



Audit of the D.C. Department of Parks and Recreation Facility Use and Permit Process

September 30, 2013

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A Report by the Office of the District of Columbia Auditor
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Background

The mission of the Department of Parks and Recreation (DPR) is to enhance the quality of life and wellness of District residents and visitors by providing equal access to affordable and quality recreational services; organize programs, activities and events; and build and maintain safe and beautiful spaces and recreational amenities. In addition, the mission statement provides accessibility to District-owned facilities and spaces equally to residents and visitors.

DPR is tasked with planning, building and maintaining publicly owned recreational facilities in the District and provides quality urban recreation and leisure services for residents and visitors. DPR supervises and maintains area parks, community facilities, swimming pools and spray parks, and neighborhood recreation centers, as well as coordinates a variety of recreation programs including sports leagues, youth development, therapeutic recreation, aquatic programming, outdoor adventures, camping and senior citizen activities. DPR oversees 900 acres of parks and 68 recreational facilities, which includes 25 outdoor pools, 8 spray parks, and 10 indoor pools, all offered with no admission fee for residents of the District. DPR also currently processes permits on behalf of the National Park Services (NPS) for federal-owned parks and recreation sites.

DPR's permit and special services section is responsible for issuing permits for picnic groves, courts, fields, and other outdoor facilities. DPR uses two computerized systems concurrently: Quickbase, used to facilitate permit applications and the Administrative Software and Application (ASAP), used to facilitate payments. The data in ASAP is inputted manually by DPR staff to create an invoice that mirrors the information from the Quickbase permit application.

Permit applications are generally received within a three-week window for each season (fall, winter, spring and summer). The permit applications received within this window are processed based on availability and time of permit application, after satisfying the priority groups that have preference over other applicants. The priority groups are listed in order as follows: DPR programs, D.C. Public and Charter Schools, DPR partners (organizations that have executed a formal DPR agreement), Private Youth leagues and teams, and private Adult Leagues, community organizations servicing both District youth and adults. According to DPR, they also collect team rosters for athletic field permit applications during the three-week

window. Permit applications received during the permitting window are generally considered equally at the end of the window, while permits received after the window are processed on a first come-first serve basis.

DPR offers a variety of programs and activities as well as offering gym memberships. Registration for these programs, activities and gym memberships are completed on-line or in-person. The programs and activities range from yoga classes to fitness memberships for youth, adults and seniors. Applications for programs and memberships completed on-line are completed through ASAP. Applicants can search and register for programs and activities on-line, in addition to creating a user account.

Priority is given to District residents for programs, activities and gym memberships when an activity or class is full and a waitlist is established and there is an inquiry initiated by the applicant on the waitlist.

DPR has gone through three different computerized systems for recording invoice payments since 2009. The initial system, RecWare, was abolished in May 2009; followed by ActiveNet, discontinued in September 2010; and the current ASAP system, implemented in October 2010. The computerized permitting system, Quickbase, was adopted in March 2012. Prior to this adoption, all permits were paper-based and the information was replicated in ASAP. This resulted in a computerization of permit payment records since October 2010 and a computerized record of permit applications since March 2012.

DPR is funded through a combination of local funds, federal dollars, private grants, donations and program, and permit fees.

Objectives, Scope and Methodology

Objectives

The objectives of this audit were to:

- Determine and evaluate the Department of Parks and Recreation (DPR) facilities' use process; and
- Assess the impact of non-residents and non-resident organizations' use on resident and resident organizations.

Scope

The initial audit scope period was fiscal year (FY) 2011 through FY 2012 permit transactions. However, due to the fact that much of the permit application data required for our review for FY 2011 through FY 2012 was from a paper-based era, we expanded the scope period to FY 2013 in order to match DPR's transition to the computerized application processing period for permit application transactions.

Methodology

In conducting the audit, we identified a number of potential governances and criteria for the audit engagement considering the objectives. We reviewed relevant District laws and regulations; analyzed data provided by DPR, and interviewed key DPR personnel such as the Director, Chief of Staff, Constituent and Permit Services Manager, and Permit Officers. We also surveyed Advisory Neighborhood Commissioners (ANCs). The results of that survey are contained at Appendix A.

