COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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July 13, 2011

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **REGIONAL PARK AND OPEN SPACE DISTRICT PROPOSITION A GRANT AUDITS (WORK ORDERS 7-50B AND 7-50C)**

The Los Angeles County Regional Park and Open Space District (District) was created by Proposition A (formally called the Los Angeles County Safe Neighborhood Parks Act) in 1992. The District is authorized to levy benefit assessments and make grants to agencies to preserve beaches, parks and wildlife; construct, renovate and improve new and existing recreational facilities; and restore rivers, streams and trails. The District also provides funds to agencies to offset increased maintenance and servicing expenditures resulting from grant projects. The District is governed by your Board, and administered by the Department of Parks and Recreation (DPR).

At the District's request, we contracted with a Certified Public Accounting firm, Mayer Hoffman McCann P.C. (Mayer), to audit 90 Proposition A grant projects (45 for Fiscal Year (FY) 2007-08 and 45 for FY 2008-09), totaling approximately $140.7 million, and maintenance and servicing expenditures, totaling approximately $2.2 million, for seven of the 90 grant projects. The purpose of the audits was to verify that the recipients used, and accounted for, the District's grant funds properly.

Review Summary

Mayer reported that ten of the 90 grantees did not maintain adequate documentation to support their project costs, resulting in questioned costs totaling $6,174,819. The

following chart lists the Proposition A grants with questioned costs by project and agency:

Proposition A Grants With Questioned Costs by Project and Agency

Project / Agency	Grant Amount	Questioned Costs
Harbor City/Harbor Gateway Boys & Girls Club At-Risk Youth Center / Harbor City/Harbor Gateway Boys & Girls Club	$300,000	$300,000
Bonelli Park Utilities Park Upgrade / County DPR	$138,166	$124,631
Cerritos Park Lake Rehabilitation / County DPR	$74,179	$74,179
Helen Keller Park Swimming Pool / County DPR	$133,706	$11,605
Rehabilitation of the City Park Aquatics Center & City Park Sr. Center Expansion & Gym/Youth Center / City of Montebello	$2,541,995	$2,541,995
Pico Rivera Community Center/Rio Hondo Project / City of Pico Rivera	$1,220,524	$16,667
Ganesha Park Improvements / City of Pomona	$1,675,526	$1,675,526
Whittier Narrows ADA Rehabilitation / County DPR	$250,008	$92,013
Reggie Rodriguez Park Youth Center / City of Montebello	$300,000	$300,000
Westside Park Development / City of Long Beach)	$3,378,371	$1,038,203
TOTAL	**$10,012,475**	**$6,174,819**

Mayer also reported that seven agencies, that are responsible for 14 of the 90 grant projects, had material weaknesses or significant deficiencies in their internal controls over financial reporting. These weaknesses and deficiencies included incomplete files and inadequate accounting records. Mayer reported that the deficiencies were considered serious and, if not corrected, they could result in misstatement of the projects' financial statements.

Attachment 1 summarizes all of the grants, and related maintenance and servicing expenditures, that were audited, and identifies the agencies with material weaknesses.

Mayer reported no findings with the maintenance and servicing expenditures.

Review of Report

Attachment 2 is the District's April 19, 2011 response. For the ten projects with questioned costs, the District indicated that they will require the grantees to show cause

why the District should not receive reimbursement for the questioned costs. Once they receive the grantees' responses, they will determine if they should attempt to recover the questioned costs. District management also indicated that they will require corrective action plans (CAPs) from the seven agencies that had material weaknesses or significant deficiencies in internal control over financial reporting.

District management indicated that, to date, they have not taken any action to obtain reimbursement or CAPs. We discussed the importance of pursuing the questioned costs and CAPs in a timely manner, and the District agreed to report back to us on their progress within 60 days.

Mayer gave the District copies of all of the audit reports, and the District gave each grantee a copy of their report. Because of the large number of reports, copies are not attached, but are available for your review. Please call me if you have any questions, or your staff may call Robert Campbell at (213) 253-0101 if you wish to review any of the reports.

