



King County

KING COUNTY AUDITOR'S OFFICE

JANUARY 13, 2026

Parks: New Processes Needed to Manage Growing Grant Portfolio

BASIL HARIRI
ANU SIDHU
MIA NEIDHARDT

EXECUTIVE SUMMARY

King County Parks and Recreation Division's (Parks or Parks Division) grants program has expanded significantly since 2017, but its oversight strategy has not kept pace with grant volumes. The Parks Division recently made substantial improvements to its process; however, the program is still relatively under-developed given its size and responsibilities, and it would benefit from more focus on planning and governance. Parks has not yet defined specific and measurable objectives to guide its grants program, increasing the risk that it distributes its resources in ways that do not support the grants program's intent. Parks also does not sufficiently track whether grantees are achieving intended outcomes, limiting its ability to show the impact of more than \$100 million of grant funds. Instead, the Parks Division puts an emphasis on financial oversight, but there are gaps and inconsistencies due to some unclear policies and insufficient guidance. By addressing these issues, the Parks Division can strengthen accountability, improve effectiveness, and ensure it uses funds to achieve meaningful results for King County communities.

Acknowledgment

The King County Parks and Recreation Division (Parks or Parks Division) has made significant positive progress improving its grants program. The Parks Division grants team made substantial enhancements to staffing, roles, and documentation over the past year. Parks hired two new supervisors for the grants team, clarified some roles and responsibilities, renewed efforts to update its policies and procedures, and improved the templates that it provides to grantees. These changes have helped improve Parks Division staff engagement and represent very positive steps toward improving its grants program.

The Parks Division's grants management team showed substantial interest and initiative in learning about and implementing best practices and continuous improvement. Grant managers consistently told us they enjoyed collaborating with their colleagues and felt their team was strong. Despite being in a period of change, the Parks Division grants team was available to answer our questions and provide us with access to the agency's data systems, policies, records, and staff.

REPORT HIGHLIGHTS

What We Found

The King County Parks and Recreation Division (Parks or Parks Division) grants program’s oversight structure has not grown enough to keep up with the program’s expansion over the past decade. Program leadership has taken steps to improve oversight practices, but the program still needs to translate high-level goals into specific and measurable objectives. The Parks Division also does not sufficiently monitor outcomes of its grants program, limiting its ability to demonstrate the impact of grant funds.

The Parks Division places a strong emphasis on financial compliance but does not yet apply its approach strategically, limiting its ability to reduce financial risk. Parks requires substantial documentation for all grants (ranging from \$2,000 to \$2 million) in part because it builds on legacy requirements from when it managed federal grant funds. However, some of the division’s policies, definitions, and standards need more clarity on what invoice documentation should show. The current system places a high administrative burden on Parks Division grants staff and grantees but does not adequately ensure that Parks only reimburses appropriate funds. Because of these gaps, our audit review could not confirm whether the Parks Division made all payments in line with the grants program intent.

What We Recommend

We recommend that the Parks Division align its operations with program goals by developing a formal plan for its grants program. We also recommend Parks make changes to grant agreements to enable performance monitoring of both individual grants and its grants program. To ensure a level of financial stewardship that is aligned with goals and risk, we recommend that the Parks Division develop a risk-based strategy to grants oversight and identify areas where it could develop clearer policies and processes. By addressing these issues, the grants program can strengthen accountability, improve effectiveness, and ensure grantees use funds to achieve meaningful results for King County communities.

Why This Audit Is Important

The Parks Division grants program has expanded dramatically, growing from \$3 million in 2017 to more than \$100 million (about \$20 million annualized) from 2026 to 2031, the majority of which comes from the recently approved 2026–2031 Parks Levy. These grants support local nonprofits, community organizations, tribal organizations, cities, towns, and other public entities that contribute to Parks’ goals and priorities, such as increasing access to green spaces. Given the large amount of grant funding Parks plans to distribute, strong oversight of the grants program is important to ensure grantees use public funds effectively, equitably, and in ways that build community trust.

The Parks Division Grants Program has grown dramatically since 2017.



Source: King County Parks Finance; King County Auditor’s Office review of Parks Division grants funding

TABLE OF CONTENTS

Executive Summary

[i](#) Content Warning, Terms

[ii](#) Acknowledgment

[iii](#) Report Highlights

SECTIONS

[1](#) 1: Parks Q&A

[5](#) 2: Planning and Outcome Monitoring

[10](#) 3: Financial Oversight

APPENDICES

[20](#) 1: Sample Scope of Work from King County Parks and Recreation Division Grant Agreement

[22](#) 2: Sample Scope of Work from King County WaterWorks Grant Agreement

[23](#) 3: Excerpt from the City and County of San Francisco's Cost Categories

[24](#) 4: Executive Response

[32](#) 5: Statement of Compliance, Scope, Objective & Methodology

[34](#) 6: List of Recommendations

[36](#) Mission and Values Statement



Section 1: Parks Q&A

SECTION SUMMARY

The King County Parks and Recreation Division (Parks or Parks Division) of the Department of Natural Resources and Parks manages several grant programs related to access to and development of King County parks. The program has grown substantially since 2017 and needs more policies and procedures to ensure good financial stewardship of Parks Division funds. Our audit reviewed a sample of the Parks grants awarded in 2023 and 2024 to better understand program monitoring and financial oversight (see the Statement of Compliance, Scope, Objective, & Methodology in appendix 4 for more detail). This section of the report provides a summary of the Parks levy, Parks Division grant programs and process, and details about our audit review.

What grants does the Parks Division manage and how are they funded?

The Parks Division will manage over \$100 million in grants from 2026 to 2031. These grants are funded by the 2026–2031 Parks Levy¹ and a car rental sales tax. About \$90 million of these funds come from the Parks levy, amounting to about 6 percent of the levy fund. The King County Council defined the Parks Division grant programs as part of the 2026–2031 Parks Levy, and voters approved the levy in August 2025. The grants program aims to preserve and increase access and equity by supporting communities and partners' investment in parks, trails, open spaces, recreational facilities, and programming. Based on grants awarded in 2023 and 2024, grant sizes ranged from \$2,000 to over \$2 million. See exhibit A, below, for a list of the grant programs and their funding.

¹ [2026–2031 King County Parks Replacement Levy](#)

EXHIBIT A: The King County Parks and Recreation Division manages several grant programs, many of which receive funding through the Parks Levy. The programs listed below are managed by the division’s Community Investments Team.

GRANT PROGRAM	FUNDING FOR THE 2020–2025 LEVY ⁱ	FUNDING IN THE 2026–2031 LEVY
Aquatic Facilities ⁱⁱ	\$36M	\$31M
Ballfield Access and Preservation	<i>Did not exist under the 2020–2025 Parks Levy</i>	\$13.5M
Capital and Open Space	\$25M	<i>Does not exist under the 2026–2031 Parks Levy</i>
Climate Resilience Councilmanic	<i>Did not exist under the 2020–2025 Parks Levy</i>	\$5M
Get Active Stay Active Councilmanic	\$5.5M (funded by the car rental sales tax)	\$5.4M (funded by the car rental sales tax) \$10M (funded by the Parks Levy)
Healthy Communities and Parks ⁱⁱⁱ	\$10M	\$30M
Open Space — River Corridors	\$22M	<i>Does not exist under the 2026–2031 Parks Levy</i>
Youth and Amateur Sports	\$20.8M (funded by the car rental sales tax)	\$26M (an estimate using projections from the car rental sales tax)

ⁱ Aquatic Facilities grants were called Public Pool grants in the 2020–2025 levy.

