes capital items in recreational equipment

Funding for programs vary significantly and program resources do not appear to be allocated equitably. Exhibit 1-3 shows that the annual cost per registrant ranges from a high of \$375 to a low of \$47, and the department has no written rationale for the wide disparity in budget allocations. The review team recognizes that some of the disparity between programs in cost per registrant could potentially be accounted for by such factors as the level and expense of equipment needed for the program, and whether the sport is seasonal. For example, a program such as Marching Thunder, which has high equipment costs, would tend to show a higher cost per registrant. Similarly, a program that is not year round would tend to show lower costs per registrant since the fixed costs could be spread over a shorter period of the year, and by definition

would have fewer months of the year in which youth could participate. It is critical to take such factors into account in determining budget allocations among programs.

The graphic in **Exhibit 1-4** shows the breakdown of the 1998 revised budget by program.

Exhibit 1-4
Youth Sports Division
1998 Revised Budget
By Program



Source: PARD Budget Manager

Soccer, baseball, and basketball together have 68 percent of the budget. The soccer program has the largest percentage of the budget, at 37 percent, followed by baseball and basketball with 20 percent and 19 percent respectively.

Recommendation 2:

Develop a more equitable means of allocating resources to each of the YSD programs.

The YSD should develop a performance-based budget model. Spending priorities should be established through the division's long-range plan. Specific, quantifiable goals should incorporate efficiency and effectiveness measures; recognition of division-level goals and spending priorities; justification of current programs and expenditure levels; and economic justification for additional spending requests.

The annual budget process should begin with an assessment of current programs. The effectiveness and efficiency of programs should be analyzed to remove poorly performing programs and to identify opportunities for streamlining operations or reducing costs.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The budget manager establishes budget procedures that incorporate YSD division and program goals and include evaluation criteria. | August 1998 |
| 2. The athletic director reviews and approves the new procedures. | September 1998 |
| 3. The budget manager provides support to program directors in the development of budget requests. | October 1998 |
| 4. The athletic director works with the budget manager to conduct budget workshops to explain the new methodology to program directors. | November 1998 |
| 5. The athletic director communicates the long-range planning priorities to program directors at the beginning of the budget cycle, and monitors the implementation of the new budget process. | November 1998 |

FISCAL IMPACT

This recommendation could be implemented with existing resources, as the budget manager can conduct budget workshops.

FINDING

Most of the program directors have achieved national recognition in their respective sports, serve on national sports boards and committees, and have many years of experience playing and coaching. **Exhibit 1-5** summarizes the qualifications of the program directors and highlights the achievements of the teams that they coach. Most Youth Sports Programs appear to be very strong from a competitive standpoint. Several of the program participants have also won both local and national awards in their respective sports.

**Exhibit 1-5
Program Director Credentials and Accomplishments**

Program	Credentials	Accomplishments
Soccer	<ul style="list-style-type: none"> • Former U.S. Olympic Team Member • Former member of the U.S. Soccer Federation’s Board of Directors 	<ul style="list-style-type: none"> • Largest municipally sponsored soccer program in the U.S. • 2 South Texas State Champions • 1 Region III Champion • 1 National Finalist
Baseball/Softball/ T-ball	<ul style="list-style-type: none"> • Executive Director Britain Communications, Inc. – Diamond Sports League of Houston • Set up largest city-wide baseball program in Detroit 	<ul style="list-style-type: none"> • Houstonian Baseball Teams won the State and Southwest Regional championships in both RBI age divisions. • Major League Baseball announced that three Houstonian baseball players were named to participate in the RBI All-Star Team, which will compete for an Amateur Baseball World Championship.
Basketball	<ul style="list-style-type: none"> • Doctorate in Education Leadership at Northern Arizona University, Flagstaff, Arizona • Head Basketball Coach in 1990-1994 at Northern Arizona University, Flagstaff, Arizona 	<p><i>12 and under Girls Select Program</i></p> <ul style="list-style-type: none"> • Texas Amateur Athletic Federation (TAAF) State Finalist • Barrett Station Tourney Champions • Fonde League and Playoff Champions • MLK Holiday Tourney Champions • Kingwood YBOA Tourney Champions <p><i>10 and under Boys Select Program</i></p> <ul style="list-style-type: none"> • Fonde Select League Playoff and League Champions • TAAF Semi-Finalist • Houstonian Invitational Finalist • MLK Holiday Tourney Champions

**Exhibit 1-5 (Continued)
Program Director Credentials and Accomplishments**

Program	Credentials	Accomplishments
Football	<ul style="list-style-type: none"> Retired Football Coach and Physical Education Teacher 	<ul style="list-style-type: none"> End of season championship trophies are awarded.
Tennis	<p><i>Zina Garrison</i></p> <ul style="list-style-type: none"> Certified instructor through U.S. Tennis Association <p><i>City Program</i></p> <ul style="list-style-type: none"> Former Tennis Coach 	<p><i>Zina Garrison</i></p> <ul style="list-style-type: none"> The Houstonian (Select Team) placed second out of 16 cities' teams at the U.S. Youth Games, hosted in New York City on August 5-8, 1997. <p><i>City Program</i></p> <ul style="list-style-type: none"> The Texas chapter of the USTA has designated the Houston Tennis program a pilot program. The Houston City Tennis program won the Samson award for being an exemplary program.
Junior Golf	<ul style="list-style-type: none"> Program Director named 1996 STPGA Central Chapter Junior Golf Leader of the Year. Program Director named 1997 STPGA Section Junior Golf Leader of the Year. 	<ul style="list-style-type: none"> Received a \$500,000 five year sponsorship from Shell Oil foundation in 1995. Winner of the 1997 US Inner City national Championship in San Diego, California. Winner of five consecutive state golf championships. Received special recognition from Golf Digest in 1995 and 1997. Four former program participants have received golf scholarships to attend college.
Marching Thunder	<ul style="list-style-type: none"> Fourteen years as director of the USTA National Championship Competition Coach, judge, national champion, and seven-time new York State champion. US Twirling Association Coach 	<ul style="list-style-type: none"> Asian Heritage Society Parade – 2nd place Sterling Drum Competition – 1st place Lulac Cinco de Mayo Parade – 2nd and 3rd place Crime on Parade – 1st place overall Regular performances at Houston Rockets game
Cycling	<ul style="list-style-type: none"> Served on Board of Directors for US Cycling Federation Board of Directors of National Collegiate Cycling Association VP of America Track Racing Association International Cycling Official 	<ul style="list-style-type: none"> Eighteen track records and 14 state records were broken during the 1996 season. Cyclists won 33 national championship medals.

Source: Youth Sports Program Directors

COMMENDATION

The YSD program directors are experts in their respective sports and have coached their teams to local and national championships.

FINDING

Performance measures gauge an organization's success in fulfilling its critical mission. The two critical performance measures tracked by the YSD are participant registration and program participation. Without reliable performance measures the YSD cannot make accurate assessments of its programs. For example, if program cost per registrant, which is a measure of program efficiency, is incorrect or unknown, it will affect the YSD's ability to forecast funding requirements, produce reliable budgets, and project current and future facilities needs.

The YSD's methods of gathering, processing, and reporting performance measurement data are inadequate and do not ensure that reliable performance measures are produced. For example, registration forms are not standardized for each sports program. As a result, registration information collected from various sports programs is not consistent and comparable. In addition, because registration forms are processed manually up to the point of data input and the YSD lacks adequate staff to perform data input, there is a large backlog of unprocessed registration forms. Furthermore, because registration and attendance accounting control procedures are weak, management and performance reports are unreliable.

The most significant example of inaccurate performance measures produced by the YSD is program participation and attendance. The method used to calculate program participation and attendance grossly inflates actual participation and gives a false indication of program success. **Exhibit 1-6** is a hypothetical example that shows how each youth sports program currently calculates participation. The exhibit indicates that 5 registrants participated in a sports program that lasted for 15 days. The YSD computes attendance and participation by multiplying total registrants per park by total play/practice days. Based on the calculation in this example there were 75 days of attendance and participation. However, this result is misleading and inflates the program's success. First, the calculation bases the entire calculation on park totals instead of individual registrant attendance totals. This is unrealistic because individual registrant attendance is being measured. Second, the calculation is based on the number of play/practice days when it should be based on actual attendance. Actual attendance, which is also a measure of customer satisfaction, is never taken into consideration in the YSD's calculation.

Exhibit 1-6 Sample Attendance and Participation Computation

Calculation Method Currently Used by the YSD

Assumptions: <ul style="list-style-type: none"> • 5 Registrants • 15 play/practice days per month • Accurate attendance information 	(A) Registrants	(B) Number of Play/Practice Days Per Month	Total Participation (Col. A times Col B)
Registrant Name			
John Doe	1	15	
Bill Smith	1	15	
Tom White	1	15	
Dick Jones	1	15	
Harry Brown	1	15	
Total for Park	5	15	75

Source: Adapted from actual YSD attendance reports

Exhibit 1-7 presents an alternative method of calculating attendance and participation performance measures. This method produces a more accurate measure of attendance and participation because it takes into account actual registrant attendance. Using this method, the attendance and performance measure equals 3. This means that out of the 5 registrants who participated in this hypothetical sports program in varying degrees during the month, there were 3 registrants (on a weighted average basis) who had 100 percent attendance and participation. In other words, three out of five registrants fully participated in the program. This equals a participation rate of 60 percent (3 divided by 5). This method is a much more accurate and reliable measure of attendance and participation than the method currently used by the YSD.

**Exhibit 1-7
Sample Attendance and Participation Computation
Alternative Calculation Method**

Assumptions: <ul style="list-style-type: none"> • 5 Registrants • 15 play/practice days per month 	(A) Registrants	(B) Number of Play/Practice Days Per Month	(C) Actual Registrant Attendance	(Note A) Total Participation
Registrant Name				
John Doe	1	15	5	
Bill Smith	1	15	3	
Tom White	1	15	10	
Dick Jones	1	15	15	
Harry Brown	1	15	11	
Total for Registrants	5	75	44	3

Source: Computed by review team

(Note A): Formula equals (Col C/Col B) * Col A.

Recommendation 3:

Revise the method of calculating registration and participation performance measures and strengthen methods of gathering, processing, and reporting, registration, participation, and attendance data.

The YSD should adopt the method of calculating attendance and participation performance measures illustrated in **Exhibit 1-7** because it produces a more accurate and reliable indication of program success. Before adopting this method, the YSD should strengthen its methods of gathering, processing, and reporting registration, attendance, and participation data. **Exhibit 1-8** and **1-9** present deficiencies in the YSD’s current registration and attendance accounting systems and recommends appropriate corrective action.