Specifically and among other DPR pertinent rules, we reviewed 19 DC Municipal Regulation (DCMR) §-725.2, which authorizes DPR to issue permits for the public use of all facilities under the Department's control and 19 DCMR §726.1. For our data analysis, we obtained copies of agency Quickbase and Administrative Software Application (ASAP) reports.

The Quickbase application system report was composed of ten different categories of permit statuses and we limited our sample reviews to three of the total categories, namely the cancelled, issued and denied (space unavailable) categories to determine whether DPR was following its own procedures throughout the permit processing stages.

Our sample review also included evaluations of permits issued for federal-owned parks and recreation spaces and processed by DPR on behalf of the NPS. We also reviewed data for program participation and fitness memberships.

Evidence Limitation

Generally Accepted Government Audit Standards, (2011 Revision) Section 7.15 require government auditors to disclose limitations on audit evidence. The changes in DPR's payment and permit application systems presented a limitation in our audit. Much of the permit application data required for our review for FY 2011 through FY 2012 was from a paper-based era. We expanded the scope period to FY 2013 in order to match DPR's transition to the computerized application processing period for permit application transactions. In addition, we found some data processing errors attributable to human errors¹ and the use of two independent computerized systems, one of which, according to DPR officials, is not designed for a parks and recreation department. According to DPR officials, DPR has recently interviewed a number of prospective vendors in an effort to acquire a single system that is designed for parks and recreation departments and tailored to DPR's needs.

Audit Standards

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

¹ We noted that some of the applicants did not answer the question of residency in the on-line application. These were adjusted to closely reflect address provided in their application.

Audit Results

Based on Analysis of Data Provided by Department of Parks and Recreation (DPR), the Impact on District Residents and Resident Organizations is Low as a Result of District-Owned Facility Use by Non-Residents and Non-Resident Organizations. We found that the Impact on District Residents is Low as a Result of Program and Activity and Gym Membership Use by Non-Residents.

Based on ASAP payment data provided by DPR, there were a total of 6,596 permits issued between FY 2011 and 2013 for facilities as follows:

Figure 1

Description	Permit Issued	Percentage
Applicants indicated a District residency	6,179	94%
Applicants indicated non-District residency	318	5%
Applicants without addresses indicated	99	1%
Total Permits Issued	6,596	100 %

Source: ASAP report from October 2010 through August 2013

Based on Quickbase permit application data provided by DPR, between March 2012 and August 1, 2013, there were 9,500 permit applications submitted. This number included National Park Service (NPS) federal-owned space permit applications totaling 821. We adjusted the total universe by the number of federal-owned spaces, resulting in 8,679 applications submitted for District-owned spaces or facilities.

Figure 2

Residency Status	District Resident	Non Resident	Total
Cancelled	2,142	180	2,322
Issued	1,996	78	2,074
Unavailable	3,445	272	3,717
Other Categories	526	40	566
Total Applications	8,109	570	8,679

²Source: Quickbase Report – March 2012 through August 2013

² This table illustrates permit applications for the (4) categories shown. We noted that some of the addresses and or residency statuses provided were inaccurate or inconsistent with the addresses provided. These were adjusted to closely reflect the total number of applications received from the residents and non-residents based on the addresses provided and/or residency status. Other categories include pending payments, received, under review, etc.)

As stated above, DPR issues permits for (NPS) federal-owned space. Based on Quickbase permit application data provided by DPR, between March 2012 and August 1, 2013, there were 821 permit applications submitted for NPS federal-owned space as follows:

Figure 3 Analysis of National Park Services (NPS) Facilities³

Permit Status	Non-Resident	District-Resident	Grand Total
Cancelled	41	17	58
Issued	280	478	758
Pending Payment	-	4	4
Unavailable	-	1	1
Grand Total	321	500	821

Source: Quickbase Report – March 2012 through August 2013

As stated in our background, DPR will process applications received during a three-week window based on availability and after satisfying the priority groups that have preference over other applicants. The schedules below indicate permits applied for within the seasonal windows allowed by DPR during our audit scope.