ⁱⁱ Healthy Communities grants were called Targeted Equity grants in the 2020–2025 levy.

ⁱⁱⁱ [2020–2025 King County Parks, Recreation, Trails, and Open Space Levy](#).

Source: King County Auditor’s Office summary of grant funding adopted in the 2020–2025 Parks Levy and the 2026–2031 Parks Levy

How does the Parks Division select grantees?

For most grants, the Parks Division selects grantees through a competitive application process. Although procedures differ between some of the grant programs, most levy grants require grantees to complete an application process. Levy grant applications are reviewed and scored by advisory committees which include community stakeholders such as city or parks district employees, nonprofits, tribal organizations, or other community organizations. Youth and Amateur Sports

applications are reviewed by grant evaluators. Councilmanic grants differ from competitive grants; councilmanic grants are dollars allocated to each councilmember that they can then grant directly to eligible entities, then each council office passes that information to Parks for the grant administration. Councilmembers award councilmanic grants directly, which include Get Active Stay Active grants and Climate Resilience grants in the 2026–2031 Parks Levy.

? How do grantees get funds from the Parks Division?

Once the Parks Division has awarded a grant, Parks and the grantee sign a contractual agreement outlining the terms of the grant. The Parks Division disburses grant funds in accordance with grant terms. Most payments are administered through a reimbursement model, which means grantees will make purchases, run programs, or begin construction using their own funds; then, they will invoice the Parks Division for expenses in line with their grant agreement, which is a contract outlining the terms of the grant. Some grantees are eligible for a one-time advanced payment, which means they can receive up to \$15,000 toward their grant project before doing the work and submit documentation showing proof of purchases (receipts, invoices, etc.) afterward. The Parks Division only makes advance payments available to organizations with fewer than 20 full-time staff and an annual operating budget of less than \$4 million.

? Which grants did we review in the audit?

The scope of this audit included a total of 288 grants awarded in 2023 and 2024. We conducted a deeper review of 25 grants. The deep review included reviewing grant agreements, budgets, scopes of work, invoices, and supporting documentation. Some processes have changed for grants awarded in 2025, but our audit recommendations reflect areas where opportunity for improvements remain. This audit does not include the grant award process in its scope.

We reviewed grant programs managed by the Parks Division Community Investments Team (CIT), excluding Community Partnership Grants. When we refer to the Parks Division grants program in this report, we are referencing those grants managed by CIT.

? What types of oversight did this audit examine?

This audit focused on two key forms of grant oversight: financial and programmatic. Financial oversight ensures that grantees spend funds appropriately, in line with contract terms and payment models, through tools like reimbursement reviews, audits, or documentation checks. Programmatic oversight looks beyond compliance with spending rules to assess whether the funded activities are achieving intended outcomes. Together, these two forms of oversight activities help assess whether grantees use grant money responsibly and whether they achieve their program goals.

? Did this audit find fraud, waste, or abuse of public funds?

This performance audit's scope did not include an investigation of fraud.² During the course of our work, we did not observe evidence of fraud, waste, or abuse in Parks Division grant programs. However, because of gaps in the Parks Division's financial practices, we could not confirm that all grantee payments were in line with program intent. We discuss these gaps in section 3. Improvements to practices will allow Parks and other oversight entities to find and/or resolve any potential fraud, waste, or abuse.

² See appendix 4 for a more detailed discussion of this audit's scope and methodology.



Section 2: Planning and Outcome Monitoring

SECTION SUMMARY

The Parks Division has not yet translated high-level goals provided in the Parks Levy into specific and measurable objectives to guide its grants program and does not sufficiently monitor individual grant outcomes, limiting its ability to effectively manage the program and increasing the risk of misallocating resources. The Parks Division grants program has grown substantially since 2017, but its oversight structures are still under-developed considering its size and responsibilities. The Parks Division grants team lacks clear direction because it has not translated goals provided in the Parks Levy into specific and measurable objectives. Parks also does not always collect sufficient information from grantees to monitor individual grant success. As a result, the Parks Division has limited direction and information to expand and optimize its grants program.

Parks lacks specific and measurable objectives to evaluate its grants program

The Parks Division has not yet developed specific and measurable objectives to evaluate its grants program priorities and performance, which reduces its ability to improve and demonstrate value to the public. Prior to 2020, the Parks Division grants program received no Parks Levy funding and granted less than four million dollars each year. In the 2020–2025 Parks Levy, voters tasked Parks with managing about \$90 million in grants. The Parks Division has worked to navigate this increase in funding, and new Parks Division grants program leadership has shown a commitment to improving the program’s governance structures. Governance structures include things like policies and procedures, roles and responsibilities, and staff training. The grants program’s substantial growth has revealed several opportunities for improvements to its governance structures.

Parks has some high-level guidance from the Parks Levy package and established mission and vision statements. However, the Parks Division’s grants program lacks specific and measurable objectives because division leadership has not developed a formal plan that includes these elements and strategies to use them to evaluate and improve the program. Parks leadership and staff indicated they had plans to develop a framework for evaluating its grants program’s success but have not yet started this work.

The need for a plan with these elements is especially relevant because the Parks Division depends on the Parks Levy for approximately 80 percent of its funding. Grant-funded projects need to provide clear value to community members to continue receiving public support. In a recent report, the Parks Levy Community Advisory Committee recommended that Parks “evaluate how well the next Parks Levy achieves desired outcomes for King County residents.”³ Without a strategy to monitor its grants program’s performance, the Parks Division cannot evaluate its performance, use related insights to improve operations, or use that information to demonstrate how grant funds achieve levy goals to the public.

Recommendation 1

The King County Parks and Recreation Division should develop, document, and implement a plan for its grants program that, at minimum, includes specific and measurable objectives, and use the plan to guide grants program operations, monitoring, and performance reporting.

Parks’ grant scopes of work are vague

Some Parks Division grant agreements contain vague and broad scopes of work, which reduce Parks’ ability to determine whether grantees are making progress toward grants program goals. Parks Division grant agreements require a scope of work outlining intended activities and expected use of grant funds. Grantees provide this scope of work in their initial grant proposal, and Parks Division staff request clarifications or other changes from grantees during the grant agreement process. Once a grant agreement is signed, Parks staff use the scope of work to determine whether a grantee is using funds appropriately and in pursuit of the grant’s stated goals. We found that scopes of work in Parks Division grant agreements can be vague and broad, which makes it difficult to determine if grants are achieving what Parks intends. Best practices for grant management call for agencies to set clear expectations at the start of grants so they can assess performance and monitor spending against defined objectives. In our review of 25 Parks Division grants awarded in 2023 and 2024, some scopes of work described broad goals or activities without specifying measurable deliverables or outcomes. In contrast, other programs, such as the King County Department of Natural Resources’ WaterWorks program, require more detailed scopes of work that clearly define

³ [King County Parks Levy Community Advisory Committee Final Recommendations Report](#), 2024

deliverables and outcomes and make it easier to determine whether funded activities align with program goals (see exhibit B).

