



Office of the City Auditor

CONSENT CALENDAR
March 7, 2006

To: Honorable Mayor and
Members of the City Council

From: Ann-Marie Hogan, City Auditor

Subject: Limited Tuolumne Camp Staff Review

RECOMMENDATION

Request the City Manager to report back before the end of December 2006 regarding the implementation status of each of the City Auditor's recommendations in the attached report, Limited Tuolumne Camp Staff Review, and to continue to report back every six months thereafter, until all recommendations have been implemented.

SUMMARY

A performance review was conducted to determine if the work arrangement for two City employees at the City's Tuolumne Camp program was appropriate. One of the employees is a full-time, career Recreation Coordinator who has been responsible for the Tuolumne Camp program operations since 1986. The other employee is his wife, who was a part-time, hourly Recreation Activity Leader with the City until February 2005 and has worked summers at Tuolumne Camp since 1986. During the summer of 2005 she worked at Tuolumne Camp as a seasonal, daily-rated Assistant Camp Manager.

The following concerns were identified during the review:

Recreation Activity Leader / Seasonal Assistant Camp Manager

- Permitted to work from home (practice discontinued February 2005) even though the City does not have a program that permits employees to work from home. (Finding 1)
- Supervised by her husband, without the required written approval to do so from the City Manager. (Finding 1)
- Until the summer of 2005, appeared to be earning much more than other camp staff performing similar duties according to job descriptions. It also appears she was performing duties beyond the scope of her job description. (Finding 1)
- Permitted to work significantly more hours each week during the summer than documented City policy allows. (Finding 1)

Recreation Coordinator

- It appears his job classification and job description do not recognize the true nature of his job, and its unique duties and responsibilities. (Finding 2)

FISCAL IMPACTS OF RECOMMENDATIONS

When the Human Resources Department determines what the proper job classification and job description is for the Recreation Coordinator, his wages may increase or decrease, as appropriate.

If the former hourly Recreation Activity Leader works each summer at Tuolumne Camp as a seasonal Camp Activity Supervisor instead of an hourly Recreation Activity Leader, the City will realize a savings of approximately \$97 each day she works, or about \$6,500 each camp season.

RATIONALE FOR RECOMMENDATIONS

The audit report contains three audit findings and five recommendations. The recommendations are intended to resolve the concerns identified above in the SUMMARY.

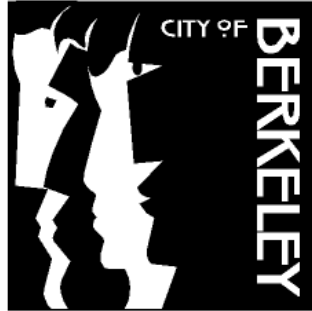
CONTACT PERSON

Ann-Marie Hogan, City Auditor, 981-6750

Attachments:

1: Limited Tuolumne Camp Staff Review

City of Berkeley



Limited Tuolumne Camp Staff Review

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Presented to Council on March 7, 2006

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Limited Tuolumne Camp Staff Review
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I. OBJECTIVE

The objective of this review was to determine if the work arrangement for two City employees in the City's Tuolumne Family Camp program was appropriate.

II. SCOPE AND METHODOLOGY

The scope of this performance review was limited to two Parks, Recreation and Waterfront (PRW) employees who have been employed with the City since approximately 1986. One of these employees is a career Recreation Coordinator; the other (his wife) was an hourly Recreation Activity Leader, who recently became a seasonal Assistant Camp Manager. The review focused primarily on their employment with the City during calendar years 2003 – 2005, including corrective action taken by PRW management during 2005. The review began as an inquiry. It later evolved into a very limited scope review. Information to complete the review was obtained primarily through:

- Discussion with management in PRW, Human Resources (HR), and the City Manager's Office, as well as staff and management in the Payroll Audit Division of the Auditor's Office.
- A limited review of payroll and payroll related records.

Audit work concluded when management acknowledged concerns identified during the review. This review was initiated by the Auditor's Office. The review began January 10, 2005, and concluded August 22, 2005.

