

Barbara Clark

8/91 Parks and Recreation

# Bureau of Parks and Recreation

## Opportunities to Enhance Services Through Improved Management

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August 1991



Office of the City Auditor  
Portland, Oregon





CITY OF  
**PORTLAND, OREGON**  
OFFICE OF CITY AUDITOR

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August 13, 1991

TO: J.E. Bud Clark, Mayor  
Earl Blumenauer, Commissioner  
Dick Bogle, Commissioner  
Gretchen Kafoury, Commissioner  
Mike Lindberg, Commissioner

SUBJECT: Audit of Bureau of Parks and Recreation

Attached is Audit Report #152 on the Bureau of Parks and Recreation. The report evaluates the Bureau's management systems for planning, directing, and controlling park operations and recreation services. A summary of results is provided at the beginning of the report.

Commissioner Lindberg and Superintendent Jordan have reviewed the report. A copy of Superintendent Jordan's response is included with the report. We would appreciate receiving a written status report from Bureau management in six months indicating actions taken in response to our recommendations.

We appreciate the cooperation and assistance we received from the Bureau of Parks and Recreation. Their help and advice aided us considerably in preparing this report.

*Barbara Clark*

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# **Bureau of Parks and Recreation**

## **Opportunities to Enhance Services Through Improved Management**

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August 1991

**A Report by the Audit Services Division  
Report #152**

**Office of the City Auditor  
Portland, Oregon**



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# Summary

The City of Portland has an extensive park system with a great variety of open spaces and recreational opportunities. The Bureau of Parks and Recreation keeps the City's 9,400 acres of parks clean and well maintained, and Portland residents highly value park programs and services.

The Bureau faces several challenges in managing the City's parks and recreation programs. The number and variety of park facilities and competing public demands make supervision and management decisions difficult. In addition, workload has increased significantly over the past ten years due to an aging infrastructure, annexation of more park lands, and the building of new facilities. While the number of full-time employees has declined over 7%, budgeted resources have increased faster than inflation due to increases in interagency agreements and personnel costs.

In order to address these challenges and make decisions on future service priorities, the Bureau must have strong and effective management. Several new initiatives by the Bureau will help renovate aging parks and facilities, improve customer service, and involve employees in decision making. More action is needed, however, to help the Bureau manage its major programs. The Bureau needs to clarify priorities and program goals, develop better management information, and begin evaluating the performance of programs and employees.

**Clarify priorities and  
program goals**

Opportunities exist to set clearer capital spending priorities and recreation goals. The draft Park Futures master plan is not currently an effective guide for future capital spending. The draft plan identifies a vision for Portland's future park system but fails to clearly identify priorities for renovation, development, and expansion. Instead, the plan assigns high priority to a large number of projects ranging from basic park maintenance to development of new pools, trails, natural areas, and golf courses. In addition, the draft master plan does not adequately integrate information on demographic trends and infrastructure condition contained in other Park Futures reports that could help focus and guide project priorities. As a result, revisions are needed in the plan to provide more assurance that capital resources will be spent on the most important current and future needs.

In addition, the Bureau's recreation program lacks specific service and financial goals. Although serving youth is an identified priority, there are no measurable objectives for the level of youth participation desired. Also, the Bureau has not established a fee policy that defines the level of subsidy or cost recovery desired in recreation programs. Our analysis shows that recreation activities recover about 22% of all costs through fees and charges, and youth compose 57% of all participant hours. Quantifiable participation and financial goals would help managers judge performance in serving priority groups and set fair fees that yield adequate revenues.

**Develop improved  
management  
information**

The Bureau has pervasive information problems that hamper its ability to manage maintenance and recreation programs. Managers lack adequate information on maintenance activities to plan, budget, and schedule maintenance

work effectively and efficiently. Additionally, information on recreation costs and participation is incomplete, difficult to obtain and sometimes unreliable. The Bureau is aware of these problems and has drafted an automation plan to address some of these weaknesses. Management also plans to obtain consulting assistance to implement the plan. However, because past consulting efforts to develop better management information have not been successful, we believe management should better define the information needed to plan, control and evaluate its major programs. Clarifying these needs should help the consultant advise the Bureau on automation priorities.

**Monitor and evaluate  
performance**

The Bureau generally lacks monitoring systems to ensure goals are met and to correct deviations from planned performance. Like many other City departments, the Bureau also lacks an employee appraisal process that communicates goals and objectives to staff and evaluates the performance of management. As a result of the lack of monitoring and appraisal systems, problems can go undetected, and managers are not held accountable for their performance in using public resources.

This report describes the result of our extensive review of the Bureau of Parks and Recreation. Bureau managers and staff worked cooperatively with us to identify problem areas and to discuss solutions. We make a number of recommendations on pages 37-40 to assist managers in their efforts to improve the delivery of parks and recreation services to residents of Portland.





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# Chapter 1 Bureau of Parks and Recreation: An Overview

This is the Audit Services Division's first broad-scoped review of the Bureau of Parks and Recreation. In 1984 we reviewed internal controls over concessionaire contracts (RTM #A-84), and in 1988 we audited concession activities of the Portland International Raceway (RTM #C-88). In this audit, we have reviewed the overall organization and services of the Bureau and assessed the adequacy of its management systems for planning, directing, and controlling its activities.

This audit was included in the City Auditor's FY 1989-90 audit schedule. We conducted the review in accordance with generally accepted government auditing standards and limited our work to those areas specified in the scope and methodology section of the report.

## **Bureau Mission and Services**

The mission of the Bureau of Parks and Recreation is to ensure access to a variety of leisure pursuits, and to preserve and enhance Portland's beauty and natural resources to best meet the needs of citizens and visitors. The Bureau maintains about 9,400 acres of parks and public gardens, 196 street landscaped areas, four golf courses, and three year-round swimming pools.

The Bureau provides a variety of enrichment classes through its 22 community centers and schools. It provides

a city arts program and athletic programs in aquatics, tennis, and team sports. Cultural, spectator, and educational experiences are available through the Pittock Mansion, the Portland International Raceway, the Children's Museum, and other facilities. In addition, the Bureau offers special recreation to disabled and senior citizens, and an outdoor recreation program which includes such activities as bus tours, hikes, sailing, and skiing. The map on the next page shows the location of Bureau parks and facilities.

**Budget, Staffing and Organization**

The Bureau has a FY 1990-91 General Fund budget of \$24.1 million, including 283 full-time positions, and will recover approximately \$2.2 million through user fees and charges during the year. The Bureau's General Fund budget is composed of three major programs: Parks Operations, Recreation, and Administration. Approximately 56% of the Bureau's budget is devoted to park operations; 27% goes to recreational services; and 17% is for administrative support, planning and design services, Bureau-wide insurance coverage, and capital improvements (see Table 1).

**Table 1      FY 1990-91 Adopted General Fund Budget  
Bureau of Parks and Recreation**

	Total Budget		Full-Time** Positions	
<b>Parks</b>	\$13,573,757	(56%)	169.5	(60%)
<b>Recreation</b>	6,436,193	(27%)	87.0	(31%)
<b>Administration*</b>	4,134,018	(17%)	26.5	(9%)
<b>TOTAL</b>	\$24,143,968	(100%)	283.0	(100%)

SOURCE: City of Portland FY 1990-91 Adopted Budget.

\* Administration includes \$585,000 for the General Fund Capital Improvement Program.

\*\* Does not include temporary or part-time positions.







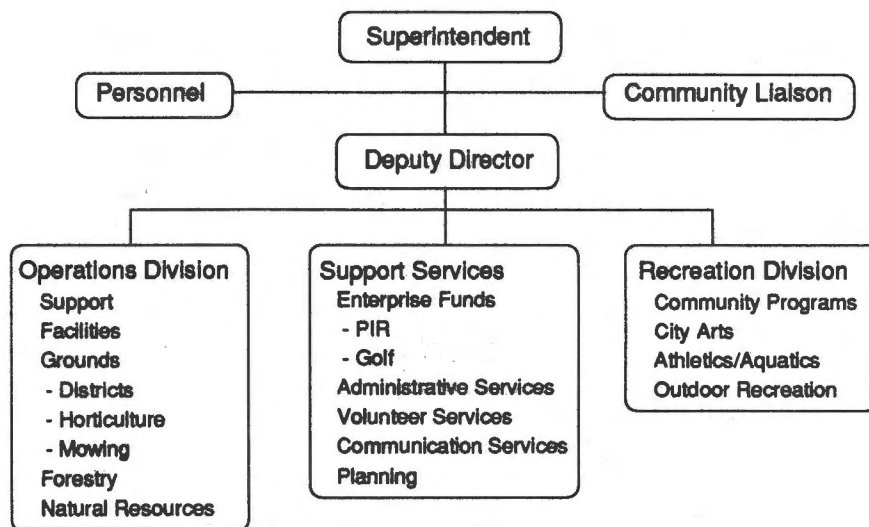
In addition to its General Fund budget, the Bureau manages two enterprise funds which support operation of the Portland International Raceway and the City's four public golf courses. The Bureau is also in the third year of a three-year, \$7.3 million levy which is being used to make improvements to the City's park facilities.

The Bureau is organized into three major divisions and is managed by a Parks Superintendent and Deputy Director. As shown in the following organization chart, maintenance of parks and facilities is provided by the Bureau's Operations Division. The Division provides turf maintenance, litter pick-up, nursery and horticultural services, and maintains buildings, structures, and street landscaped areas.

The Bureau's Recreation Division staffs community centers and schools, oversees swimming and competitive sports leagues, and issues permits to the general public for use of City parks and facilities for picnics, weddings, and other events.