EXHIBIT B: Grant deliverables in some King County Parks scopes of work are unclear and do not facilitate monitoring as compared to other programs.

	ACTIVITY DESCRIPTION	DELIVERABLES
King County Parks	<p>Start programming and implement pre- or mid-program surveys (variable, depending on start dates)</p> <hr/> <p>Implement post- or mid-program surveys and solidify summer program sites</p>	<p>Share updates via Progress Reports</p> <div style="border: 2px solid red; padding: 10px; background-color: #e91e63; color: white; text-align: center; margin-top: 20px;"> <p>Deliverables are NOT SPECIFIC, MEASURABLE, or RELEVANT to the grant activity</p> </div>
King County WaterWorks	<p>Support water quality education in schools through field trips, technical assistance, and training</p> <div style="border: 2px solid orange; padding: 10px; background-color: #e67e22; color: white; text-align: center; margin-top: 20px;"> <p>Deliverables are SPECIFIC, MEASURABLE, and CLEARLY RELATE to the stated grant activity</p> </div>	<div style="border: 2px solid orange; padding: 10px; background-color: #fce4d6;"> <p>Partner with 25 schools to engage 650 students and 25 teachers in Seattle and King County.</p> <p>Activities will include: field trips focused on water quality & resource management; technical assistance for teachers to support water quality education on school grounds; and teacher trainings, where teachers will receive stipends for attending workshops. (REDACTED is an approved WA clock hour provider through OSPI and, where appropriate, clock hours can be provided for teachers).</p> <p>75% of school partnerships will be with Title I schools, and we will collect feedback from teachers to measure the impact of the partnership in terms of ESJ.ⁱ</p> </div>

ⁱ Equity and Social Justice

Source: Scopes of work from King County Parks and Recreation Division and King County WaterWorks grant agreements (see appendices 1 and 2 for the original scopes of work)

Parks Division grants team leadership has recognized that vague and broad scopes of work prevent effective monitoring and has updated templates to collect more

detailed information. However, recent grant agreements using the updated template still lack sufficient specificity to effectively track grant deliverables. For example, the sample Parks grant deliverables shown in exhibit B are still insufficiently specific (“Share updates via Progress Reports”) despite using the updated grant agreement template.

Without defining clear expectations in the grant agreement, Parks Division staff cannot effectively determine whether grantees are making progress on their goals or submitting costs that are appropriate for the grant. Broad and vague scopes of work also increase the risk of inconsistent spending and weaken Parks’ ability to hold grantees accountable, which we discuss further in section 3.

Recommendation 2

The King County Parks and Recreation Division should develop, document, and implement a process to ensure that scopes of work and deliverables in its grant agreements include specific and measurable objectives. This process should, at a minimum, include updates to its scope of work template and guidance for Parks Division staff on the updated process.

Parks does not sufficiently monitor individual grant outcomes

The Parks Division grants program does not sufficiently monitor individual grant outcomes, reducing its ability to determine whether grantees are progressing toward Parks grants program goals.

Both Parks’ staff and leadership indicated that grant outcome monitoring has not been a priority and that they focus on financial monitoring instead. The Parks Division requires that grantees submit progress and final reports, but these reports do not collect sufficient data to monitor grant deliverables and the resulting outcomes. Grant managers review these reports when grantees submit them, but Parks does not aggregate this information for program-level monitoring. We identified other grant programs, both at King County and in other jurisdictions, that collect sufficient data to monitor grant outcomes (see exhibit C). Not sufficiently performing grant outcome monitoring reduces the Parks Division’s ability to evaluate both individual grantee performance and its overall program success.

EXHIBIT C: Other grant programs have strategies to collect, evaluate, and report useful grant data.

City of Bellevue, WA	The City of Bellevue’s Community Programming Fund uses deliverables-based contracts (primarily for special events) that include four consistent deliverables across all grants for easy monitoring. Grant staff frequently attend the events to ensure they meet grant expectations.
Conservation Futures	The King County Department of Natural Resources and Parks’ Conservation Futures program collects performance measures to monitor progress on the goals of the Land Conservation Initiative, which they report to department leadership and the King County Council.
WaterWorks	The King County Department of Natural Resources and Parks’ WaterWorks program collects metrics from grantees on a quarterly basis for their annual report. When possible, they use metrics that can be aggregated across multiple grants (e.g., number of trees planted).

Source: King County Auditor’s Office interviews with King County and external grant programs

Recommendation 3

The King County Parks and Recreation Division should develop, document, and implement a more comprehensive process for monitoring individual grant outcomes. The updated process should incorporate the specific and measurable objectives included in grant agreement scopes of work and deliverables developed in Recommendation 2.



Section 3: Financial Oversight

SECTION SUMMARY

The Parks Division does not match compliance activities to risks, limiting its ability to efficiently address financial risk. Parks requires the same level of documentation for every grant, whether it is a \$2,000 or \$2 million grant. One reason for this is that the Parks Division used to manage federal grant funds, which require very specific oversight activities. Though it now oversees non-federal grants, Parks does not tailor its efforts to grant size, complexity, or risk. This reduces both efficiency and effectiveness. Parks' standards for allowable expenses are unclear and grant managers reported that they do not have sufficient guidance to perform invoice reviews. During the course of our work, we did not observe evidence of fraud, waste, or abuse in Parks Division grant programs. However, because of gaps in the Parks Division's financial practices, we could not confirm that all grantee payments were in line with program intent. Without changes, the current approach may strain staff capacity and weaken the effectiveness of Parks Division oversight, especially as it prepares to manage more than \$100 million in grants over the next six years.

