

REPORT OF GENERAL MANAGER


NO. 02-299

DATE August 14, 2002

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: USE OF MUNICIPAL RECREATION PROGRAM (MRP) FUNDS

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| J. Combs _____ | J. Kolb _____ |
| A. Coroalles _____ | J. Duggan* <u>JD</u> |
| H. Fujita _____ | M. Matthews _____ |


 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board approve the continued use of Municipal Recreation Program (MRP) funds for the wide variety of items that are necessary for the continued support of Department activities.

SUMMARY:

The Department of Recreation and Parks is unique among City departments for many reasons, but one of the most unique capabilities the Department has is the ability to pay for the material needed to provide recreation programming directly from the fees paid for such programming. The Board of Recreation and Park Commissioners authorized the Department staff in 1954 to create a separate accounting system to be used for the receipt of funds paid by patrons for the use of Department facilities and programs and the payment of invoices for the wide variety of items necessary to provide such programs. The accounting system has been known since that time as the Municipal Recreation Program or MRP system.

Since 1954 there has been a gradual expansion of the use of the MRP system to pay for an expanding variety of services and goods. Today as an example the Department uses the MRP system to receive the money paid for parking at the Pershing Square Parking Garage and to pay for the salaries of the General Service employees who provide the parking service for our visitors, as well as all equipment and vehicles needed to operate the facility. The funds generated at the garage also pay for entertainment at the facility and additional recreation services for the residents near the facility.

To properly continue to provide this very unique and beneficial service it is recommended that the Board approve and authorize Department staff to continue to provide the beneficial recreation

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services for Los Angeles residents and others, and that the staff is authorized to purchase all of the items necessary to fulfill the mission of the Department. These items may include but are not limited to automobiles, material for construction and other uses, and anything else that is approved by Department management. All laws related to purchase of goods and services will be observed.

The MRP system is controlled by having at least two signatures on each purchase voucher. For purchases under \$1,000 the signature of the MRP director and the supervisor is required. Purchases of \$1,000 to \$4,999 require the originator, the supervisor and the Principal Recreation Supervisor. Purchases of \$5,000 to \$24,999 require the signature of the Assistant General Manager, and anything over \$25,000 requires the approval of the General Manager.

Report prepared by: John Duggan, Chief Financial Officer