The Bureau's Support Services provides accounting and financial management services; planning, design, and construction management for park improvements; coordination of resource development and volunteer services; and communication and marketing.

**Figure 1 Organization Chart  
Bureau of Parks and Recreation**



SOURCE: Bureau's FY 1991-92 Budget Request.

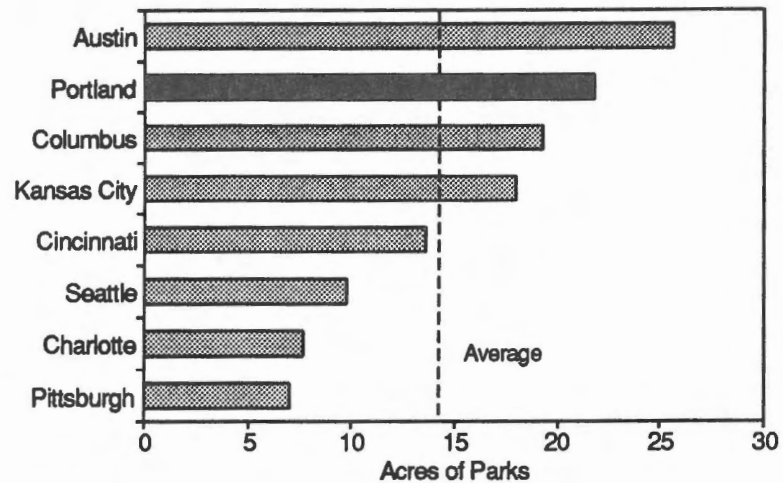
**Service Perspective:  
Comparison to Other  
Cities**

The City of Portland compares favorably to seven cities we surveyed in terms of the number and type of park and recreation services. We did not compare the quality or condition of Portland's facilities to other cities. Our survey methodology is explained on page 7 and Appendix A includes a summary of the survey results.

Our survey shows that while Portland has 10% fewer parks (184 compared to 205), it has 40% more park acres than the average of the other cities, 9,400 compared to 6,700. As shown in Figure 2, Portland has 22 park acres per 1,000 residents compared to an average of about 14 acres in the other cities. Portland has 11 community centers compared to an average of 20 in the other cities, and three covered pools compared to an average of 2.6 in the other cities. Also,

Portland's 202 ballfields and four golf courses compare to an average of 132 and 4, respectively, in the other cities.

**Figure 2    Acres of Parks Per 1000 Citizens**

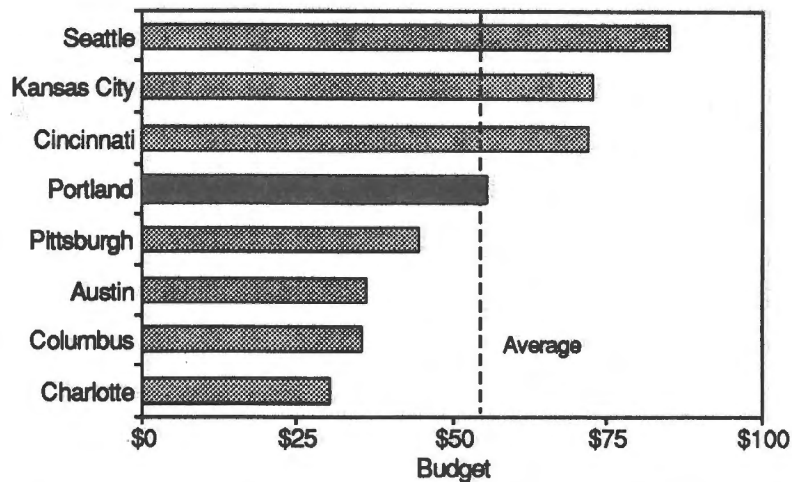


SOURCE: Audit Services Division survey of other cities and Bureau records.

NOTE: Average excludes Portland.

The Bureau's budget is very close to the average of the cities we surveyed, \$24.1 million compared to \$23.8 million. Figure 3 shows that Portland is about average in dollars budgeted per capita -- \$56 compared to \$54 in the other cities. The Bureau also has fewer full-time staff, 283 compared to 471. The Bureau of Parks and Recreation uses a number of part-time, temporary, and volunteer workers. We were unable to obtain comparative figures for them.

**Figure 3 Budgeted Dollars Per Capita**



SOURCE: Audit Services Division survey of cities and City of Portland FY 1990-91 Adopted Budget.

NOTE: Average excludes Portland.

### **Audit Scope and Methodology**

Our primary objective in conducting this audit was to evaluate the adequacy of the Bureau's management systems for planning, directing, and controlling park operations and recreation services. Our audit approach was modeled after the General Management Review methodology used by the U.S. General Accounting Office.

We worked closely with Bureau staff to identify management challenges and problems, and emerging issues. The Portland Parks Superintendent organized an audit advisory committee comprised of employees from throughout the Bureau to assist us in this effort. The audit team met with the committee on several occasions and received many suggestions and ideas. In addition, we interviewed over 70 other Bureau employees and other persons during the audit to receive their input and gain an understanding of Bureau operations.

In addition to meetings with Bureau staff, we interviewed members of the Park Bureau Budget Advisory Committee, two former Parks Superintendents, and representatives from the Tualatin Hills Park and Recreation District, the Portland Public School District, the Portland Youth Soccer Association, the Portland Metro Softball Association, Friends of Performing Arts, neighborhood associations, and other groups.

We also conducted a survey of seven other cities to obtain comparative information on their park and recreation services. The cities surveyed -- Seattle, Washington; Austin, Texas; Kansas City, Missouri; Charlotte, North Carolina; Pittsburgh, Pennsylvania; and Cincinnati and Columbus, Ohio -- were selected because of similar population and geographics, and recommendations on the quality of their programs. (See Appendix A for a summary of the survey results.)

We evaluated the Bureau's systems for managing three of its major functions--park maintenance, capital improvements, and recreation services. We learned about the Bureau's maintenance management procedures by interviewing Operations Division personnel and by examining policy and procedures manuals and maintenance records. We compared the Bureau's maintenance management system to a model system adopted by the National Park Service. In addition, we toured selected parks and community centers, Bureau maintenance shops, and other park facilities.

We examined the Bureau's Capital Improvement Program (CIP) process, including its statements of goals and objectives, methods for identifying capital needs, and procedures for prioritizing and selecting capital projects for funding. We examined CIP planning documents, capital budgets, Financial Management System (FMS) expenditure reports, and related records. We also interviewed personnel

responsible for capital planning in the Bureau and in the City's Office of Finance and Administration.

We interviewed recreation managers and staff, and examined recreation policy and procedures documents. However, because of the lack of good management information on recreation programs, we devoted the majority of our effort in the recreation area to collecting and analyzing cost, revenue, and participation data. We analyzed the recent cost of service study prepared by an outside consultant; obtained cost and revenue figures from the City's accounting system; collected participation statistics from Bureau attendance records; and received some estimates and clarification of data from Bureau staff.

We did not review the Bureau's major enterprise operations, Golf and the Portland International Raceway.

During the course of our audit, we identified several other areas that may warrant additional detailed review by our office or by the Bureau. Specifically, we recommend additional work in the following areas:

- *Managing staff resources* -- Evaluate opportunities to improve use of personnel resources. Potential topics include productivity, adequacy of training, use of seasonal employees and volunteers, compensation, and contracting for services.
- *Capital project management* -- Effectiveness of methods for managing and coordinating capital construction projects.
- *Coordination with community groups and other service providers* -- Opportunities to improve service delivery and reduce costs through better coordination with public interest groups and other service providers, both public and private.

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## Chapter 2 Bureau Management Challenges

Bureau and City officials face a number of challenges in directing the City's park and recreation services. The Bureau provides a wide range of services that are dispersed throughout the City of Portland and works with over 50 constituent groups, each with a stake in the operation and development of specific park or recreation activities. The Bureau's recreation and maintenance workload has also increased substantially since the mid-1980s due to the City's annexation program, the development of new park facilities, and the aging of the parks infrastructure.

Although total budgeted resources have also increased during this time, the Bureau has fewer full-time personnel to address the growing workload and service demands. Additionally, the Bureau may have to face these challenges with fewer resources in the future due to passage of the property tax limitation measure.

### **Diversity of Operations**

Because of the size and diversity of its services and operations, the Bureau faces a number of management challenges. First, the Bureau provides both park maintenance and recreation services. The challenge of balancing and coordinating these activities is evidenced by the number of comments we received on this subject during our employee interviews. Employees complained of weak communication



and coordination in the Bureau, and conflicts between the Recreation and Operations Divisions. Our interviews with other park departments indicate that communication and coordination of maintenance and recreation services is a common problem.

The Bureau's wide range of recreation activities also presents a management challenge. Classes and activities vary from site to site in the City and include competitive sports, theater and dance, day care and preschool, and classes of all kinds. There are also many different types of recreation facilities dispersed throughout the City, including 22 community centers and schools, 14 swimming pools, over 200 ball fields, 100 tennis courts, and various special arts facilities.

The Bureau is responsible for maintaining 9,400 acres of parks and facilities scattered throughout the City. The size, nature, and location of facilities varies greatly. Maintenance of gardens, turf, trees, ball fields, and irrigation systems, play equipment, buildings and other structures throughout 137 square miles of the City places a substantial financial and management burden on the Bureau.

The Bureau is also faced with the challenge of meeting the needs and interests of many different friends groups, sports associations, and neighborhood organizations. The Bureau works with more than 50 such groups which promote their particular neighborhood needs for parks or recreation activities. These groups have an important stake in the funding and operation of parks programs, and are often partners with the City in providing services the City could not provide alone. However, because of the diversity of interests it is difficult to develop management and funding policies that fully address competing needs.