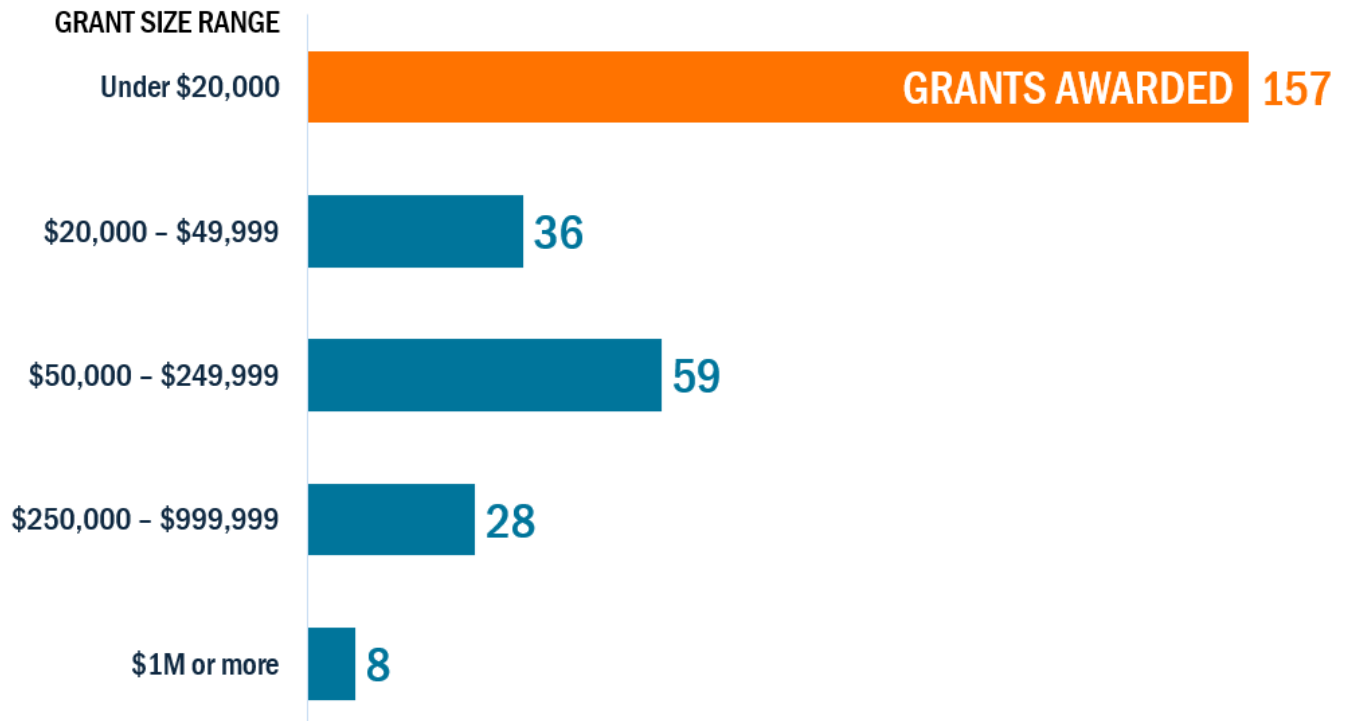
Grant size and risk not considered in oversight

The Parks Division applies a uniform set of financial and compliance requirements to all grantees, regardless of grant size or risk, which increases administrative burden on grantees and staff without creating related benefits.

Parks primarily uses a reimbursement model. This requires grantees to submit detailed invoices and supporting documentation before receiving payment. A \$2,000 grant, for example, must meet the same requirements as a \$2 million grant. Leading practices say that programs should align the level of oversight with grant risk. More than half of the grants awarded in 2023 and 2024 (157 of 288) were under \$20,000, yet Parks required the same level of documentation as larger, higher-value grants (see exhibit D). The complexity of grants also varies — some involve small equipment purchases while others fund significant programmatic activities or capital projects. Other jurisdictions we interviewed have different approaches to oversight, including treating lower-value dollar grants differently than higher-dollar value grants. For example, the City of Bellevue does not require itemized receipts for grants under \$10,000. The City and County of San Francisco requires periodic audits of its contract

per code. Exhibit E summarizes different approaches by jurisdiction that may be helpful examples for Parks in developing its oversight strategy.

EXHIBIT D: Most King County Parks and Recreation Division grants awarded in 2023 and 2024 were under \$20,000.



Source: King County Auditor's Office analysis of King County Parks and Recreation Division grants data

EXHIBIT E: Other jurisdictions adopt different approaches to managing grant risk and balancing resources.

GOVERNMENT/PROGRAM	SUMMARY
City of Bellevue, WA	Bellevue only requires itemized receipts for grants more than \$10,000.
City of Huntsville, AL	Huntsville uses a deliverables-based model, funding activities based on outcome measures. It works with grantees to develop clear performance metrics, which it tracks and then presents to its city council.
City and County of San Francisco, CA	San Francisco requires periodic audits of all its contracts per city code. The agency determines which contractors/grantees to review more deeply based on a risk assessment.
City of Vancouver, WA	Vancouver does not include an insurance requirement in its grant agreements. It offers both reimbursement and advance payment models, and oversight requirements are the same across all grant sizes. The agency indicates its intent is to help small grantees be prepared to manage big grants, so it offers more support and resources to smaller grants to be prepared to meet requirements.
Portland Clean Energy Community Benefits Fund (PCEF)	<p>PCEF applies a tiered approach: grants under \$5,000 (mini grants) go through a simplified process; grants are then further tiered by \$200,000, \$500,000, and \$1 million with different reporting requirements.</p> <p>Mini grants require clear scopes of work and budgets to help track and monitor goals. PCEF also indicated that having clear scopes of work and budgets can help it waive or reduce insurance requirements for grantees.</p>
State of Oregon	Oregon's community grants program does not require receipts and provides grantees payments in installments. It helps grantees build clear scopes of work to oversee outcome monitoring closely. The Oregon Metro Auditor will periodically audit its grants.

Source: King County Auditor's Office

Parks Division staff reported that reviewing detailed invoices is time-intensive and limits their ability to conduct other oversight activities, such as site visits. Applying uniform requirements across varying grant sizes and risk levels means lower-risk

grants may be subject to excessive scrutiny or higher-risk grants may not receive enough, due to limited resources. Smaller grantees may also struggle to meet these complex requirements, which can create barriers to participation.

Although best practices and internal controls standards emphasize tailoring oversight to grant size and risk, the Parks Division has not developed risk-based financial oversight standards. Other county agencies, including the Finance and Business Operations Division (FBOD), the Office of Risk Management, and the Prosecuting Attorney, state that Parks has the authority and discretion to adjust its oversight approach in consultation with them; however, Parks has not yet implemented changes to its approach, in part due to program planning gaps discussed in section 2. Without changes, the current approach may continue to strain staff capacity and reduce the effectiveness of oversight, especially as the Parks Division prepares to manage more than \$100 million in grants over the next six years.

Recommendation 4

The King County Parks and Recreation Division should collaborate with county stakeholders to develop, document, and implement a risk-based financial oversight strategy for compliance that considers different levels of grant risk and the program objectives identified in Recommendation 1.

Documentation standards may not sufficiently demonstrate how funds are spent

Parks Division policy defines sufficient documentation for program grant reimbursements as proof of payment alone, which does not demonstrate that costs are allowable, reasonable, or directly related to grant activities. This increases the risk that Parks reimburses unsupported expenses. Parks' current guidance to grantees states that documentation of expenditures such as a payment receipt, cleared check, or redacted bank statement is sufficient to authorize a reimbursement request. However, these documents show that the grantee made a payment but do not provide evidence that the actual expenditure was used for grant purposes. Proof of payment alone does not provide assurance that costs were allowable based on the grant agreement, that deliverables were received, or that expenditures were tied directly to intended grant purpose. In our review, we found multiple cases where reimbursement requests technically met the Parks Division's stated documentation requirements but lacked the level of detail necessary for auditors to verify compliance. For example, checks were issued to a single individual with handwritten notes indicating they were for a mural and gym installment, but the

grantee did not provide evidence to substantiate the services performed upon reimbursement. Information such as a detailed invoice or a photo would help show grant managers that a grantee completed the service, and not just that they made a payment. In another case, a grantee submitted a profit and loss statement, which summarizes financial activity but does not provide transaction-level support linking expenditures to grant activities.

This issue is further compounded by the Parks Division's lack of a risk-based approach to grant oversight, as described above. This means the same minimal documentation requirements apply whether Parks reimburses a grantee for a \$100 goods purchase or services for a million-dollar capital project. High-risk grants in particular could benefit from more rigorous standards for documentation. By applying the risk-based strategy from Recommendation 4, Parks can better tailor its oversight strategy in alignment with project size and complexity.