The procedures for this review were not designed specifically to detect fraud; however, they were designed to identify questionable practices and weaknesses in policies and procedures that could allow fraud or abuse to occur and go undetected during the normal course of business. Audit work was performed in accordance with Generally Accepted Government Auditing Standards and was limited to those areas specified in the scope and methodology section of this report.

III. BACKGROUND

Berkeley Tuolumne Camp (Tuolumne Camp) is a 14.5 acre camp owned by the City of Berkeley. The camp is located on the South Fork of the Tuolumne River near the west entrance of Yosemite National Park. The camp consists of 76 tent cabins, an office, and a dining room. Approximately 65 staff run the camp during the summer. The City has operated the camp since 1922.

A full-time, career Recreation Coordinator who has been with the City since 1986 is responsible for year-round Tuolumne Camp program operations. During the off-season, he works in Berkeley at a City office. From mid April through September or October of each year, he largely resides at Tuolumne Camp. The camp has its own water and sewer system. Part of his job while at Tuolumne Camp is monitoring the quality of the camp's drinking water and the proper operation of the sewer system. The Recreation Coordinator reports to the Camps Program Administrator, who in turn reports to the Director of PRW.

The Recreation Coordinator's wife has also worked for the City since approximately 1986. From 1995 until February 13, 2005, she was an hourly, non-career Recreation Activity Leader, authorized to work up to 19 hours a week. Since she was first hired, she has worked summers at Tuolumne Camp. Since the summer of 2001, she worked year round for PRW. The number of hours that she worked each week during the summers at Tuolumne far exceeded the hours she worked the rest of the year. At times she worked for PRW from her home. On February 13, 2005, her employment with the City ended for about four months. On June 19, 2005, she was rehired by PRW to work the summer of 2005 as a seasonal, daily-rated Assistant Camp Manager at Tuolumne Camp.

IV. FINDINGS AND RECOMMENDATIONS

Finding 1 Concerns With the Work Arrangement for a Recreation Activity Leader

There were a number of concerns with the work arrangements for the Recreation Activity Leader who worked each summer at Tuolumne Camp. Most of these concerns were corrected soon before, or during, the course of this review.

1. PRW management inappropriately allowed this employee to work from home. The City does not have a policy permitting employees to work from home. Also in question is whether the Recreation Activity Leader could perform her job duties effectively from home. The job description states that her duties include the organizing, coordinating, and leading of a wide variety of indoor and outdoor recreation activities at City parks, playgrounds, and recreation centers. The Director of PRW stated that while this employee was working from home, she was "...likely to be performing duties beyond her job classification." He stated that this employee's last work-at-home assignment was advising on the design for a new Tuolumne Camp Nature Center and working on Tuolumne River issues. Both of these assignments appear to be beyond the scope of this employee's job description. According to the Camps Program Administrator, this employee was allowed to work at home intermittently over the years. The work at home situation ended on February 13, 2005, when this individual was terminated as a Recreation Activity Leader. On August 22, 2005, the Director of PRW stated this employee would not be rehired as a Recreation Activity Leader nor be allowed to continue to work from home. According to the Director of PRW, this policy took effect

coincidentally with the end of her employment with the City on February 13, 2005.