**Exhibit 1-8
Deficiencies in Current Registration Process and Recommended Corrective Actions**

<u>Registration Process</u>		
<u>Phase</u>	Deficiencies	Corrective Action
<u>Input</u>	<ul style="list-style-type: none"> Registration forms are not standardized Use of technology to compile database has not been maximized. 	<ul style="list-style-type: none"> Standardize forms across all sport programs so that comparative data can be collected. Network computer systems so registration information can be entered into a common database from multiple locations.
	<ul style="list-style-type: none"> Lack of staff for data input with a large backlog of unprocessed registration forms. Slow and cumbersome. 	<ul style="list-style-type: none"> Hire temporary employees to assist with reducing backlog of unprocessed forms. Evaluate adequacy of existing computer system to meet registration processing and reporting needs.
<u>Processing</u>		

**Exhibit 1-8 (Continued)
Deficiencies in Current Registration Process and Recommended Corrective Actions**

<u>Registration Process</u>	
<u>Output</u>	<ul style="list-style-type: none"> • Lack clear definition and identification of key performance measures. • Management reports are not reliable and do not contain useful information. • • <ul style="list-style-type: none"> • Refine definition of the key performance measures; registration, participation, and customer satisfaction. For example, if a registrant participates in a program for one week then quits, is he/she a participant? If so, how much participation credit should he/she receive? • Define up front what constitutes useful information and insure that data collection instruments include this information. • Develop a uniform reporting format and a list of standard monthly reports. Insure that information system is flexible enough to allow development of specialized or user defined reports. • Train managers in how to interpret and get the most out of the reports.

Source: Review Team

Exhibit 1-9
Deficiencies in Current Attendance Accounting System and
Recommended Corrective Action

Participation (Attendance) Accounting		
<u>Phase</u>	Deficiencies	Corrective Action
<u>Input</u>	<ul style="list-style-type: none"> Process for collecting attendance data is not standardized and consistent among sports programs. 	<ul style="list-style-type: none"> Develop standard attendance taking procedures, train sports program staff in the use of these procedures, and hold them accountable for accurate attendance information.
<u>Processing</u>	<ul style="list-style-type: none"> Basis for participation calculations is not consistent. Sometimes based on actual attendance rosters, other times based on number of registrants multiplied by standard practice days regardless of whether or not youngster actually participated. 	<ul style="list-style-type: none"> Require that all measures of participation be based only on actual attendance. Develop standard participation rates for comparison purposes. Actual participation rates should be benchmarked against standards to identify programs that require improvement.
<u>Output</u>	<ul style="list-style-type: none"> Attendance and participation performance measures are not accurate due to lack of reliable methods of calculating such measures. 	<ul style="list-style-type: none"> Adopt alternative method of computing attendance and participation performance measures illustrated in Exhibit XX.

Source: Review Team

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The deputy director of Administration and Management directs the acting athletic director to begin implementing improvements in methods used for gathering, processing, and reporting, registration, participation, and attendance data. June 1998
2. The acting athletic director in conjunction with sports program directors determine the best approach to implementing corrective actions to strengthen methods of gathering, processing, and reporting, registration, participation, and attendance data. June 1998
3. The deputy director of Administration and Management directs the acting athletic director and other appropriate personnel to begin using the alternate method of computing attendance and participation performance measures after corrective actions have been implemented. June 1998

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

While not presently tracked, another critical performance measure of YSD programs is user satisfaction. In order to assess user satisfaction levels, the review team conducted a random telephone survey of the parents of YSD program registrants for the performance review period, which was FY 1995-96, FY 1996-97, and year-to-date 1998. The review team found those user satisfaction levels for all of the youth sports programs mentioned in the survey is high. **Exhibit 1-10** provides a summary of the user satisfaction survey responses.

Exhibit 1-10
User Satisfaction Telephone Survey
Parents of YSD Program Registrants/Participants

Survey Question	Excellent	Good	Fair	Poor	Total
Did you feel the basketball program for your child was...	26%	58%	7%	9%	100%
Did you feel the tennis program for your child was...	38%	44%	10%	8%	100%
Did you feel the soccer program for your child was...	32%	44%	11%	13%	100%
Did you feel the baseball program for your child was...	28%	59%	7%	6%	100%
Did you feel the golf program for your child was...	52%	41%	6%	1%	100%
Did you feel the football program for your child was...	55%	39%	4%	2%	100%
Did you feel the Marching Thunder program for your child was...	53%	31%	8%	8%	100%

Source: Telesurveys Research Associates

Additionally, the review team held focus group sessions for all of the major youth sports programs. Both participants and parents attended these focus group sessions. Parents and youth participants consistently told review team members that overall, they were satisfied with service levels.

COMMENDATION

YSD has achieved high user satisfaction levels in all of its major sports programs.

FINDING

In contrast with favorable user satisfaction survey results for individual sports programs, parents of YSD program registrants indicated that there is room for improvement regarding program staff. **Exhibit 1-11** shows that 83 percent of respondents rated program staff fair to poor.

**Exhibit 1-11
User Satisfaction Telephone Survey
Parents of YSD Program Registrants/Participants**

Survey Question	Excellent	Good	Fair	Poor	Total
How would you rate the performance of the people who run the programs in which your child/children participate?	8%	9%	45%	38%	100%

Source: Telesurveys Research Associates

While these survey results conflict with the focus group respondents (actual program participants) who consistently reported that the quality of instructors (mainly program) staff was good, the larger issue is that the YSD Program Directors have no real way of measuring user satisfaction or program cost effectiveness.

As organized currently, the YSD has been in existence for about three years. None of the youth sport programs have been formally evaluated, nor is there any formal mechanism in place to provide feedback to YSD management regarding the overall effectiveness of the programs.

Recommendation 4:

Include customer satisfaction, ratio of staff to program participants, and participant retention in performance measures; and, develop and implement a system to evaluate each individual sports program within the YSD on an annual basis.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Program Directors develop program evaluation criteria for their respective sports such as program outcomes and success measures and program cost per participant. July 1998
2. The Program Directors review the evaluation criteria with the athletic director recreation supervisors assigned to the parks. August 1998
3. The Program Directors track critical performance measures and produce program evaluation reports. August 1998

- | | |
|--|----------|
| 4. The athletic director reviews program evaluation reports and oversees implementation of any recommendations. | On going |
| 5. The athletic director and the Program Directors use program evaluations to make long-term cost-effective management decisions regarding each individual youth sports program. | On-going |

FISCAL IMPACT

This recommendation can be implemented with existing staff resources.

FINDING

There is a wide disparity in the amount of external funding received by the individual youth sports programs. YSD programs vary significantly in their levels of outside sponsorship, and programs do not have an equivalent level of representation of business sponsors. Specifically, sponsorships by program range from such programs as flag football, which have no outside sponsors, to programs such as Soccer and golf, which attract \$500,000 and \$495,000 respectively for their programs on an annual basis. While YSD as a whole has been successful in recruiting business sponsors, its success varies by program.

Exhibit 1-12 reflects the disparity of business sponsors by program within the YSD.

**Exhibit 1-12
Youth Sports Division
Major Sponsors by Program**

Sports Program	Major Sponsors	Contribution
Baseball/Softball	Britain Communications, Inc.	\$175,000
Basketball	Sprite	In-kind donation
Cycling	Shell	\$20,000
Football	None	
Junior Golf	Shell	\$500,000
Marching Thunder	<ul style="list-style-type: none"> • Levi Strauss • Foley's 	In-kind donation \$10,000
Soccer	<ul style="list-style-type: none"> • Snickers • US Soccer Federation Foundation 	\$300,000 \$195,000
Tennis (City Program)	None	

Source: YSD Program Directors

Recommendation 5:

Solicit additional business sponsors to supplement funding for YSD programs.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The athletic director and Deputy Director of Development review and evaluate the distribution and assignment of business sponsors to YSD programs. | August 1998 |
| 2. The athletic director and Deputy Director of Development work with local business to educate them about the YSD programs and to solicit additional sponsors. | September 1998 and ongoing |
| 3. As new business sponsors are added, the athletic director and Deputy Director of Development ensure that assignments are based on a combination of program need and an appropriate fit between the sponsor and the program. | October 1998 |

FISCAL IMPACT

Implementation of this recommendation can be accomplished with existing resources.

C. COMMUNITY OUTREACH**FINDING**

Although a variety of YSD programs are available to Houston city residents, YSD lacks a program-wide outreach plan to actively solicit participant, parental, and business involvement. Program directors and administrators operate independently without centralized direction or coordination from YSD. Because of the lack of centralized coordination programs, activities are not consistently publicized and participation levels often suffer as a result. According to comments from participant focus groups, and based on the observations of the review team at sports programs, parental involvement at program events is also low.

Based on managerial direction established by the previous administration, most programs are focused on providing inner city youth with a recreational program alternative to keep them off the streets after school and out of trouble. The mission statements for eight of the nine YSD programs reflected that their outreach efforts were primarily targeted to inner city youth. The results of the telephone survey conducted by Telesurveys Research Associates also show that while only 11.4 percent of the program registrants surveyed were Anglo, 87 percent were either African-American, Asian or Hispanic.

Several program directors said in interviews that they felt that their programs were poorly marketed to the general Houston community, and that with additional publicity, overall participation levels could be increased. Many program participants told the review team in focus groups that they felt that the level of participation in the programs could be increased if the programs were better publicized. Many focus group respondents had never received information about the YSD programs through their schools, but instead had either heard through a friend, or in many cases from the coach of that particular sport.

Recommendation 6:

Develop a community outreach plan to increase participation levels program-wide in underrepresented segments where needed.

The athletic director for YSD should establish a committee that includes program directors and administrators, program participants, parents, and representatives from the community, including business and civic leaders, to develop the outreach plan. The community outreach plan should include:

Program-wide Community Outreach Initiatives that:

- Identify all segments of the community, which include area business groups, churches, service organizations and colleges;
- Establish guidelines for notifying the public of program-wide events and include the dates and methods for distributing information to the public.

Individual Park Site Outreach Initiatives that:

- Develop strategic planning goals and activities to involve all city parks in a comprehensive and effective outreach program; and
- Establish methods of communicating outreach activities among parks throughout the city.

School District Outreach Initiatives that:

- Develop marketing programs to target potential YSD program users, and publicize information about YSD programs through the schools. Flyers could be sent home with students, and made available through student affairs offices, bulletin boards, cafeterias, and through the coaches of organized sports at the schools.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------------------------|
| 1. The athletic director and executive director work together to establish a committee to develop a community outreach plan to increase program participation city-wide and at individual parks with low levels of participation. | August 1998 |
| 2. Committee members meet at scheduled times and execute committee objectives. | September 1998 |
| 3. The community outreach plan is presented to the athletic director for approval. Once approved, the plan is implemented in the 1998-99 fiscal year and updated annually, as city-wide programs, individual park needs, and community involvement requirements change. | October 1998
and ongoing |
| 4. The athletic director and the committee periodically update the executive director on the success of strategies developed to improve community outreach for community involvement initiatives. | January 1999 |

FISCAL IMPACT

This recommendation can be accomplished with existing resources.

Chapter 2

**TIME AND ATTENDANCE ACCOUNTABILITY FOR
CONTRACT INSTRUCTORS AND TEMPORARY
WORKERS**

This section of the report reviews time and attendance accountability for the Houston Parks and Recreation Department's Youth Sports Division (YSD), and contains two major subsections:

- A. Temporary workers
- B. Contract instructors and officials

BACKGROUND

The YSD is primarily responsible for developing and administering youth sports programs for the Houston Parks and Recreation Department (PARC). The YSD provides recreational opportunities for youth through a variety of sports activities such as soccer, baseball, basketball, and tennis. The goal of the YSD is to deliver a broad range of free, high-quality recreational sports programs to the city's youth. A major requirement of high-quality sports programs is the ability to monitor and control the time and attendance of sports program staff personnel. This is crucial because sports personnel are compensated based on time spent conducting sporting events. Time and attendance controls and accountability systems must be in place to provide assurance that youth sports activities are conducted efficiently and effectively in accordance with departmental policy.