Internal control standards state that an agency's policies and procedures should be sufficiently clear, consistent, and detailed to support compliance with program requirements. The Parks Division may consider how a combination of financial oversight and programmatic oversight could help it meet program requirements and sufficiently mitigate risk.

Recommendation 5

In alignment with Recommendation 4, the King County Parks and Recreation Division should revise its documentation guidance for grantees. Revisions should, at a minimum:

- define documentation of expenditures that will provide sufficient evidence of allowability
- provide examples of sufficient supporting documentation for common expenditures.

Limited budget information

Parks Division grant budgets lack sufficient detail to assess whether costs are allowable and reasonable. Parks Division grant budgets typically include only three budget categories — personnel, program, and indirect — providing limited detail to guide grantees' spending decisions. In contrast, budget guidance from other jurisdictions, such as the City and County of San Francisco, includes more defined and specific budget categories, such as: line items for materials and supplies; stipends; contractual services and other costs (see appendix 3). When budgets only list general categories, managers must spend more time reviewing invoices line by

line, without a clear framework for judging whether expenses are allowable or aligned with grant intent. For example, Parks reimbursed marketing costs for job postings for a grant to support wellness and recreation programming for middle school students, but neither the budget nor scope of work included recruitment costs. In another case, Parks reimbursed the costs of video games and a laptop for a grant to fund sports programming for students, without documentation of the connection to program intent in the grant agreement. Part of this issue stems from the lack of clear scopes of work, as detailed in section 2. Recommendation 2 will help address some of the issues with limited budget categories, but there is still opportunity to improve detail in Parks Division grant budgets to enable better oversight. Overall, the combined vagueness in language across both scopes of work and budgets in grant agreements makes it difficult to tell whether expenses are appropriate, increasing risk that money is spent outside of program goals.

Recommendation 6

To improve oversight of grantee costs, the King County Parks and Recreation Division should review, revise, and implement clearer guidance for grant budget categories in alignment with the more comprehensive scopes of work developed in Recommendation 2.

Parks staff and leadership reported that they do not receive enough detail in budget ordinances which allocate funds for Get Active Stay Active (GASA) Councilmanic grants to effectively track financial compliance. These gaps make it difficult for Parks to effectively monitor the grants. Staff also noted it is difficult to obtain more information directly from grantees, who may be confused by the grant agreement process. While Parks has developed templates to help address information gaps, there has not been sufficient collaboration between Parks and the King County Council to clarify expectations or resolve gaps in oversight.

As a result, scopes of work and budgets are often high-level or vague, making it difficult to determine if grants are achieving what Parks intends. Having detailed program information available during the award process can help Parks build better scopes of work and budgets. Depending on a risk-based approach to oversight, requirements for documentation and monitoring may vary, but the current lack of clarity exposes Parks to risks of both noncompliance and inefficiency.

The 2026–2031 King County Parks Levy allocates an additional \$10 million to GASA grants over the next levy cycle, and there is additional councilmanic funding allocated for Climate Resilience grants (\$5 million). Parks expects the program’s expansion in councilmanic grants to result in additional grant workload, making it even more important that the Parks Division can appropriately manage these grants.

Recommendation 7

To ensure that sufficient information is available to facilitate effective oversight, the King County Parks and Recreation Division should identify gaps in information it receives for councilmanic grants and coordinate with the King County Council to address them.

Gaps in financial policies may increase risk **Parks Division has financial policies to define allowable expenditures. However, the policies are not sufficiently detailed for some categories of expenditures.**

In our grant review, we identified multiple gaps that did not have clear or sufficient strategies to mitigate the risk. For example, one grant we reviewed had a \$100 expense for a regional bus pass, but there was no documentation describing how the grantee distributed or monitored the card. That grant also included payments for stipends and honorariums to individuals, yet there were no requirements for timesheets or other documentation to verify the basis for these payments. As a result, it is unclear under what circumstances pre-paid cards or stipends are allowable, for what purposes, and what documentation should support these expenditures.

While there is no universal standard for how much policy detail a department should provide, the level of financial guidance and oversight should correspond to the size, complexity, and risk of Parks’ grant portfolio. FBOD can be a resource for county agencies in developing specific financial policies to address risk, but the Parks Division and FBOD have not collaborated on these issues. Developing clearer expectations for allowable costs, especially for higher-risk or higher-value grants, would reduce uncertainty and strengthen accountability.

Recommendation 8

In collaboration with the Finance and Business Operations Division, the King County Parks and Recreation Division should identify potential high-risk expenses (such as pre-paid cards, stipends, and honorariums) and develop, document, and implement policies to mitigate these risks.

The Parks Division does not have sufficient procedures to address risks associated with indirect costs. Parks pays indirect costs to grantees for general administrative expenses not tied directly to a specific grant. The Parks Division caps indirect costs at 20 percent of direct costs but does not require grantees provide any documentation of their indirect costs. As a result, staff cannot determine whether grantees use this provision in line with the grants program's intent. Parks reported it reviewed indirect cost rates set by other county agencies when developing its policy; however, representatives from the Washington State Auditor's Office said that they consider indirect costs a higher-risk area where they would expect some level of documentation from grantees to support the amount claimed. Staff from FBOD also indicated indirect costs without documentation would concern them, suggesting that Parks needs to look more closely at how it manages indirect costs across its grants. One reason for this higher risk is because grantees could double-bill expenses, for example, charging staff time both as an indirect and direct cost. FBOD indicated that for larger grants, one way that higher-risk areas such as indirect costs could be tested is through periodic fiscal monitoring to confirm their accuracy and reasonableness.

Recommendation 9

In collaboration with the Finance and Business Operations Division, the King County Parks and Recreation Division should review and revise its indirect cost policy in alignment with the financial risk strategy developed in Recommendation 4.

More training and guidance

Grant managers reported that they do not have sufficient resources or skills to conduct invoice reviews, reducing accountability. Invoice reviews require staff to verify that billed costs match the approved scope of work, assess whether expenses are allowable, review supporting documentation for accuracy, and identify any irregular or suspicious charges. The majority of grant managers reported they do not

feel they have the skills needed to do detailed invoice reviews, and many stated that more guidance would be helpful. Newly hired grant supervisors have made positive steps to help address this gap by creating some training materials and other guidance, but none specifically address invoice reviews. Some of these challenges may be addressed by more clearly defining scopes of work, as described above, and additional guidance can help grant managers feel more confident in conducting invoice reviews.

Grant managers have received some training to support them in their roles, which include anti-fraud elements. However, these trainings do not address why fraud occurs, the importance of addressing it, and how to report or respond to suspected fraud. Anti-fraud training should cover why fraud is important, how to identify it, and what to do if staff notice something suspicious. FBOD published a “Fraud Response and Loss Reporting Manual” that could be a helpful starting point for agencies building guidance and training in this area. Parks could accomplish this through formal training or guided team discussions. To maintain high standards, targeted training in both technical invoice review and fraud prevention is necessary.