**Growth In Workload**

Over the past 10 years, the Bureau's workload has grown significantly. Park acreage has increased by 18% since FY 1981-82, from 7,988 to 9,400 acres. This is primarily due to the City's Urban Services Program, in which portions of Multnomah County were annexed to the City. Annexations have added 23 neighborhood parks and 65,000 citizens. New facilities such as Pioneer Courthouse Square and Waterfront Park have been added or expanded as the result of downtown economic development. In addition, Bureau management reports an increase in the demand for recreation services. Specifically, team sports such as soccer and baseball involve more teams and participants than in past years. Also, more women and adults appear to be involved in active sports.

**Aging Infrastructure**

The aging infrastructure of the parks system has also increased workload because older facilities and parks require more renovation and maintenance effort. The Bureau reports that many of the City's parks and park structures are old and in poor condition. A 1988 assessment of park and facility conditions found that many parks are more than 50 years old and some facilities are beyond their useful life. According to the study, some of the City's developed parks are in poor, unsafe condition and need repairs to plumbing, play equipment, lighting, paving, or mechanical systems. Also, some of the City's most popular facilities -- community centers, pools, fields, and arts facilities -- are reported to be in poor condition. Many of these facilities have an average age of at least 40 years and were not originally designed to accommodate their current use.

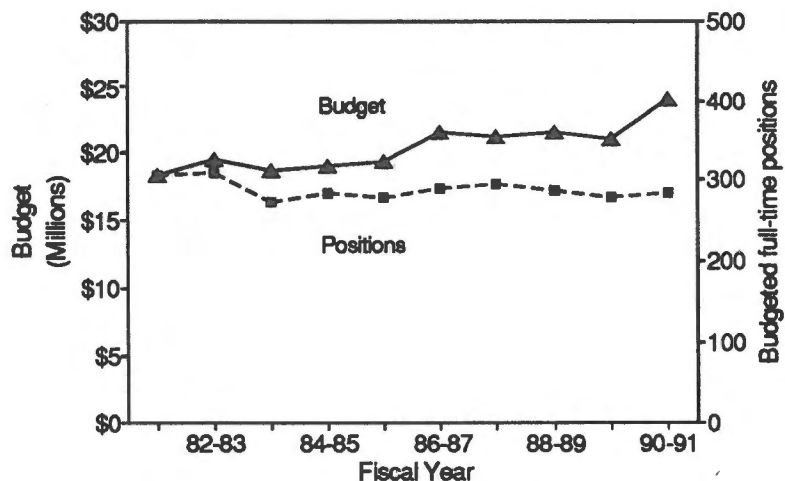
The Bureau reports that current methods for financing City parks and facilities are insufficient. From 1958 until 1989, the Bureau did not have levies or bond measures to

support its capital program. Throughout these years, the Bureau relied on a variety of funding sources, including General Fund allocations, federal grants, and private donations. Although voters approved a \$7.3 million levy for parks improvements in 1989, Bureau management believes that these revenues will not be adequate to meet current and future needs.

### Staffing and Budget Trends

While its workload has grown, the Bureau's budget -- in constant dollars -- increased by 31%, from \$18.4 million in FY 1981-82 to \$24.1 million in FY 1990-91. Some of this increase was caused by more interagency agreements to fund existing and new services. During the same 10-year period, the number of full-time positions in the Bureau declined by 7%, from 306 to 283 (see Figure 4), while

**Figure 4 Bureau Budget and Staffing Trends  
FY 1981-82 to FY 1990-91**



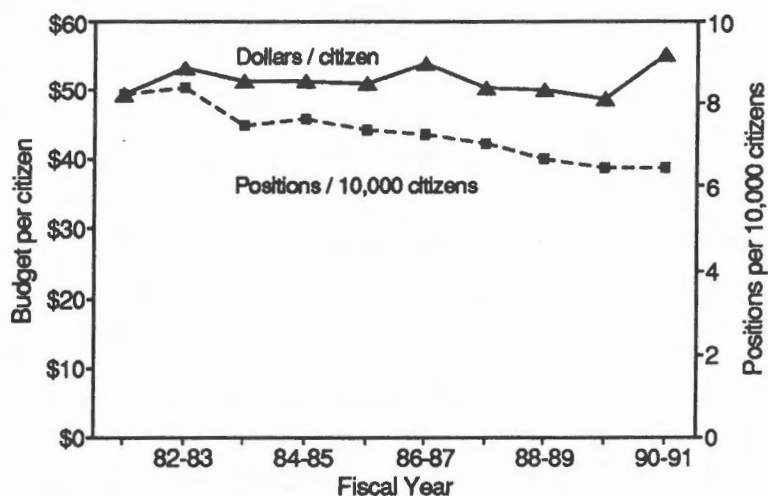
SOURCE: City of Portland adopted budget documents.

NOTE: Budgets expressed in constant 1991 dollars.

spending on part-time help remained fairly constant. However, personnel costs, in constant dollars, rose from \$12.0 million in FY 1981-82 to \$13.7 million in FY 1990-91, due primarily to increases in wages, and health and retirement benefits.

On a per-citizen basis, budgeted dollars increased by 11%, from \$49.54 to \$55.21 per citizen, while the number of budgeted positions per 10,000 citizens declined by 21%, from 8.2 to 6.5 during the 10-year period. (See Figure 5.)

**Figure 5 Bureau Budget and Staff per Citizen  
FY 1981-82 to FY 1990-91**



SOURCE: Auditor analysis of data obtained from City of Portland adopted budgets and U. S. Census records.

NOTE: Budgets expressed in constant 1991 dollars.



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## Chapter 3 Enhancing Parks and Recreation Services Through Improved Management

Faced with growing workload and increased responsibilities, the Bureau has taken steps over the past several years to improve delivery of parks and recreation services. The Bureau evaluated infrastructure needs through the multi-year planning project called Park Futures, and helped pass a capital improvement levy in 1989 that added over \$7 million to help redevelop aging parks and facilities. In addition, planned automation projects and cost accounting changes should help improve customer service and financial management. Recent changes in top Bureau management also brought about increased employee involvement in decision making that has produced a Bureau mission statement and defined spending priorities for FY 1991-92.

We believe that the Bureau can build on these initiatives and further improve the efficiency and effectiveness of parks and recreation services. This chapter discusses in more detail recent management initiatives and the opportunities for further management improvements. Chapter 4 offers specific recommendations to help the Bureau implement these changes.

## Recent Management Initiatives

The Bureau has taken a number of steps to improve the delivery of parks and recreation services. In addition, a new superintendent and deputy assumed responsibility for the Bureau in January 1990, and a new fiscal officer was hired in August 1990. The following sections briefly describe the major actions taken by management and the expected contribution to improved administration.

### **Park Futures Project**

In 1986 the Bureau initiated the Park Futures project, a multi-year effort to develop a master plan for Portland's parks and recreation facilities. The master plan is intended to define a vision for the park system, to establish a clear direction for future development, to identify major issues to resolve, and to provide a blueprint for how the plan's goals and objectives will be achieved. The project has produced 11 separate reports and studies leading to the development of a final master plan due this summer. The principal activities and products of the Park Futures project to date include the following:

- Citizen input was obtained through 24 neighborhood workshops, a telephone survey of 1,200 residents, and interviews with 62 selected leaders, experts, and interest group representatives. Additionally, the Bureau obtained information on service requests from parks friends associations and neighborhood groups.
- The condition of every park and facility was evaluated by Bureau staff. A complete inventory of parks, facilities, and street landscaped areas was also compiled.

- An assessment of local and national trends in park and recreation participation by various demographic, geographic, and economic factors was obtained by surveying Portland residents and reviewing national recreation studies.

The final master plan is currently being developed. The plan is in a third draft and the Bureau hopes to finalize it for Council review this summer. Projects identified in the final master plan will guide the Bureau's annual capital budget request and capital improvement plans over the next 15 to 20 years.

Prior to completion of the Park Futures project, the Bureau proposed a Park Improvement Levy that was passed by voters in June, 1989. Although the levy provided approximately \$7.3 million for capital projects over a three year period, the Bureau estimates that total current and future capital needs may approach almost \$100 million.

#### **Automation planning**

Over the past year the Bureau has been working with the Computer Services Division to develop a bureau-wide automation plan. Staff have identified a number of opportunities to improve services through automating facility scheduling, maintenance work orders, and class registrations. The Bureau is currently implementing an automated permit system for renting facilities and has added more activity codes to the new IBIS accounting system to improve the cost information available to managers.

Currently, a draft automation plan has been developed that is intended to guide information technology improvements over the next five years. The Bureau also plans to issue a Request For Proposals to obtain consulting assis-

tance in defining hardware and software needs. The Bureau expects that better information technology will help improve customer satisfaction, employee morale, productivity, and service delivery.

**Employee  
Involvement**

Since early 1990, Bureau management has taken steps to involve employees in decisions. An all-staff meeting in January, 1990 helped the Bureau develop a mission statement and obtain employee comments on the delivery of parks and recreation services. Also, in response to the property tax limitation measure, a 28-person task force under the direction of the Park Superintendent reviewed all the major park programs to identify priority services and functions. This effort resulted in the identification of three program priorities proposed in the FY 1991-92 budget:

1. Preserve the aging parks infrastructure
2. Preserve and retain quality programs for youth
3. Preserve programs for elderly, frail, and special needs populations

**Capital project  
management**

The Bureau also reorganized methods for managing and monitoring capital projects. A management team was formed reporting to the Deputy Superintendent to guide the development of capital projects. Several new positions were created from existing and new funds to manage capital projects. Also, responsibility for capital planning and monitoring was centralized in the administration division of the Bureau. Management expects these changes to improve coordination among Bureau divisions and the use of capital resources.