The YSD uses temporary, contract, and regular city workers to manage and administer youth sports programs. The City of Houston contracts with 17 temporary agencies to provide temporary workers for various city departments. These contracts are administered through the city's Human Resources Department. Temporary workers are acquired through temporary agencies, while contract workers are acquired by entering into contracts with individual instructors and game officials. Contract workers are classified as independent contractors, not as city employees.

A. TEMPORARY WORKERS

CURRENT SITUATION

The athletic director is primarily responsible for the day-to-day operations of the YSD and reports to the director of PARC. The athletic director supervises the program directors and has the responsibility of ensuring that time and attendance control, monitoring, and reporting systems are in place and operating effectively. Nine program directors organize, conduct, and supervise athletic activities of the various sports. They oversee the activities of contract instructors and game officials and are responsible for ensuring that contract workers are performing their assigned activities and are compensated only for the hours actually worked. Contract instructors

recruit, register, and train youngsters for the participation in various sports, while game officials referee competitive athletic events.

FINDING

YSD's athletic director and soccer program director are temporary workers. Both are responsible for critical management, control, and accountability functions within the YSD. The athletic director oversees the entire YSD, which has a budget of more than \$3 million, while the soccer program director oversees the largest of the sports programs, with a budget of \$1.3 million. Temporary workers assigned to such critical managerial positions inhibit operational effectiveness of the sports programs. For example, the PARD purchasing manager told the review team that because the athletic director is not a city employee, Material Management Requisitions (MMRs) exceeding \$750 are not processed without the approval of the deputy director of Administration and Management. MMRs are used to obtain recreational equipment and supplies from the warehouse or to purchase them from outside vendors. The deputy director for Administration and Management and the athletic director cosign all contracts for instructors and game officials. Several program directors said they must walk contracts through the initial approval process in order to get contractors paid because regular channels are so clogged. These bottlenecks in procurement are the direct result of temporary workers placed in key management positions.

Exhibit 2-1 presents a summary of the YSD's actual expenditures for fiscal 1997 and budgeted expenditures for fiscal 1998. Youth soccer, with a 1998 budget of \$1.3 million and projected 1998 participant registration of 21,300, is the largest sports program; yet, the director of the program is not a city employee.

Exhibit 2-1
Budgeted and Actual Expenses
Fiscal 1997 and 1998

Sports Program	Fiscal 1997 Actual	Fiscal 1998 Budget	Projected 1998 Participant Registration
Youth Soccer	\$1,192,683	\$1,284,771	21,300
Youth Baseball & Softball	\$106,641	\$675,542	1,800
Marching Thunder	\$474,384	\$638,468	2,500
Youth Basketball	\$72,695	\$375,824	5,000
Youth Tennis	\$154,684	\$246,369	5,000
Youth Golf	\$87,953	\$114,870	1,650
Youth Football	\$7,620	\$95,153	2,000
Cycling	Not Available	Not Available	1,400
Total	\$2,096,660	\$3,430,997	40,650

Source: YSD Budget Department

Since the athletic director and soccer program director are not city employees, they are not held accountable for budgets. This lack of accountability creates potential for waste and inefficient use of resources. Also temporary workers in high-profile, strategic positions raise several pertinent management issues. For example:

- What recourse does the city have when a problem or conflict arises except to switch the worker out for another temporary worker?
- Does a temporary worker placed in a high-level management position affect the morale of subordinate city employees?
- Does a temporary worker have the incentive to implement time and attendance control and accountability measures for contract and other temporary workers?
- Is a temporary worker as conscientious about efficient allocation of resources if no budget accountability exists?
- Does a temporary worker create an environment of stability, continuity, and constancy when, by definition, the worker is temporary?

Recommendation 7:

Implement a policy requiring that the athletic director and all directors of youth programs are full-time City of Houston employees.

The administrative and managerial functions of the athletic director and program directors are too critical to be performed by temporary workers. To establish appropriate levels of accountability and managerial oversight, only full-time permanent employees should be assigned to these positions.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------|
| 1. The director of the Parks and Recreation Department directs the deputy director of Administration and Management to develop a policy requiring that athletic director and youth program director positions are filled by full-time city employees. | June 1998 |
| 2. The deputy director of Administration and Management drafts a policy for review and comment by the director of the Parks and Recreation Department. | June 1998 |
| 3. The director of the Parks and Recreation Department reviews and approves the policy. | June 1998 |

4. The policy is implemented and appropriate administrators are made aware of it. July 1998

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. CONTRACT INSTRUCTORS AND OFFICIALS

CURRENT SITUATION

The YSD uses contract workers to conduct and direct youth athletic events. Contract instructors and game officials are considered independent contractors; however, the YSD is converting most independent contractors to employee status as discussed later in this chapter. Contract instructors recruit, register, and train youngsters for sports programs, while game officials referee games and other athletic events. Some contractors work full-time year round, while others are seasonal. All contractors are required to complete a standard contract that must be approved by the deputy director of Administration and Management.

Contract instructor contracts are completed and sent to the Houston Parks and Recreation central office to be input into the computer system and filed. Once the contract information is set up in the system, preprinted time cards are produced and used to record the instructor's time and attendance during the term of the contract.

Contractors are paid biweekly based upon the hours or games reported on their preprinted time cards. Time cards have a field to record the date, hours by location, program number, and the contractor's signature. Referee time cards are referred to as Athletic Official Time Cards and include the following additional information: team names, score, sport, and total games worked. Original time cards are submitted to the Houston Parks and Recreation's Administrative Office for payment and filing.

FINDING

No uniform system is in place to monitor and control the time and attendance of contract instructors and game officials. Some programs have instituted more and different controls than others. Time and attendance monitoring is crucial because of the nature of the YSD's activities. Sporting events are held at different times and various locations throughout the city, including community centers, city parks, school campuses, and public housing units. Without uniform systems to monitor and control the time, attendance, and activities of contract instructors and game officials, there is no assurance that:

- Contract instructors and game officials are where they should be when they should be;

- Timesheets provided by contract instructors and game officials accurately reflect hours worked;
- Program resources such as equipment and supplies are being used economically and efficiently;
- Sports equipment is safeguarded from damage and theft;
- Compliance with city policies and procedures is being achieved;
- The goals and objectives of sports programs are being met.

Monitoring techniques and controls operate most effectively when management develops, implements, and supports such controls consistently across all programs. Many of the program directors interviewed said they need more structure and guidance in the administration of time and attendance. One program director told the review team, “I was provided a building and a budget and had to figure out everything else.” The review team developed a checklist of 11 effective monitoring control techniques. Sport directors were interviewed and asked which of the control techniques they used to effectively monitor the time and attendance of contract instructors and game officials. The soccer program uses the least number of techniques to monitor and control contractor and game official time and attendance, while the baseball and tennis programs use the most. **Exhibit 2-2** summarizes the results of the review.

**Exhibit 2-2
Summary of Monitoring Techniques Implemented**

Sports Program	Techniques Implemented out of 11 Total	Percentage Implemented
Soccer	3	27%
Junior Golf	5	45%
Basketball	7	64%
Football	7	64%
Marching Thunder	7	64%
Baseball\Softball	8	73%
Tennis	8	73%

Source: Review Team Calculations

Each program’s monitoring techniques were developed and applied independently of each other. **Exhibit 2-3** compares the techniques used by each sports program. As the exhibit shows, the application of the monitoring techniques varies significantly across programs. This lack of consistency hinders the overall accountability of the YSD’s programs.

**Exhibit 2-3
Comparison of Time and Attendance Monitoring Techniques**

Effective Monitoring Controls	Soccer	Baseball/ Softball	Basketball	Football	Tennis	Junior Golf	Marching Thunder
Annual Master Schedule of Events	○	●	●	●	●	●	●
Coordination with Community site Supervisors	○	●	●	●	●	●	●
Weekly assignments prepared for contractors	○	●	●	●	●	○	●
Weekly itineraries prepared by contractor	●	●	○	○	●	●	●
Effective use of volunteers to add layer of accountability	○	○	●	●	○	○	●
Unannounced site visits by program director	●	●	●	●	●	●	●
Participant feedback through interviews, evaluations, and surveys	○	○	○	○	○	○	○
Sufficient technology to aid monitoring.(e.g., reports done on computer and faxed to main office)	○	●	●	●	●	●	●
Monthly program director meetings with contractors to check logs, agendas, and sign-in sheets	○	●	○	○	●	○	○
Contractor performance appraisals	○	○	○	○	○	○	○
Training and orientation for new contractors	●	●	●	●	●	○	○

Source: Interviews with YSD program directors

- Control technique has not been implemented
- Control technique has been implemented

Recommendation 8:

Develop uniform techniques to monitor and control time and attendance for contract instructors and game officials. Apply such techniques consistently across all sports programs.

The YSD should fully implement across all sports programs the monitoring and control techniques outlined in **Exhibit 2-3**. Example of techniques that can be implemented include:

- Master schedule of events.
- Participant feedback through interviews, evaluations, and surveys.
- Contractor performance appraisals.
- Monthly meetings conducted by program directors.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-----------|
| 1. The deputy director of Administration and Management directs the acting athletic director of the Youth Sports Division to develop monitoring and control techniques for all sports programs. | June 1998 |
| 2. The acting athletic director of the Youth Sports Division develops monitoring and control techniques that are uniform and can be applied to every sports program. | July 1998 |
| 3. The acting athletic director of the Youth Sports Division submits the monitoring and control techniques to the deputy director of Administration and Management for review and approval. | July 1998 |
| 4. The deputy director of Administration and Management approves the techniques and issues a memorandum directing all program directors to implement them within and across all sports programs. | July 1998 |
| 5. The acting athletic director of the Youth Sports Division conducts monthly follow-up meetings with program directors to monitor progress. | July 1998 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The soccer program uses contract workers to monitor and control the time and attendance of other contract workers. During interviews, the soccer program director told the review team that soccer contract instructors and game officials report to four regional contract instructors appointed by the soccer program director. This structure was implemented to help the soccer program director carry out the responsibility of managing the soccer program, which is the largest in the YSD. Contract “supervisors” have little or no incentive to properly manage and control the time and attendance of fellow contract workers. **Exhibit 2-2** shows that the soccer department uses fewer techniques than any other sports program to monitor the time and attendance of contract instructors and game officials.

Recommendation 9:

Implement a policy to use only city employees to manage and monitor the time and attendance of contract instructors and game officials.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------|
| 1. The director of the Parks and Recreation Department directs the deputy director of Administration and Management to develop a policy requiring that only city employees manage and monitor the time and attendance of contract instructors and game officials. | June 1998 |
| 2. The deputy director of Administration and Management drafts a policy for review and comment by the director of Parks and Recreation. | June 1998 |
| 3. The director of the Parks and Recreation Department reviews and approves the policy. | June 1998 |
| 4. The policy is implemented and appropriate administrators are made aware of it. | July 1998 |

FINDING

The absence of effective procedures for completing, approving, and retaining accurate time and attendance records is a major deficiency in the internal control structure of the YSD. During interviews with the program director, the review team noted that one sports program does not use the standard contract to sign up new instructors and game officials. The program manager told the review team that verbal contracts are entered directly into the central PARD computer system by the program director upon verbal approval by management. Adequate internal controls require that time and attendance records are properly reviewed, approved, and retained for future reference. Such controls ensure that payments to contractors are accurate and authorized by management.

