

File No. 100139

Committee Item No. 3

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight Date February 25, 2010

Board of Supervisors Meeting Date _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

(Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Alisa Somera Date February 19, 2010

Completed by: _____ Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file and the online version.

1 [Budget and Legislative Analyst Audit of the Alemany Farmers' Market]

2
3 **Motion directing the Budget and Legislative Analyst to conduct an audit of the Alemany**
4 **Farmers' Market and the Real Estate Department in its capacity as operator of the**
5 **market.**

6
7 WHEREAS, The Famers' Market was first established in San Francisco in 1943 and is
8 the oldest organized market of its type in California; and,

9 WHEREAS, The market continues to play an important role in the City's active food
10 sector; and,

11 WHEREAS, The Alemany Market is the only one of the 19 certified famers' markets in
12 San Francisco that is managed directly by the City; and,

13 WHEREAS, The City's Real Estate Department assumed management duties of the
14 market in 2004; and,

15 WHEREAS, As the operator of the market, the City has a particular responsibility to
16 ensure that the Alemany Market is managed in a way that is supportive of small businesses
17 and delivers a high quality market experience for all users; now, therefore, be it

18 **MOVED, That the Budget and Legislative Analyst is hereby directed to conduct an**
19 **audit of the current finances and management of the Alemany Farmer's Market.**

Items # 4 File 10- 0139	Department(s): Board of Supervisors
EXECUTIVE SUMMARY	
<p>Legislative Objectives</p> <p><u>File 10-0139</u>: Motion requesting the Budget and Legislative Analyst to conduct a performance audit of the Alemany Farmers' Market and the Real Estate Division in its capacity as operator of the Market.</p> <p>Fiscal Impact</p> <p>The existing FY 2009-10 appropriation for Budget and Legislative Analyst services would cover the costs of the proposed performance audit. Therefore, there would be no additional costs to the City.</p> <p>Key Points</p> <p>To implement the proposed performance audit, the Budget and Legislative Analyst would:</p> <ul style="list-style-type: none"> • Assess the effectiveness, efficiency, and economy of the Real Estate Division's administration, procedures, and management practices in its capacity as operator of the Alemany Farmers' Market, including, but not limited to, (a) a review of the Division's established goals and objectives for the Market; (b) a review of the Division's internal controls for operating, administering, and overseeing the Market; (c) an assessment of the Division's process for determining which stall operators could operate at the Market; and (d) an evaluation of the Division's processes and procedures for ensuring customer satisfaction and the Market's overall quality. • Evaluate the Alemany Farmers' Market's activities and finances, including, but not limited to, (a) an evaluation of Farmers' Market vendors' compliance with applicable rules and regulations; and (b) an analysis of the annual revenues generated by the Alemany Farmers' Market. • Identify opportunities to increase the efficiency, effectiveness, and economy of the Alemany Farmers' Market's management, activities, administration, and operations. <p>The Budget and Legislative Analyst estimates that the review of the Alemany Farmers' Market and the Real Estate Division in its capacity as operator of the Market would require approximately 350 service hours. The Budget and Legislative Analyst will conduct the audit based on audit priorities established by the Board of Supervisors.</p> <p>Recommendation</p> <p>Approval of the proposed motion is a policy matter for the Board of Supervisors.</p>	

BACKGROUND

The Budget and Legislative Analyst provides performance audit services to the Board of Supervisors. The Agreement between the Budget and Legislative Analyst Joint Venture Partnership and the Board of Supervisors defines the Budget and Legislative Analyst scope of services and requires that the Budget and Legislative Analyst submit an annual work plan estimating the allocation of staff hours for each service category and major project for input, review and approval by the Board of Supervisors.

The Budget and Legislative Analyst has met with members of the Board of Supervisors for input into the annual work plan and submitted a proposed 2010 work plan to the Board of Supervisors for approval on January 25, 2010 (see File 10-0148). Under the proposed 2010 work plan, the Budget and Legislative Analyst recommends allocating an estimated 4,450 service hours for performance audits and special projects.

DETAILS OF PROPOSED LEGISLATION

The proposed motion would direct the Budget and Legislative Analyst conduct a performance audit of the Alemany Farmers' Market and the Real Estate Department in its capacity as operator of the Market. The purpose of this performance audit would be to examine the efficiency, effectiveness, and economy, of the operations, management practices, finances, activities and internal controls pertaining to the Alemany Farmer's Market, which is operated by the City's Real Estate Division.

To implement the proposed performance audit, the Budget and Legislative Analyst would:

- Assess the effectiveness, efficiency, and economy of the Real Estate Division's administration, procedures, and management practices in its capacity as operator of the Alemany Farmers' Market, including, but not limited to, (a) a review of the Division's established goals and objectives for the Market; (b) a review of the Division's internal controls for operating, administering, and overseeing the Market; (c) an assessment of the Division's process for determining which stall operators could operate at the Market; and (d) an evaluation of the Division's processes and procedures for ensuring customer satisfaction and the Market's overall quality.
- Evaluate the Alemany Farmers' Market's activities and finances, including, but not limited to, (a) an evaluation of Farmers' Market vendors' compliance with applicable rules and regulations; and (b) an analysis of the annual revenues generated by the Alemany Farmers' Market.
- Identify opportunities to increase the efficiency, effectiveness, and economy of the Alemany Farmers' Market's management, activities, administration, and operations.

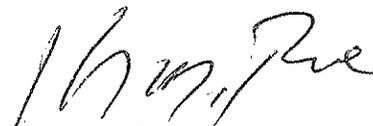
The Budget and Legislative Analyst estimates that the review of the Alemany Farmers' Market and the Real Estate Division in its capacity as operator of the Market would require approximately 350 service hours. The Budget and Legislative Analyst will conduct the audit based on audit priorities established by the Board of Supervisors.

FISCAL IMPACTS

The existing FY 2009-10 appropriation for Budget and Legislative Analyst services would cover the costs of the proposed performance audit. Therefore, there would be no additional costs to the City.

RECOMMENDATION

Approval of the proposed motion is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Mar
Supervisor Chu
Supervisor Maxwell
President Chiu
Supervisor Alioto-Pier
Supervisor Avalos
Supervisor Campos
Supervisor Daly
Supervisor Dufty
Supervisor Elsbernd
Supervisor Mirkarimi
Clerk of the Board
Cheryl Adams
Controller
Greg Wagner