WLW:JLS:RGC:MP

Attachments

c: William T Fujioka, Chief Executive Officer
Russ Guiney, Director, Department of Parks and Recreation
Ilona Volkmann, Administrator, Regional Park and Open Space District
Sachi A. Hamai, Executive Officer
Public Information Office
Audit Committee

REGIONAL PARK AND OPEN SPACE DISTRICT
FY 2007-2008 PROPOSITION A GRANTS

	Agency	Project	Grant Number	Supervisorial District	Grant Amount	Questioned Costs	
1	City of Pomona	Senior Center Improvements - Palomares Park	58H3-01-1270	1st	$254,297		(1)
2	City of Pomona	Ganesha Park Improvements	58H3-94-0144	1st	$1,675,526	$1,675,526	(1) (2)
3	City of Los Angeles	Housing Authority - Aliso Pico Gardens	58F6-95-0315	1st	$1,000,000		
4	City of Pico Rivera	Pico Rivera Community Center/Rio Hondo Project	58H2-99-1119	1st	$1,220,524	$16,667	(1) (2)
5	North East Trees	San Jose Creek Habitat Restoration	58M1-02-2002	1st	$335,000		
6	Mountains Recreation & Conservation Authority	Los Angeles River Bikeway Improvements	58L2-03-2025	1st	$250,000		
7	City of Montebello	Rehabilitation of the City Park Aquatics Center & City Park Sr. Center Expansion & Gym/Youth Center	58G4-96-0475	1st	$2,541,995	$2,541,995	(1) (2)
8	County of Los Angeles Dept. of Parks and Recreation	Whittier Narrows Irrigation Refurbishment	2020-95-0418	1st	$796,917		
9	County of Los Angeles Dept. of Parks and Recreation	Allen Martin, Avocado Heights, Bassett, & San Angelo Parks General Improvements	0320-99-1085	1st	$926,673		
10	City of Culver City	Culver City Senior Center	58C6-97-0620	2nd	$500,000		
11	City of Los Angeles	Challengers Boys and Girls Club Sports Fields Acquisition	58F6-01-1292	2nd	$655,024		
12	City of Los Angeles	Urban Impact Parks - Baldwin Hills Recreation Center	58F6-94-0216	2nd	$1,990,000		
13	Los Angeles, Public Works Dept/Engineering Bureau	Ballona Creek Watershed Coliseum Area CDS Structure	58L5-98-1032	2nd	$147,837		
14	Watts Willowbrook Boys & Girls Club	Boys & Girls Club Renovation and Expansion	58M1-95-0405	2nd	$700,000		(1)
15	Los Angeles Unified School District	Los Angeles Center For Enriched Studies	58L8-01-1300	2nd	$737,718		
16	City of Hawthorne	Hawthorne Youth Camp Lodge	58D7-98-0766	2nd	$701,078		
17	County of Los Angeles Dept. of Parks and Recreation	Helen Keller Park Swimming Pool	1230-94-0016	2nd	$133,706	$11,605	(1) (2)
18	County of Los Angeles Dept. of Parks and Recreation	Various Second District Parks Play Area General Improvements	0330-97-0593	2nd	$2,193,100		(1)
19	San Fernando, Rec. & Community Services	Las Palmas Park Youth/Senior Activity Center	58J1-98-1054	3rd	$878,442		
20	Santa Monica Mountains Conservancy	Frawley/Bourguignon Acquisition	58A1-94-0072	3rd	$1,306,345		
21	Mountains Recreation and Conservation Authority	Tuna Canyon Acquisition	58A1-02-2001	3rd	$3,500,000		
22	City of West Hollywood	Residential Tree Planting	58K8-97-0617	3rd	$95,660		
23	City of Beverly Hills, Recreation & Parks Dept.	Beverly Gardens Park Improvements, Phase II	58B4-01-1254	3rd	$250,000		