To test approval, review, retention, and accuracy of time and attendance records, the review team selected a random sample of 29 contractor payments. The sample consisted of 17 payments to contract instructors and 12 payments to game officials. The payments were tested to determine that they had been reviewed and approved by appropriate YSD personnel. Payments were also reviewed for reasonableness of amount and tested for agreement with the contract document and time card. Overall, 30 percent of instructor contracts and 75 percent of game official contracts were found to be deficient with respect to retention or approval. **Exhibit 2-4** presents a summary of contract test results.

Exhibit 2-4
Test of Contracts
July 1, 1996 through March 31, 1998

	Tested		Exceptions				No Exceptions	
			Unlocated		Incomplete Approval			
Contractor	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Instructors	17	59%	1	6%	4	24%	12	71%
Officials	12	41%	6	50%	3	25%	3	25%
Total	29	100%	7		7		15	

Source: PARD Business Office

Overall 59 percent of instructor and game official timecards were found to be deficient with respect to retention or completeness. **Exhibit 2-5** presents a summary of timecard test results.

Exhibit 2-5
Test of Timecards
July 1, 1996 through March 31, 1998

	Tested		Exceptions				No Exceptions	
			Unlocated		Incomplete (A)			
Contractor	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
Instructors	17	59%	8	47%	2	12%	7	41%
Officials	12	41%	5	42%	2	17%	5	42%
Total	29	100%	13		4		12	

Source: PARD Business Office

(A)-Represents timecards that were incomplete as to various information such as authorizing signatures, hours by location, dates, and program numbers.

Recommendation 10:**Develop written policies and procedures establishing contract and timecard review, approval, and retention guidelines.**

The Parks and Recreation Department should establish written policies and procedures that outline in detail the contract approval and retention process. If the department has not initiated the central record retention location, it must be done immediately. The City Controller Audit Report No. 97-106 dated July 31, 1997 recommended that YSD initiate a centralized record retention location for original executed contracts.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--|
| 1. The director of the Parks and Recreation Department drafts (or delegates the responsibility) the policies and procedures that outline the contract approval and retention process. | June 1998 |
| 2. The director of the Parks and Recreation Department provides training (or delegates the responsibility) for the athletic director and the program directors. | July 1998 |
| 3. The athletic director directs the accounting supervisor and payroll clerk to trace all contractor payments for each sport to a properly approved contract. A schedule of contracts not found or unacceptable contracts should be forwarded to the program directors for disposition. | August 1998 |
| 4. The program director initiates a meeting with all contractors to advise that no payments will be issued without a complete and accurate time card. The program directors obtain a signed acknowledgment of the policy. | August 1998 and each month thereafter |
| 5. Each month, the program director sends a monthly memorandum to the athletic director of new contractors hired. | September 1998 and each month thereafter |
| 6. Each quarter, the athletic director, sends a memorandum to the director of Parks and Recreation to document compliance or problems, if any. | September 1998 and each quarter thereafter |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The YSD is behind schedule converting contract workers to employee status. In City Controller Audit Report 97-106 dated July 31, 1997, city auditors recommended that the YSD continue efforts to reclassify contract workers previously identified as misclassified. The auditors noted that steps should be taken to “eliminate or minimize possible IRS penalties related to past worker misclassification.” The YSD responded that all current contracts would be reviewed to determine proper worker classification and improperly classified workers would be converted to employee status. Some contract instructors such as golf marshals and game officials will remain independent contractors as a result of the review. The YSD established a deadline of July 1, 1998 to complete the conversion. **Exhibit 2-6** presents the status of conversion efforts as of May 12, 1998. The exhibit shows that the conversion process has been initiated for only 22 percent of the contractors to be converted, and as of May 12, 1998, no independent contractors have been fully converted to city employees.

Exhibit 2-6
Status of Conversion of Contract Instructors to Employees
As of May 12, 1998

Sport	Total Contract Instructors	Instructors to be Converted	Instructors in Process of Conversion	Percent	Note
Soccer	61	50	0	0%	
Tennis	4	4	0	0%	
Marching Thunder & Cheerleading	26	23	10	43.5%	A
Youth Sports Warehouse	1	1	0	0%	
Baseball/Softball/T-Ball	24	24	8	33%	B
Basketball	26	26	10	39%	A
Total	142	128	28	22%	

Source: Parks and Recreation Business Office

Note A: PARD is waiting for the application to be forwarded from the Human Resources Department for instructors to be converted.

Note B: PARD has selected candidates and has processed the paperwork necessary to hire instructors for conversion.

Recommendation 11:

Accelerate the conversion of contract workers to employee status.

Significant penalties and interest could accrue to the YSD if workers previously classified as independent contractors are reclassified as employees by the Internal Revenue Service. The YSD should accelerate the conversion of these workers to minimize the financial risks associated with reclassification.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|-----------|
| 1. The deputy director of Administration and Management, in conjunction with the director of Human Resources, identifies the remaining independent contractors that need to be reclassified as employees. | June 1998 |
| 2. The deputy director of Administration and Management and the director of Human Resources develop an accelerated timeline to convert the remaining independent contractors to employee status. | June 1998 |
| 3. The deputy director of Administration and Management and the director of Human Resources continue to coordinate and monitor the conversion process until all independent contractors identified for conversion are converted. | July 1998 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

*Chapter 3****EQUIPMENT AND SUPPLIES INVENTORY CONTROL***

This section of the report assesses the equipment and inventory control functions of the Youth Sports Division (YSD) in the following areas:

- A. Expenditure Control
- B. Warehousing and Inventory Control

BACKGROUND

The Youth Sports Division (YSD) purchases recreational equipment and supplies used to administer youth sports programs and conduct sports activities throughout the City of Houston (the City). YSD purchases equipment and supplies with City funds and funds provided through donations from corporations and other private sources. Donations from corporations and private sources are channeled through the Houston Parks Board (Parks Board), which is a nonprofit organization, with 501(c)(3) status, created to solicit land donations and manage funds raised privately for park acquisitions. YSD personnel solicit private funding for youth sports programs and the Parks Board has custody of trust and agency funds established to receive these private donations. These private funds are disbursed to YSD as directed by the Parks and Recreation Department (PARD).

Recreational equipment and supplies include soccer goals, nets, soccer balls, baseballs, bats, footballs, basketballs, tennis balls, golf balls, golf bags, tennis rackets, athletic shoes, uniforms, musical instruments, batons, and marching boots.

Directors of each youth sports program submit requisitions for equipment and supplies through the athletic director's office for further processing through the PARD Purchasing Department. Either the deputy director of Administration and Management or the purchasing manager (for requisitions less than \$1,000) approves all YSD requisitions before issuing formal purchase orders. Once formal purchase orders are issued, deliveries are received at PARD's central warehouse located at 6200 Wheeler Street and program directors are called to pick up the supplies ordered or the items are transferred to the YSD warehouse located at 4565 South Wayside Drive. Program directors also pick up equipment and supplies from the YSD warehouse as needed.

A. EXPENDITURE CONTROL

Control of expenditures for equipment and supplies is essential to effective management of resources allocated to youth sports programs. Accordingly, an effective expenditure control system has the appropriate processes in place to ensure that requisitions for purchases of supplies, equipment, and services are appropriate, properly authorized, and within acceptable

budget limits. These criteria should be met for each purchase and related expenditure to ensure accountability for public and private funds administered by PARD.

CURRENT SITUATION

YSD's accounting supervisor is primarily responsible for processing equipment and supplies requisitions from program directors. Materials Management Requisitions (MMRS) are completed by program directors for recreational equipment and supplies stocked in the central warehouse and items not stocked in the warehouse (nonstock items). Items stocked in the central warehouse are requisitioned and coded as "job tickets," while nonstock items are coded as requisitions.

Requisitions coded as job tickets are completed with department number, organization number, contact person, account coding information, and a description of items to be purchased, and signed by program directors before forwarding to YSD's accounting supervisor for processing. The accounting supervisor verifies coding and approval by program directors before entering the job ticket into the City's purchasing and inventory control system (ADPICS) so that a requisition number can be assigned. After a requisition number is assigned, the athletic director, when available, signs the requisition indicating approval and the requisition is forwarded to the deputy director of Administration and Management for final approval. Once approval is received, the accounting supervisor forwards the job ticket requisition to the central warehouse where the order is filled.

Requisitions for non-stock items follow an identical process through the accounting supervisor's verification of coding and approval by program directors. However, when the accounting supervisor receives requisitions for nonstock items of \$750 or less, one faxed or written quote, signed by the vendor, is obtained to comply with PARD's purchasing procedures. Three written quotations, signed by vendors, must be obtained for items between \$751 and \$15,000, and all items costing more than \$15,000 must be formally bid competitively and approved by City Council.

After quotes or bids are received for purchases between \$751 and \$15,000, the accounting supervisor tabulates them on an "Expedited Purchase Order Vendor Contact Record" and enters pricing and detailed descriptions on the MMR. The MMR is entered into ADPICS, a requisition number is assigned, the athletic director's approval is obtained, and the requisition is forwarded to the deputy director of Administration and Management for approval. After appropriate approvals are obtained, the requisition is forwarded to the Purchasing Department where a purchase order number is assigned and a formal purchase order is issued. Requisitions of nonstock items costing more than \$15,000 are referred to the Purchasing Department for competitive bidding.

When recreational equipment and supplies are delivered to the central warehouse, items are inspected, a Materials Receiving Report (MRR) is completed, a copy of the purchase is attached, and receiving information is entered by warehouse personnel into ADPICS. ADPICS generates a printout of items received that is forwarded to the Accounts Payable Department, with the MMR

and a copy of the purchase order. The Accounts Payable Department matches the purchase order, MRR, and invoice, and processes vendor payments.

FINDING

PARD has appropriate internal controls over YSD expenditures for recreational equipment and supplies. Multiple levels of approvals are used to review and authorize requisitions from YSD. For example, during interviews with the purchasing manager, the review team noted that the purchasing manager does not process purchase requisitions for YSD without the signature of the deputy director of Administration and Management. The purchasing manager told members of the review team that the athletic director was not a City employee and, therefore, could not authorize or approve the expenditure of city funds.

To test the expenditure authorization and approval process, EMS selected a random sample of 33 payment vouchers during the period July 1, 1996 through March 31, 1998. The payment vouchers were tested for the appropriate levels of approval (i.e., program director, athletic director, purchasing manager, and deputy director of Administration and Management), agreement of requisition, purchase order, receiving documents, and invoice; and reasonableness of expenditure. **Exhibit 3-1** presents a summary of test results.

Exhibit 3-1
Test of Expenditure Authorization and Approval Process
July 1, 1996 through March 31, 1998
Summary Results

Program	Number of Transactions Tested	Dollar Value Tested	Actual Expenditures 7/1/96 – 3/31/98	Percent of Dollar Value Tested	Number of Exceptions Noted
Soccer	14	\$123,985	\$306,110	41%	0
Baseball	5	5,350	33,985	16%	0
Basketball	2	4,834	8,417	57%	0
Marching Thunder	11	130,544	229,776	57%	1
Tennis	1	1,083	2,787	39%	0
Totals	33	\$265,796	\$581,075	46%	1

Source: Actual expenditures from 7/1/96 through 3/31/98 from Budget vs. Actual Expenditure Reports provided by PARD

An exception was noted for the Marching Thunder program, for which the payment voucher could not be located for one of the transactions tested. This exception is not material and does not suggest ineffective control over expenditures for recreational supplies and equipment.