Figure 4

	Season	Date Range	District Resident	Non-Resident	Grand Total
Permit Window 1	Fall 2012	6/11/12 6/29/12	490	16	506
Permit Window 2	Winter 2012	9/3/12 9/14/12	177	3	180
Permit Window 3	Spring/ Summer 2013	12/12/12 1/4/13	390	43	433

Source: Quickbase Report – March 2012 through August 2013

³ DPR manages the permits for the National Park Services (NPS) such as picnic areas and NPS athletic fields. The permit fees are set by the NPS and do not distinguish based on residency status. Applications are processed on a first come-first serve basis. Our analysis revealed that 478 District residents were permitted, while only 280 non-residents were permitted.

Lastly, the tables below indicate use of program and activities offered by DPR as well as gym memberships.

Figure 5

Programs and Activities Data by Year

Year	District Resident	Non-Resident	Grand Total
2011	292,081	21,675	313,756
2012	289,381	16,883	306,214
2013	176,320	18,715	195,035

Source: Quickbase Report – 2010 through March 2013

Figure 6

Fitness Membership Data Analysis FY 2011 through March 2013

Membership Description	District Resident	Non-Resident	Grand Total
3-Month Individual Fitness Membership	320	11	331
3-Month Senior Fitness Membership	158	3	161
3-Month Family Fitness Membership	162	1	163
Daily Individual Fitness Membership	372	30	402
Daily Senior Fitness Membership	28	1	29
Daily Resident Family Fitness Membership	14	0	14
Monthly Individual Fitness Membership	1,051	40	1,091
Monthly Senior Fitness Membership	193	7	200
Monthly Resident Family Fitness Membership	250	0	250
Yearly Individual Fitness Membership	318	6	324
Yearly Family Fitness Membership	158	2	160
Yearly Senior Fitness Membership	224	4	228
Grand Total	3,248	105	3,353

Source: Membership report received directly from ASAP vendor (FY 2011 and 2012)

In our overall review of the results of the data analyzed, we concluded that the majority of permits issued and/or applications received from residents outweighed the number of applications received or permits issued to non-residents. An analysis of the data on program and activity participation from FY 2011 through FY 2013 and the fitness memberships issued for FY 2011 and FY 2012 indicates that District residents utilized programs, activities and memberships more than the non-residents.

We concluded that any displacement experienced by District residents requesting use of facilities or access to programs, activities, or fitness centers may be a result of the first-come-first-serve policy of DPR on processing applications. Consequently, a non-resident may potentially be allocated a space if they applied for a permit or registered for a program or activity ahead of a District resident. DPR does not go back and rescind an approved application simply because a resident requires that same space for the same date and time.

Audit Recommendations

As discussed above, we determined that it appears the impact on District residents and resident organizations is low as a result of District-owned facility use by non-residents and non-resident organizations. We further determined that it appears the impact on District residents is low as a result of program and activity and gym membership use by non-residents. We further assessed the respective processes and they appear reasonable except processes for verifying residency for individual applicants and athletic teams.

- 1. We recommend that DPR establish a system that will assist in ensuring that residency status is accurately submitted for on-line applications and that the appropriate fees are collected by requiring on-line applicants to attest to the truthfulness and accuracy of information provided.**

The Government Accountability Office (GAO) Standards of Internal Control state that “Internal control should generally be designed to assure that ongoing monitoring occurs in the course of normal operations.” Internal controls also serve as additional procedures designed to facilitate detection of errors, intentional or unintentional, in a timely manner.

Following the advent of the computerization of permit applications in Quickbase in March 2012, most applications received by DPR are now on-line applications, although in-person applications are still accepted. While the on-line application requires the applicant to indicate their residency status by selecting a yes or no residency option from a drop-down menu, we noted that DPR does not require a representation of fact or a reminder or notice against misrepresentation of facts or omission of factual material upon completing an on-line application.

Providing false residency information could allow a non-resident to pay the fee established for residents. DPR’s rate structure distinguishes by residency status with non-District residents required to pay more than District residents in fees. Because the applications are accepted on an honor system, DPR stands to lose revenues that would otherwise be collected from non-resident applicants providing false information, possibly displacing a District resident, in addition to compromising data integrity.

While ensuring the validity of residency status indicated on the application form could entail additional processing work, DPR should, at a minimum, require applicants to attest to the truthfulness and accuracy of the application data provided and also commit to provide proof of residency when and if required by relevant personnel. Including such requirements may serve as deterrence to any applicant who may consider providing false information which could potentially displace a District resident and increase the amount of revenue that should be collected.

