REPORT OF

THE

STATE AUDITOR

Division of Parks and Outdoor Recreation Evaluation of Actions Taken on the 2000 Performance Audit as of June 2001 and Vehicle Fleet Issues

July 2001

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July 9, 2001

Members of the Legislative Audit Committee:

This report contains the results of our evaluation of the actions taken by the Division of Parks and Outdoor Recreation in response to our July 2000 performance audit. The July 2000 performance audit contained 11 recommendations. The 11 recommendations and our assessment of the status of their implementation are summarized in the Recommendation Locator. The original audit recommendations and agency responses, as well as the current agency updates and our conclusions on Division's progress, are also included in the report.

This report also contains an audit of the Division's vehicle fleet. The audit was conducted pursuant to Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct audits of all departments, institutions, and agencies of state government. The report presents our findings, one recommendation, and the Division's response to the recommendation.

J. David Barba

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1	8	Open Staunton State Park as soon as possible. The process of opening the park should include adopting a timeline for completing the park's development as well as regular public progress reports.	**Not Implemented.** Projected Implementation 4-6 Years	**Not Implemented.**	--
2	11	Improve accountability for the use of capital construction funds by (a) developing budget to actual reports, (b) adopting consistent expenditure categories within construction projects, (c) adhering to approved plans and budgets, and (d) making recommendations for statutory change.	**In Progress.** Projected Implementation 9/01	**In Progress.**	Senate Bill 01-171 (signed by the Governor in March 2001) addresses the accountability measures recommended in our audit. The Division's first report on project budgets and balances is due to the General Assembly by September 15, 2001.
3	15	Determine whether construction projects can be managed effectively and efficiently using in-house staff or whether alternatives such as outside contractors should be identified and developed.	**In Progress.** Projected Implementation Fiscal Year 2002	**Not Implemented.**	The Division continues to rely primarily on its own staff for overall construction project management. Outside contractors are typically used for design work, surveying, code reviews, and actual construction activities.

July 2000 Recommendation Locator

Division of Parks and Outdoor Recreation
Summary of July 2000 Audit Recommendations

Rec. No.	Page No.	Recommendation Summary	Agency Update	Auditor Assessment	Auditor Comments
4	17	Ensure accountability for controlled maintenance projects and budget requests by defining the types of projects and expenditures allowable within the controlled maintenance category and by limiting the use of the miscellaneous category.	**In Progress.** Projected Implementation July 2001	**In Progress.**	The Division has issued guidelines for allowable expenditures within the controlled maintenance category and has directed financial staff to review for compliance.
5	18	Implement systems for managing construction projects, including project milestones and individual park and regional performance.	**In Progress.** Projected Implementation Fiscal Year 2002	**In Progress.**	The Division has developed a plan for automating its construction project activities including budgets and milestones.
6	20	Ensure the cost-effectiveness of road construction and repair projects by conducting an updated road assessment and by implementing a road construction and repair schedule.	**In Progress.** Projected Implementation May 2002	**In Progress.**	The Division has earmarked $50,000 of its Fiscal Year 2002 budget for a new road survey.
7	21	Ensure the accuracy of concessions' financial records, including reported gross sales, by conducting periodic audits.	**Not Implemented.** Projected Implementation June 2002	**Not Implemented.**	The Division has twice pushed back the implementation date for this recommendation.

July 2000 Recommendation Locator

Division of Parks and Outdoor Recreation
Summary of July 2000 Audit Recommendations

Rec. No.	Page No.	Recommendation Summary	Agency Update	Auditor Assessment	Auditor Comments
8	23	Improve reviews and inspections of concession operations for health and safety purposes by reviewing existing policies, establishing a system that adequately addresses risks, and ensuring that staff properly document reviews and inspections.	**In Progress.** Projected Implementation December 2001	**In Progress.**	The Division is currently reviewing/revising its concession manual and is to include relevant performance objectives in future performance plans for park management.
9	24	Improve the price approval process by documenting the comparisons made and the factors considered in approving or denying concessionaires' requests.	**Implemented.**	**Implemented.**	
10	26	Develop a concession fee methodology that is appropriate, equitable, and efficient to administer.	**Partially Implemented.** Projected Implementation December 2001.	**Partially Implemented.**	The Division has begun to review individual concession's fees but has not undertaken a comprehensive review of its fee structure. It seems unlikely that such a review will be completed by December 2001.

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Division of Parks and Outdoor Recreation
Summary of July 2000 Audit Recommendations

Rec. No.	Page No.	Recommendation Summary	Agency Update	Auditor Assessment	Auditor Comments
11	27	Improve competition for concession contracts and enhance bid solicitation processes by (a) reviewing and modifying existing policies and procedures, (b) developing a system for compiling and disseminating the names of potential bidders among all four regions, (c) reducing the length of concession contracts, and (d) ensuring that staff document the RFP and contract award processes.	**Partially Implemented.** Projected Implementation December 2001.	**Partially Implemented.**	This recommendation is close to being fully implemented.

July 2001 Recommendation Locator

Division of Parks and Outdoor Recreation
Vehicle Fleet Issues

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
1	35	Adopt a fleet management program that provides assurances about fleet operations by (a) using programmatic needs rather than FTE as the basis for vehicle requests, (b) adopting formal policies and procedures to justify fleet requests, (c) including fleet management issues within the annual park planning process, and (d) evaluating opportunities for intra-departmental sharing of seasonal vehicles.	Division of Parks and Outdoor Recreation	Agree	January 2002

Evaluation of Actions Taken on the July 2000 Performance Audit

Chapter 1

In 2000 the Office of the State Auditor conducted a performance audit of the Division of Parks and Outdoor Recreation within the Department of Natural Resources. The purpose of our audit was to evaluate various aspects of the Division's operations including planning and management related to park acquisitions, construction, and concession operations. In addition, we reviewed the implementation status of the recommendations made in our 1996 performance audit of Division fees and costs.

The 2000 report contained 11 recommendations. In this follow-up audit, we found that, overall, the Division is making progress toward implementing the prior recommendations. Specifically, the Division has implemented one recommendation, and seven others are either in progress or are partially implemented. Three recommendations have not been implemented. It should be noted that, at the time of this follow-up, the planned implementation dates for most of the recommendations had not yet passed. However, as we note in the report, we question whether the Division will be able to fully implement several of the recommendations by the planned dates, given the current pace of efforts.