## Clearer Goals and Priorities Needed

We believe that there are additional opportunities to set priorities and establish goals to guide parks and recreation programs. Specifically, management should prioritize and focus capital spending plans, and develop quantifiable recreation program goals. These actions should help the Bureau allocate scarce capital resources to the most needed capital projects and ensure grounds and facilities are maintained efficiently and effectively. Also, more specific recreation goals will help ensure priority groups are served and revenue requirements are met.

### **Capital spending priorities are not clear**

The Park Futures master plan is intended to guide the Bureau's capital improvement spending over the next 15 to 20 years. The plan should help guide the renovation of the aging parks and facility infrastructure, and address the community's future park and recreation needs. However, the draft master plan has several weaknesses that may reduce its effectiveness as a guide for future capital spending. The draft master plan fails to clearly identify capital spending priorities and may inadequately analyze future recreation demands and infrastructure condition.

The draft master plan states that the principal goal of the plan is to rebuild the system to meet the recreational and open space needs today and into the future. The plan states four main objectives: make better use of existing resources; renovate existing parks and facilities; develop new recreational facilities such as community centers, new parks, and pools; and develop an integrated system of parks, natural areas, trails, and riverfront recreational corridors.

The plan does not state which of these objectives is most critical and should receive greater priority or emphasis. The

plan includes "blueprints" for renovation and development of parks and natural areas, gardens, athletic fields, pools, golf courses, trails, river front corridors, and other public facilities. However, the plan does not assess their relative importance in light of stated citizen priorities, park condition ratings, or projected future needs. Although the plan includes a listing of over 340 projects with assigned priority scores (1, 2, or 3), over 58% of the projects are defined as priority 1 and include renovation, new development, and service expansion. Many priority projects involve renovation such as repairing irrigation systems and play equipment, but priority is also given to developing an East-side Esplanade from the Oregon Museum of Science and Industry (OMSI) to Steel Bridge, a sports field complex at Delta Park, a skateboard park, a new nine hole junior golf course, and trails at Smith and Bybee Lakes.

Because the plan does not provide a clear statement of system development priorities, it is not a valuable guide for management decisions. The current draft plan provides no clear directions. While the plan should be flexible to allow the Bureau to respond to new opportunities, it should also control system expansion so that the greatest needs are met and overall maintenance workload does not outgrow staffing and equipment capabilities.

In addition, the draft master plan does not accurately interpret or integrate information contained in other Park Futures reports. The draft master plan reaches several conclusions on how demographic trends and infrastructure conditions will influence future demand and need for recreational services. However, these conclusions do not appear to be well supported by surveys and analysis contained in other Park Futures reports and demographic studies. For example, while the draft plan predicts growing recreation demand by older people, "baby-boomers", children, teenagers, and single heads of households, other Park Futures

reports and population trends show a declining school age population and an aging population that participates less in recreation as it ages. Although there is some support that "baby-boomers" may be more active as they age than the current population, the draft master plan does not evaluate the adequacy of existing passive recreation facilities to meet this potential future demand.

Similarly, although the draft master plan states that certain groups are under-served and participate less in programs due in part to low income, the Park Futures Telephone Survey results and Population and Recreation Patterns reports don't support this conclusion. The telephone survey of 1,200 residents conducted by Sextant Consultants for the Bureau concluded that income did not have a significant impact on recreation participation but age and education levels had significant influence.

The draft master plan also contains a number of over-statements about the condition of parks and the sufficiency of facilities. For example, the draft master plan states that 40% of the city's developed parks are in poor condition, however, our review of the Bureau's Park Assessment report does not support this statement. The assessments found that special attraction and downtown parks are in good to very good condition, schools and community center parks were in poor to fair condition, and neighborhood parks were in fair condition. Summary ratings for each developed park showed that 20% were below average to poor while 80% were average to good.

Similarly, although the draft master plan states that the number of public recreational facilities are "grossly insufficient", the Park Futures reports and our survey of seven other similar cities does not fully support this characterization. We found in our survey that the number of parks, golf courses, swimming pools, and ball fields in Portland is

similar to the average number of facilities in other cities. While the number of community centers in Portland is lower than other cities, we did not include Portland's community schools or art centers in the comparison. The Park Futures Facility Assessment found that many of the facilities needed renovation and repairs, and some lacked adequate space, but a shortage of facilities existed only for athletic fields and pools. Moreover, 77% of residents surveyed in 1987 gave the system an A or B when asked to grade the park system as a whole including parks, pools, golf courses, classes, and other recreational programs.

Without clear priorities based on a sound assessment of current and future needs, the Bureau may have difficulty making decisions when limited funding is available. For example, although citizens identified security and maintenance as the highest priorities for levy funds, the Bureau budgeted over \$2.5 million for a new covered pool at the Matt Dishman Community Center. While this project is a worthwhile additional service for Portland residents, it comprises about one-third of available Parks Levy funds. Moreover, it is unclear how it received priority over other needs such as park deficiencies and projected growth in East County, and significant renovation needs in existing parks and facilities. The new pool will also add over \$200,000 in annual operating costs to a system currently experiencing increasing maintenance workload and declining maintenance personnel.

To ensure that the Park Futures master plan is an effective guide for future capital spending, it should clearly define priorities, accurately analyze projected future demand, and adequately assess park and facility conditions. The Park Futures project produced 11 separate reports that contain a rich source of information on citizen perceptions, participation rates, population patterns and infrastructure condition. However, the draft master plan has not ad-

equately evaluated these reports to identify the most critical needs and participation trends that could help focus renovation and development decisions. Accurate assessments of future demand and current conditions will ensure tax resources are used wisely and spending is focused on projects that will address the greatest needs.

**Recreation program  
goals are not  
quantified**

The Bureau provides a great variety of recreational opportunities for the residents of Portland in addition to acres of open space, natural areas, and developed park lands. However, recreation service objectives and financial goals are broadly defined. Although serving youth is a priority for the Bureau, there are no measurable goals for the level of youth participation. Also, the Bureau has not established policies on recreation fees and service charges that clearly define the level of subsidy or cost recovery desired in recreation programs. Without quantifiable service and financial goals, managers cannot adequately judge their performance in serving priority groups nor set fee levels that are fair and consistent. In addition, more precise cost recovery goals will assist in financial planning.

Recreation managers do not set goals for the number and percent of youth, adult, or other service group they wish to serve each month or annually in community centers, arts programs, aquatics, or sports. Decisions regarding the types of recreation activities to offer each year are largely decentralized and not guided by service goals or participation levels defined in annual plans or budgets. Without defined, measurable targets, the Bureau cannot determine if it is achieving a desired level of performance in meeting its broadly stated recreation objectives. Our analysis of Bureau records found that youth comprise 57% of all recreation participants. We do not know if this is an appropriate level for youth or if the Bureau wishes to serve a higher percentage of youth.

The Bureau has also not adopted a policy to govern the setting of fees and charges for recreation services. Fee schedules have developed incrementally over the years with little central guidance from top management. Fees for similar activities can vary greatly from location to location, and the amount of cost recovery is not consistent across programs. For example, aerobic dancing fees range from \$.56 an hour at one community center to \$2.25 an hour at another. Our cost study shows that cost recovery in community schools ranged from 5% at Whitaker to 51% at Alameda. Cost recovery at community centers ranged from 5% at University Park to 25% at Hillside. Cost recovery rates may be more related to the types of activities offered at facilities rather than to the age or income of participants.

Bureau managers state that youth should receive a subsidy and fee levels should attempt to reflect the economic environment of individual neighborhoods so that residents are not restricted from access to recreation due to an inability to pay. In 1989 Bureau staff proposed a comprehensive fee policy and a study of recreation costs in response to continued financial pressures. Although this recommendation has not been implemented, passage of the property tax limitation measure resulted in fee increases in a number of recreation programs, primarily in athletics. As continued financial pressures restrict parks funding, more defined fee policies will help focus efforts on priority service groups and provide a sound basis for adjusting fees in the future.



## Inadequate Management Information

The Bureau of Parks and Recreation has a pervasive information problem that hampers its ability to manage services effectively and hold managers accountable for performance. The Bureau is aware of its information system weaknesses and has drafted an automation plan that includes a number of information technology objectives. The plan should help guide system development but management should better define critical information needs to help prioritize systems development. Specifically, the Bureau should clearly define information it needs to manage its major programs.

### **Maintenance management information system problems**

Maintaining parks grounds and facilities is the largest program in the Bureau with a budget of \$13.6 million and 170 full-time staff. Each year the program spends over 200,000 hours on maintenance such as mowing grass, removing litter, and repairing mechanical and electrical systems. To help improve the efficient use of personnel and equipment and to more effectively address maintenance objectives, a maintenance management information system (MMS) was developed by the Bureau in the early 1980's. The Bureau spent \$174,000 to purchase software, hardware, and consulting assistance for the MMS. However, although it was originally intended to help plan and evaluate maintenance work, major elements of the system were never fully implemented and it currently functions primarily as a time reporting system. The major unimplemented features and their intended purposes are described below.