2. We recommend that DPR consider establishing a system to review and verify adult team rosters submitted for athletic fields and other organized sports and amending Section 1.4 of their policy and procedure manual to establish fees based on composition of teams where applicable.

Section 1.4 of the DC DPR permit policies and regulations states that, “if an applicant is a corporation, organization or other group, the individual completing and signing the permit application must be a legally authorized agent of such a corporation, organization, or group.” While this requirement is valid, it does not assist DPR in determining the residency composition of the group. The GAO, Standards for Internal control in Federal Government states that, “internal control should be flexible to allow agencies to tailor control activities to fit their special needs.”

According to DPR, they collect team rosters for athletic permit applications. We found however that DPR does not have a process to assess fees based on composition of team or organized group rosters. A District resident may be a legal and authorized representative of the group but the group could have a majority of participants who are non-District residents. The rate applied will be that of a District resident and may not reflect the true representation or reflection of what the team or organization as a whole might look like. In that regard, DPR stands to lose revenues.

We determined that a neighboring jurisdiction requires team rosters and stipulates criteria, such as; requiring adult sports groups to at least have 75 percent of the participants as residents. Requiring this information could help ensure that a resident or resident team is not displaced and the correct fees are collected, based upon the composition of the team.

Conclusion

The mission of the Department of Parks and Recreation (DPR) is to enhance the quality of life and wellness of District residents and visitors by providing equal access to affordable and quality recreational services; organize programs, activities and events; and build and maintain safe and beautiful spaces and recreational amenities. DPR's permit and special services section is responsible for issuing permits for picnic groves, courts, fields, and other outdoor facilities. DPR also currently processes permits on behalf of the National Park Services for federal-owned parks and recreation sites.

Based on our analysis of permit data provided by DPR, we determined that it appears the impact on District residents and resident organizations is low as a result of District-owned facility use by non-residents and non-resident organizations. We further determined that it appears the impact on District residents and resident organizations is low as a result of program and activity and gym membership use by non-residents.

While we noted that DPR's current overall permitting processes appear reasonable, we also identified process areas that DPR may need to improve upon, such as the processes for verifying residency for individual applicants and adult athletic teams. DPR does not have a process in place to verify the residency status for on-line permit applications and/or require the applicants to attest to the truthfulness and accuracy of the information provided. We also noted that although DPR requires team rosters in some instances, there is no established process to ensure that fees are assessed based on the residency composition of the team or organized groups, but assessed based on the resident status of the authorized applicant submitting the application who may or may not be a District resident.

Although DPR did not specifically address our findings and recommendations, we expect that DPR will implement the recommendations in our report to improve their residency verification processes.

Sincerely,


Yolanda Branche
District of Columbia Auditor

Agency Response

On September 16, 2013, the Office of the District of Columbia Auditor submitted the draft report titled, “Audit of the D.C. Department of Parks and Recreation Facility Use and Permit Process” for review and comment to the Department of Parks and Recreation (DPR). The Auditor received written comments from the DPR on September 27, 2013. DPR did not specifically address each of the findings and recommendations cited in our report, as requested. Instead, DPR provided a list of agency accomplishments and strategies for moving forward. DPR, however, did agree orally with the findings and recommendations presented during our September 9, 2013 close-out meeting. DPR’s response is included with this report.



Vincent C. Gray
Mayor

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Parks and Recreation

Office of the Director



Jesús Aguirre
Director

TO: Yolanda Branche
DC Auditor

FROM: Jesús Aguirre
Director

TOPIC: Agency Response for the Internal Audit of Permit Process

The mission of the District of Columbia Department of Parks and Recreation (DPR) is to improve the quality of life and wellness of District residents and visitors. We aim to do this by providing high-quality, inclusive programs, activities, and events that are outcomes-based and focused on our constituent's needs.

DPR has been engaged in a transformation recently as we aim to continue achieving our mission while responding to the evolving needs and interests of our constituents.

At the core of our improvements in recent years have been our new agency-wide core values and a revamped programmatic focus.

