City of Austin Office of the City Auditor

DRAFT

Audit Highlights August 2020

City Cultural Centers



Center Missions

Asian American Resource Center: "To provide spaces, services, resources, and programs through an Asian American Pacific Islander perspective." Emma S. Barrientos Mexican American Cultural Center: "To preserve, create, present, and promote the cultural arts of Mexican Americans and Latino cultures." George Washington Carver Museum, Cultural and Genealogy Center: "To collect, preserve, and share historical and cultural materials reflecting all dimensions of experiences of persons of African descent living in Austin, Travis County, and in the United States."

African American Cultural and Heritage Facility: "To foster cultural activities, business opportunities, and creative collaboration within the African American community."

Millennium Youth Entertainment Complex: "To provide a safe, secure, and comfortable environment (free from drugs, gangs, crime, and violence) where families can enjoy a wide range of affordable, high-quality recreational and entertainment activities and attractions." Mexic-Arte Museum: "To enrich and educate the community through the collection, preservation, and presentation of traditional and contemporary Mexican, Latino, and Latin American art and

culture to promote dialogue and develop understanding for visitors of all ages."

Why We Did This Work

Council requested this audit to determine if City cultural centers are effectively operating and serving the community.¹ Cultural centers provide a variety of affordable and accessible cultural arts activities and resources for all members of the community. Our office reviewed information relevant to this request for the Asian American Resource Center; the Emma S. Barrientos Mexican American Cultural Center; the George Washington Carver Museum, Cultural and Genealogy Center; the African American Cultural and Heritage Facility (Heritage); the Millennium Youth Entertainment Complex; and the Mexic-Arte Museum. While not part of the audit request, the Heritage facility was included in our audit since the facility is a cultural center.

Background

Cultural Center	Facility Opened	Square Feet	Facility Owned by	Facility Managed by
Asian American Resource Center	2013	16,000	City of Austin	Parks and Recreation Department
Emma S. Barrientos Mexican American Cultural Center	2007	34,000	City of Austin	Parks and Recreation Department
George Washington Carver Museum, Cultural and Genealogy Center	1980	39,000	City of Austin	Parks and Recreation Department
African American Cultural and Heritage Facility	2013	4,770	City of Austin	Economic Development Department
Millennium Youth Entertainment Complex	1999	50,000	City of Austin	ASM Global
Mexic-Arte Museum	1988*	55,000	Mexic- Arte	Mexic-Arte

*Mexic-Arte was incorporated in 1984, moved to their current location in 1988, and purchased their current building in 2001.

¹This Audit was requested by Council via Council Resolution No. 20190619-086.

Photo Credit: Asian American Resource Center, George Washington Carver Museum, and Emma S. Barrientos Mexican American Cultural Center photos courtesy of PARD. African American Cultural and Heritage Facility from OCA staff. The Mexic-Arte Museum from Seth Anderson via <u>Flickr</u>.

Audit Highlights August 2020

City Cultural Centers - Overall Summary

City Cultural Centers: Objective

Is the City effectively operating and planning for future space needs of City cultural centers?

City Cultural Centers: What We Found & What We Recommend

Ineffective strategic direction and inefficient operations threaten the City's ability to increase cultural opportunities.

City Cultural Centers - Summary of Issues and Recommendations

	Finding	City Cultural Centers - Summary of Issue	Recommendation	
1	Strategic Planning	The City allocated 2018 voter-approved bond funding without key strategic documents in place for most of the cultural centers. Further, it awarded bond funding to a cultural center which is owned and run by a non-profit even though there are maintenance and accessibility issues at City-owned facilities.	The Parks and Recreation Department (PARD) Director should ensure facilities have updated master plans. The Economic Development Department (EDD) Director should initiate a strategic plan for the Heritage facility that includes facility needs.	
2	Maintenance	Accessibility issues and maintenance needs are not addressed timely due to insufficient funding.	The PARD Director should work with the City Manager and Budget Office to identify and prioritize necessary funding.	
3	Space Use	There are limits to the community's ability to use space at centers due to operational decisions and barriers to using the facility.	The PARD and EDD Directors should ensure that the use of facility space is optimized, and the hours of operation meet the needs of community.	
4	Accessibility	Barriers impact accessibility at the cultural centers which could lead to reduced community use.	The PARD Director should work with stakeholders to resolve barriers to accessing cultural centers.	
5	Programming	Ineffective management of PARD's program planning process negatively impacts the accuracy and reliability of information for decision making and may result in duplicate work.	The PARD Director should ensure the program planning process is managed efficiently and effectively.	
6	Performance Measures	The lack of established targets, inaccurate data, and reporting results based on small survey sizes may reduce PARD's ability to determine the success of cultural center programs and services.	The PARD Director should ensure that cultural centers' performance measures have targets as well as provide accurate and reliable information for decision making; the EDD Director should establish measurable performance measures and set targets to assess performance.	
7	Fees	Fees charged at centers in fiscal year 2019 were not in compliance with Council-approved fees resulting in undercharges of at least \$20,000 at Parks and Recreation centers and at least \$130,000 at an Economic Development Department center.	The PARD Director should take steps to ensure fees are appropriately charged and tracked; the EDD Director should evaluate fee waiver practices.	
8	RecTrac Access	Administrative issues with the Parks and Recreation IT system expose the City to multiple IT security risks.	The PARD Director should take steps to ensure IT security for its RecTrac application.	
9	Staff Training	Some training gaps related to customer service and cultural sensitivity may reduce staff's ability to create positive relationships with the communities they serve.	The PARD and EDD Directors should ensure that all cultural center staff receive customer service training and cultural sensitivity training to better serve the community.	