REGIONAL PARK AND OPEN SPACE DISTRICT
FY 2007-2008 PROPOSITION A GRANTS

	Agency	Project	Grant Number	Supervisorial District	Grant Amount	Questioned Costs	
24	City of Calabasas, Dept. of Community Services	Rehabilitation of Grape Arbor and Gates Canyon Parks	58B7-01-1298	3rd	$86,750		
25	City of West Hollywood	West Hollywood Community/Senior/Teen Center Complex	58K8-98-0748	3rd	$1,450,000		
26	Mountains Recreation and Conservation Authority	Top of Topanga Tree Planting	58A1-00-0843	3rd	$55,000		
27	County of Los Angeles Dept. of Parks and Recreation	Upper Nicholas Canyon Area Conservation Acquisition	P256-04-1337	3rd	$163,152		
28	Harbor City/ Harbor Gateway Boys & Girls Club	Harbor City/ Harbor Gateway Boys & Girls Club At-Risk Youth Center	58M1-98-0730	4th	$300,000	$300,000	(1) (2)
29	City of Long Beach	Belmont Pier Development and Rehabilitation	58F5-94-0239	4th	$1,500,000		
30	City of Norwalk	Norwalk Aquatic Pavilion	58G6-02-1325	4th	$625,000		
31	City of La Mirada	Wilderness Park Tree Planting & Restoration	58E8-98-0729	4th	$38,815		
32	City of Long Beach	Public Art in Private Places II - Graffiti Prevention Tile Project	58F5-98-0736	4th	$298,460		
33	City of Los Angeles, DPW: Bureau of Sanitation	Osage School Stormwater Project	58L5-99-1138	4th	$476,924		
34	City of Whittier	Whittier Hills Park Trail Acquisition	58L1-97-0619	4th	$1,000,000		
35	County of Los Angeles Dept. of Parks and Recreation	Cerritos Park Lake Rehabilitation	0860-94-0173	4th	$74,179	$74,179	(1) (2)
36	County of Los Angeles Dept. of Parks and Recreation	Pathfinder Community Regional Park (Brea Heights Park)	0790-94-0031	4th	$4,493,230		
37	City of Covina	Covina Soccer & Little League Field Renovation	58C4-03-2032	5th	$100,000		
38	City of Pasadena	Villa-Parke Park Picnic Area	58H1-95-0401	5th	$66,119		
39	Mountains Recreation & Conservation Authority	Acquisition of Tax Defaulted Properties in 5th Supervisorial District	58L2-05-2065	5th	$175,000		
40	City of Monrovia	Recreation Park Armory Facility	58G3-99-1102	5th	$660,221		
41	City of San Gabriel	Smith Park Expansion	58J2-98-1008	5th	$1,842,814		
42	City of San Marino	Thurnher House Rehabilitation	58J3-04-0867	5th	$143,628		
43	City of Pasadena	Fannie Morrison Kidspace Museum	58H1-01-1293	5th	$900,000		
44	County of Los Angeles Dept. of Parks and Recreation	Castaic Sports Complex (Phase II & III)	0850-94-0035	5th	$4,850,405		
45	County of Los Angeles Dept. of Parks and Recreation	Bonelli Park Utilities Upgrade	0770-97-0602	5th	$138,166	$124,631	(1) (2)