The following is a summary of the report narrative, the recommendations, the Division's original responses to our recommendations, the Division's discussion of the actions it has taken since the 2000 audit, and our evaluation of those actions.

Staunton State Park

In 1961 approximately 1650 acres of land near the Denver metropolitan area were bequeathed to the Division of Parks and Outdoor Recreation for use as a state park. The Division took title to the property in 1986. The donated Staunton property (named for the donor) is located about 40 miles from Denver off Highway 285 and Elk Creek Road, near Conifer. Since taking title to the property, the Division has purchased an additional 1900 acres of surrounding lands, bringing the total park acreage to 3550 acres. From Fiscal Year 1993 through Fiscal Year 2000 the Division's expenditures for acquisition, development, maintenance, and operations at Staunton totaled more than $4.3 million. Despite owning title to the land; expending several million dollars for acquisition, development, and operations; and assigning staff to the park; the Division has never opened Staunton to the public. Currently it remains closed and no development has taken place.

Commit to a Timeline for Opening the Park

In 2000 we found no compelling reason why Staunton had not been opened to the public. Obstacles to development such as strong opposition from neighbors and vehicle access and traffic concerns were not insurmountable, and solutions could be found. Furthermore, by not opening Staunton as a public park, the Division was not honoring the intent of the bequest, and therefore, the State could lose title to the property. According to the conditions of the property's deed, the Staunton land is restricted to use as a public park for the citizens of Colorado. The deed states that if the land is not used in this manner by the State, then it shall become the property of the City and County of Denver. Finally, we found that the Staunton property clearly meets Division criteria related to the ease of acquisition, scenic quality, wildlife habitat value, and regional demand. We concluded that the Division needed to take the necessary steps to open Staunton as a state park.

Recommendation No. 1 (July 2000):

The Division of Parks and Outdoor Recreation should open Staunton State Park to the public as soon as possible. This process should include :

a. Determining the specific design and use(s) of the park.

b. Adopting and committing to a timeline for planning, designing, developing, and opening Staunton to the public.

c. Providing regular public reports on the progress of development and accomplishment of timeline milestones.

Division of Parks and Outdoor Recreation Response (July 2000):

Partially Agree. The Division would like to open Staunton State Park, but there remains substantial public opposition to doing so. Opening such a property to the public will require a minimum level of facilities and adequate staff/operating funds to provide assistance to the visiting public while also attending to maintenance and other needs of the resource.

Over the past two years, State Parks has acquired five wonderful new parks that must now be built and opened to the public. State Parks has limited resources to allocate toward new park construction, staffing and operational needs. To determine the priorities for getting these new parks opened to the public, the State Parks Board looked at a number of factors such as geographic need, strength of financial partners and trespass issues. Based on this assessment, the Board developed a construction priority list which includes:

- Brush Creek
- John Martin
- Cheyenne Mountain (JL Ranch)
- Lone Mesa
- Staunton/Elk Falls

Development goals for all properties remains the same – to open these parks to the recreating public as soon as practical.

Reasons why Staunton is not currently a top priority are numerous. Adequate access to the park property, as well as entering and exiting Highway 285 on to the county road, continue to be major issues that should be resolved before the park is opened. Neighbors who were initially opposed to conceptual plans for the park are watching these issues carefully. Some concerned neighbors have contacted their state legislators on this issue. Adequate planning and public outreach have yet to be completed to ensure that the state has public support for the types of recreational opportunities that will ultimately be provided at Staunton State Park.

This recommendation also suggests that regular public reports should be made available on the progress of the development and accomplishment of timeline milestones. This is being provided through the new Quarterly Reports on the status of new park projects, required by Footnote 172 of HB 00-1451 (Long Bill). Colorado State Parks submitted its first such report on July 1, 2000, to the Joint Budget Committee, Capital Development Committee, and other offices of the Colorado General Assembly.

Implementation Date: We are going through the process to begin planning in four to six years. The scope and timing of development will be determined during the planning phase.

Division of Parks and Outdoor Recreation Update (June 2001):

Not Implemented. As indicated in our original response, our current construction priority list of new park development places Staunton/Elk Falls after Brush Creek, John Martin, Cheyenne Mountain, and Lone Mesa. This priority list was developed in consultation with the Governor. In addition, since the time of our response we have had to drastically reduce estimates of Lottery and GOCO proceeds for current and future years. State Parks' current estimates of total Lottery distributions are down by $2.3 million over the next five years and State Park's estimate of GOCO funding is down by $7.95 million for the same period. We are waiting on the outcome of federal legislation on the Land and Water Program, which could provide resources to offset the

reduction in Lottery and GOCO. Otherwise, we may have to delay many of our new construction projects, including new park development.

State Parks' staff assigned to Staunton have continued to provide informal public outreach. They have met with homeowners to keep them apprised of the planning process as well as some of the resource enhancement and protection projects that will be taking place on the park. The Colorado Department of Transportation (CDOT) corridor study is currently under way and our staff has met with CDOT to express our concerns about the access issue at Shaeffer's Crossing intersection. We have shared our public outreach mailing list with CDOT so that interested constituents would be notified of CDOT public meetings. Our current plan is to have our Board take action on moving forward by October 2004. If approved, a time frame for construction would be adopted.

***Implementation Date:* 4 to 6 years.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

Not Implemented. For Fiscal Year 2001 almost $92,500 was appropriated, primarily for personal services expenses for one FTE (Park Manager III) and for seasonal employees at Staunton. As of April 1, 2001, the Division had expended about 62 percent, or $57,600, of this appropriation. According to Division documents, employees assigned to Staunton perform limited operations within the park including forest management, control of the mountain pine beetle, slash pile elimination, wildfire mitigation, noxious weed control, boundary marking, and fence repair. In addition, the Division reports that staff assigned to Staunton are establishing relationships with neighbors and improving the overall aesthetics of the park by reducing the presence of dilapidated structures, trash dump sites, and abandoned fence lines.

We continue to believe that the Division should open the park and reiterate our recommendation that a timeline for implementation be established, particularly given the Division's current projections for decreased revenues from Lottery and GOCO sources. If, as the Division states in its current response, the impact from these revenue

reductions may be delays in construction and development, then adjustments to the existing timelines should be made accordingly. Currently the Division projects that the development plan for Staunton should be completed in 2004 through 2005, with an actual park development date "to be determined." The Division also states that "park planning is currently on hold" and that development could conceivably begin in 2005, "provided that key issues are resolved during the planning and outreach phase."

