

**Items # 4**  
File 10- 0139

**Department(s):**  
Board of Supervisors

## EXECUTIVE SUMMARY

### Legislative Objectives

File 10-0139: 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.

### Fiscal Impact

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.

### Key Points

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.

### Recommendation

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

## 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