2. This employee's husband indirectly, and sometimes directly, supervised her over the past several years while she was working summers at Tuolumne Camp. The City's Near Relative Policy (Administrative Regulation 2.12) does not permit this type of working relationship without the prior written approval of the City Manager. This approval was not obtained. This policy exists so that family members cannot be given special treatment, and because it increases the risk of collusion or fraud. The husband, a Recreation Coordinator, completed a Near Relative Notification form as required; however, the completed form only reported that he and his wife had the same supervisor. The PRW and HR directors agreed that the Recreation Coordinator should properly complete a "Near Relative Notification" form, and the City Manager's written approval should be obtained if this working relationship is to be allowed to continue.
3. This employee was paid 40 hours per week as an hourly Recreation Activity Leader while working summers at Tuolumne Camp. The following concerns were identified with this arrangement:
 - a. Other camp employees appeared to be performing similar work and were paid a much lower daily rate. For example, effective July 4, 2004, the Camp Activity Supervisor was authorized to be paid up to \$62.50 per day. However, the Recreation Activity Leader was being paid \$20.04 per hour (\$160.32 per day) and generally worked 40 hours per week during the summer months. The difference equates to her receiving approximately an additional \$6,500 in summer wages. Other than the Recreation Coordinator, this employee was the only employee at the camp who was not being paid a daily rate. On June 19, 2005, (2005 Tuolumne Camp season) this employee was rehired by PRW as a seasonal, daily-rated Assistant Camps Manager, not as an hourly Recreational Activity Leader, as in years past. The Director of PRW stated that if this individual works at Tuolumne Camp in the future, she would again be hired as a daily camp employee and not as an hourly employee.
 - b. Payroll records indicate this employee was authorized to work no more than 19 hours per week as an hourly Recreation Activity Leader. However, a review of payroll records for calendar years 2001 to 2004 found that from June through mid September each year, she generally worked 40 hours a week at Tuolumne Camp. This non-compliance with procedures resulted in the employee earning significantly more wages than documented policy allows. This condition was corrected in June 2005 when she was rehired as an Assistant Camps Manager and paid a daily camp rate like other seasonal camp staff. However, the Director of PRW stated that the condition that had existed with the Recreation Activity Leader continues to exist with other part-time staff in PRW. He further stated this was happening because the City didn't have an efficient mechanism for pre-approving some part-time employees to exceed their usual not-to-exceed hours

(up to full-time) in order to meet program demands for short durations of time, such as occurs during the camp season. The Director of HR stated his department would modify the current procedures so that the process for authorizing temporary increases in hours is more efficient.

City Manager's Response

PRW and HR agree with the finding.

Recommendations for PRW

- 1.1 Do not allow the Recreational Coordinator at Tuolumne Camp to directly or indirectly supervise his wife unless:
- He completes a Near Relative Notification form indicating he supervises his wife, and
 - The City Manager gives written approval for the Recreation Coordinator to supervise his wife. This written approval should be kept on file in the HR Department.

City Manager's Response

PRW agrees with the recommendation. PRW will ensure that the Recreation Coordinator correctly completes a "Near Relative Notification" form indicating that he supervises his wife, and obtains the City Manager's written approval to do so before his wife is hired to work at Tuolumne Camp. The completed form and City Manager approval will be submitted to Human Resources for their files by May 1, 2006.

Recommendation for PRW and HR

- 1.2 Establish and implement written policies and procedures in PRW that:
- Do not permit a part-time employee to work more hours than documented City policy allows.
 - Do not permit an employee to work from home unless the City implements a work-at-home program, and all criteria for working at home are met.
 - Ensure employees that perform virtually the same duties have the same job title and are paid the same wage.
 - Instruct PRW managers to:
 - Comply with City personnel and payroll policies and procedures, and
 - Work with the HR Department and the City Attorney's Office to resolve personnel and payroll problems that can't be resolved by following existing City policies and procedures.

City Manager's Response

PRW and HR agree with the recommendation. Effective immediately, PRW will not permit part-time employees to work more than the hours authorized; will ensure that employees performing virtually the same duties have the same job title and are paid the same wages; and require managers to comply with City personnel and payroll policies and procedures.

PRW will also work with the HR Department to develop criteria and guidelines to allow designated camp staff to work off site on designated job assignments when the camps are closed. Until such procedures are instituted employees will not be permitted to work off site. All of the above policies and procedures will be established, documented, and implemented by September 1, 2006.

Recommendation for HR

- 1.3 Develop and make available to City staff written policies and procedures that define the appropriate mechanism for authorizing all part-time PRW employees to temporarily exceed their usual not-to-exceed hours (work up to full-time as needed) for short durations of time, such as the camp season.

City Manager's Response

HR and PRW agree with the recommendation. HR will develop and make available to City staff policies and procedures that define the appropriate mechanism to be used for authorizing all part-time PRW employees to temporarily exceed their usual not-to-exceed for short durations of time. The mechanism to make this process more efficient will be implemented by June 2006.