Park Construction

In Fiscal Year 1999 the Division spent at least $12 million for various construction, renovation, and controlled maintenance projects. At the time of our 2000 audit the Division had spent $9.9 million in that year and had requested $9.4 million for Fiscal Year 2001. In reviewing the Division's capital construction and controlled maintenance projects and processes, we found the need for greater accountability and for improvements in the areas of planning, budgeting, reporting, and project management.

Improve Accountability for Construction Projects

In our 2000 audit we found a lack of accountability for construction dollars and projects, and the absence of consequences for failing to meet construction budgets and deadlines. We identified problems both on the large scale, as related to the Division's overall construction planning and budgeting, and at the individual project level. We found that the Division regularly shifted significant amounts of funding between capital construction and controlled maintenance projects and that costs related to the planning and construction of one project—the Yampa River Headquarters/Campground Center—had increased by more than 225 percent in three years. We concluded that excessive fund movement reduced accountability by making monitoring and tracking difficult and increased chances for unlimited project timelines by prolonging indefinitely the life of certain projects.

Recommendation No. 2 (July 2000):

The Division of Parks and Outdoor Recreation should improve accountability for its use of capital construction funds by:

a. Developing and implementing reports reconciling budget to actuals for all construction and controlled maintenance projects.

b. Adopting standard, consistent categories or expenditure lines within all construction projects.

c. Adhering to approved plans and budgets.

d. Making recommendations for statutory change by working with the OSPB, JBC, and CDC.

Division of Parks and Outdoor Recreation Response (July 2000):

a. ***Agree.*** State Parks recognizes the need for more effective construction project tracking mechanisms. This has long been identified as a planning tool that would greatly benefit our agency. Working with Capital Development Committee staff, we jointly developed a much more detailed and consistent template for Parks development information submitted for CDC consideration of pending real estate acquisitions/leases. The new quarterly reporting requirement for new parks (see description in previous answer) has also helped tighten the methods we use to track and report on construction projects.

   We will attempt to implement a more effective procedure for reconciling budgets to actuals; however, staffing levels are insufficient to fully implement and administer the reporting we would like to see. The extent of our ability to address this will be tied to the success of an initiative to acquire additional FTEs in the 2001 legislative budget process. ***Implementation Date:*** Fiscal Year 2002-2003.

b. ***Agree.*** The Division will look hard at tightening the categories. ***Implementation Date:*** November 2000

c. ***Agree.*** Sticking to an agreed-to plan/budget makes good sense, and may require fine-tuning our existing process. The current system enables us to be responsive to changing priorities and to take advantage of new opportunities that may arise. We understand, however, that reporting this information to the Legislature only once a year has created confusion. As we respond in part (d) of this recommendation, we are soliciting comments from CDC, JBC, and OSPB staff on how we can report budget changes quickly and accurately.

   The nature of our business requires a reasonable level of flexibility. For instance, some renovations and other capital construction projects were not pursued at identified parks because of the USFWS Federal Aid Audit. With the potential that certain parks could end up reverting to the Division of Wildlife to be managed as wildlife areas, it would not have been wise to expend funds for recreation facilities at these areas until the future use of the areas had been determined. In another case, Cherry Creek, Chatfield and Trinidad have not and will not receive badly needed renovation funds until the state successfully establishes an agreement with the US Army Corps of Engineers to cost share renovations at the three parks. Proceeding with renovations at the three parks before the cost sharing agreement negotiations would threaten the potential for obtaining $15 million in federal funds. ***Implementation Date:*** July 2001

d. ***Partially Agree***. The Division would like to pursue administrative solutions to this recommendation before statutory changes are contemplated. The past five years have brought enormous changes for State Parks' capital construction process. During that time, GO Colorado has become very entrepreneurial, requiring State Parks to come up with a 20 percent match on grants we have received. This has required our agency to shift funding priorities frequently. We believe this period of disruption to our planning process has settled down and are anticipating going for longer-term grants from GO Colorado in the future. The growth in State Parks' capital budget during that time has also required some adjustments, particularly in the project management aspects of our business.

The Division has identified the shortcomings highlighted by this recommendation and has been proactive in establishing solutions. Again, the improvement in the information provided to the CDC and the new Quarterly Report on new parks will greatly improve our current efforts to improve construction fund accountability. The concept of regular reporting was actually an idea that we brought forward with JBC staff. Additional reporting requirements that are not accompanied by additional staff would be difficult to implement. ***Implementation Date***: Fiscal Year 2000-2001.

Division of Parks and Outdoor Recreation Update (June 2001):

In Progress. We have undertaken the following initiatives to address this recommendation.

1. **Working with the Division of Wildlife, OSPB, JBC, CDC, and the State Audit staff, we developed statutory language which will require State Parks and the Division of Wildlife to maintain a current record of balances by capital project and report on these projects annually on or before September 15. Senate Bill 01-171, was approved by the General Assembly and signed by the Governor on March 28, 2001.**

2. **SB 01-171 will require us to track capital construction projects by the following standard categories: profession services, construction or improvement, contingencies, and moveable equipment. Beginning with the FY 2001-02 Long Bill, we will set up all construction projects in COFRS to allow us to track expenditures by these standard categories.**

3. **Working with JBC staff, we have made changes in the format and content of the Quarterly Report on the New State Parks construction and development required by Long Bill footnote. These changes are intended to enhance the information provided not only to the Joint Budget Committee but also to the CDC, OSPB, and legislative leadership who are all provided with a copy of this report. As an addendum to this document, we have added a report which identifies and explains all changes made in amounts for capital projects in the current Long Bill.**

4. **We are currently getting cost estimates for development of a capital construction database which will allow us to track capital construction budget and accounting information more efficiently and develop reports for internal control as well as the annual report required in SB 01-171.**

5. **Through the budget initiative process, State Parks requested 43.8 additional FTE to address staffing shortfalls. A total of 40.3 of those FTE were funded this past legislative session. Included in this initiative are 8 positions that will be essential to improving administrative and accounting processes in the Denver and region offices and managing the construction database mentioned above. Filling these key positions will be a priority.**

Implementation Date: **September 2001.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

In Progress. In March 2001 the Governor signed Senate Bill 01-171 into law. The legislation requires that all construction projects under the supervision of the Divisions of Parks and Wildlife, which are statutorily excluded from conformity with state construction standards, fulfill certain requirements. The statutory requirements mandate that the two Divisions maintain current records of the balances for capital projects including planned budgets, actual expenditures, and additions or deletions to the projects and items categorized for professional services, construction or improvement, contingencies, and moveable equipment. Also, the Division of Parks and Outdoor Recreation is to report the balances of its capital projects at least annually, on or before September 15 of each year, beginning September 15, 2001.