### **Annual Work Plan and Budget**

The annual work plan was intended to identify all the work to be accomplished by each maintenance unit. Development of the work program involved defining all activities, count-

ing all items/features needing work, defining and setting quality and production standards, and estimating the number and cost of resources (equipment, materials, people) needed to accomplish the work. The annual work plan and budget was intended to clearly define maintenance goals, policies, and objectives to assist in long range planning and budgeting. This systematic approach to establishing resource requirements was intended to direct efforts toward specific objectives and to assist the Bureau make more rational decisions in periods of budget reductions. For example, the system would allow management to easily identify activities and/or performance standards that could be eliminated or revised to produce a desired level of budget savings.

According to management, the annual work plan and budget feature of the MMS was never fully implemented. Although the parks grounds section of the maintenance program developed standard work activities and performance standards, the facility maintenance section did not develop these central features. Additionally, the annual work plan and budget was not continued for grounds or developed for facilities maintenance activities.

#### **Annual Workload Distribution and Work Calendar**

These features were intended to show the variations in the amount and types of work over a twelve month period so that managers could plan when work was to be accomplished. While some work can only be done in summer (e.g., irrigation), other types of work can be done any time of year. As a result, managers can distribute work more evenly throughout the year and realistically plan when and how much part-time seasonal help will be needed. Leveling the maintenance workload by eliminating work peaks and valleys can improve the efficient use of resources. This feature of the system, while developed for grounds, was not implemented for any part of the maintenance division.



### **Monthly and Weekly Work Scheduling**

These features were intended to help supervisors assign resources so that planned and un-planned work could be accomplished. The features were developed and utilized for grounds maintenance for one year but not developed for any other maintenance activity.

While the MMS did not achieve all of its major objectives, managers told us that the information produced by the system has been valuable in several ways. First, it produced information on the number of hours spent on various grounds maintenance tasks at each park and facility location. This information has been helpful during budget sessions to estimate which activities consume the most time. The MMS has also helped park district field supervisors understand the value of information to plan and monitor activities. Initial resistance to the MMS has turned to increasing demands for better information. Additionally, managers told us that the MMS was used to evaluate workload among park districts to ensure more equitable and uniform maintenance effort among parks.

In spite of these improvements, the information produced by the system has limited usefulness and some of the data is unreliable and incomplete. The MMS does not tie work hours and activities at locations to reliable cost information. Therefore, it is difficult to determine the full cost (personnel, equipment, and material) of various maintenance work performed at parks and facilities. The lack of reliable cost information was mentioned by several staff we talked to. Also, the reports are not currently helpful in determining if work was performed in accordance with planned quality and productivity standards. Consequently, managers cannot assess productivity and effectiveness of maintenance crews.

Bureau maintenance staff and management indicate that the system was not fully implemented for several reasons. First, the software and hardware purchased was inadequate to address all of the system objectives. The software proved too inflexible to modify easily and the data input requirements were time-consuming. Second, not all managers were committed to its success and could not deal with software and hardware problems identified by staff. Third, field staff found little value in the system and did not initially support its implementation. Although some maintenance units were diligent in providing accurate information, other units did not provide accurate and timely input.

The inability to fully implement the maintenance information system requires the Bureau to rely primarily on informal and decentralized maintenance management. District supervisors and foremen are largely responsible for deciding what work gets done based on professional judgment and prior work experience. However, we believe these methods give top management little assurance that maintenance objectives are met and that staff are used efficiently. Moreover, as increased workload places additional demands on fewer staff, managers lack a systematic way to direct work toward maintenance priorities and to make informed budget reductions. As a result, the cost and quality of parks services may be adversely affected because required maintenance work may be deferred or inconsistently performed. For example, the failure to perform preventive maintenance on a boiler at Sellwood Community Center may have contributed to its failure after 10 years instead of an expected life of 30. In addition, ineffective work planning and scheduling has resulted in scheduling athletic events on fields undergoing repair.

**Lack of Recreation Participation and Cost Information**

The recreation program is the Bureau's second largest activity, providing over five million hours of recreation annually with a budget over \$6 million. However, the Bureau lacks adequate cost, revenue, and participation information. Specifically, managers lack information on the cost of recreation services, the degree to which programs recover costs from fees and charges, and the number and types of participants. As a result, the Bureau does not know how many youth are served each year or which programs receive the greatest subsidy from general tax revenues. Also, managers cannot make sound decisions on services and fees at a time when programs face reduction and higher fees due to property tax limitation.

**Weaknesses in Cost and Revenue Information**

Through the central accounting system, the Bureau generally accounts for expenditures and revenues by major recreation program and by location. However, there is limited detailed information on costs and revenues for activities within broad program categories. For example, while the Bureau tracks total revenues for athletics and aquatics, it does not track revenues for most individual sports or individual swimming pools. Similarly, costs and revenues are recorded for community centers and schools, and arts facilities, but not for types of classes or recreational activities at each location. Also, identified recreation costs at locations generally include only direct labor and materials costs. General administrative overhead, maintenance division support costs, and capital costs are not included. As a result, it is difficult to fully assess either the costs of recreation services or the revenues generated from various activities. The Bureau cannot accurately determine the cost recovery rate of recreation activities so that fees can be increased or decreased to reflect policies regarding the subsidy of youth or adult programs.

Recognizing the need for better information on Bureau costs, the Bureau hired a consultant in 1989 to conduct a "cost of service" study. The study was to determine the cost of each Bureau program and facility, evaluate program participation, assess cost recovery and cost per participant rates, and recommend fee schedule changes. Additionally, the consultant was to provide a computer model for conducting on-going cost of service updates. Although a draft report was delivered to the Bureau, the final report is not complete.

Our review of the consultant's draft report, computer model, and methodology for estimating costs and revenues indicates that the study does not contain accurate and reliable information. Methods used to estimate costs significantly underestimated the real costs of services due partly to inaccurate allocation of maintenance support and overhead costs. Also, cost and revenue information in the consultant's study did not reconcile with information contained in the City's accounting system.

#### **Weaknesses in Reporting of Participation Information**

Participation numbers are collected for most recreation activities on weekly attendance reports completed by recreation supervisors at each facility and recreation location. Managers collect and summarize these reports quarterly and annually. However, our review of the weekly attendance reports revealed that reported participation information is prone to error and is difficult to obtain and analyze efficiently.

We found that the weekly attendance reports are not completed in a consistent fashion. Although supervisors use the same report form, the definition of participants varies from location to location. For example, some community centers include participants from open, unsupervised activities but others do not. Also, some reports identify the

number of adult and youth participants while other locations only report the total number of participants. Additionally, some participants are double counted by different programs. For example, Little League and youth basketball players are counted by both the athletics and community school programs. Community schools count a large number of public school activities that operate independently of the Parks Bureau (e.g., PTA meetings, after-school child care.).

In addition, weekly attendance reports are completed and summarized manually. Consequently, analysis of specific participation trends by activity (e.g. swimming, yoga classes, day care, etc.) or by target group (e.g., youth) is difficult and time-consuming. Also, manual tallies are subject to error. We found that one arts facility reported an attendance of 6,902 instead of 2,217 due to a recording error.

Because the Bureau lacked adequate summary information on its recreation programs, we gathered cost, revenue, and participation information from the City's accounting system and from weekly attendance reports. We met with managers, field staff, and accounting personnel to help allocate costs and to clarify weekly attendance reports. The recreation information we compiled is summarized in Appendix B.

#### **Bureau automation planning efforts**

The Bureau is currently developing an automation plan to address its information technology needs. This plan should guide automation development over the next several years. The plan has 10 automation objectives including a facility scheduling system, a maintenance work order system, accounting and inventory data systems, class registration and program guide systems, and various communication systems. Several objectives in the draft plan are intended to resolve some of the information weaknesses described in

this report. The automation plan also calls for a Request For Proposals for consulting assistance to help implement the automation plan by defining priorities, software and hardware needs, and costs.

We believe the automation planning efforts have helped the Bureau assess Bureau-wide technology needs and improved communication of these needs between various operational divisions. However, the planning process did not thoroughly define Bureau goals or identify the information needed by management to monitor and report on the accomplishment of these goals. Bureau staff told us that management information needs have been identified, but they are not written, documented, or formalized. Staff also indicate that the consultant should help them refine these needs. However, because previous efforts to improve management information have not proved successful, we believe the Bureau should spend additional time clarifying and confirming the critical management information needs for each major program before hiring a consultant.

## Monitoring of Performance Can Be Improved

The Bureau generally lacks systems for monitoring performance to ensure goals and objectives are met. As a result, problems can go undetected and uncorrected, managers have little assurance programs are operating as intended, and employees are not held accountable for their performance in using public resources. The Bureau recently set a goal to develop personnel evaluation forms, which we support.

### **Lack of reporting and monitoring systems**

We found little evidence that program managers systematically review their areas of responsibility. With the exception of the quarterly budget review process, managers do not require periodic reports on the activities of the various maintenance and recreation units that carry out the Bureau's mission. For example, there are few reports on the accomplishments of maintenance units. Managers do not require reports on the completion of priority maintenance projects or on the performance of personnel in completing routine and preventive maintenance. Similarly, recreation program managers do not routinely assess or evaluate the participation and cost recovery performance of various recreation activities.

With improved monitoring of Bureau programs, managers could detect emerging problems and identify deviations from established plans or policies. For example, our review of capital budgeting patterns showed that they were not consistent with established goals and policies. Although Bureau and City policy places primary emphasis on funding capital projects that preserve and maintain existing parks and facilities, actual budgeting trends show that the Bureau has budgeted a decreasing percentage for maintenance and

increasingly more for upgrade and expansion projects over the past five years. While development and expansion of the parks system plays a key role in park services, the trend toward more development comes at a time of increased needs due to aging parks and facility infrastructure. We believe that active monitoring and review of the capital budgeting process would have informed managers of the funding trend that was counter to established goals.