Overall, based on testing a random sample of 33 items, representing 46 percent of total expenditures for recreational equipment and supplies during the test period, PARD has sufficient internal controls over YSD expenditures for recreational supplies and equipment.

COMMENDATION

PARD has implemented sufficient internal controls over YSD expenditures to provide reasonable assurance that unauthorized expenditures for recreational supplies and equipment will not be made.

FINDING

The Parks Board requires YSD to meet rigorous purchasing standards, with the appropriate approvals from PARD executive management before releasing private funds from its trust and agency accounts. Before funds are released to YSD, the division must demonstrate that it has complied with purchasing guidelines established by the Parks Board. **Exhibit 3-2** presents purchasing guidelines that must be followed by YSD before funds are released.

**Exhibit 3-2
Parks Board Purchasing Guidelines for
Releasing Trust and Agency Funds**

Amount of Requisition	Purchasing Requirement
\$1,000 or less	<ul style="list-style-type: none"> • Bids or quotations are not required. • Requisition is signed by YSD program director. • Requisition is approved by athletic director. • Requisition is approved by PARD deputy director of Administration and Management.
\$1,000 - \$5,000	<ul style="list-style-type: none"> • Three telephone quotations from vendors are required. • Requisition is signed by YSD program director. • Requisition is approved by athletic director. • Requisition is approved by PARD deputy director of Administration and Management.
\$5,000 - \$25,000	<ul style="list-style-type: none"> • Three written bids and/or proposals must be solicited. • Requisition is signed by YSD program director. • Requisition is approved by athletic director. • Requisition is approved by PARD deputy director of Administration and Management.
Over \$25,000	<ul style="list-style-type: none"> • Written contract must be voted on by Parks Board’s board of directors. • Requisition is signed by program director. • Requisition is approved by athletic director. • Requisition is approved by PARD deputy director of Administration and Management.

Source: Interview with executive director of Houston Parks Board

In addition to rigorous purchasing requirements, the Parks Board carefully reviews the type of expenditures requested by YSD program directors. The executive director of the Parks Board told members of the review team private donors restrict the use of donated funds for “intended purposes” described in transmittal letters accompanying donations. Requisitions for funds for all expenditures are routinely reviewed by the executive director and compared to the intended purpose outlined in the transmittal letter. If YSD requests funds for an expenditure that does not meet the intended purpose, the executive director obtains approval from the donor for YSD’s intended use before releasing funds.

After reviewing the Parks Board’s internal controls, the review team learned that the soccer program director purchased soccer equipment and supplies from one vendor and hotel accommodations and meals from another without first submitting a formal, approved requisition to the Parks Board. When both vendors submitted invoices to the Parks Board, the executive director refused to pay the invoices because the invoices were not supported by requisitions approved by the deputy director of Administration and Management. In these instances the Parks Board’s internal control procedures prevented the unauthorized expenditure of trust and agency funds within its custody. However, it appears that controls were not in place to prevent the soccer program director from establishing direct contact with vendors to purchase supplies and services. Further, the review team was told that the soccer program director has circumvented the formal requisition process at least three to four times during the past two years. Each time, Parks Board officials refused to pay vendor invoices without requisitions approved by the deputy director of Administration and Management. However, because of the number of times the soccer program director has circumvented both the Parks Board’s approval process, it appears the PARD has not implemented sufficient controls to discourage program directors from unauthorized contact with vendors.

COMMENDATION

The Houston Parks Board has implemented internal controls over disbursements of funds to YSD from trust and agency accounts under its custody to provide reasonable assurance that unauthorized expenditures from private donations for YSD will not be made.

Recommendation 13:

Develop and implement an ethics policy prohibiting direct contact with vendors to discourage program directors from making unauthorized contact with vendors.

An ethics policy is essential to discouraging maverick program directors from committing trust and agency funds and receiving unauthorized deliveries of recreational equipment and supplies. The policy should include provisions for immediate termination if unauthorized contacts with vendors are made that commit trust and agency funds under the custody of the Parks Board without pre-approved requisitions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The deputy director of Administration and Management drafts the ethics policy and includes an immediate termination provision. July 1998
2. The deputy director submits the policy to the City Attorney for review and comment. July – August 1998
3. The deputy director finalizes and submits the policy to the director of PARD for approval. September 1998
4. The director of PARD implements the policy and formally notifies all program directors and department heads. September 1998

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. WAREHOUSING AND INVENTORY CONTROL

An efficient warehouse operation should ensure that all equipment and supplies are received and accounted for in a central location; deliveries to satellite warehouses and program locations are complete and timely; inventory levels are sufficient to meet various requests for supplies from program directors; and equipment and supplies are properly accounted for and controlled.

CURRENT SITUATION

PARD has a central warehouse facility located at 6200 Wheeler Street that serves as a central receiving location to accept deliveries from vendors for distribution to the YSD warehouse located at 4565 South Wayside. Inventory in the central warehouse includes office supplies, janitorial supplies, spare parts, and maintenance supplies. Inventory stored in the YSD warehouse includes recreational supplies and equipment such as golf equipment, baseball equipment, uniforms, supplies and equipment for maintaining baseball fields, and musical instruments and related items used by Marching Thunder. Prior to May 11, 1998, the assistant director of Support Services managed the central warehouse and the athletic director was responsible for the YSD warehouse.

PARD requires all deliveries to be received at the central warehouse. When deliveries of recreational equipment and supplies are received, warehouse personnel inspect the shipments, prepare receiving reports, and enter amounts received into the ADPICS system. After entering receiving data into ADPICS, warehouse personnel contact YSD program directors notifying them that their shipments are available to be picked up. When the directors pick up their deliveries,

they must sign purchase orders and receiving documents as evidence that they picked up the delivery. Recreational supplies received at the central warehouse and not picked up by program directors are delivered to the YSD warehouse.

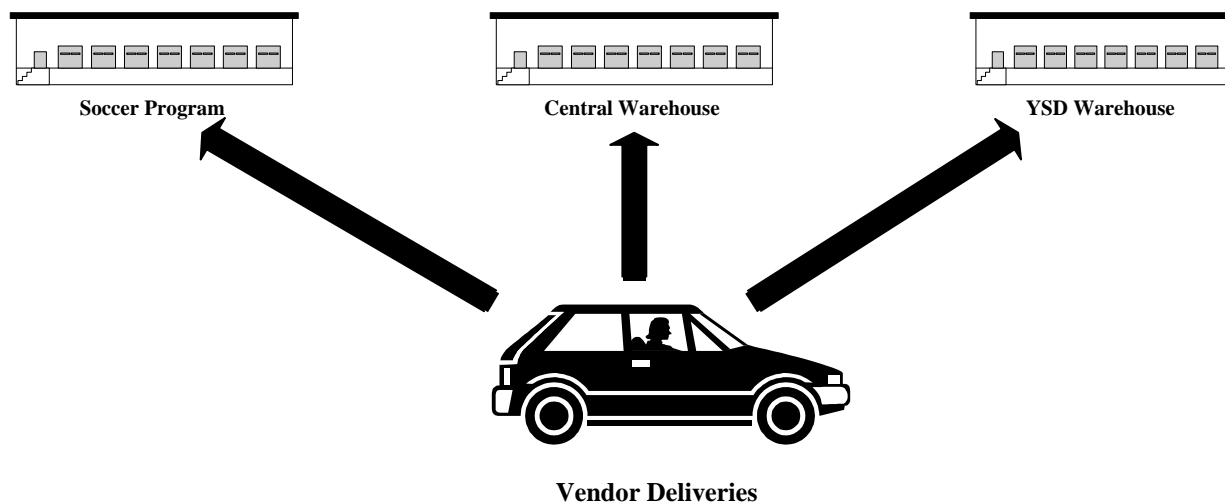
Prior to May 11, YSD warehouse personnel received deliveries from the central warehouse, recorded what was received, and contacted program directors to verify that items received corresponded to orders placed by the program directors. After confirming the deliveries with program directors, warehouse personnel recorded the items counted and stored them in the appropriate warehouse location. When program directors needed recreational supplies, they would fax a request to warehouse personnel and the order would be filled. Program directors would come to the warehouse to pick up the supplies and sign a “checkout” sheet indicating recreational supplies received. All items other than consumables such as baseballs, softballs, and golf balls must be returned at the end of the season and are checked against the initial checkout sheets.

On May 11, 1998, the deputy director of Administration assigned the assistant director of Support Services responsibility for the YSD warehouse as well as the central warehouse.

FINDING

Recreational equipment and supplies are delivered to multiple locations by vendors rather than to the central warehouse. **Exhibit 3-3** depicts the primary locations where recreational equipment and supplies were delivered.

**Exhibit 3-3
Youth Sports Division
Sites Receiving Deliveries of Recreational Supplies and Equipment**



Source: Developed by Empirical Management Services from interviews and observation

Prior to May 11, 1998, vendors delivered recreational equipment, and supplies to the YSD warehouse, the soccer program facility located in Milby Park, and the central warehouse. Deliveries going to multiple locations can result in a lack of control over the receipt of recreational equipment and supplies; and YSD's risk of inventory loss is increased. Moreover, unauthorized personnel could be receiving equipment and supplies.

Program directors also have direct contact with vendors that circumvents the central receiving process. For example, one program director picked up T-shirts at the vendor's location and delivered them to the central warehouse where he unloaded them himself. The same program director, together with the vendor, delivered a second shipment of 1,000 T-shirts to the YSD warehouse, intentionally bypassing the central warehouse facility. Another program director, uncomfortable with controls in the YSD warehouse, picked up recreational equipment and supplies directly from a vendor and delivered them to the YSD warehouse himself for check-in. Both program directors said they intentionally circumvented the central receiving process because the central warehouse has lost equipment and supplies and they were not comfortable with internal controls in the YSD warehouse.

Recommendation 14:

Strengthen and enforce PARD's policy requiring all deliveries to be accepted only at the central warehouse.

The director of PARD should strengthen and enforce the department's policy requiring all deliveries to be accepted only at the central warehouse. The deputy director of Administration and Management and the director of PARD should cosign a formal letter to all recreational equipment and supplies vendors stating that deliveries to locations other than 6200 Wheeler Street will not be accepted and invoices will not be paid. The existing policy should be strengthened to include disciplinary action against program directors who circumvent the central receiving process.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------|
| 1. The deputy director for Administration and Management revises PARD's policy and related procedures to include disciplinary action against program directors and department employees who circumvent the central receiving process. | June 1998 |
| 2. The director of PARD approves revisions to the policy and issues a formal memorandum to program directors, division managers, and executive staff with requisitioning authority notifying them of the revisions. | June 1998 |
| 3. The strengthened policy is implemented and enforcement activities begin. | July 1998 |

- 4. The director of PARD and the deputy director of Administration and Management cosign a letter to vendors notifying them that deliveries will be accepted only at the central warehouse

July 1998

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The receiving and inventory control process in the YSD warehouse is completely manual and up-to-date inventory records are not maintained. Members of the review team visited the YSD warehouse on May 8, 1998 to interview the warehouse supervisor and observe the receiving and inventory control process. **Exhibit 3-4** summarizes process deficiencies and internal control weaknesses noted during the visit, along with potential consequences to YSD.