In addition to this requirement, the Division has been reporting quarterly (since July 2000) to the Joint Budget Committee on the status of each new state park for which appropriations are made. Information in these reports includes projected development milestones and time-lines, changes in personal services and operating expenses, utilities, seasonal work program, and appropriation needs. To date, the reports have included information on the following new parks: Brush Creek, Cheyenne Mountain, John Martin, Lone Mesa, and Staunton.

Review Responsibility for Construction Planning and Oversight

In July 2000 we concluded it was likely that better preconstruction planning and design would have detected or foreseen many problems that arose on the Yampa Headquarter's project. We reported that as capital construction projects become more complex and more of a priority for the Division, it is important that planning errors are reduced, adequate design work is conducted, and overall project management is strengthened. Because park managers and staff are often responsible for the planning and management of controlled maintenance, renovation, and capital construction projects, we found that the Division should ensure that personnel have the appropriate expertise. We recommended that, in some cases, the use of outside contractors could be an option.

Recommendation No. 3 (July 2000):

The Division of Parks and Outdoor Recreation should determine whether it has the appropriate, qualified in-house staff to effectively and efficiently plan and manage construction projects or whether alternatives such as outside contractors should be identified and developed.

Division of Parks and Outdoor Recreation Response (July 2000):

> *Agree.* The Division agrees that as much engineering, design and construction work as possible should be contracted out. We need, however, to ensure that we retain in-house project managers. Although the Division currently contracts out for design and engineering work associated with our construction projects much of it is the responsibility of existing staff to oversee this work. Each of the four park regions employs a landscape architect and a professional engineer to manage the Division's construction projects, with little or no clerical or accounting support staff. The Division is currently receiving approximately $18 million per year for construction projects; many of these are multi-year projects. These projects and contractors require a significant amount of oversight – much more than our existing full-time professional staff can reasonably be expected to handle. As a result, the regional architects and engineers must rely on park managers for on-site construction management coordination. The Division agrees that this is an inefficient

use of park managers' time. The Division has clearly not maximized contracting opportunities with construction inspectors. We will place high priority on improving this. Additionally, to correct the heavy reliance on park managers for construction-related tasks, we intend to pursue a legislative initiative to gain additional FTEs.

Implementation Date: Fiscal Year 2001-02.

Division of Parks and Outdoor Recreation Update (June 2001):

In Progress. We continue to use outside contractors for all of our capital construction projects. Our project managers and region management provide supervisory oversight, but have lacked sufficient support staff to effectively meet all the demand of their workload. As indicated above, State Parks has received funding for additional FTE, which include support staff in the region offices to free up construction project managers and regional management from administrative tasks. This will allow them to spend more time on-site overseeing construction projects. In addition to adjusting administrative staff, we will implement contractual project management at John Martin. This will be a pilot to determine if this kind of arrangement will provide an efficient and cost-beneficial alternative for project oversight.

***Implementation Date*: Fiscal Year 2001-02.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

Not Implemented. The Division indicated that beginning in Fiscal Year 2002, eight new FTE will be assigned administrative responsibilities, including accounting and construction database management, in the Denver and regional offices. These staff may alleviate some of the general administrative burden from construction project managers and regional management personnel so that more of their time may be spent overseeing park construction projects. However, that alone will not satisfy our recommendation that the Division determine whether its existing park management staff have the appropriate qualifications or competencies to effectively and efficiently plan and manage construction projects. Although a few parks have used consultants on a limited basis to perform some contract inspections, such as for

electrical projects, most continue to use outside contractors solely for survey, design, and construction purposes. The pilot project at John Martin State Park will be a step in the right direction, but the Division provided no documentation that it is underway.

Improve Accountability for Controlled Maintenance Projects

At the time of our 2000 audit, we questioned the regions' identifications of a number of projects as "controlled maintenance" that did not meet either the statutory or the Division's own definitions of controlled maintenance projects. We concluded that the Division needed to improve accountability for these projects by identifying, assessing, and monitoring them in a manner consistent with legislative and Division intent.

Recommendation No. 4 (July 2000):

The Division of Parks and Outdoor Recreation should ensure accountability for controlled maintenance projects and budget requests by:

a. Defining the types of projects and expenditures allowable within the controlled maintenance category.

b. Limiting the use of the miscellaneous category, including the amounts that can be requested.

c. Providing the regions with regular review and instruction regarding preparation of controlled maintenance budgets.

Division of Parks and Outdoor Recreation Response (July 2000):

Agree. We will re-define the controlled maintenance category and ensure that expenditures are properly coded.

Implementation Date: Fiscal Year 2000-01.

Division of Parks and Outdoor Recreation Update (June 2001):

In Progress. We have clarified definitions for appropriate expenditures for our Major Repairs and Minor Improvements allocation which

includes funding for controlled maintenance projects and have strengthened our internal accounting review to ensure compliance.

***Implementation Date*: July 2001.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

In Progress. In April 2001 the Division issued guidelines to management staff outlining allowable expenditures for controlled maintenance (major repairs and minor improvements appropriation) projects. The guidelines also state that the Financial Services staff have been directed to increase their reviews of these expenditures to ensure that regional and park managers comply with proper coding and accounting procedures.

Develop Project Management Systems

During our 2000 audit the Division was not able to provide an up-to-date rendering, including budget to actual expenditures and project timelines, for all its ongoing capital construction and controlled maintenance projects. We found that the Division did not have in place a system for tracking or compiling these types of critical data.

Recommendation No. 5 (July 2000) :

The Division of Parks and Outdoor Recreation should implement systems for managing construction projects, including providing accountability for project milestones and individual park and regional performance.