**Employee Appraisal  
Process Is Needed**

The Bureau does not have an employee appraisal process. While employee appraisal systems are not wide spread in other City bureaus, several departments have implemented systems that have proved valuable in helping communicate job expectations, work responsibilities, and organizational objectives. Systems in the City Auditor's Office and in the Bureau of General Services also involve "upward" evaluation of supervisors by employees. Appraisal processes can also help clarify job tasks, identify training needs, and affix accountability. Most importantly, evaluation systems help improve communication between supervisors and employees, and help staff understand how their work contributes to accomplishment of organization goals and objectives.

Employees we interviewed stated that poor communication is a major problem in the Bureau that limits accomplishment of objectives. Several employees stated they lacked a full understanding of organizational mission and program objectives, and received little direction and guidance from supervisors. Maintenance and recreation field staff expressed some frustration with the inability to improve operations because management has not in the past shared decision making. We believe an employee appraisal system would help improve communication.



An employee appraisal process is also important for mid-to high-level managers. Although responsible for accomplishment of major programs goals, management level employees do not receive annual performance reviews. Performance reviews help establish executive level responsibilities and measure achievement levels desired by top management. Performance appraisals are intended to help managers focus attention on improvement goals, efficiency, and effectiveness. Without an established appraisal system the Bureau is missing opportunities to clarify organizational goals and to establish responsibility for performance improvement. The lack of clearly defined objectives for many parks programs and the absence of management information also contributes to the inability to hold managers accountable for their actions.



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## Chapter 4 Recommendations

We recommend a series of specific actions to be taken by the Bureau of Parks and Recreation to improve management systems. These actions are aimed at furthering the recent initiatives undertaken by the Bureau to improve the delivery of parks and recreation services to the residents of Portland. We believe the recommendations if implemented will help management respond to the difficult challenges it will face if workload increases and available resources decline.

To help the Bureau set clearer goals and priorities, we recommend that the Bureau:

1. Revise the draft Park Futures master plan so that it will be a more useful and reliable guide for current and future capital spending. Specifically, the Bureau should more accurately interpret and integrate future recreation trends and current park and facility maintenance needs that are identified in the Park Futures reports. These reports should help the Bureau better define the highest current needs and project the most likely future demand. In addition, the master plan should assess the relative priority of current and future needs, and clearly identify the most essential maintenance and development projects. The Bureau should consider

developing a phased implementation schedule that lists projects in order of importance. Estimated project costs should be an important element in assigning priority and developing spending plans.

2. Develop more specific goals and objectives for the recreation program. The Bureau should define the number and percent of youth they wish to serve annually in recreation programs. Specific participation goals should be set for each recreation location and activity. The Bureau may wish to use current participation rates as a benchmark for establishing future objectives.
3. Set a recreation fee policy that clearly defines the level of cost recovery desired from recreation activities. The Bureau may wish to base subsidy levels on service groups (youth, adult, etc.) or on the type of service offered.

To assist the Bureau improve the quality of management information, we recommend that management:

4. Confirm and clarify the major management information needs of each program before implementing the automation plan. This assessment should evaluate the kinds of information each program needs in order to 1) establish annual work plans, 2) prepare budgets, 3) report on progress, 4) monitor and evaluate performance and 5) respond to information requests. The Bureau should use the results of this assessment to clarify the planned RFP for consulting

services to help implement the automation plan.

5. Employ outside assistance to evaluate and advise on systems requirements to meet management information needs and automation improvements. The Bureau may use the consultant to help management identify critical management information needs. However, the Bureau should effectively manage the consultant's work by clearly defining the study objectives, scope of work, and expected results. To avoid an unsuccessful consulting experience, responsibility for the consultation project should be placed with top-level management.

To help the Bureau more effectively monitor the performance of their programs and employees, we recommend that management:

6. Develop policies and practices for supervision, program performance reporting, and evaluation. Supervision and reporting requirements should be tied to established goals and objectives, and performance measures. The Bureau should develop improved measures of performance to assist program monitoring and enhance accountability for expenditures. Management should reallocate some existing staff resources to conduct on-going evaluation and review of programs to ensure compliance with established policies and to identify problem trends and needed corrective actions.

7. **Develop and implement an annual employee performance evaluation program.** The objective of the system should be to increase communication between supervisors and staff, and to ensure job responsibilities are connected to established goals and objectives. Performance evaluation is also a key step in validating hiring tests.

# Appendices

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## Appendix A Survey of Other Cities

	Austin	Charlotte	Cincinnati	Columbus	Kansas City	Pittsburgh	Seattle	AVERAGE *	Portland
City:									
Population	465,622	395,934	364,040	632,910	435,146	369,879	516,259	454,256	437,319
Sq. miles	159	176	79	190	361	56	89	159	135
Parks budget (millions)	\$16.6	\$11.8	\$25.4	\$22.0	\$31.1	\$16.2	\$43.5	\$23.8	\$24.1
Parks staff:									
Full-time	399	313	328	400	640	449	766	471	283
Other (FTE)	205	145	228	NA**	NA	500	223	260	NA
No. of parks	166	125	154	225	180	233	350	205	184
Acres of parks	11,800	3,000	4,806	12,006	7,710	2,566	5,000	6,698	9,400
Community centers	14	16	24	25	8	29	25	20	11
Pools:									
Covered	1	1	5	1	0	1	9	2.6	3
Seasonal	32	4	45	11	13	34	1	20	11
Tennis courts	106	106	134	140	19	NA	200	118	110
Ball fields	32	102	186	145	144	128	185	133	202
Golf courses	4	2	7	5	3	1	7	4	4

SOURCE: Survey of cities conducted by Audit Services Division staff; population data from 1990 U. S. Census.

\* Average excludes Portland

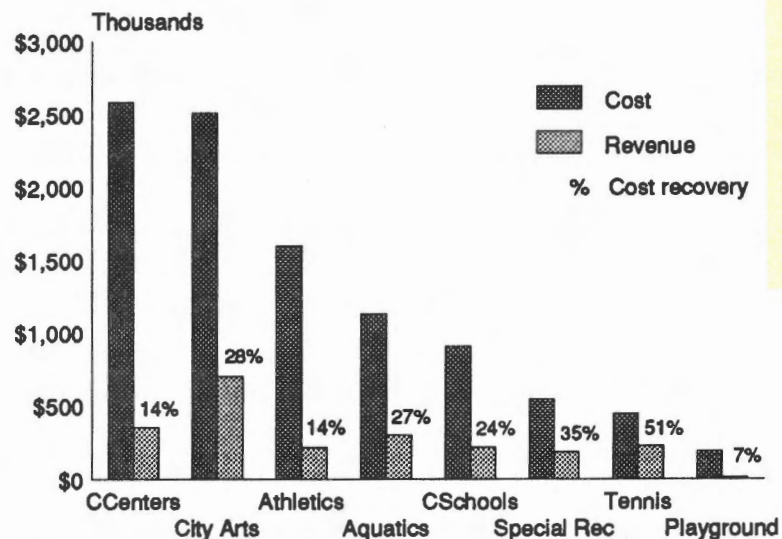
\*\* NA - information not available



## Appendix B Recreation Program Cost and Participation Information

Our study of Bureau recreation programs shows that recreation services cost \$9.9 million in FY 1988-89. The Bureau recovered 22% of this cost (\$2.2 million) through fees and charges. As shown in Figure 6, cost recovery rates ranged from a high of 51% in tennis to a low of 7% in summer playgrounds. The most heavily subsidized program was community centers, which received \$2,232,000.

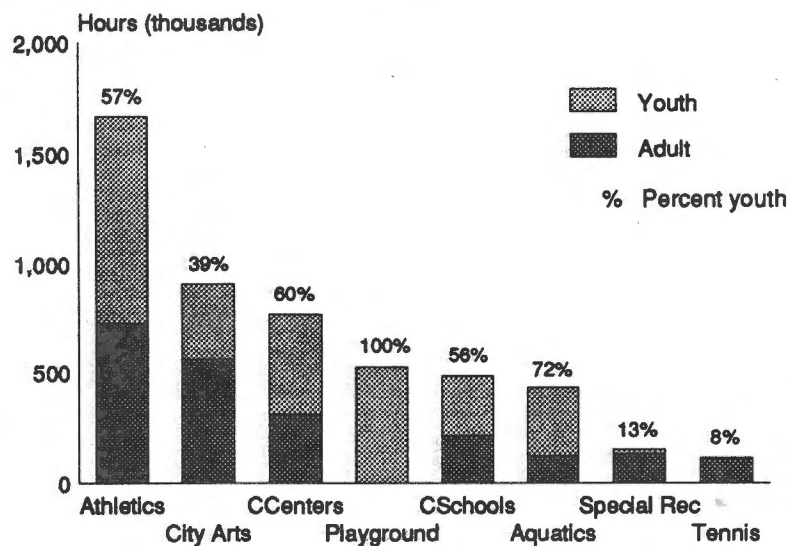
**Figure 6 Recreation Program Costs and Revenues**



SOURCE: City FMS reports and auditor analysis.

There was a total of 5 million participation hours in all Bureau recreation programs during FY 1988-89. As shown in Figure 7, athletics had the highest participation with 1.7 million participant hours, more than twice as many as any other program. Tennis (113,200 hours) and special recreation (133,000 hours) had significantly fewer hours than the other programs.

**Figure 7 Recreation Participation Hours**



SOURCE: Bureau attendance reports and auditor analysis.