FY 2007-2008
PROPOSITION A GRANTS

Sub-Total **$42,227,705** **$4,744,603**

REGIONAL PARK AND OPEN SPACE DISTRICT
FY 2008-2009 PROPOSITION A GRANTS

	Agency	Project	Grant Number	Supervisorial District	Grant Amount	Questioned Costs	
1	L.A. County - Dept. of Parks and Recreation	Roosevelt Park Seniors Building	1670-97-0588	1st	$2,694,429		(1)
2	Azusa Recreation and Parks Department	San Gabriel Bike Path Extension and Parking Lot	58A8-02-2003	1st	$350,000		
3	La Puente, Community Services Department	La Puente Community Tree Planting Project	58F1-98-0704	1st	$32,300		
4	L.A. County - Dept. of Parks and Recreation	Various First District Parks General Refurbishments	1700-96-0431	1st	$722,266		
5	L.A. County - Dept. of Parks and Recreation	Whittier Narrows ADA Rehabilitation	2020-94-0165	1st	$250,008	$92,013	(1)(2)
6	Montebello, Dept. of Parks & Recreation	Reggie Rodriguez Park Youth Center	58G4-98-0724	1st	$300,000	$300,000	(1)(2)
7	City of El Monte, Community Services Department	Lashbrook/Brockway Neighborhood Park	58D1-03-2036	1st	$303,265		
8	Santa Monica Mountains Conservancy	Walnut Nature (Pacific Blvd) Park Development	58A1-99-0790	1st	$450,000		
9	L.A. County - Dept. of Parks and Recreation	Whittier Narrows Recreation Area General Improvements	2020-98-0762	1st	$4,329,893		
10	L.A. County - Dept. of Parks and Recreation	Bassett Park Drainage Project	P012-05-1353	1st	$335,001		
11	Mountains Recreation & Conservation Authority	River Center Project	58L2-99-1097	1st	$3,516,638		
12	L.A. County Dept. of Parks and Recreation	Santa Fe Dam General Improvements	1770-97-0592	1st	$1,414,695		
13	City of Gardena	Tennis Courts Renovation Project	58D3-04-2053	2nd	$83,372		
14	L.A. County - Dept. of Parks and Recreation	Alondra Park Lake Rehabilitation	0610-95-0332	2nd	$1,519,576		
15	City of Los Angeles	Palms Area Child Care Center	58F6-97-0550	2nd	$350,000		
16	L.A. County - Dept. of Parks and Recreation	Kenneth Hahn State Recreation Area - Soccer Fields	1160-98-1020	2nd	$2,259,879		
17	City of Carson, Recreation Community Service Dept.	Carson Park Improvement Project	58B8-04-2058	2nd	$387,623		
18	L.A. County – Museum of Nat. Hist. Foundation	1913 Museum Building Rehabilitation	58L7-04-1341	2nd	$4,350,000		
19	Santa Monica Mountains Conservancy	Wilson Canyon Acquisition	58A1-94-0104	3rd	$3,900,000		

REGIONAL PARK AND OPEN SPACE DISTRICT
FY 2008-2009 PROPOSITION A GRANTS

	Agency	Project	Grant Number	Supervisorial District	Grant Amount	Questioned Costs	
20	Mountains Recreation & Conservation Authority	Youngblood McKain Acquisition	58L2-99-1143	3rd	$385,000		
21	Los Angeles Philharmonic Association	Hollywood Bowl Entryway Project	58L3-07-0886	3rd	$450,000		
22	L.A. County - Dept. of Parks and Recreation	John Anson Ford Amphitheater	1080-95-0269	3rd	$2,244,474		
23	Santa Monica Mountains Conservancy	Westlake Vista Acquisition	58A1-94-0124	3rd	$3,200,000		
24	City of Los Angeles	Delano Recreation Center. Community Building	58F6-94-0193	3rd	$2,100,000		
25	Los Angeles, Public Works Dept/Engineering Bureau	Griffith Observatory - Phase I	58F6-95-0256	3rd	$18,500,000		
26	Los Angeles, Department of the Zoo	Los Angeles Zoo - Safety Enhancements	58F7-95-0411	3rd	$1,104,918		
27	L.A. County - Dept. of Beaches and Harbors	Venice Beach General Improvements	0310-00-0827	3rd	$3,345,000		
28	Los Angeles, Department of the Zoo	Los Angeles Zoo - Pachyderm Forest	58F7-99-1123	3rd	$12,000,000		
29	Palos Verdes Peninsula Land Conservancy	Acquisition of Open Space in the Portuguese Bend Area	58M1-06-2076	4th	$1,000,000		
30	City of Bellflower	Teen Center, Aquatic Center, and Athletic Court Rehabilitation Project	58B2-02-2021	4th	$80,000		
31	City of Whittier	Whittier Hills Park	58L1-94-0034	4th	$8,130,138		
32	L.A. County - Dept. of Parks and Recreation	Adventure Park Senior Center	1150-01-1285	4th	$138,210		
33	Puente Hills Landfill Native Habitat Preservation Authority	Rose Hills Property Acquisition, Whittier Hills Park	58L8-03-0857	4th	$1,169,862		
34	City of Whittier	Pio Pico State Historic Park	58L1-01-1288	4th	$2,500,000		
35	L.A. County - Dept. of Parks and Recreation	Various Fourth District Parks Playground Renovations	0350-97-0601	4th	$828,427		
36	City of Rancho Palos Verdes	Point Vicente Regional Park Development	58H4-97-0649	4th	$3,218,511		
37	L.A. County - Dept. of Parks and Recreation	Schabarum Park General Improvements	1800-94-0186	4th	$2,540,156		
38	City of Long Beach	Westside Park Development	58F5-99-1126	4th	$3,378,371	$1,038,203	(1)(2)
39	City of Pasadena	Pasadena Sports Courts Improvements	58H1-96-0442	5th	$41,022		
40	City of Sierra Madre	Youth Activity Center Construction	58J7-04-0864	5th	$947,450		
41	Descanso Gardens Guild	Descanso Gardens General Improvements	58M1-01-1265	5th	$349,997		
42	L.A. County - Dept. of Parks and Recreation	Eaton Canyon Acquisition	1030-94-0202	5th	$1,714,623		