Division of Parks and Outdoor Recreation Response (July 2000):

Agree. Over the past decade, State Parks' construction funding has increased dramatically. Our capital budget has almost doubled to $19.1 million in the past five years alone, and the number of annual projects has also significantly increased. A tremendous increase in construction project management and accounting responsibilities have accompanied this growth as well. State Parks understands that our agency needs to change the way we manage our construction projects.

Within one year the Division will put in place a system to manage our construction projects. In addition, State Parks is committed to providing relevant training to our staff, including professional project management methodology. We will also work to secure additional support staff for these areas.

Implementation Date: Fiscal Year 2001-02.

Division of Parks and Outdoor Recreation Update (June 2001):

In Progress. As indicated in the response to Recommendation 3, we have begun the process of developing a construction project database which will provide automated tracking and reporting capabilities for our managers. Also, support staff positions have been requested and approved, who will be directed at addressing the administrative workload required in providing more accountability.

Implementation Date: **Fiscal Year 2001-02.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

In Progress. The Division has developed a Capital Construction Automation Application Development Plan. The Plan states that the goals of the automation project include a fully interactive database with centrally located information on all capital construction budgets, allocations, expenditures, encumbrances, and projects. According to the Plan, the first phase of the project is to be fully operational by November 2001.

Clarify Rationale for Road Construction and Repair Decisions

In 1995 the Division assessed the conditions of the paved and gravel roads within 16 parks. The findings of the assessments showed that only about 9 percent of the roads were in good condition, while 91 percent were rated fair or poor. Since that assessment, the Division has made road repairs. However, in 2000 we found that the Division had not prioritized or conducted its roadwork in a manner consistent with the findings of the 1995 assessments. For example, we found some roadways had been repaired that were not indicated as being in need of repair and other roads which were determined to be in urgent need of repair were not scheduled for repair work until several years into the future.

Recommendation No. 6 (July 2000) :

The Division of Parks and Outdoor Recreation should ensure the cost-effectiveness of its road construction and repairs by:

a. Conducting an updated road assessment.

b. Developing and implementing a road construction and repair schedule based on the findings of the road assessment.

Division of Parks and Outdoor Recreation Response (July 2000):

Agree. The Division is concerned about the condition of park roads, so much so that the 5-year development plan includes an infusion of a $5 million road initiative. The Project 98 document that is described in the audit includes an updated estimate on the Division-wide road construction needs. It was not, however, developed through any reliable scientific means. An updated, accurate road assessment would be of tremendous value to the Division and should be implemented as soon as possible. We also plan to implement regional road plans that prioritize the needs we have throughout our system.

Implementation Date: May 1, 2002.

Division of Parks and Outdoor Recreation Update (June 2001):

In Progress. The FY 01-02 Long Bill allocates $1 million for road projects. From that funding we intend to contract for an updated road assessment. We will use the finding from that assessment to develop a prioritized schedule for construction and repair.

***Implementation Date:* May 2002.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

In Progress. The Division has earmarked $50,000 of its Fiscal Year 2002 budget to contract for a new road study. The Division has met with staff from the Colorado Department of Transportation (CDOT) to discuss the possibility of joining in CDOT's annual road survey contract. If the Division is unable to complete a new road assessment

by the summer of 2001, it will be difficult to fully implement the recommendation by the following spring (May 2002) because road surveys are typically undertaken in the spring and summer months.

Park Concessions

Colorado does not directly operate any concessions within its state park system. Rather, it contracts with outside providers. In Fiscal Year 1999 there were 120 concessions, ranging from snack bars and food stands to river outfitters, stables, rock climbing schools, and boat marinas, operating within Colorado State Parks. The majority of concession contracts (83, or 69 percent, in 1999) are considered "long-term," extending for more than one year. The remainder—short-term concessions—are those that operate for less than a year, usually during the peak of the park's season. In exchange for the ability to operate in a state park, concessionaires pay the Division annual fees. Depending upon the contractual arrangement, concessionaires may pay an administrative fee, an annual flat fee, and/or a percentage of their monthly sales revenues to the Division. In Fiscal Year 1999 the Division collected almost $918,000 in revenue through its concession contracts.

Audit Concessions' Financial Operations

In our 2000 audit we found that the last formal audit of the parks' concessions' financial operations had been conducted in 1991 by Department of Natural Resources internal auditors. At that time, the audits were limited to one park—Cherry Creek—during the period 1988-1991. Among the auditors' findings were internal controls that were not in compliance with administrative regulations and financial information that was not being properly reported. The audit also found that concessionaires were not tracking all financial records, including the numbers of customers served and daily and monthly reports and business receipts.

Because concession sales generate revenues for the Division, routine audits of financial operations are critical to ensure that concessionaires are accurately reporting revenues. In Fiscal Year 1999 the Division collected almost $918,000 in revenue through its concession contracts. As we described in the prior audit, if just one large concession fails to accurately or completely report sales, it could result in a significant loss of revenue to the Division.

Recommendation No. 7 (July 2000):

The Division of Parks and Outdoor Recreation should ensure the accuracy of concessions' financial records, including reported gross sales, by conducting periodic audits. This process should include the adoption of an audit schedule, a standard audit work program, and mechanisms for reporting and correcting problems or deficiencies.

Division of Parks and Outdoor Recreation Response (July 2000):

Agree. We will work with the Department of Natural Resources accounting staff to develop a risk based model for conducing audits of our concession contracts.

Implementation Date: September 2001.

Division of Parks and Outdoor Recreation Update (June 2001):

Not Implemented. Workload and staffing issues have prevented implementation of this recommendation as quickly as we had intended. We do not believe that there are staff in-house with the time and/or skills necessary to handle the audits and intend to use independent contractors for this function. By June 2002, we will have an audit schedule in place and intend to have 50 percent of the first year's scheduled audits completed.

***Implementation Date:* June 2002.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

Not Implemented. Given that the Division has not yet identified resources to staff or finance the audits or developed an audit schedule and audit plan, it is questionable whether the Division will be able to complete one-half of the first year's scheduled audits by the twice-revised implementation date of June 2002.

Conduct Inspections for Health, Safety, and Sanitation

In 2000 we found that the Division was not routinely inspecting concessions for proper sanitation and for other health and safety requirements as prescribed in the Division's internal policies and procedures. Specifically, we found that fewer than 30 percent of the inspections required in Fiscal Year 1999 were actually completed.