Millennium Youth Entertainment Complex - Overall Summary

Millennium Youth Entertainment Complex: Objective

Is the Millennium Youth Entertainment Complex (MYEC) operating effectively to meet community needs?

Millennium Youth Entertainment Complex: What We Found & What We Recommend

Inadequate leadership and oversight, strained relationships, and budget constraints impact operations of the Millennium Youth Entertainment Complex and could prevent the facility from meeting its mission in the future.

Millennium Youth Entertainment Complex - Summary of Issues and Recommendations

	Finding	lssue	Recommendation
1	Operating Environment	Strained relationships and lack of trust between key players affected MYEC operations and could impact the facility's ability to meet its mission.	The City Manager should facilitate an engagement with all key MYEC stakeholders, and implement strategies for developing and maintaining trust across MYEC internal and external stakeholders.
2	Administration and Oversight of Agreements The City and the Austin Rosewood Community Development Corporation did not provide adequate leadership and oversight of the MYEC. The City is less able to ensure community needs are met, and this could prevent the facility from achieving its mission.		The City Manager should evaluate the current MYEC governance structure. If the current governance structure is maintained, the City Manager should work with stakeholders to clarify the expectations, roles and responsibilities of the responsible parties. The PARD Director should implement a monitoring system.
3	Maintenance of the Facility and Technology	The City has not addressed MYEC facility and technology maintenance needs or accessibility issues, which could result in injury to patrons, increased future maintenance costs, and negative community perceptions.	The PARD Director should work with the City Manager and Budget Office to identify necessary funding.
4	Performance Expectations	MYEC management did not meet performance targets for revenue, attendance, and activity expansions. Some performance expectations were not defined clearly enough to verify success.	Will be addressed by implementing recommendation 2 above.
5	Accessibility Barriers	Community members noted barriers, such as lack of affordability and limited days of operation, which could impact the community's ability to use the MYEC.	The City Manager should work with stakeholders to resolve barriers to accessing the facility.

Mexic-Arte - Overall Summary

Mexic-Arte: Objective

Is the City effectively monitoring its agreements with the Mexic-Arte Museum (Mexic-Arte) to ensure that Mexic-Arte is providing all services and meeting all agreement obligations?

Mexic-Arte: What We Found & What We Recommend

The City did not adequately develop and monitor agreements with Mexic-Arte, making it difficult to ensure the desired services were delivered to the community.

Finding		Finding	Issue	Recommendation
	1	Administration	PARD staff did not verify the accuracy and completeness of performance information reported by Mexic-Arte and did not enforce four of the agreement requirements.	The PARD Director should implement accountability measures for staff, and put supervisory processes in place.
	Agreements	Some performance measures in the agreement managed by PARD are ambiguous and difficult to measure.	The PARD Director should work with stakeholders to review the current performance expectations and revise the performance measures.	
	2	Governance	Having two departments manage the City's agreements with Mexic-Arte appears to cause challenges and inefficiencies. While the agreements have some similar requirements, departments do not coordinate to ensure they are met and perform duplicate monitoring acitvities.	The City Manager should evaluate the current governance structure of the City's agreements with Mexic-Arte to determine if there is a need to centralize management of the agreements.

Mexic-Arte Museum - Summary of Issues and Recommendations

Peer Cities - Overall Summary

Peer Cities: Objective

Is the governance of City-owned centers aligned with national best practices?

Peer Cities: What We Found

While the City of Austin operates four of its five centers, nonprofits run the majority of similar City-owned centers identified in peer cities. Also, the majority of cities have a department-level arts and culture agency.

We looked at the governance model of five centers owned by the City of Austin. The City runs four centers (managed by PARD and EDD) and contracts out operations for one center to a nonprofit that subcontracts management out to a for-profit company. The majority of peer centers (16 of 22) are run by nonprofits. In addition, oversight of most centers falls under the city department primarily responsible for providing culture and art services.

Peer Cities: What We Recommend

To promote effective governance and operation of City of Austin cultural centers, the City Manager should assess the existing governance structure for each center and determine whether a change to the governance structure is needed.