REGIONAL PARK AND OPEN SPACE DISTRICT
FY 2008-2009 PROPOSITION A GRANTS

	Agency	Project	Grant Number	Supervisorial District	Grant Amount	Questioned Costs
43	L.A. County - Dept. of Parks and Recreation	William S. Hart Park - General Improvements II	1170-99-1092	5th	$406,707	
44	City of La Verne	La Verne Sports Park Synthetic Turf Project	58F2-03-2040	5th	$100,000	
45	City of Santa Clarita	River Park Acquisition	58J4-98-0769	5th	$1,891,288	

		Grant Amount	Questioned Costs
FY 2008-2009 PROPOSITION A GRANTS	Sub-Total	**$98,469,098**	**$1,430,216**
FY 2007-2008 & FY 2008-2009 PROPOSITION A GRANTS	Total	**$140,696,803**	**$6,174,819**

MAINTENANCE AND SERVICING EXPENDITURES

	Agency	Project	Grant Number	Supervisorial District	Maintenance and Servicing Amount	Questioned Costs
1	L.A. County - Dept. of Parks and Recreation	Roosevelt Park Seniors Building	1670-97-0588	1st	$844,000	
2	Mountains Recreation & Conservation Authority	River Center Project	58L2-99-1097	1st	$1,059,963	
3	Santa Monica Mountains Conservancy	Wilson Canyon Acquisition	58A1-94-0104	3rd	$206,568	
4	Santa Monica Mountains Conservancy	Westlake Vista Acquisition	58A1-94-0124	3rd	$24,795	
5	City of Rancho Palos Verdes	Point Vicente Regional Park Development	58H4-97-0649	4th	$29,987	
6	City of Pasadena	Pasadena Sports Courts Improvements	58H1-96-0442	5th	$2,960	
7	City of Sierra Madre	Youth Activity Center Construction	58J7-04-0864	5th	$37,848	
				Total	**$2,206,121**	

(1) Mayer identified matters that it deemed to be significant deficiencies or material weaknesses in internal control over financial reporting. These weaknesses and deficiencies resulted from incomplete files and inappropriately maintained accounting records and are considered serious issues that, if not corrected, could result in misstatement of the project financial statements.

(2) Mayer questioned these costs due to the lack of supporting documentation. The District agreed to require the grantees to show cause as to why the District should not receive reimbursement.

Attachment 2

LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT

April 19, 2011

TO: Each Supervisor

FROM: Russ Guiney
Director, Parks and Recreation

SUBJECT: **REGIONAL PARK AND OPEN SPACE DISTRICT PROPOSITION A GRANT AUDITS (WORK ORDERS 7-50B and 7-50C)**

Work Order 7-50B

The Los Angeles County Regional Park and Open Space District (District) requested the audit of 45 grant projects through the Los Angeles County Department of the Auditor-Controller. The grant projects referenced were subsequently audited under Work Order 7-50B, by a Certified Public Accounting firm Mayer Hoffman McCann P.C. (Mayer).

In several of the grants audited, Mayer reported findings that questioned costs from the capital projects and/or related maintenance and servicing of the projects. The audit reports indicate that the questioned cost findings resulted from the inability of these grantees to provide financial records to support certain project costs.