Recommendation No. 8 (July 2000):

The Division of Parks and Outdoor Recreation should improve its reviews and inspections of concession operations for health and safety purposes by:

a. Reviewing the existing policies and procedures to determine their appropriateness, including the frequency of inspections.

b. Establishing a system of reviews and inspections that adequately addresses risks.

c. Ensuring that staff properly document reviews and inspections.

Division of Parks and Outdoor Recreation Response (July 2000):

Agree. We will review our entire concessions program and make changes as needed to address the problems identified in this audit.

Implementation Date: December 2001.

Division of Parks and Outdoor Recreation Update (June 2001):

In Progress. We are currently reviewing and revising our concession manual to address this issue. We expect to complete the rewrite by August and present the final version to our staff no later than September 2001. However, we believe that the greatest problem lies with execution of the procedures and management follow-up. Division management has directed that every park manager responsible for concessions have Individual Performance Objectives (IPOs) as part of their annual performance plan which specifically address their responsibilities regarding frequency and scope of inspections and documentation of reviews and inspections.

***Implementation Date:* December 2001.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

In Progress. In addition to revising the concession manual, the Division issued a directive stating that all park management staff responsible for managing concessions must have specific objectives in their performance plans which address timely concession inspections and the maintenance of required review and inspection documentation. The Division is currently drafting a new performance planning document, and the new performance objectives are to be incorporated in the Fiscal Year 2002 performance plans.

Document Price Approvals

Once a year concessionaires are permitted to request price changes to the existing prices they charge park visitors for goods and services. The requests are to be submitted to the Division for review and approval. In our 2000 audit we found very limited documentation that the park managers were conducting the required price reviews. Specifically, we found that 15 of 21 (71 percent) long-term concessions had requested price changes in Fiscal Year 1999. All of the requests were approved by the Division, yet we found documentation of price reviews in only two cases. As with the inspection process, we concluded that it is important the Division conduct and document the procedures followed and the results of its reviews. Staff should indicate the number of comparisons made, where the businesses they contacted are located, and the rationale for their ultimate approval or denial of the request. Documentation of the price comparisons and of the decisions made would provide the Division with support, if and when complaints arise, and would provide the public with assurances about the reasonableness and comparability of the prices they must pay for concession goods and services.

Recommendation No. 9 (July 2000):

The Division of Parks and Outdoor Recreation should improve its price approval process by documenting the comparisons made and the factors considered in approving or denying concessionaires' requests.

Division of Parks and Outdoor Recreation Response (July 2000):

Agree. Effective immediately all concession price increase requests will need to be submitted to the Region Managers and the Division Deputy Director, with appropriate documentation, for approval.

Implementation Date: July 31, 2000.

Division of Parks and Outdoor Recreation Update (June 2001):

Implemented. All concession price increase requests are now being submitted for approval, with appropriate documentation, to the Division Deputy Director through the region managers.

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

Implemented. The Division has adopted a formal sign-off approval process and reports that it is developing a certification form that will eliminate one level of review recently added to the process. The certification form will be completed by the Regional Managers and then forwarded to the Denver administrative office.

Develop Appropriate, Equitable, and Easily Administered Concession Fees

In our 2000 audit we found that Division staff assess concessionaires various combinations of fees to operate in the state parks. However, we could find no pattern or rationale for the fees or for the amounts at which they were set. We also found that individual park staff had considerable discretion in setting fee amounts. Some concessions were assessed three different fees while others paid one or two fees. We concluded that the Division needed to develop a fee methodology by defining the purpose for the concession fees and then setting an appropriate fee structure throughout the state park system.

Recommendation No. 10 (July 2000):

The Division of Parks and Outdoor Recreation should develop a concession fee methodology that is appropriate, equitable, and efficient to administer by:

a. Determining the purpose(s) for concession fees.

b. Establishing a fee structure that addresses the purpose of the fees, including cost recovery.

c. Documenting and distributing the fee methodology and policies.

d. Assessing, collecting, and accounting for fee revenues in an efficient manner.

Division of Parks and Outdoor Recreation Response (July 2000):

Agree. This will be addressed in our review of the concession program.

Implementation Date: December 2001.

Division of Parks and Outdoor Recreation Update (June 2001):

Partially Implemented. The Division has reviewed its concession program and agrees that there needs to be more standardized application of the concession fees. The Division Deputy Director is now coordinating all marina concession contracts and reviewing all concession agreements to ensure there is consistency in the application of fees. A database of concession information is being developed to facilitate comparative analysis and help define standards and ensure consistency. However, with the recent resignation of the Director, the Deputy Director will assume acting Director responsibilities. Therefore, the agency will need to shift the implementation date to reflect the change in assignments.

Implementation Date: **December 2001.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

Partially Implemented. The Division has begun to review individual concession's fees but has not undertaken a systematic review of its fee structure and methodology. It is unlikely that the Division will be able to complete such a review and adopt the necessary rules and procedures prior to the estimated implementation date of December 2001.

Improve Competition for Concession Contracts

When we conducted our 2000 audit, the Division did not proactively seek or solicit concession bids. There was no process for tracking potential bidders or sharing information around the State, including methods for increasing the number of bidders or encouraging greater competition. One possible reason we identified for the lack of bidders was the length of the Division's contracts with some concessions. We found that the average length of a long-term concession contract in Colorado—10.2 years—was twice the average five-year length of park concession contracts in six other states. For two concessions, we found that the contracts had been in effect for 30 years. We concluded that the practice of engaging in lengthy contracts served as an obstacle to competition and curtailed the Division's flexibility to change contract provisions when needed.

Recommendation No. 11 (July 2000):

The Division of Parks and Outdoor Recreation should improve competition for concession contracts and enhance bid solicitation processes by:

a. Reviewing and modifying, as needed, existing bid solicitation policies and procedures (including methods of advertising RFPs) to ensure they maximize the number of potential bidders.

b. Developing a system for compiling and disseminating the names of potential bidders among all four regions.

c. Reducing the duration of contracts for the same concessions.

d. Developing procedures to ensure that staff document the RFP and contract award processes.

Division of Parks and Outdoor Recreation Response (July 2000) :

Agree. The Colorado State Parks Board has also recently expressed their concern to staff regarding the duration of concession contracts. These issues will also be addressed in our review of the concession program.

Implementation Date: December 2001.

