



# Highlights

## Why OCA Did This Study

[The City's Park and Recreation Department's Golf Division operates three municipal golf properties.](#) In accordance with the City Auditor's FY 2015 Work Plan, we conducted a performance audit of the Park and Recreation Department's Golf Division. The primary objective of this audit was to review golf operations for the three City-run municipal golf courses (Torrey Pines, Balboa Park, and Mission Bay) to determine whether opportunities to improve operational efficiencies exist.

## What OCA Recommends

OCA made [five recommendations](#) that will improve the Golf Division's operations, all of which management agreed to implement. These include:

-The Golf Division should finalize the functional and technical requirements for its new reservation and point-of-sale system and prioritize the acquisition and implementation of the system;

-The Golf Division should enhance internal controls by tracking and systematically analyzing voided transactions as well as requiring supervisor approval to void transactions;

-The Golf Division should revise its cash discrepancy reporting policy to be consistent with the *Citywide Cash Handling Training Manual*;

-Pursuant to available funding, the Golf Division should identify funding for and acquire an automated range ball machine for Mission Bay Golf Course to enhance internal controls related to potential cash skimming risks; and

-The Golf Division should develop and implement a comprehensive marketing and business development strategy.

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February 2015

## Golf Division Operations

### *Opportunities Exist to Improve the Business Operations and Competitiveness of City Golf Courses*

## What OCA Found

The City of San Diego (City) operates three golf course complexes throughout San Diego: Torrey Pines, Balboa Park, and Mission Bay. In FY 2014, the City-operated courses generated nearly \$20 million in revenues for the Golf Enterprise Fund, and had a net operating income of about \$4.5 million. Over the past several years, the City's Park and Recreation Department's Golf Division has invested time and funds intended to improve the quality and consistency of play at the City-operated golf properties. While physical improvements to the City-operated golf properties have been important developments, we identified opportunities to [1\) improve the efficiency of the Golf Division's business operations, and 2\) enhance the marketing of the City's golf course assets.](#)



Torrey Pines Golf Course  
Source: Golf Division

The Golf Division currently lags behind regional and national golf competitors by not offering [online reservation services](#) for its customers, and requiring customers to make multiple payment transactions for services at municipal courses. The Golf Division is taking steps to modernize its reservation system and point of sale system, and is working with the City's Purchasing and Contracting Department to acquire a new system which will integrate reservation and sale functions.

Our review of [cash handling practices](#) at the three municipal golf properties identified areas for improvement related to voiding customer transactions, reporting cash count discrepancies, and mitigating potential cash skimming risks at the Mission Bay golf course.

The 2012 Golf Division Business Plan identifies the [need for comprehensive marketing efforts](#) in order to promote its properties. However, the Golf Division's current efforts to market golf course assets are limited and the division lacks staff to fully execute marketing plans.