The Bureau places a high priority on services to youth. Our study indicates that 57% of recreation participants during FY 1988-89 were youth. The programs achieving the highest rate of youth participation were summer playgrounds (100%) and aquatics (72%), while tennis (8%) and special recreation (13%) had the lowest youth participation rates. Athletics had 944,000 hours of youth participation,

more than twice as many as any other program.

Our study also revealed significant variation among sites within the same program (see table beginning on page 47). For example, cost recovery at community centers ranged from a low of 5% at University to a high of 25% at Hillside. Participation hours at community centers ranged from a low of 19,100 at Woodstock to a high of 124,200 at Dishman. Percent of youth participation ranged from 32% at Overlook to 87% at Peninsula.

At community schools, cost recovery ranged from a low of 5% at Whitaker to a high of 51% at Alameda. Participation at community schools ranged from a low of 8,000 hours at Parkrose to a high of 81,900 hours at Markham. Percent of youth participation ranged from 22% at MLC to 87% at Bridlemile.

We draw no conclusions about the relative efficiency or effectiveness of various programs or locations in terms of cost recovery or youth participation. Programs and sites vary significantly in the types of activities offered and in the size and nature of physical plant. For example, facilities that provide a number of classes to low-income youth will probably have higher costs per participant hour and lower recovery rates than a facility that is used primarily as a meeting place for neighborhood activities. Similarly, locations that have special recreation facilities such as gyms, weight rooms, or roller rinks may have higher participation rates than locations with fewer recreational alternatives.

We could not correlate cost recovery rates to either high adult participation or to low-income neighborhoods. Cost recovery is dependent largely on the type of activities offered at each facility and their individual fee schedules rather than the types of participants. Because costs and revenues were not available at the activity level, we could not analyze

cost recovery rates.

However, the information contained in this appendix is a valuable starting point for evaluations of efficiency and effectiveness of recreation activities. While deviations from average cost recovery rates and participation levels may be appropriate, they could also point to potential opportunities for changes in service delivery and administration. Also, the data could be used as a benchmark for future cost and participation goal planning.

# Recreation Costs, Revenues, and Participation

Fiscal Year 1988-89

Operating Costs and Revenues					Participant Hours			
Cost	Revenue	% Cost Recovery	Net Cost		Youth	% Youth	Adult	Total
<b>COMMUNITY CENTERS</b>								
Dishman	\$291,100	\$27,400	9%	\$263,700	62,100	50%	62,100	124,200
Fulton	135,400	20,800	15%	114,600	32,000	60%	21,400	53,400
Hillside	221,200	55,200	25%	166,000	40,900	86%	6,600	47,500
Montavilla	209,700	24,500	12%	185,200	38,400	63%	22,800	61,200
Mt. Scott	375,000	78,300	21%	296,700	47,600	49%	48,600	96,200
Overlook	115,200	24,000	21%	91,200	21,600	32%	46,600	68,200
Peninsula	296,500	17,200	6%	279,300	69,700	87%	10,800	80,500
Sellwood	296,500	49,600	17%	246,900	48,200	66%	24,800	73,000
St. Johns	248,500	15,500	6%	233,000	34,000	66%	17,400	51,400
University Park	270,300	14,200	5%	256,100	54,700	60%	36,900	91,600
Woodstock	127,100	28,000	22%	99,100	8,300	43%	10,800	19,100
Totals	\$2,586,500	\$354,700	14%	\$2,231,800	457,500	60%	308,800	766,300
<b>COMMUNITY SCHOOLS</b>								
Abernethy	\$50,800	\$8,600	17%	\$42,200	13,000	56%	10,100	23,100
Alameda	67,300	34,200	51%	33,100	13,100	55%	10,900	24,000
Atkinson	58,100	15,900	27%	42,200	9,600	44%	12,400	22,000
Bridlemile	55,000	12,900	23%	42,100	46,800	87%	7,300	54,100
Brooklyn	49,900	7,200	14%	42,700	19,200	70%	8,100	27,300
Gregory Heights	57,000	11,400	20%	45,600	9,300	53%	8,300	17,600
Irvington	54,000	11,100	21%	42,900	9,000	61%	5,800	14,800
Markham	72,200	26,000	36%	46,200	44,900	55%	37,000	81,900
MLC	62,700	24,500	39%	38,200	9,600	22%	33,400	43,000
Mt. Tabor	62,700	21,100	34%	41,600	21,700	60%	14,300	36,000
Ockley Green	46,200	5,100	11%	41,100	13,400	67%	6,500	19,900
Parkrose	52,300	5,200	10%	47,100	4,900	61%	3,100	8,000
Portsmouth	51,800	3,800	7%	48,000	8,500	66%	4,400	12,900
Scott	61,200	15,500	25%	45,700	26,200	54%	22,600	48,800
Sunnyside	57,700	13,500	23%	44,200	3,200	25%	9,700	12,900
Whitaker	45,800	2,400	5%	43,400	17,500	49%	17,900	35,400
Totals	\$904,700	\$218,400	24%	\$686,300	269,900	56%	211,800	481,700

(continued)

Operating Costs and Revenues					Participant Hours			
	Cost	Revenue	% Cost Recovery	Net Cost	Youth	% Youth	Adult	Total
<b>ATHLETICS</b>								
Softball	N/A	N/A		N/A	267,800	32%	562,500	830,300
Baseball	N/A	N/A		N/A	344,200	92%	28,800	373,000
Football	N/A	N/A		N/A	44,000	66%	23,000	67,000
Soccer	N/A	N/A		N/A	136,900	100%	0	136,900
Basketball	N/A	N/A		N/A	87,700	53%	76,800	164,500
Volleyball	N/A	N/A		N/A	12,200	30%	28,800	41,000
Wrestling Fitness	N/A	N/A		N/A	1,500	100%	0	1,500
Sports Fitness	N/A	N/A		N/A	36,000	100%	0	36,000
Fencing	N/A	N/A		N/A	3,000	100%	0	3,000
Badminton	N/A	N/A		N/A	1,000	32%	2,100	3,100
Track & Field	N/A	N/A		N/A	8,300	73%	3,000	11,300
Cross Country	N/A	N/A		N/A	1,600	100%	0	1,600
<b>Totals</b>	<b>\$1,596,800</b>	<b>\$216,400</b>	<b>14%</b>	<b>\$1,380,400</b>	<b>944,200</b>	<b>57%</b>	<b>725,000</b>	<b>1,669,200</b>
<b>AQUATICS (Pools)</b>								
Abernethy	N/A	N/A		N/A	N/A	N/A	N/A	N/A
Buckman	N/A	N/A		N/A	21,600	57%	16,000	37,600
Columbia	N/A	N/A		N/A	64,900	58%	46,800	111,700
Creston	N/A	N/A		N/A	18,800	80%	4,600	23,400
Dishman	N/A	N/A		N/A	11,400	92%	1,000	12,400
Grant	N/A	N/A		N/A	33,500	82%	7,500	41,000
MLC	N/A	N/A		N/A	11,600	41%	16,700	28,300
Montavilla	N/A	N/A		N/A	24,500	83%	5,000	29,500
Mt Scott	N/A	N/A		N/A	26,600	84%	5,200	31,800
Peninsula	N/A	N/A		N/A	8,000	84%	1,500	9,500
Pier	N/A	N/A		N/A	19,100	81%	4,500	23,600
PCC/Sylvania *	N/A	N/A		N/A	6,100	100%	0	6,100
Sellwood	N/A	N/A		N/A	28,300	82%	6,300	34,600
Wilson	N/A	N/A		N/A	29,600	82%	6,600	36,200
Woodlawn	N/A	N/A		N/A	5,000	100%	0	5,000
<b>Totals</b>	<b>\$1,125,500</b>	<b>\$302,900</b>	<b>27%</b>	<b>\$822,600</b>	<b>309,000</b>	<b>72%</b>	<b>121,700</b>	<b>430,700</b>

\* Use of the PCC/Sylvania pool is limited to lessons on Saturdays and is not considered a Bureau-operated facility.

(continued)



Operating Costs and Revenues					Participant Hours			
	Cost	Revenue	% Cost Recovery	Net Cost	Youth	% Youth	Adult	Total
<b>TENNIS</b>								
Portland Center	\$311,500	\$180,700	58%	\$130,800	7,700	8%	92,300	100,000
St. Johns Center	135,500	47,200	35%	88,300	1,200	9%	12,000	13,200
Totals	\$447,000	\$227,900	51%	\$219,100	8,900	8%	104,300	113,200
<b>SPECIAL RECREATION</b>								
Outdoor Rec.	\$216,600	\$146,600	68%	\$70,000	14,200	16%	76,900	91,100
Disabled Citizens	173,800	11,800	7%	162,000	5,900	30%	13,600	19,500
Senior Citizens	150,200	30,100	20%	120,100	0	0%	40,900	40,900
Totals	\$540,600	\$188,500	35%	\$352,100	20,100	13%	131,400	151,500
<b>CITY ARTS</b>								
Outdoor Events	\$89,900	\$45,200	50%	\$44,700	15,400	25%	46,300	61,700
Childrens Museum	578,300	144,800	25%	433,500	85,000	70%	37,200	122,200
Comm. Music Ctr.	208,600	51,400	25%	157,200	21,500	54%	18,200	39,700
Mult. Art Center	419,200	200,500	48%	218,700	59,400	25%	174,500	233,900
Performing Arts	836,400	97,400	12%	739,000	103,300	55%	86,000	189,300
Pittock Mansion	377,400	158,100	42%	219,300	65,300	25%	196,000	261,300
Totals	\$2,509,800	\$697,400	28%	\$1,812,400	349,900	39%	558,200	908,100
<b>SUMMER PLAYGROUNDS</b>								
Totals	\$191,500	\$13,000	7%	\$178,500	522,000	100%	0	522,000
<b>ALL RECREATION PROGRAMS</b>								
Grand Totals	\$9,902,400	\$2,219,200	22%	\$7,683,200	2,881,500	57%	2,161,200	5,042,700