Division of Parks and Outdoor Recreation Update (June 2001):

Partially Implemented. A review of the concession bid process is ongoing. As part of that process we have been testing procedural changes on two large marina contracts at Navajo State Park, which came up for consideration over the past several months. We have made substantive changes in the process as a result of the audit findings. Steps we have taken include:

* **We reviewed the National Park Service's (NPS) new concessionaire manual including the procedures for bidding, awarding, and contract lengths. For the RFP we incorporated the NPS guidelines into our existing procedures.**

* **We expanded the dissemination of the RFP by using the Internet and contacting marinas throughout our state, adjacent states, marina owner groups, and marina magazines--a much more comprehensive announcement than ever used before.**

* **We advertised in more newspapers than required within our procedures.**

* **We offered a shorter contract length (five years) with an option to increase the length contingent on capital investment.**

We received no bids at Navajo State Park and will be rebidding in April (we extended the existing contract for the short term). In the meantime we have sent a letter to all respondents to the RFP for feedback on why they did not bid.

Implementation Date: **December 2001.**

Office of the State Auditor's Evaluation of Actions Taken (June 2001):

Partially Implemented. This recommendation is close to full implementation.

Office of the State Auditor's Evaluation of Actions Taken (June 2011)

[illegible] This recommendation is closed [illegible]

Vehicle Fleet Issues

Chapter 2

Background

During our follow up review of the 2000 performance audit, the Division's Director requested an audit of the Colorado State Park's fleet program. The request stated that during the budget process for Fiscal Year 2002 the Division "sustained a significant reduction" in its base fleet and was denied its request for additional vehicles for newly appropriated FTE. As a result, the Division believes its ability to operate the state parks cost-effectively and to meet public safety demands will be jeopardized.

At about the same time as the Division's audit request, the General Assembly passed the Fiscal Year 2002 Long Bill. The Long Bill included a footnote directing the Department of Natural Resources (DNR,) in conjunction with the State Fleet Management Program, to reconcile DNR's base funding for vehicle lease payments with its actual fleet needs and to report this information as part of the Department's budget submission on September 1, 2001. The information submitted by DNR is also to include, but not be limited to, "an accounting of each Division's total fleet, the associated costs, and a justification for use of each vehicle."

In June 2001, Department personnel, including Division of Parks and Outdoor Recreation staff, began meeting to address the footnote requirements. To this end, each Division within DNR is to:

- Submit to the Department its most current vehicle listing so that it may be reconciled with State Fleet Management's Colorado Automotive Reporting Systems' (CARS) inventory report. The purpose of the reconciliation is to justify the actual Department vehicle funding needs with the Fiscal Year 2002 budget allocation.

- Develop criteria to be used to justify the numbers and types of vehicles within the respective fleets.

Our review of the Division's fleet focuses primarily on the second item noted above--the determination of the appropriate number and type of Parks' vehicles. Our intent is not to duplicate the efforts of the Division and the Department. Rather, we believe our review will add value to the work currently being done by introducing issues that might not otherwise be considered and by highlighting others that may be already under consideration.

The Number of Vehicles in the Division's Fleet Exceeds the Number of Permanent FTE

As the following table shows, the number of vehicles in the Division's permanent fleet exceeds the number of year-round, permanent FTE it employs. The excess of permanent vehicles to permanent FTE equates to about 1.3 vehicles for each FTE. When summer seasonal vehicles and seasonal workers are added during the peak spring and summer months, the number of vehicles per employee drops significantly to about one vehicle for every 2.8 employees.

Division Vehicles and Employees
June 2001

	Fleet Vehicles	Employees
Permanent	267	206.5 FTE (a)
Seasonal	36	648 SWP(b)
TOTALS	**303**	**854.5**

Source: Office of the State Auditor analysis of Division data for June 2001.
Notes: (a) FTE = Full-time Equivalent (FTE) employees appropriated for Fiscal Year 2001.
(b) SWP = Seasonal Work Program employees employed by the Division on June 15, 2001.

The 36 seasonal vehicles are assigned temporarily by State Fleet Management (SFM) to the Division during the park system's peak summer months. The Division returns the vehicles to SFM at the end of the season, typically in September.

The Excess of Vehicles to FTE Needs to Be Justified

During the 2001 Legislative Session, Joint Budget Committee (JBC) staff questioned the Division's excess of vehicles to FTE. Staff recommended that no new vehicles be added to the Department of Natural Resources' fleet and that Parks' fleet be reduced by 28 vehicles. According to JBC documents, staff was reluctant to recommend further reductions until the Department completed the assessment of its entire fleet as specified in the Long Bill Footnote.

As previously stated, Division management believe that the reductions in fleet will negatively impact their ability to effectively meet the needs of the park-visiting public. One concern expressed by the Division is that beginning in Fiscal Year 2002, another 40 FTE will be added to its appropriation, bringing the total number of permanent FTE to almost 247. Management is concerned that its vehicle fleet will be insufficient to meet increased park demands as reflected by the addition of these park personnel.

Division management and staff offer two other explanations as justification for the excess of vehicles to FTE:

- **Seasonal Employees -** Although the number of seasonal workers decreases significantly after the peak summer season, the Division employs seasonal workers throughout the year. Even in fall and winter months, the Division's seasonal work force can exceed 150. For example, in November 2000, the Division employed 160 seasonal workers at the state parks. Because the seasonal work force is not counted among the Division's permanent FTE and because the Division does not request new or permanent replacement vehicles for its seasonal workforce, Division staff believe that comparing the number of permanent vehicles to permanent FTE does not accurately represent its need.

- **Vehicle Uses -** According to the Division, there are three major categories or uses for Parks' vehicles--law enforcement, maintenance, and administrative. Division staff indicated that although some vehicles are multi-use, others are not. Some law enforcement vehicles are pick-up trucks which can be used for purposes other than law enforcement. However, maintenance utility trucks cannot be used for law enforcement purposes. The majority of the Division's permanent vehicles--133, or about 50 percent, are categorized as law enforcement vehicles. These vehicles (in addition to some of the 36 seasonal vehicles) are used for patrol, pursuit, and transport purposes by the 123 FTE park staff who are fully commissioned law enforcement officers and the 165 seasonal officers (as of July 1, 2001). Law enforcement vehicles typically are later-model vehicles (including pick-ups) which have been outfitted with light bars, radios, and other equipment. According to Division staff, the 109 (40 percent) maintenance vehicles in the Division's permanent fleet are used for functions such as trash pickup, toilet cleaning, road maintenance, and equipment hauling. Most of the state parks have permanent access to both maintenance and law enforcement vehicles. The remaining 25 vehicles (about 10 percent) are classified as administrative vehicles which are assigned primarily to the Division Directors' Office, the regional offices, and the Division's central motor pool.