**Exhibit 3-4
YSD Warehouse Observation
Process and Control Deficiencies and Related Consequences**

Process/Control Deficiency	Related Consequences
<ul style="list-style-type: none"> • Access to the warehouse is not adequately controlled and the shipping and receiving dock is left open and unattended. Expensive inventory such as golf clubs and musical instruments were stored in unlocked areas of the warehouse. 	<ul style="list-style-type: none"> • Inventory with immediate cash value such as golf balls, golf gloves, and musical instruments could be stolen.
<ul style="list-style-type: none"> • A part-time contract instructor who is not a City employee supervises the warehouse. 	<ul style="list-style-type: none"> • An independent contractor who is not accountable to PARD management holds institutional knowledge of warehouse processes.
<ul style="list-style-type: none"> • Formal inventory checkin and checkout procedures are manual and the warehouse supervisor used a home computer to develop manual checkin and checkout forms. 	<ul style="list-style-type: none"> • Manual forms could be misplaced or misfiled, leaving no record of nonconsumable supplies issued to program coordinators.
<ul style="list-style-type: none"> • The warehouse does not have an automated perpetual inventory system with which to monitor and track inventory levels. Inventory records were not kept for soccer equipment and supplies delivered to the YSD warehouse from Milby Park, and the YSD warehouse supervisor’s manual physical inventory records were not complete and up-to-date for all equipment and supplies. 	<ul style="list-style-type: none"> • Without an automated inventory system, the warehouse supervisor cannot determine inventory levels by type of supplies and equipment. As a result, seasonal inventory movement cannot be accurately determined and reorder points cannot be established. Moreover, up-to-date inventory reports cannot be prepared to compare to actual physical inventory to identify potential errors in recordkeeping and inventory shrinkage or loss.

**Exhibit 3-4
YSD Warehouse Observation
Process and Control Deficiencies and Related Consequences (Continued)**

Process/Control Deficiency	Related Consequences
<ul style="list-style-type: none"> The warehouse does not have an order filling or “picking system” that facilitates removing stock from warehouse shelves and filling orders in an orderly, sequential manner. 	<ul style="list-style-type: none"> Without a formal picking system, orders from program directors cannot be filled in a timely manner, resulting in delays locating items requested by program directors. Additionally, detailed records of orders filled will not be available for future reference if required.
<ul style="list-style-type: none"> Obsolete auto parts that are unrelated to YSD operations were stored in the warehouse.. 	<ul style="list-style-type: none"> Unnecessary inventory occupies warehouse space that could be used to store additional recreational equipment or supplies.

Source: Developed by Empirical Management Services

Members of the review team noted the process and control deficiencies summarized in **Exhibit 3-4** before the deputy director of Administration and Management took control of the YSD warehouse on May 11, 1998 and assigned the assistant director of Support Services oversight responsibility for warehouse operations. Since May 11, 1998, the assistant director has taken steps to correct some of the deficiencies as follows:

- All locks at the YSD warehouse were changed on May 9, 1998 and new keys issued only to City personnel responsible for supervising the YSD warehouse;
- Inventory control personnel from the central warehouse have been assigned to supervise the YSD warehouse;
- A physical inventory of soccer equipment delivered to the YSD warehouse on May 6, 1998 is in progress;
- Two computer terminals linked to the central warehouse have been installed to track inventory received at the central warehouse and subsequently delivered to the YSD warehouse;
- Warehouse personnel are in the process of entering all inventory physically counted in to a perpetual inventory database; and
- Obsolete auto parts inventory has been transferred to the central warehouse and will be auctioned in June 1998.

Recommendation 15:

Continue to implement the appropriate process improvements and warehouse inventory controls to ensure that all recreational equipment and supplies are properly accounted for and controlled.

While the review team applauds the efforts of the deputy director of Administration and Management to improve warehouse processes and controls, additional measures to strengthen the control environment and improve existing processes are necessary. As the assistant director of Support Services continues to implement process improvements and controls, the following improvements should also be implemented:

- Develop a formal “picking system” in which shelves and areas containing supplies and equipment are sequentially numbered down each aisle or area to facilitate the orderly retrieval of stock by warehouse personnel. Orders from program directors should be printed on assignment sheets by sport. All items stocked in the YSD warehouse should be assigned “locator numbers” that determine the shelf or area location of each item. Each assignment sheet should include sequential numbers for items included on the orders that allow for the picking and filling of orders in an orderly, sequential manner.
- Install an interior locking cage to control small equipment and supplies that are easily converted to cash. Items such as golf balls, golf gloves, golf clubs, lawn equipment, small instruments, and athletic shoes will be locked in this area.
- Rather than attempting to reconstruct inventory records from purchasing documents, use the current physical inventory results as a starting point for inventory control and management. Because of the absence of inventory records, it is impossible to determine what the physical inventory balance “should have been.” Using the current inventory levels as a baseline, the new YSD warehouse supervisor and assistant director of Support Services can develop a rationale for the type of recreational supplies and equipment that should be purchased and stocked in the warehouse based on seasonal activity and inventory shrinkage. For example, if inventory fluctuations show relatively few orders for soccer equipment in the winter, inventory levels may be decreased by ordering only what is projected to be used based on historical usage patterns. Moreover, if shrinkage is a problem with consumable items such as baseballs and gloves, management must decide to either to discontinue offering these items to children or to strengthen the controls over program directors to ensure that they return the items at the end of the season. Based on the review team’s discussions with the warehouse manager for the City of Dallas’ Parks and Recreation Department’s West Region, acceptable inventory shrinkage levels are between 0.5 and 1 percent of inventory value by type of inventory. Shrinkage in excess of this level requires extensive analysis of potential sources for the inventory loss.

IMPLEMENTATION STRATEGIES AND TIMELINE

- 1. The deputy director of Administration and Management directs the assistant director of Support Services to expeditiously complete the physical inventory, implement a formal picking system, and install a locking cage in the YSD warehouse. June 1998

- 2. The assistant director of Support Services directs the YSD warehouse supervisor to complete the physical inventory and update the inventory database. June 1998

- 3. The assistant director of Support Services works with the purchasing manager to obtain necessary supplies to install a locking cage in the YSD warehouse. June 1998

- 4. The assistant director of Support Services, in conjunction with the YSD warehouse supervisor, develops a formal picking system. June – July 1998

FISCAL IMPACT

A small locking cage can be installed in the YSD warehouse at a one-time cost of approximately \$3,000.

Recommendation	1998-99	1999-2000	2000-01	2001-02	2002-03
Install locking cage in YSD warehouse	(\$3,000)	\$0	\$0	\$0	\$0

FINDING

The YSD warehouse does not have a formal, detailed written policy and procedures manual that outlines both administrative and operational procedures for carrying out current warehouse operations. Warehouse personnel receive, stock, take inventory of, and disburse equipment and supplies without the benefit of a consistent set of warehouse policies and procedures. Before the assistant director of Support Services was assigned responsibility for the warehouse on May 11, 1998, the warehouse supervisor took it upon herself to develop manual receiving documents and manual inventory checkin and checkout documents. Further, the warehouse supervisor told members of the review team she was uncomfortable managing warehouse operations without written shipping, receiving, and inventory procedures.

Recommendation 16:**Develop a written policy and procedures manual that formally documents PARD policy and procedures for conducting YSD warehouse operations.**

It is important that policies and procedures for conducting YSD warehouse operations be written and included in a formal warehouse policies and procedures manual. Each employee should use the manual as a point of reference to understand the policies governing warehouse operations, and the procedures for implementing the policies. Procedures documented in the manual should include receiving instructions, delivery instructions, scheduling, warehouse layout, “picking orders,” calculating reorder points, inventory control (including physical inventory procedures and related adjustments), handling requisitions through the purchasing department and handling requisitions of warehouse stock from the central warehouse. Flow charts of processes should be used to graphically depict procedures and responsibilities contained in a formal policy and procedures manual.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|--|------------------|
| 2. The deputy director of Administration and Management creates a committee (chaired by the assistant director of Support Services) consisting of the warehouse supervisor, the athletic director, and two youth sports program directors. | June 1998 |
| 3. The committee meets to provide input for a draft of the policy and procedures manual. | June – July 1998 |
| 4. The assistant director of Support Services, in cooperation with the YSD warehouse supervisor, completes the policy and procedures manual. | July 1998 |
| 5. The deputy director of Administration and Management reviews the draft manual and provides comments. | July 1998 |
| 6. The assistant director of Support Services refines the manual and presents the final version to the deputy director of Administration and Management for approval. | August 1998 |
| 7. YSD warehouse personnel begin using the manual. | August 1998 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

YSD has not established performance standards and related expectations for YSD warehouse operations. Program directors expressed considerable concern about the efficiency of YSD warehouse operations and controls to members of the review team. Some directors were concerned that warehouse personnel were not controlling access to the warehouse and some of their equipment was missing. Others refused to allow vendors to deliver shipments of T-shirts and other recreational supplies to the YSD warehouse unless they were present because of concerns about the effectiveness of the receiving process. One program director had so little confidence in the receiving and subsequent checkout process for uniforms that he created a checkout form independent of the YSD warehouse checkout form. To enhance his comfort level with the checkout process, the program director used the form to record the number and size of uniforms picked up, the date picked up, the name of the team, and the community center. A copy of the form was given to the warehouse supervisor when the items were picked up.

Even the warehouse supervisor told members of the review team that deliveries received at the YSD warehouse were not inspected to determine if supplies were damaged or if the boxes contained the number of items ordered. For example, if a shipment is received with a packing list, warehouse personnel merely referred to the packing list to determine if the correct number of boxes was received and telephoned the program directors to come and pick up the delivery. As a result, some orders were incomplete, causing some program directors to question the ability of YSD warehouse personnel to receive shipments.

Warehouse performance standards and related expectations are essential to measure the overall quality, efficiency, and effectiveness of warehouse operations, including the performance of warehouse personnel.

Recommendation 17:**Develop and implement performance standards and related expectations for YSD warehouse operations.**

Performance standards should be developed for the warehouse linked to expectations for the overall efficiency and effectiveness of warehouse operations. The performance standards must be clearly identified, achievable, measurable, and consistent. The following activities produce meaningful performance measurements against established benchmarks:

- **Filling orders or requests.** Total number of orders, month-to-month budget vs. actual orders, variances, and processing orders on-time and complete vs. late and incomplete.
- **Order picking.** Standard time vs. actual time and errors in picking orders for customers (program directors).