In previous years, audit firms have made similar findings. The District's analysis of the problem indicates that several grantees were either remiss in their recordkeeping responsibilities or had misunderstood the exact date (five years after the grant closing date) until which they were required to keep all grant-related documents for audit purposes. To clarify this issue, in 2001, the District began sending annual letters to all grantees reminding them of potential audits and relevant grant closing dates. However, many of the capital outlay projects the District has funded began their project life soon after the passage of the County's Safe Neighborhood Parks Proposition in 1992. Some of those projects took many years to complete, which resulted in some grantees only submitting sufficient documentation to close the grants years after project completion. In previous audits, the District chose not to demand repayment of such costs because in each instance a case could be made that the projects had been completed as described in the grant agreements. In all such instances, District staff had made thorough site inspections with supporting documentation to assure that the projects had been completed as described.

However, the latest audit finding regarding questioned costs indicate that District audit instructions are still not being followed by some grantees. Beginning with the audits in Work Order 7-50B, grantees with questioned costs will be notified that the District will invoke its authority under Section I (3) of the Grant Agreement to demand reimbursement for the questioned costs. Such notice will be sent directly to the person authorized to act on behalf of each grant and will require the grantee to show cause as to why the District should not receive reimbursement. The District will then make a cost recovery determination based upon the grantee's response. All grantees will be notified of this new step in the audit process in the hope that similar audit findings will be reduced in the future.

For those grants with document compliance issues, the District has determined that these were minor procedural matters and grantees have been informed of proper procedures for ongoing grants subject to future audits.

The following lists grantees with audit findings from Work Order 7-50B:

Questioned Costs:

- County of Los Angeles - Parks and Recreation – Bonelli Park Utilities Upgrade (0770-97-0602); Cerritos Park Lake Rehabilitation (0860-94-017); Helen Keller Park Pool (1230-94-0016);
- Harbor City/Harbor Gateway Boys & Girls Club – Harbor City/Harbor Gateway Boys & Girls Club At-Risk Youth Center (58M1-98-0730);
- Montebello – Rehabilitation of the City Park Aquatics Center & City Park Sr. Center Expansion & Gym/Youth Center (58G4-96-0475);
- Pico Rivera – Pico Rivera Community Center/Rio Hondo Project (58H2-99-1119);
- Pomona – Ganesha Park Improvements (58H3-94-0144).

Compliance Documentation Issues:

- Beverly Hills – Beverly Gardens Park Improvements, Phase II (58B4-01-1254); Calabasas – Rehabilitation of Grape Arbor and Gates Canyon Parks (58B7-01-1298);
- County of Los Angeles – Parks and Recreation – Allen Martin, Avocado Heights, Bassett, and San Angelo Parks General Improvements (0320-99-1085); Bonelli Park Utilities Upgrade (0770-97-0602); Castaic Sports Complex (0850-94-0035); Cerritos Park Lake Rehabilitation (0860-94-017); Helen Keller Park Pool (1230-94-001); Various Second District Parks Play Area General Improvements (0330-97-0593); Whittier Narrows Recreation Area Irrigation Rehabilitation (2020-95-0418);
- Harbor City/Harbor Gateway Boys & Girls Club – Harbor City/Harbor Gateway Boys & Girls Club At-Risk Youth Center (58M1-98-0730);
- Long Beach – Belmont Pier Development and Rehabilitation (58F5-94-0239); Public Art in Private Places II – Graffiti Prevention Tile Project (58F5-98-0736);

- Los Angeles – Housing Authority – Aliso Pico Gardens (58F6-95-0315); Urban Impact Parks – Baldwin Hills Rec. Ctr. Comm. Bldg/Child Center (58F6-94-0216);
- Los Angeles Unified School District – Los Angeles Center For Enriched Studies (58L8-01-1300);
- Montebello – Rehabilitation of the City Park Aquatics Center & City Park Senior Center Expansion & Gym/Youth Center (58G4-96-0475);
- Monrovia – Recreation Park Armory Facility (58G3-99-1102);
- Mountains Recreation Conservation Authority – Top of Topanga Tree Planting (58A1-00-0843); Los Angeles River Bikeway Improvements (58L2-03-2025);
- Norwalk – Norwalk Aquatic Pavilion (58G6-02-1325);
- Pasadena – Villa-Parke Park Picnic Area (58H1-95-0401);
- Pico Rivera – Pico Rivera Community Center/Rio Hondo Project (58H2-99-1119);
- Pomona – Ganesha Park Improvements (58H3-94-0144); Senior Center Improvements – Palomares Park (58H3-01-1270);
- San Fernando – Las Palmas Park Youth/Senior Activity Center (58J1-98-0405);
- Watts Willowbrook Boys & Girls Club – Boys & Girls Club Renovation and Expansion (58M1-95-0405);
- West Hollywood – Residential Tree Planting (58K8-97-0617);
- Whittier – Whittier Hills Park Trails (58L1-97-0619).