Without sufficient training and guidance, there is heightened risk of error, fraud, or noncompliance. Additionally, the lack of training and resources can contribute to staff burnout, as grant managers must heavily rely on professional judgment without adequate support. Inefficiencies also arise when grant managers must repeatedly consult leadership to clarify whether certain costs are allowable.

Recommendation 10

In alignment with the risk-based strategy in Recommendation 4, the King County Parks and Recreation Division should develop, document, and implement invoice review guidance for staff who manage grants.

Recommendation 11

The King County Parks and Recreation Division should provide comprehensive anti-fraud training or guidance for staff that manage grants.

CONCLUSION

The King County Parks and Recreation Division grants program has expanded significantly since 2017, and it plans to award over \$100 million over the next six years. However, the program lacks the necessary strategic direction to guide this growth. Because it has not had a clear plan outlining its goals, objectives, and related measures, Parks has developed gaps in programmatic oversight and financial controls that staff must work to fill on an ad hoc basis. These gaps increase the risk of inefficient use of funds, inefficient staff allocation, and reduced transparency. As the Parks Division continues to mature organizationally, it would benefit from defining clear goals for the grants program and aligning oversight with those goals. Establishing tailored oversight frameworks — both programmatic and financial — based on grant size and complexity will help the Parks Division ensure accountability, effective resource use, and achievement of intended outcomes.

Appendix 1: Sample Scope of Work from King County Parks and Recreation Division Grant Agreement

EXHIBIT A – SCOPE OF WORK

Project Summary

Scope of Work Summary: REDACTED will increase play equity for underserved youth by providing fitness and wellness classes utilizing recreational facilities, parks, and open spaces.

Project Location: REDACTED

Activity Timeline & Deliverables

Phase/Task	Activity Description	Deliverables	Date/Timeline
Project Management & Administration	Progress Reports submitted via grant portal	Progress Reports	
	Program Planning	Share updates via Progress Reports	Ongoing through December 2025
Implementation	Start programming & implement pre or mid program surveys (variable depending on start dates)	Share updates via Progress Reports	January 2025
	Implement post or mid program surveys and solidify summer program sites	Share updates via Progress Reports	April 2025

	Data collection and evaluation, start summer programming, solidify site contracts for Fall	Share updates via Progress Reports	July 2025
	Start Fall programming, collect data from summer programming, implement pre- and post surveys	Share updates via Progress Reports	September 2025

Closeout	Closeout	Final Report	November 2026

The Grantee shall not make any significant changes to an approved project without prior written consent of the County. Significant changes include, but are not limited to, a change to the timeline that falls outside the contract period or a shift of more than twenty percent of funds within the approved grant budget over the term of this Exhibit. If changes are necessary and approved by the County, such changes will be formalized in a written amendment signed by all parties.

Source: King County Parks and Recreation Division Grant Agreement (2024)

Appendix 2: Sample Scope of Work from King County WaterWorks Grant Agreement

The task(s) set forth below summarize the RECIPIENT’s activities to be performed under this agreement to complete the PROJECT. All activities in the following tasks, including deliverables, must be completed by the expiration date of this agreement unless otherwise modified through an Agreement Amendment Form and approved by the COUNTY in writing.

Any work performed or costs incurred prior to the effective date of this agreement will be at the sole expense of the RECIPIENT.

Task #	Tasks and Activities	Measurable Results/Deliverables	Timeframe
1	Project Management	Submit quarterly reports, manage budget, track progress and include acknowledgement of King County WTD funding in project signage and outreach materials.	January 2024 – December 2025
2	REDACTED Plant Nursery: Establish new water quality project plant nursery at the Rainier Beach Farm	<p>Develop and propagate plants to create a new nursery at the [REDACTED] to make free plants available for water quality projects.</p> <p>Staff will research and plan the nursery, with work completed by 500 volunteers (estimated 1,000 volunteer hours) and 60 participants in our [REDACTED] employment program.</p> <p>By 2025, we estimate to have 500 plants available or distributed for water quality projects, with 75% or more of plants going to projects serving low-income and BIPOC communities.</p> <p>We will also collect qualitative feedback to measure the impact of plants in terms of ESJ.</p>	January 2024 – December 2025
3	Community demonstration projects: Install demonstration water quality projects, including educational signage	<p>Engage 50 community members through the [REDACTED] program to install 12 demonstration projects, such as rain gardens, cisterns and native plantings, along with signage. Stipends will be made available for participation.</p> <p>Through these projects, we will install 1,000 plants, manage 30,000 sq ft by GSI and engage 4 acres in restoration. 75% of projects will be in low-income and BIPOC communities.</p> <p>We will also collect qualitative feedback to measure the impact of projects in terms of ESJ.</p>	January 2024 – December 2025
4	School partnerships: Support water quality education in schools through field trips, technical assistance and training	<p>Partner with 25 schools to engage 650 students and 25 teachers in Seattle and King County.</p> <p>Activities will include: field trips focused on water quality & resource management; technical assistance for teachers to support water quality education on school grounds; and teacher trainings, where teachers will receive stipends for attending workshops. [REDACTED] is an approved WA clock hour provider through OSPI and, where appropriate, clock hours can be provided for teachers).</p> <p>75% of school partnerships will be with Title I schools, and we will collect feedback from teachers to measure the impact of the partnership in terms of ESJ.</p>	January 2024 – December 2025

Source: King County WaterWorks Grant Agreement (2024)

Appendix 3: Excerpt from the City and County of San Francisco’s Cost Categories

Category	Expense Type	Expense Description	Allowable	Unallowable	Notes
Direct Contract Expenses	Stipends	Stipends, including small amounts paid to someone (often a program participant) for engaging in limited periods of work in support of a funded agency or organization. May include AmeriCorps fees.	x		CDBG funds may not be used for stipends (not allowable). Stipends over threshold amount may be considered salaries.
	Contractual Services	Contractual Services provided to program participants or agency by consultants, independent contractors, or other entities that are non-staff individuals. Professionals provide highly technical or specialized services to the agency or program.	x		Contractual Services may require a supplemental approval process prior to placing costs into the grant budget and the contractor must comply with City standards for subcontract oversight and monitoring.
		Contractual services done by the subcontractor’s subcontractor.			x
Direct Non-Personnel Expenses	Materials and Supplies	Materials and supplies used in the operation of the program and consistent with the type of services provided by the program. Includes project supplies, office supplies, and postage.	x		
	Facilities/ Occupancy	Facilities or occupancy costs associated with building space, rental/lease of space used to run the program, rent for main space and auxiliary space, and costs associated with facility upkeep and maintenance, including janitorial services.	x		
		Facilities or occupancy costs such as property taxes, loans against own property, and security deposits.			x
	Utilities	Percentage allocation of utilities, such as gas, electric, and water bill, used by each program.	x		

Note: This is a non-exhaustive list of categories.

Source: City and County of San Francisco, “Guidelines for Cost Categorization in Nonprofit Contracts and Grants,” p. 6

Appendix 4: Executive Response



King County

King County Budget Office

401 Fifth Avenue, Suite 810

Seattle, WA 98104

206-263-9600

TTY Relay: 711

www.kingcounty.gov

January 7, 2026

KyMBER WalTMunson
King County Auditor
Room 1033
King County Courthouse

Dear Ms. WalTMunson:

Thank you for the opportunity to review and comment on the proposed audit report titled “Parks: New Processes Needed to Manage Growing Grant Portfolio”. I appreciate your office’s acknowledgement of the significant efforts and improvements to grant administration already underway by the Department of Natural Resources and Parks (DNRP)/Parks and Recreation Division (Parks Division). Moreover, I am pleased that no evidence of fraud, waste or misuse of public funds was identified in this audit.

