



DARYL G. PURPERA,
CPA, CFE

Report Highlights

Evaluation of the Recreation and Park Commission for the Parish of East Baton Rouge (BREC)

Audit Control # 40180013

Performance Audit Services • August 2019

Why We Conducted This Audit

House Resolution 59 of the 2018 Regular Session requested an audit of the Recreation and Parks Commission of the Parish of East Baton Rouge (BREC) to examine the economy, efficiency, usefulness, and effectiveness of all studies and contracts entered into by BREC since January 1, 2013, and the progress and need for future funding for current and proposed projects. We also examined other aspects of BREC operations based on legislative input and areas identified during background, including how the agency makes decisions regarding funding and capital improvement projects, its progress toward regaining AZA accreditation for the Baton Rouge Zoo, and its oversight over cooperative endeavor agreements (CEAs).

What We Found

Overall, we found that while BREC initiated improvements to its operations and facilities during calendar years 2013 through 2018, there are areas where BREC should strengthen its operations and oversight.

Specifically, we found the following:

- **Although BREC developed two comprehensive strategic plans for its parks, it did not implement a formal planning process specifically for the Zoo until November 2014. In addition, as cited in both March 2012 and March 2018 AZA accreditation reports, BREC should develop a proactive, written maintenance plan that meets AZA standards and addresses aging infrastructure issues to ensure the Zoo meets modern zoological standards. BREC anticipates the Master Plan for the Zoo will be completed by September 2019, and it will reapply for accreditation in the fall of 2021. However, BREC will need to identify additional funding to fully implement the plan.**
- **Although BREC has established cost recovery targets, it has not yet measured whether its programs meet these targets due to limitations in its current accounting system. Measuring whether its programs meet cost-recovery targets is important because these targets set a goal for the level of subsidy that should be provided to programs and which programs should charge fees to recover costs.** According to BREC, the primary reason it has not measured whether programs meet cost recovery targets is because it cannot allocate direct and indirect costs to individual parks and programs until its new accounting software, which is in its planning phase, is implemented.



Continued on next page

Evaluation of the Recreation and Park Commission for the Parish of East Baton Rouge (BREC)

What We Found (Cont.)

- **BREC spent approximately \$55 million on capital improvement projects during calendar years 2015 through 2018. However, it has not yet finalized procedures on how to manage these projects and did not have documented and consistent criteria for prioritizing projects until 2019.** Using consistent and documented criteria for prioritizing capital improvement projects is important because criteria provides formal and documented rationale to taxpayers on how BREC makes project and funding decisions.
- **Although BREC has developed contracting policies and procedures, these policies do not require that it document the need for contracts prior to their execution and do not specify how contracts should be monitored.** Because BREC spent \$26.3 million on contracts between calendar years 2017 and 2018, it is important that it has a documented process to ensure services are needed and received.
- **BREC should strengthen its oversight of the CEAs it establishes with fundraising foundations and other entities, such as sports leagues. BREC does not track or monitor these agreements to ensure that the terms of the agreement are updated and comply with policy.** Monitoring CEAs is important because these agreements must specify how BREC is receiving at least an equivalent value in goods and services.