- **Receiving.** Total number of deliveries received vs. deliveries rejected based on inspection and timeliness of processing and stocking.
- **Inventory control.** Percent of inventory over and short, percent and frequency of items not in stock, and frequency of physical inventory.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The deputy director of Administration and Management directs the assistant director of Support Services to develop performance standards and expectations. June 1998
2. The assistant director of Support Services surveys program directors to determine their needs and expectations when interacting with the YSD warehouse. July 1998
3. The assistant director of Support Services contacts parks and recreation departments of various cities and private warehouse operations to determine the best practices for establishing performance standards. July 1998
4. The assistant director of Support Services, using data obtained from the best practices search and the needs and expectations of program directors, develops warehouse performance standards. July – August 1998
5. The deputy director of Administration and Management reviews and approves warehouse performance standards. August 1998
6. The deputy director of Administration and Management implements performance standards. August 1998
7. The assistant director of Support Services evaluates the performance of all aspects of warehouse operations against standards and expectations. June 1999 and each year thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

*Appendix A***HOUSTON PARKS AND RECREATION DEPARTMENT
PERFORMANCE AUDIT OF YOUTH SPORTS PROGRAMS***Summary of Survey Results***Objectives:**

Telesurveys Research Associates (TRA) was commissioned through Empirical Management Services to conduct a study of 500 parents of youths who participated in one or more Youth Sports Programs under the Houston Parks & Recreation Department. The study period was from May 13, 1998 to May 18, 1998.

Sample Selection:

The sample was drawn from completed registration forms for various youth sports programs, including baseball, basketball, tennis, golf, football, soccer, and the marching band. Of the 2,462 numbers drawn, a random sample of 1,200 numbers was used to collect the necessary data in the four-day field period. A total of 507 cases was completed with the following breakdown:

Program	Cases	Percent
Soccer	211	42%
Baseball	32	6%
Basketball	86	17%
Tennis	43	8%
Golf	81	16%
Football	24	5%
Marching band	30	6%
Totals	507	100%

This response fairly represents the registration percentage for each of the youth sports programs.

Major Findings:

One of the most important findings was revealed by measuring ratings for some of the basic community services provided by public institutions. We asked respondents at the beginning of the study how they would rate each of these public service agencies on a scale of "1" to "5," with "1" being low and "5" being high. The findings indicate that for the most part, the general public is very pleased with the services provided by City of Houston public agencies.

City of Houston Public Service Agencies	Mean	Percent with Highest Rating of "5"
City Public School System	4.69	83%
Parks and Recreation Department's Youth Sports Program	4.59	74%
City Public Library	4.48	63%
City Police Department	4.40	64%
City Fire Department	4.33	60%
City Garbage Collection	4.08	40%

The City of Houston's Parks and Recreation Department's Youth Sports Program fell into the highest range of rating. This response reflects the level of contentment that families with children in a Youth Sports Program feel toward the program.

Because we only interviewed adults with children in the household, we noted that compared to the general population where there are 2.9 persons per household in the city of Houston, we have 4.76 persons per household in our sample. There were 3.27 children per household and 1.49 adults.

A breakdown of the enrollment in programs follows:

Program	Enrolled in program	Excellent rating
Basketball	30	26.2%
Tennis	12	36.5%
Soccer	50	31.5%
Baseball/Softball	24	28.3%
Golf	17	52.1%
Football	11	55.3%
Marching Thunder	14	53.1%

Sixteen percent of the households had children who used other programs for recreation and 47.9 percent of these felt their child's program was excellent.

For those who do not use the Youth Sports Program, 22.4 percent use school sports recreation programs; 14.5 percent do not participate in sports programs; 7.9 percent do not have a Youth Sports Program near their home; and 55.3 percent use other private recreational programs.

Race/Ethnicity:

The programs reflected most likely represent the percentage breakdown of all of the children by race and ethnicity in both public and private schools.

Ethnicity	Cases	Percent
Anglo, Non-Hispanic	58	11.4 %
African-American	197	38.9%
Hispanic	218	43.0%
Asian	26	5.1%
Other	4	0.8%
Refused	4	0.8%
Totals	507	100.0%

Of the 218 Hispanic respondents, 133 or 61 percent indicated that they would prefer to be interviewed in Spanish rather than English.

As might be expected, nearly three-fourths (73.4%) of the respondents who indicated they were the person most familiar with their child's activities in the Youth Sports Program were female.

Length of Time in Houston:

The families who make use of the Youth Sports Program are, for the most part, newer to the city of Houston than the general population.

Less than 10 years	22%
10 to 19 years	31%
21 to 29 years	18%
Over 30 years	29%

As might be expected, Hispanic households are more likely to be the newest population in the city of Houston.

Appendix B

**HOUSTON PARKS AND RECREATION DEPARTMENT
PERFORMANCE AUDIT OF YOUTH SPORTS PROGRAMS**

Telephone Survey Results

Population
n=507

<i>Survey Question</i>	<i>Survey Response</i>
------------------------	------------------------

1a. Do you feel that the City of Houston should spend more money, about the same amount of money, or less money in the next few years for...

	More	Same	Less	Total
City Police Department	89%	4%	7%	100%
City Public Library	93%	2%	5%	100%
City Parks & Recreation Department's Youth Sports Program	93%	2%	5%	100%
City Fire Department	89%	2%	9%	100%
City Public Schools system	94%	2%	4%	100%
City Garbage Collection	85%	5%	10%	100%

1b. Why do you feel the City Parks & Recreation Department's Youth Sports Program should receive the same or less money in the next few years?

- **The parks are fine and they look good.**
- **They do a good job at the parks.**
- **The program gives kids something productive to do.**
- **Children need these programs.**
- **The program reduces criminal activity, gang participation, and drug use in youth.**

2a. How many people in all live in your household?

1	2	3	4	5	6	7	8	9	10	Total
0.2%	4.6%	12%	30.3%	26.1%	16.1%	6.2%	2.6%	1.2%	0.8%	100%

<i>Survey Question</i>	<i>Survey Response</i>
------------------------	------------------------

2b. How many people live in your household that are under the age of 6?

0	1	2	3	4	5	6	Total
59.9%	24.7%	10.3%	3.8%	1.0%	0.2%	0.2%	100%

2c. How many people live in your household under the age of 6 that are...

Male	Female	Total
40%	60%	100%

2d. How many people live in your household that are between the ages of 6 and 12?

0	1	2	3	4	5	6	Total
19.7%	36.7%	31.6%	9.3%	2.2%	0.4%	0.2%	100%

2e. How many people live in your household between the ages of 6 and 12 that are...

Male	Female	Total
80%	20%	100%

2f. How many people live in your household that are between the ages of 13 and 18?

0	1	2	3	4	Total
51.1%	30.2%	14.2%	3.7%	0.8%	100%

2g. How many people live in your household between the ages of 13 and 18 that are...

Male	Female	Total
49%	51%	100%

3a. In the past three years, has/have your child/children participated in any Houston Parks and Recreation's Youth Sports Program?

Yes	No	Total
71%	29%	100%

3b. Are they enrolled in a Houston Parks and Recreation's Youth Sports Program now?

Yes	No	Total
57%	43%	100%

<i>Survey Question</i>	<i>Survey Response</i>					
4a. Did your child/children participate in any basketball programs for children ages 6 to 18?	Yes	No				Total
	30%	70%				100%
4b. Did you feel the basketball program for your child was...	Excellent	Good	Fair	Poor	Total	
	26%	58%	7%	9%	100%	
5a. Did your child/children participate in a tennis program for children ages 6 to 18?	Yes	No				Total
	12%	88%				100%
5b. Did you feel the tennis program for your child was...	Excellent	Good	Fair	Poor	Total	
	38%	44%	10%	8%	100%	
6a. Did your child/children participate in a soccer program for children ages 5 to 19?	Yes	No				Total
	50%	50%				100%
6b. Did you feel the soccer program for your child was...	Excellent	Good	Fair	Poor	Total	
	32%	44%	11%	13%	100%	
7a. Did your child/children participate in a baseball program for children ages 10 to 14?	Yes	No				Total
	24%	76%				100%
7b. Did you feel the baseball program for your child was...	Excellent	Good	Fair	Poor	Total	
	28%	59%	7%	6%	100%	
8a. Did your child/children participate in a golf program for children ages 10 to 15?	Yes	No				Total
	17%	83%				100%

<i>Survey Question</i>	<i>Survey Response</i>					
8b. Did you feel the golf program for your child was...	Excellent	Good	Fair	Poor	Total	
	52%	41%	6%	1%	100%	
9a. Did your child/children participate in a football program for children ages 10 to 18?	Yes	No				Total
	11%	89%				100%
9b. Did you feel the football program for your child was...	Excellent	Good	Fair	Poor	Total	
	55%	39%	4%	2%	100%	
10a. Did your child/children participate in the Marching Thunder band for children?	Yes	No				Total
	14%	86%				100%
10b. Did you feel the Marching Thunder band for your child was...	Excellent	Good	Fair	Poor	Total	
	53%	31%	8%	8%	100%	
11a. Did your child/children participate in any other City of Houston Parks and Recreation's Youth Sports Programs?	Yes	No				Total
	17%	83%				100%
11b. Did you feel the program for your child was...	Excellent	Good	Fair	Poor	Total	
	48%	45%	7%	0%	100%	
12. How would you rate the performance of the people who run the programs in which your child/children participate?	Excellent	Good	Fair	Poor	Total	
	8%	9%	45%	38%	100%	

Survey Question	Survey Response
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13. You indicated that you have children between the ages of 6 and 18. Why have they not participated in any of the Houston Parks and Recreation Youth Sports Programs this past year?

Children use their school recreational programs	22%
Children are not into recreational activities	15%
No Houston Parks & Recreation Youth Sports Program near us	8%
Other	55%

14. If you could give some advice to improve the quality of Houston Parks and Recreation's Youth Sports Programs for the youth in the City of Houston, what one or two things would you recommend?

- **More coaches and better instructors**
- **More parental participation**
- **Better organization of programs and schedules**
- **More information, better communication, and more advertisement of programs**
- **Better distribution of funds**

15. How long have you lived in the City of Houston?

Less than 10 years	10-19 years	20-29 years	30+ years	Total
22%	31%	18%	29%	100%

16. What is your ethnicity?

Anglo	African American	Hispanic	Total
18%	39%	43%	100%

17. What is your gender?

Male	Female	Total
27%	73%	100%

Appendix C

**HOUSTON PARKS AND RECREATION DEPARTMENT
PERFORMANCE AUDIT OF YOUTH SPORTS PROGRAMS**

*Cross-tabulation of Specific Questions Indicating
Customer Satisfaction by Youth Sports Program*

Population
n=507

<i>Survey Question</i>	<i>Survey Response</i>
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1. Did you feel the basketball program for your child was...