Our core values will assist us as we work to honor the trust and responsibility placed upon us by the residents of the city. Our programmatic framework will allow us to focus on our efforts and truly provide only the highest quality programs. All programs now must be outcomes based and thus must be able to point to clear objectives towards improving the lives of our customers. Additionally, these outcomes must focus on three areas: health and physical fitness (MOVE), personal growth and enrichment (GROW), and on the environment and sustainability (BE GREEN). Our outcomes-based MOVE, GROW, and BE GREEN programmatic framework will drive our work towards excellence.

As we've worked to transform ourselves into a high-achieving, mission-driven and results focused agency, we've set a new standard for our programs, and continue to successfully implement many, including another recently completed set of summer programs. Attendance at our pools has never been higher and the hundreds of thousands of visitors have been served safely and professionally. We're moving towards a more efficient and effective management structure in community recreation. We've created new divisions to leverage support from outside sources and to help us elevate our focus on parks. We're in the middle of the largest playground construction project in the history of the District, and through it, we are re-framing how play is viewed in DC. In addition, we are building nearly \$70 million in new facilities.

We've also embarked on a process that will guide our decision making over the next 8-10 years through a comprehensive master plan for the agency. This master plan will be different than any other in the nation and truly reflect the uniqueness of our city. Most cities use a master plan to

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discuss what types of buildings to build first, and then decide what programs will be accommodated. Because we are now singularly an agency that provides programs, our programs will drive our master plan.

DPR has also taken on the challenge of aligning itself with the highest performing parks and recreation agencies in the country and we have applied to become nationally accredited. Receiving accreditation from the Commission on Accreditation of Parks and Recreation Agencies (CAPRA) will establish a process by which our agency will continually work to maintain high-quality operations and programs. As we become one of fewer than 5% of agencies in the country who receive this great distinction, we will continue to set a standard of excellence in our industry.

We've also restructured our organization to better respond to our constituents' needs. We've created two new divisions to achieve this, including a new partnerships and development group that will be focused on leveraging outside resources through volunteers, partners, grants and donations, advertising, sponsorships, and other new potential collaborations. We've also established a new focus on outdoor recreation with a new parks division and several new programs focused on sustainability and on the environment and the outdoors.

Our basic operations have also been the focus of a great deal of reform as we strive to better support our sites' ability to provide high-quality programming. We've moved many formerly paper-based systems on line and have revamped our operations to ensure the focus is on serving our sites. Our transportation, IT, stagecraft, facilities, and other logistical support systems now utilize electronic platforms that have improved our responsiveness and operations. One of the key systems we've improved significantly through technology is our permits system. This system was previously managed through a paper permitting process and created many opportunities for error and no opportunities for analytics. Our new system now allows us to more efficiently process, track, and analyze our permitting functions.

DPR will continue our work to ensure that our efforts continue to meet the needs of our customers.

Auditor's Response to Agency Comments

The Auditor appreciates the comments provided by the Department of Parks and Recreation (DPR). Given that DPR did not individually address the findings and recommendations in the report as requested, we expect that DPR will implement the recommendations in our report to improve their residency verification processes. The Auditor stands by the findings and recommendations contained in this report.

Appendix A

We solicited input from Advisory Neighborhood Commissioners through a survey regarding use of facilities in their neighborhoods. The District's Advisory Neighborhood Commissions advise the District government on matters of public policy, including decisions regarding planning, streets, recreation, social services, programs, health safety, and sanitation in their Commission area.

We received 153 responses. All four questions were designed to invite responses pertinent to the main audit objectives. The survey results are as follows:

Survey Summary Results from the Advisory Neighborhood Commissioners

Question #	Question	Response
1	Have any of your residents complained about the adequacy and availability of parks and recreation facilities (pools, gyms, fields, etc., in your neighborhood)?	Yes- 74.51%; No-20.92% and NA-4.58%
2	How would you rate the general use of parks and recreation facilities by both residents and non-residents?	Used Often-54.57%; Occasionally -27.33%; Never- 2.67% and N/A- 6.67%
3	Have you ever received a complaint from a resident about non-residents using parks and recreation facilities in your neighborhood	Yes- 32.03%; No-58.17% and N/A-9.80%
4	Have you ever received a complaint from a resident regarding the process to secure a room, space within a recreation facility, field, etc., in your neighborhood?	Yes- 25.49%; No-53.59% and N/A-20.92%