In implementing the 2020–2025 voter approved Parks Levy (Levy), the Parks Division was tasked with launching and implementing several new grant programs totaling approximately \$100 million. Since the first round of Levy grants were awarded in 2022, the Parks Division has undertaken continuous improvement efforts to ensure the effective administration and oversight of grant programs in alignment with financial, contracting and monitoring guidance and policies. The recently approved 2026-2031 Parks Levy includes a combination of more new grant programs and continuation of existing grant programs requiring a continued focus on strong grant administration and oversight. The Parks Division is keenly aware of this need and remains committed to strengthening its already robust administration and oversight.

The report highlights the need for more information from the Council for the Parks Division to appropriately manage councilmanic grants, and the expansion of councilmanic funding in the new Parks Levy underscores this need. The Council’s support and collaboration around

councilmanic funding will enable the Parks Division to be fully responsive to the recommendations outlined in this audit.

The Parks Division is eager and well-positioned to implement the recommendations set forth in this report, and I am confident in their ability to do so. Thank you and your team for your collaboration with the Parks Division on this audit and the thoughtful recommendations.

Sincerely,



Aaron Rubardt
Director, Budget Office

cc:

Karan Gill, Deputy County Executive, Chief of Staff, King County Executive Office
Jasmin Weaver, Chief of Staff, King County Executive Office
John Taylor, Director, King County Department of Parks and Natural Resources (DNRP)
Mo McBroon, Deputy Director, King County DNRP
Warren Jimenez, Parks Division Director, DNRP

Recommendation 1

The King County Parks and Recreation Division should develop, document, and implement a plan for its grants program that, at minimum, includes specific and measurable objectives, and use the plan to guide grants program operations, monitoring, and performance reporting.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2026

RESPONSIBLE AGENCY DNRP Parks and Recreation Division

COMMENT Although the 2020–2025 and 2026–2031 Parks Levy Ordinances (18890 and 19922) and Motions (15378 and 16797) provide strategic grant guidance and goals, there is an opportunity for Parks to strengthen the Parks Grants evaluation framework and enhance grantee performance reporting. These improvements will help more effectively demonstrate the value of the grants program to both internal and external audiences. Refinements in these areas are already underway, as was shared with the King County Auditor’s Office during its research phase. The work is expected to be completed before the launch of the request for grant applications for the 2026–2031 Parks Levy grant programs.

Recommendation 2

The King County Parks and Recreation Division should develop, document, and implement a process to ensure that scopes of work and deliverables in its grant agreements include specific and measurable objectives. This process should, at a minimum, include updates to its scope of work template and guidance for Parks Division staff on the updated process.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division

COMMENT The Parks and Recreation Division oversees broad and complex grant programs and has substantial monitoring procedures already in place for many of the types of grants awarded. Improvements to these scopes of work are already underway. Parks will continue to implement further improvements following completion of a risk-based financial oversight strategy in Recommendation 4 which will enable Parks to improve oversight of grant deliverables in relation to the level of risk and objectives of the grant.

Recommendation 3

The King County Parks and Recreation Division should develop, document, and implement a more comprehensive process for monitoring individual grant outcomes. The updated process should incorporate the specific and measurable objectives included in grant agreement scopes of work and deliverables developed in Recommendation 2.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division

COMMENT Parks and Recreation Division staff monitor the completion of every deliverable outlined in the grant contract's scope of work through its grant management system Foundant. Parks has 18 unique scope-of-work deliverables that may be included and monitored in each contract, depending on the grant type. The Parks and Recreation Division will continue to improve and build upon the existing comprehensive monitoring in place, including incorporating further specific measurable objectives to monitor, which will be included after the completion of Recommendation 4.

Recommendation 4

The King County Parks and Recreation Division should collaborate with county stakeholders to develop, document, and implement a risk-based financial oversight strategy for compliance that considers different levels of grant risk and the program objectives identified in Recommendation 1.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 6/30/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division

COMMENT The Parks division will collaborate with County stakeholders to develop, document, and implement a risk-based financial oversight strategy that considers levels of risk and program objectives in Recommendation 1. Parks will prioritize addressing Recommendation 4 before Recommendations 2, 3, 6, 8, and 9 so that the outcomes of work associated with this recommendation can be reflected in the work and outcomes of the other recommendations.

Recommendation 5

In alignment with Recommendation 4, the King County Parks and Recreation Division should revise its documentation guidance for grantees. Revisions should, at a minimum:

- define documentation of expenditures that will provide sufficient evidence of allowability
 - provide examples of sufficient supporting documentation for common expenditures.
-

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division

COMMENT The Parks and Recreation Division provides a detailed invoice template to grantees that specifies types of expenses, definition of expense categories, and examples of preferred supporting documentation and proof of payment. In addition, grantees receive an onboarding training session where the invoice expenditure criteria and updates from the last grant cycle are explained. In alignment with completing Recommendation 4, the Parks and Recreation Division will update invoice documentation guidance for grantees and add further supporting documentation examples.

Recommendation 6

To improve oversight of grantee costs, the King County Parks and Recreation Division should review, revise, and implement clearer guidance for grant budget categories in alignment with the more comprehensive scopes of work developed in Recommendation 2.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division

COMMENT The Parks and Recreation Division will review and make improvements to the existing budget guidance provided to grantees, building on more comprehensive scopes of work developed in Recommendation 2. In alignment with completing Recommendation 2, the Parks and Recreation Division will review the budget categories following the response to Recommendation 4.

Recommendation 7

To ensure that sufficient information is available to facilitate effective oversight, the King County Parks and Recreation Division should identify gaps in information it receives for councilmanic grants and coordinate with the King County Council to address them.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division, King County Council

COMMENT The Parks and Recreation Division will work with the Executive Office and King County Council to address information gaps for councilmanic grants, focusing on providing clear instructions to Council offices and grantees about the information necessary to support effective oversight. Parks has already taken initial steps by sharing updated guidance and tools for Council offices, which was shared with the Auditor's team in November 2025.

Recommendation 8

In collaboration with the Finance and Business Operations Division, the King County Parks and Recreation Division should identify potential high-risk expenses (such as pre-paid cards, stipends, and honorariums) and develop, document, and implement policies to mitigate these risks.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division, Finance and Business Operations Division

COMMENT The Parks and Recreation Division will collaborate with Finance and Business Operations Division to identify potential high-risk expenses and develop, document, and implement policies to mitigate risk associated with these types of expenses.

Recommendation 9

In collaboration with the Finance and Business Operations Division, the King County Parks and Recreation Division should review and revise its indirect cost policy in alignment with the financial risk strategy developed in Recommendation 4.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division, Finance and Business Operations Division

COMMENT The Parks and Recreation Division's existing indirect cost policy guides decision-making on indirect costs, reflecting grant management best practices. Parks will collaborate with Finance and Business Operations Division to review and revise this policy in alignment with the risk-based financial oversight strategy that will be developed in Recommendation 4.