	Anglo	African American	Hispanic	Total
Excellent	12%	52%	36%	100%
Good	13%	54%	33%	100%
Fair	-	78%	22%	100%
Poor	18%	36%	46%	100%

2. Did you feel the tennis program for your child was...

	Anglo	African American	Hispanic	Total
Excellent	58%	26%	16%	100%
Good	23%	59%	18%	100%
Fair	40%	60%	-	100%
Poor	-	50%	50%	100%

3. Did you feel the soccer program for your child was...

	Anglo	African American	Hispanic	Total
Excellent	12%	35%	53%	100%
Good	13%	25%	62%	100%
Fair	23%	36%	41%	100%
Poor	14%	24%	62%	100%

<i>Survey Question</i>	<i>Survey Response</i>
------------------------	------------------------

4. Did you feel the baseball/softball program for your child was ...

	Anglo	African American	Hispanic	Total
Excellent	17%	37%	46%	100%
Good	16%	45%	39%	100%
Fair	29%	57%	14%	100%
Poor	-	43%	57%	100%

5. Did you feel the golf program for your child was...

	Anglo	African American	Hispanic	Total
Excellent	28%	39%	33%	100%
Good	21%	51%	28%	100%
Fair	50%	25%	25%	100%
Poor	-	-	100%	100%

6. Did you feel the football program for your child was...

	Anglo	African American	Hispanic	Total
Excellent	8%	57%	35%	100%
Good	17%	61%	22%	100%
Fair	-	50%	50%	100%
Poor	-	100%	-	100%

7. Did you feel the Marching Thunder Band for your child was...

	Anglo	African American	Hispanic	Total
Excellent	9%	79%	12%	100%
Good	5%	85%	10%	100%
Fair	-	80%	20%	100%
Poor	20%	60%	20%	100%

<i>Survey Question</i>	<i>Survey Response</i>
------------------------	------------------------

8. Did you feel other programs for your child were...

	Anglo	African American	Hispanic	Total
Excellent	18%	44%	38%	100%
Good	13%	46%	41%	100%
Fair	20%	40%	40%	100%

Cross Tabulation Demographics

1. How many people in all live in your household?

	Anglo	African American	Hispanic
1	-	1%	-
2	5%	7%	2%
3	15%	19%	4%
4	39%	29%	27%
5	17%	24%	31%
6	18%	11%	20%
7	5%	6%	7%
8	1%	1%	5%
9	-	-	3%
10	-	2%	1%
Total	100%	100%	100%

2a. How many people live in your household that are under the age of 6?

	Anglo	African American	Hispanic
0	68%	65%	50%
1	18%	24%	28%
2	8%	8%	13%
3	6%	2%	5%
4	-	1%	2%
5	-	-	1%
6	-	-	1%
Total	100%	100%	100%

<i>Survey Question</i>	<i>Survey Response</i>
------------------------	------------------------

2b. How many people live in your household under the age of 6 that are...

	Anglo	African American	Hispanic
Male	32%	34%	49%
Female	68%	66%	51%
Total	100%	100%	100%

3a. How many people live in your household that are between the ages of 6 and 12?

	Anglo	African American	Hispanic
0	27%	19%	17%
1	36%	36%	36%
2	32%	27%	36%
3	5%	13%	8%
4	-	3%	3%
5	-	1%	-
6	-	1%	-
Total	100%	100%	100%

3b. How many people live in your household between the ages of 6 and 12 that are...

	Anglo	African American	Hispanic
Male	73%	81%	83%
Female	27%	19%	17%
Total	100%	100%	100%

4. How many people live in your household that are between the ages of 13 and 18?

	Anglo	African American	Hispanic
0	46%	50%	52%
1	36%	32%	27%
2	14%	14%	15%
3	4%	3%	5%
4	-	1%	1%
Total	100%	100%	100%

Appendix D

***HOUSTON PARKS AND RECREATION DEPARTMENT
PERFORMANCE AUDIT OF YOUTH SPORTS PROGRAMS***

Focus Group Comments

Program participants and parents were invited to participate in focus group sessions held at various park locations around the city. These sessions were conducted for the following youth sports programs:

- Soccer
- Baseball/Softball/T-ball
- Basketball
- Flag Football
- Tennis (Zina Garrison program)
- Golf
- Marching Thunder Band
- Cycling

Information obtained from the sessions helped guide the review team through the management and performance review. The following is a summary of the comments received from the focus groups.

Comments received from the groups follow. The opinions expressed, which are listed by the topic, are presented to illustrate program participants' and parents' perceptions of the Houston Parks and Recreation Department's Youth Sports programs and do not reflect the findings or opinions of the review team.

GOLF (Participants)

How many years have you been in the program?

- One-third of the kids have been in the program for one year.
- Two-thirds of the kids have been in the program for two years.

What have you been learning?

- How to hold a golf club and how to place it
- The basic rules of golf
- Good sportsmanship; not to hit anyone with a golf club
- Good safety positions
- How to place a golf club when it's not in use

GOLF (Participants) continued

What do you like about the program?

- Hitting balls
- Learning golf
- Learning how to be the next Tiger Woods

What do you like about the instructors?

- The instructors make you try.
- The instructors spend time to come to teach us.
- The instructors are nice and fun.

What don't you like about the golf course?

There's nothing we don't like about the golf course.

How often do you play?

We play once a week.

Is that enough?

- One-third of the kids said yes.
- Two-third of the kids said no.

Did you like the program? Did you learn more this year than you learned last year?

We learned more last year because classes were held every day, and we went to the golf course.

Are you learning a lot?

- One-half the kids said yes.
- One-half the kids said no.

What would you do differently about this class?

The class should provide more freebies.

GOLF (Parents)

How long have you been in the program?

I have a four-year old son, and this is his first year.

What has he been learning?

He's learning the basics. Last week was his first week.

What do you like about the program?

He wants to be Tiger Woods. I like that he's learning golf.

GOLF (Parents) continued

Is this the only program he's in?

Yes, it is.

What don't you like?

There is nothing I don't like about the program.

How did you hear about the program?

The school sent flyers home with kids.

Is there any cost for the program?

No, the program is free.

Do parents come to the golf classes with the kids?

Not many parents come to the golf classes.

FLAG FOOTBALL (Participants)

How many years have you been in the program?

- One-half the kids have been in the program one year.
- One-half the kids have been in the program two years.

What do you like about the program?

- Travel
- Teamwork
- Fun
- Learning the skills of the game
- Keeping busy
- Staying out of trouble

How did you find out about the program?

- Flyers
- Friends
- Coach at school

What would you change about the program?

We want contact football instead of flag football.

Do you play all year?

We play 2 to 3 months of the year.

FLAG FOOTBALL (Participants) continued

Do you play other sports?

- Basketball
- Softball

Four kids play one other sport and three kids play two other sports.

Is there a cost to participate in the program?

There's a \$3 registration fee; parents think this fee is okay. Three dollars buys uniforms, transportation, and equipment.

Have you learned more this year than last year?

Yes

Will you participate again next year?

Three-fourths of the kids said they will participate again next year.

Do you play sports for school?

One-third of the kids play sports for school.

CYCLING (Participants and 2 Parents)

How long have you been in the program?

Some participants have been in the program for as long as five years, but for most this is their first year.

What do you like about the program?

The cycling program got me interested in racing.

What do you think about the level of instruction?

- The participants say the instruction is good, fun, they make the practice races like real races, and the instructors are great.
- Parents say the quality of the class is good.

What do you think of the track facility?

The facilities are good for the budget, but could be better. There are no changing facilities or bathrooms, only portable toilets. We need lockers.

Does the cycling program prepare you to compete locally and nationally?

Yes, two kids participate in competitions, both locally and nationally.

CYCLING (Participants and 2 Parents) continued

Tell me about the cycling classes.

Classes are held two hours a day on Mondays and Wednesdays for three weeks. The classes are a good value, and are free for kids under 18. Classes could be improved by adding more practice races.

Is transportation provided by the city for getting to the veladrome?

No, the city does not provide transportation.

How do you enroll in the cycling program and how did you hear about it?

There is not enough publicity. You can rent a bike here for \$3. There's a yearly pass available for \$30 to use the veladrome.

TENNIS (Participants and Parents)

How long have you been in the program?

The majority have been in the program four years.

Do you participate in other sports?

No, I don't.

What do you think of the quality of instruction?

- The quality of instruction is very good.
- Kids are very competitive.
- We do a lot of conditioning work.

Have you improved your skills since joining the program?

- Yes, skills have improved significantly.
- One parent said it has helped his son's attitude toward school, lifestyle, etc. It has given him something to succeed in.

The Zina Garrison program is far superior to the City program.

- More practice.
- Tournament play.
- Better coaches.

Does the city provide transportation for getting to the Zina Garrison program?

No transportation is provided. Our parents bring us.

TENNIS (Participants and Parents) continued

Is there anything about the program you would like to see changed?

- The quality of the courts needs improvement. They have cracks.
- At McGregor Park the restrooms are in disrepair.
- No phone is available at Lee LeClear Tennis Courts so that kids can call parents to let them know if a game is canceled.
- Kids in the Zina Garrison tennis program get no subsidies, product discounts, or recognition.
- There needs to be more education about tennis and Zina Garrison.

Does the city provide travel assistance when kids travel for games and competitions?

Parents say no. We feel slighted in this program.

MARCHING THUNDER

How long have you been in the program?

Most have been in the program for four or five years.

What do you like about the program?

- We like the discipline.
- We get to perform at Rockets games.
- It keeps us busy.
- We meet people from different schools.
- The instructors check our grades; we are not allowed to be in the program if we are not passing all courses at school.
- People care about you like a family; they are very supportive.
- We have a lot of fun.
- We have an opportunity to show our talent.

What could be improved about the program?

- We need more facilities to practice in.
- We need better support from the city (e.g., transportation).

How did you find out about the program?

We found out through friends; some through school.

BASKETBALL (Select Team)

How long have you been in the program?

The majority are in their first year.

What do you think about the program?

- There is more competition here (at the Fondine center) than at school.
- We participate two times per week.

How did you hear about the program?

We heard about the program through the coach.

What do you like about the program?

Participants say it is:

- Less pressured.
- More competitive.

Parents say:

- Kids get a lot of exposure because various basketball players and officials come to the Fonde center. It's well-known.
- There's better competition.
- It's a good atmosphere for basketball.
- There's no fee for the program.

How do you get here?

- Participants say their parents take them.
- Parents say the kids travel to four different places. The league pays for the trips; for the most part, parents don't need to pay.

What don't you like about the program?

- Participants say they wouldn't change anything.
- Coaches say they would like to see the program expanded to be broader-based.
- Parents say they would like to see inter-league playoffs.

SOCCKER (Participants and Parents)

How long have you been in the program?

Most participants have been involved for two years.

How do you like the program?

- It's free.
- The program offers good training.
- The soccer program teaches basic skills.

SOCCKER (Participants and Parents) continued

What do you think about the quality of instruction?

It's good.

Do you play soccer in school?

The soccer program at the city parks is better. The elementary schools don't have a soccer program.

How many days per week do you play?

I play two days.

Does the city provide transportation?

The city provides transportation, the coach brings some kids, and the parents bring others.

Is there a cost to participants for participating in the program?

There are no fees.

Is there any aspect of the program you'd like to see changed or improved?

- We need better fields.
- We need better recognition and incentives for participants.

BASEBALL (Participants & Parents)

How long have you been in the program?

Most have been in the program one year; one person has been involved for three years.

Are you in multiple programs (i.e., programs other than this one)?

About one-half of the participants are involved in other sports such as baseball and basketball.

What do you like about the program?

- Uniforms
- Learning to play baseball
- Opportunity to cooperate
- Learning good sportsmanship

How do you feel about the quality of instruction?

The quality of instruction is good.

Is the program accessible?

Yes; most participants live nearby.

Does the city provide transportation?

Kids are bused in only for games and competitions.

BASEBALL (Participants & Parents) continued

Is there anything you don't like about the program?

There is not enough equipment and the program is understaffed.

How did you hear about the program?

We heard about the program from news, friends, letter from school, and an ad outside the park.

Is there a cost to participate in the program? Are the fees, especially for travel, prohibitive for parents?

There is no cost for participating in the program.