(continued)

**NOTES:**

**Net Cost = Costs minus revenues**

**N/A = Data not available**

**Sources for data presented:**

1. Costs were obtained from the City's accounting system (FMS). Support costs such as Bureau administration, facilities and grounds maintenance, and capital improvements were allocated as follows: a) Bureau administrative overhead was allocated to each program based on its share of total direct costs; b) the FMS contained gross facilities maintenance cost figures for recreation, and we allocated these costs to individual programs based on their share of total direct recreation costs; c) allocation of Bureau grounds maintenance costs were made by multiplying labor hours at specific sites (per the Bureau's MMS) times the Bureau's billing rate for grounds labor; and d) capital improvement costs were adjusted by using a five-year annual average and allocating a proportionate share of these costs to each program site.
2. Revenue figures were obtained from the City's FMS records.
3. Participation data for most programs were obtained from weekly attendance reports. Because attendance reports were not maintained in a consistent manner, we interviewed program staff for clarification of the data. There were some inconsistencies in the data. For example, some participants were double counted by both athletics and community schools and by both athletics and aquatics. In addition, we found that community school participation statistics included events sponsored by public schools, not the Bureau, and that no participation data were maintained for Abernethy Pool.

Participation in athletics was estimated based on the number and size of teams playing in each sport. Participation at the City's two tennis centers was estimated by the Bureau's tennis director. Included in Portland Tennis Center numbers are 50,000 hours in structured tennis activities at outdoor tennis courts located throughout the City (e.g., Washington Park and Grant High School).

# Response to the Audit

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# CITY OF PORTLAND BUREAU OF PARKS AND RECREATION


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PORTLAND, OREGON 97204-1933  
(503) 796-5193



MIKE LINDBERG, Commissioner

CHARLES JORDAN, Director

## MEMORANDUM

**DATE:** August 6, 1991  
**TO:** Barbara Clark  
City Auditor  
**FROM:** Charles Jordan, Superintendent   
**SUBJECT:** Auditor's Office Report on the  
Bureau of Parks and Recreation

Thank you for the opportunity to comment on the recently completed Auditor's Office report on the Bureau of Parks and Recreation entitled "Opportunities to Enhance Services through Improved Management." On behalf of the Bureau, I am pleased to have the results of your comprehensive study and welcome the analysis and recommendations contained within it.

The report identifies several management challenges, and provides a useful analysis of Bureau operations. The independent research conducted by the Auditor's Office confirms and reinforces many of the Bureau's stated needs and objectives while providing additional insight and documentation. In general, Bureau management agree with and support many of the conclusions reached by the Auditor's Office.

The report acknowledges the complexity of Bureau operations and the challenges inherent in meeting competing and growing recreation demands with fewer full-time staff. The information collected on Bureau budget, staffing trends and the rise in employee costs above inflation is of value to Bureau management and staff, setting a larger comparative context for Bureau decisions.

The report identifies the increased workload resulting from the Bureau's aging park system, and substantiates the Bureau's identified FY 91-92 budget priority to focus resources on infrastructure preservation. The need for a more comprehensive and quantifiable approach to setting recreation program goals and fees is well defined in the report, providing the Bureau with specific recommendations concerning management information requirements and collection of participant and cost recovery data. Improving Bureau-wide information technology systems capability and applying data to management decisions supports the recent work of the Bureau's Automation Steering Committee and provides specific suggestions for the Bureau to incorporate into the Automation Plan.





Audit report findings and recommendations are already being utilized for objective analysis and conclusions about the Bureau and its management opportunities. Information provided in the audit report is now being incorporated into the final version of the Request-for-Proposal to implement the Bureau Automation Plan. Suggestions for improving cost recovery and participant data collection are being integrated with current revisions to the City's Integrated Business Information System (IBIS) center codes.

The Auditor's findings are also being reviewed in the context of completing the final Futures Report for consideration and approval by the City Council later this year. Observations concerning the Bureau's capital process are being incorporated into the proposed internal revisions to the Bureau's capital improvement process now underway.

These examples demonstrate the Bureau's ongoing commitment to identify and address its management challenges through a variety of means, including information resulting from periodic reviews conducted by the Auditor's office. This next section summarizes the major findings in the Auditor's report and highlights the Bureau's response to them.

**CLEARER GOALS AND PRIORITIES NEEDED** - The Auditor's report suggests that the Park Futures master plan more clearly identify capital spending priorities. This point is well taken. The available data is viewed as a major source of decision-making information that should be combined with the actual operating and maintenance costs and experience of Bureau management and staff serving the public. The Bureau intends to more closely rely upon all of these sources of information and to tighten the decision-making process used for identifying capital priorities. The Bureau agrees it is critical that its short and long-term capital expenditure priorities be more focused and that management and budget decisions are consistent with the achievement of identified priorities.

In the final version of the Park Futures report, language will be clarified to convey that the master plan is intended to serve as the general framework and guide for the Bureau's capital spending. The language of the plan will also be revised to clearly communicate the Bureau's intent to preserve enough flexibility in its capital spending to take advantage of unforeseen opportunities. The Bureau has and will continue to make conscious choices to allocate resources that improve or enhance the park system through partnerships with others, thereby leveraging various funding sources for the benefit of the public good and the system as a whole.

The Bureau is in agreement with the report's stated need to establish policies on recreation fees and quantifiable service and financial recreation goals. Prompted by the passage of the





property tax limitation measure, the Bureau revised its fee policy and structure by comparing the value of its property and facilities to other like jurisdictions and businesses. More analysis is planned to refine the recreation fee policy, especially with the benefit of a year of operating with increased fees. From the Bureau's perspective, such analysis should include cost recovery guidelines by program area and location, allowing for flexibility and diversity at the local community center, school and neighborhood level.

The need to collect, analyze and apply recreation participation and cost data to management decisions is understood and supported by the Bureau. The Bureau's initial attempt to collect this and other detailed information proved to be too cumbersome and is now being simplified. Current Bureau efforts to consolidate reporting and data collection for youth, cost recovery and other facets of Bureau activities are generally in keeping with the conclusions of the Auditor's report.

In addition, the Auditor's report seems to imply that recreation participation rates and cost recovery rates should be relied upon to measure program effectiveness. The Auditor's report further implies that the Bureau ought to "set goals for the number and percent of youth, adult or other service groups they wish to serve . . . ."

The Bureau concurs with the need to improve participation data collection and cost information as one component for evaluating a program's effectiveness. A target percentage of the population reached may provide useful information as would the rate of cost recovery by location. However, the Bureau adheres to a philosophy that such data must be combined with the program knowledge and actual experience of Bureau staff and recreation participants. This adds factors for program quality and demand for service to any evaluation. When assessing and defining program needs and resource requirements, the Bureau intends to first improve its data collection systems and combine such information with the experience of program staff and management.

**INADEQUATE MANAGEMENT INFORMATION** - The Bureau is largely in agreement with the Auditor's report conclusions and recommendations pertaining to management information needs. Much attention in the report is focused on the shortcomings of the initial maintenance management system. Bureau managers analyzed and made intentional decisions not to proceed with full implementation of the initial maintenance management system for a variety of specific reasons. However, the fact remains that the Bureau is in critical need of improved maintenance information to assist supervisors in identifying priorities, allocating resources and evaluating achievements.



Whereas in the past, information technology needs have been identified and pursued on an individual division or work unit basis, the Bureau Automation Plan identifies Bureau-wide information and data collection requirements and priorities. The Auditor's report acknowledges the Bureau's automation planning efforts and stresses the importance of Bureau management committing the time necessary to clarify and confirm information needs. This is the Bureau's intent.

**MONITORING OF PERFORMANCE CAN BE IMPROVED** - The Bureau endorses the performance monitoring philosophy outlined in the Auditor's report. This philosophy is also consistent with the stated Bureau priority to "invest in employees." For the Bureau to have the most effective programs possible would require instituting new performance standards and measurements to be revisited on an annual basis. The Bureau also supports City-wide adoption of an employee evaluation process for appraising accomplishments and agrees with report conclusions that such a system would help address classic personnel communication, training and accountability issues.

The achievement of all these performance monitoring ends requires investment by all members of the organization, strong management commitment and personnel resources. It is the Bureau's intent to develop such a program internally with input from Bureau employees, benefiting also from the efforts of other City agencies that have adopted this approach.

In conclusion, the Bureau understands that to fully implement the Auditor's report recommendations would require the re-allocation of already overloaded existing resources or the addition of new resources. Some assistance in further identifying the Bureau's resource shortages and defining ways to overcome the obstacles inhibiting the Bureau from accomplishing the report's worthwhile recommendations might have been more thoroughly discussed.

The Bureau appreciates the analysis conducted and the perspectives offered by the Auditor's Office. The report findings and conclusions will serve as a reference for the Bureau as continuing efforts are made to improve the quality of both our internal operations and the parks and recreation services delivered to the public. Thank you.



## **Graphic**

This report was produced using desktop publishing software on IBM compatible personal computers, and a Postscript laser printer. Aldus Pagemaker 4.0 was used to produce the finished product, while Wordperfect 5.1, Corel Draw, Quattro Pro 2.0 and Harvard Graphics 2.10 were utilized to initially enter text, create some table headings and produce graphs/figures.

*Desktop Publishing:* Robert Cowan  
Ellen Jean  
Peter Morris

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