Work Order 7-50C

Work Order 7-50C, the final audit of the series completed under Master Agreement 77027, was entered into by and between the County of Los Angeles and Mayer Hoffman McCann P.C., for Contract Services of 45 Proposition A grant projects.

The projects listed on the following page were determined to have audit findings of Compliance Issues and Questioned Costs. Grantees for these projects were not able to provide auditors all requested original financial documents, as required by District policy. As with Work–Order 7-50B, Grantees under Work-Order 7-50C with Questioned Costs, will be notified that the District will invoke its authority under Section I (3) of the Grant Agreement to demand reimbursement for the Questioned Costs. Such notice will be sent directly to the person authorized to act on behalf of each grant and will require the grantee to show cause as to why the District should not receive reimbursement. The District will then make a cost recovery determination based upon the grantee's response. All grantees will be notified of this new step in the audit process in the hope that similar audit findings will be reduced in the future.

The following lists grantees with audit findings from Work Order 7-50C:

Questioned Costs:

- County of Los Angeles - Parks & Recreation - Whittier Narrows ADA Rehabilitation (2020-94-0165);
- Long Beach – Westside Park Development (58F5-99-1126);
- Montebello – Reggie Rodriguez Park Youth Center (58G4-98-0724);

Compliance Documentation Issues:

- Bellflower – Teen Center/Aquatics Center and Athletic Court Rehab. Project (58B-02-2021);
- City of Los Angeles – Delano Rec. Ctr. Community Building (58F3-94-0193); Palms Area Child Care Center (58F-97-0550);
- County of Los Angeles - Parks and Recreation – Adventure Park Senior Center (1150-01-1285); Alondra Park Lake Rehabilitation (0610-95-0332); Eaton Canyon Acquisition (1030-94-0202); John Anson Ford Amphitheather (1080-95-0269); Roosevelt Park Seniors Building (1670-97-0588); Santa Fe Dam General Improvements (1770-97-0592); Various First District Parks General Refurbishments (1700-96-0431); Various Fourth District Parks Playground Renovations (0350-97-0601); Whittier Narrows ADA Rehabilitation (2020-94-0165); Whittier Narrows Recreation Area General Improvements (2020-98-0762); William S. Hart Park – General Improvements II (1170-99-1092);
- County of Los Angeles – Beaches and Harbors - Venice Beach General Improvements (0310-00-0827);
- Descanso Gardens Guild – Descanso Gardens General Improvements (58M1-01-1265);
- El Monte – Lashbrook/Brockway Neighborhood Park (58D1-03-2036);
- Long Beach – Westside Park Development (58F5-99-1126);
- Los Angeles Philharmonic Association – Hollywood Bowl Entryway Project (58L3-07-0886);
- Los Angeles Public Works Department – Griffith Observatory – Phase I (58F6-95-0256);
- Montebello – Reggie Rodriguez Park Youth Center (58G4-98-0724);
- Santa Clarita – River Park Acquisition (58J4-98-0769);
- Santa Monica Mountains Conservancy – Walnut Nature (Pacific Blvd) Park Development (58A1-99-0790);
- Sierra Madre – Youth Activity Center Construction (58J7-04-0864);
- Whittier – Pio Pico State Historic Park (58L1-01-1288).

Please call if you have any questions, or your staff can contact Ilona Volkmann, Administrator, Regional Park and Open Space District at (213) 738-2981.

c: William T Fujioka, Chief Executive Officer
Sachi A. Hamai, Executive Officer
Ilona Volkmann, Administrator, Regional Park and Open Space District