Although the Division offers these explanations as justification for its vehicle numbers, it has never clearly or comprehensively assessed its fleet needs or justified the need for additional vehicles. Instead, requests for additional vehicles have typically corresponded with requests for additional park manager FTE. Requesting additional fleet vehicles based solely on new FTE is not adequate justification. As we discuss in the following sections, there are a number of factors the Division needs to consider in determining the appropriate number of vehicles. In addition, there are other improvements which should be implemented to maximize the cost-effectiveness of the Division's fleet.

Programmatic Needs Are a More Appropriate Basis for Determining Fleet Needs

According to Division management, vehicles used at the parks are not assigned to particular individuals and remain at the parks between shifts and when not in use. However, the Division typically has used FTE as the primary factor for determining fleet needs. As part of its current effort to address the Long Bill Footnote, the Division is considering adopting a new Division of Wildlife directive that uses position classification to justify vehicles. According to Division of Parks' staff, some Park Manager (PM) classifications (PM IV - VI) correspond with individual park designations. For example, various factors such as visitor numbers and geographical size will dictate the level of Park Manager assigned to each park. Division staff believe that for the most part, park areas with the same PM classification contain roughly the same number and types of vehicles, although variations do occur depending upon park terrain and other factors.

In those areas where significant disparities in vehicle numbers and types exist, the Division needs to justify the differences. For example, according to Division staff, the Arkansas Headwaters has more vehicles than any other PM VI area because park employees must oversee 145 linear miles of park property. Pooling vehicles is not always practical if employees are to respond to emergencies or perform other duties in a timely or effective manner. In other cases it is unclear how vehicle fleet assignment decisions are made. Staunton State Park, for example, currently has three vehicles assigned to it although the Park is not open to the public and is not due to begin development for at least four to six years. At the same time, Cheyenne Mountain and John Martin, two new parks which are further along in development than is Staunton, have one and two vehicles assigned to them respectively. These kinds of discrepancies need to be explained and justified.

Overall, the Division needs to change its method of determining vehicle needs. Rather than concentrating on FTE or position classifications, the Division should determine vehicle needs based on the programmatic needs of each park. In addition to the number and classifications of FTE permanently assigned to each park, the Division should assess factors such as geographic size, terrain, types of amenities, number of visitors, utilization levels of current vehicles, and numbers and types of law enforcement actions. In this way, similarities and differences can be accounted for and vehicle needs justified in a more systematic and rational way. When changes occur within individual parks such as the acquisition of adjacent property, the addition of certain amenities, or increases/decreases in visitation, then adjustments to the vehicle fleet and vehicle assignments could be made accordingly. This type of assessment should become part of the annual planning process for each park. Also, a comprehensive, park by park assessment of vehicle needs is timely, given the Division's plans to open several new parks within the next 5-6 years and the addition of more than 40 new FTE beginning in Fiscal Year 2002.

Other factors linked to the programmatic needs of the parks which should be included in the Division's vehicle fleet assessment are:

- **Types of Vehicles** - The majority (61 percent) of vehicles in the Division's fleet are pickup trucks. Sports utility vehicles represent 23 percent, and sedans represent about 9 percent. The remainder (about 7 percent) of the Division's fleet consists of maintenance utility vehicles and passenger vans. Although not all vehicles can be used interchangeably, there is greater flexibility with regard to vehicles used as law enforcement vehicles. The Division uses pick-ups, sports utility vehicles, and sedans for law enforcement purposes. In determining the type of law enforcement vehicle needed, the Division should evaluate which type of vehicle would be more cost-effective to operate and maintain.

- **Intra-Departmental Vehicle Sharing Opportunities** - Providing sufficient numbers of vehicles to address the increase in seasonal demands is an ongoing issue for the Division. The Division needs to explore different options to provide longer-term solutions. The Division should work with other Divisions (particularly the Division of Wildlife) within the Department of Natural Resources to develop additional seasonal vehicle opportunities. For example, the Division of Parks and the Division of Wildlife have similar fleet attributes and needs. Both use a large number of law enforcement vehicles and have similar geographic and terrain requirements. In addition, some Wildlife Areas and State Parks are within close proximity to one another. Because the peak seasons for the two Divisions do not coincide completely, there may be opportunities for sharing vehicles.

The Division Should Upgrade the Management of its Vehicle Fleet

The Long Bill Footnote regarding the Department of Natural Resources' department-wide fleet review has caused the Division to justify its fleet in ways it never has before. Although this is a start, the footnote requirements for a one-time assessment will not necessarily ensure that the Division implements more comprehensive and systematic fleet policies and practices. The Division should reevaluate the way it has conducted fleet management activities in the past and adopt a fleet management program that can demonstrate efficient and effective operations. To do this, the Division must first adopt a new method of determining vehicle needs and justifying fleet requests. The Division also needs to adopt formal policies and procedures for use by the parks in justifying vehicle requests, rotating vehicles within the regions or throughout the state, and identifying seasonal vehicle needs. Finally, the Division needs to be clear about the numbers of vehicles in its permanent versus variable or seasonal fleet so that management and policy decisions about fleet issues can be made in a more efficient and understandable manner.

Recommendation No. 1:

The Division of Parks and Outdoor Recreation should adopt a fleet management program that provides assurances about the cost-effective operations of its fleet by:

a. Using programmatic needs rather than FTE as the basis for vehicle requests.

b. Adopting formal policies and procedures for use in justifying fleet requests and rotating vehicles among the parks and regions.

c. Including fleet management issues within the annual planning process at each park and region.

d. Developing longer-term solutions to seasonal fleet needs by evaluating opportunities for intra-departmental sharing of seasonal vehicles.

Department of Parks and Outdoor Recreation Response:

Agree. We requested the audit because we felt that Legislative actions taken to cut our fleet did not fully recognize the complexity of our fleet needs. Seasonal workers were not considered in the analysis that resulted in the reduction.

It is clear that we need to do a better job in justifying requests for new cars. The study currently underway in response to the Long Bill footnote should help us develop criteria for evaluating our fleet needs.

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