Finding 2 Job Classification / Job Description Appears Inappropriate for the Employee That Runs Tuolumne Camp

The current and prior Director of PRW, and the Director of HR, stated that the job classification and job description for the Recreation Coordinator who manages the Tuolumne Camp does not appear to fully recognize the true nature of his job and its unique duties and responsibilities. They agreed that HR should review this position and that an appropriate job classification should be created.

Having an employee in a job classification with a job description that does not recognize the position's actual duties and responsibilities can have negative consequences. For example, it may become unclear to the employee, or the employee's supervisor, what duties the employee was hired to perform, or is qualified to perform. Additionally, an employee's wages (compensation paid) and wage structure (hourly, salaried, or daily compensation structure) may not be competitive or appropriate for the work actually being performed.

City Manager's Response

PRW and HR agree with the finding.

Recommendation for HR

- 2.1 Complete a study of the duties and compensation for the Recreation Coordinator position at Tuolumne Camp. Include a comparative study of similar positions in other cities and counties. Based on the results, establish an accurate job classification, job description, and competitive wage for this employee.

City Manager's Response

PRW and HR agree with the recommendation. A study of the duties and compensation for the Recreation Coordinator position at Tuolumne Camp will be completed by September 30, 2006. Based on the results, an accurate job classification, job description, and competitive wage determination for this position will be completed by November 30, 2006.

Finding 3 Job Descriptions for Seasonal Camp Positions Are Not Available or Are Outdated

The job descriptions for the Camp Manager and Camp Maintenance Supervisor positions were not available in HR. The Director of HR stated that there were no job descriptions for several camp positions and the last time the HR Department reviewed them was during fiscal year 1983/1984. He further stated that several camp job descriptions had been written in the late 1940s to early 1950s and had been thrown out because they were outdated. Without accurate job descriptions, it can become unclear what duties seasonal camp employees are being hired to perform.

City Manager's Response

PRW and HR agree with the finding.

Recommendation for PRW and HR

- 3.1 Create or update job descriptions for all seasonal camp positions, and post them on the appropriate City website.

City Manager's Response

PRW and HR will work together to create and update descriptions for all seasonal camp positions, and post them on the City's website by October 31, 2006.

V. CONCLUSION

Special work arrangements for two Tuolumne Camp employees were permitted that were not in compliance with City policies and procedures, or were questionable. To maintain public trust in the City as a fair and impartial employer, the PRW Department must follow the proper protocol for addressing personnel and wage issues. When a question arises as to whether an employee is working under the proper job classification or is not being appropriately compensated for duties being performed, these issues should be brought to the attention of the HR Department for resolution.



PARKS RECREATION & WATERFRONT

Date: February 3, 2006
To: Honorable Mayor and
Members of the City Council
From: Marc Seleznow, Director of Parks Recreation and Waterfront
Subject: Limited Tuolumne Camp Staff Review

As has been the case since the Recreation Division was merged into the Parks and Waterfront Department in 2001, we are committed to continuous improvement, including updating our administrative and operational procedures to be in accordance with City policies and standards, and ensuring that our employees are properly classified and compensated. Our actions to date are evidence of that commitment, and have addressed the most urgent issues. When concerns were brought to our attention in the course of the review the department acted to address them, and as we move into the next camping season further changes to our procedures will be implemented. We will also be working closely with the Human Resources Department in the coming months to address those that remain.

The Parks Recreation and Waterfront Department is also committed to providing an exceptional camping experience at Berkeley Tuolumne Camp for our many customers, as we have done since 1922. The camp is a unique facility in a beautiful setting that serves an average of 275 to 300 guests per day, seven days per week for more than nine consecutive weeks during the summer months. Operating an overnight camp in a remote area far from Berkeley where the guests rely on staff to provide all meals, shelter, bathing and sanitary facilities, and emergency response is both challenging and demanding. Our reward has been the camp's popularity, demonstrated by the fact that in recent years most weeks have sold out prior to the start of the camping season. The camp has also earned a camper satisfaction rating of 4.5 out of 5 in recent years, based on surveys conducted with our patrons. The Parks Recreation and Waterfront Department is proud to provide this facility, and we believe that this review and its outcomes will only strengthen our ability to do so.