Recommendation 10

In alignment with the risk-based strategy in Recommendation 4, the King County Parks and Recreation Division should develop, document, and implement invoice review guidance for staff who manage grants.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division

COMMENT The Parks and Recreation Division provides guidance and trainings to Grant Managers on invoice review. Parks will develop, document and implement invoice review guidance and update trainings for invoice review to align with risk-based financial oversight strategy developed in Recommendation 4.

Recommendation 11

The King County Parks and Recreation Division should provide comprehensive anti-fraud training or guidance for staff that manage grants.

AGENCY RESPONSE

CONCURRENCE **CONCUR**

IMPLEMENTATION DATE 12/31/2027

RESPONSIBLE AGENCY DNRP Parks and Recreation Division, Finance and Business Operations Division

COMMENT Parks Grant Managers are currently required to take Oracle E-Business Suite training as well as Goods and Services Contracting 101, each of which will include anti-fraud components. The Parks and Recreation Division build upon the existing training to ensure comprehensive anti-fraud training and guidance is provided to grant managers.



Appendix 5: Statement of Compliance, Scope, Objective, & Methodology

Statement of Compliance with Government Auditing Standards

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Scope of Work on Internal Controls

We assessed the extent to which internal controls were effective at preventing and detecting improper payments, including potential fraud, through invoice validation and grant agreement reviews. Section 2 of this report focuses on gaps in King County Parks and Recreation Division’s (Parks or Parks Division) strategic monitoring approach, including the lack of defined objectives of its grants program and limited monitoring activities. Section 3 of this report focuses on gaps in risk assessments, especially as they relate to documentation standards and risk-based approaches to grant oversight. We identified gaps in objectives, monitoring, policies and procedures, and training to support invoice review.

Scope

This audit evaluated the Parks Division’s management and oversight of grant funds awarded in 2023 and 2024. We reviewed how the division administers the grants program funded through the 2020–2025 Parks Levy and the car rental sales tax.

Objectives

1. To what extent are Parks’ grant management practices effective in ensuring financial accountability and delivering on intended program outcomes?

Methodology

Our audit sample included the universe of Parks Division grant contracts awarded in 2023 and 2024 that were funded by either the 2020–2025 Parks Levy or the rental car tax. We conducted a more thorough review of grant terms and invoices for a judgmental sample of 25 grants. Because we used a judgmental sample instead of a random sample, our results are not necessarily representative of all Parks Division

grants. We selected grants for the sample that were either closed or had at least one invoice submitted. The specific grants program in our sample included: Aquatic Facilities, Parks Capital and Open Space, Get Active Stay Active Councilmanic grants, Healthy Communities and Parks Fund, Open Space – River Corridors, and Youth and Amateur Sports grants. Some names and programs changed between the 2020–2025 Parks Levy and the 2026–2031 Parks Levy; see exhibit A in section 1 for a complete list of grant programs we reviewed across the two levies, and their funding amounts.

Criteria for this audit came from Parks Division policy and contracts, *Standards for Internal Control in the Federal Government*, the Government Finance Officers Association, the National Grants Management Association, the Association of Certified Fraud Examiners, and additional best practices for grants management. To determine comparability to the Parks Division, we selected additional grant programs based on a variety of factors, including the program’s funding source (e.g., local funding), grant and grantee profile, and intended goals. We also asked Parks leadership for input on programs to review. We met with representatives of, and reviewed documentation for, the following grant programs: King County Department of Natural Resources and Parks’ Conservation Futures program; King County Performance, Strategy, and Budget’s grants team; King County Waste Water Treatment Division’s WaterWorks grant program; City of Bellevue, WA; City of Huntsville, AL; City and County of San Francisco, CA; City of Seattle; City of Vancouver, WA; Portland Clean Energy Community Benefits Fund; and the State of Oregon.

Throughout the audit, we met with Parks Division staff members, including grants staff and leadership, to understand Parks’ operations, operating environment, barriers, and strategies. We reviewed documentation of Parks Division grant programs, including policies and procedures and grant templates. Under King County Code 2.10.034 and 2.10.14, all executive branch and separately elected agencies are responsible for developing governance structures such as a mission and vision, as well as goals, objectives, strategies, and activities. As such, we reviewed best practice guidance on strategic planning, including the *Standards for Internal Control in the Federal Government*.



Appendix 6: List of Recommendations

Recommendation 1

The King County Parks and Recreation Division should develop, document, and implement a plan for its grants program that, at minimum, includes specific and measurable objectives, and use the plan to guide grants program operations, monitoring, and performance reporting.

Recommendation 2

The King County Parks and Recreation Division should develop, document, and implement a process to ensure that scopes of work and deliverables in its grant agreements include specific and measurable objectives. This process should, at a minimum, include updates to its scope of work template and guidance for Parks Division staff on the updated process.

Recommendation 3

The King County Parks and Recreation Division should develop, document, and implement a more comprehensive process for monitoring individual grant outcomes. The updated process should incorporate the specific and measurable objectives included in grant agreement scopes of work and deliverables developed in Recommendation 2.

Recommendation 4

The King County Parks and Recreation Division should collaborate with county stakeholders to develop, document, and implement a risk-based financial oversight strategy for compliance that considers different levels of grant risk and the program objectives identified in Recommendation 1.

Recommendation 5

In alignment with Recommendation 4, the King County Parks and Recreation Division should revise its documentation guidance for grantees. Revisions should, at a minimum:

- define documentation of expenditures that will provide sufficient evidence of allowability
- provide examples of sufficient supporting documentation for common expenditures.

Recommendation 6

To improve oversight of grantee costs, the King County Parks and Recreation Division should review, revise, and implement clearer guidance for grant budget categories in alignment with the more comprehensive scopes of work developed in Recommendation 2.

Recommendation 7

To ensure that sufficient information is available to facilitate effective oversight, the King County Parks and Recreation Division should identify gaps in information it receives for councilmanic grants and coordinate with the King County Council to address them.

Recommendation 8

In collaboration with the Finance and Business Operations Division, the King County Parks and Recreation Division should identify potential high-risk expenses (such as pre-paid cards, stipends, and honorariums) and develop, document, and implement policies to mitigate these risks.

Recommendation 9

In collaboration with the Finance and Business Operations Division, the King County Parks and Recreation Division should review and revise its indirect cost policy in alignment with the financial risk strategy developed in Recommendation 4.

Recommendation 10

In alignment with the risk-based strategy in Recommendation 4, the King County Parks and Recreation Division should develop, document, and implement invoice review guidance for staff who manage grants.

Recommendation 11

The King County Parks and Recreation Division should provide comprehensive anti-fraud training or guidance for staff that manage grants.

Advancing Performance & Accountability

KYMBER WALTMUNSON, KING COUNTY AUDITOR

MISSION Improve government performance, accountability, and transparency by providing impactful, independent analyses

VALUES INDEPENDENCE • CREDIBILITY • IMPACT

The King County Auditor’s Office is committed to equity, social justice, and ensuring that King County is an accountable, inclusive, and anti-racist government.

While planning our work, we develop research questions that aim to improve the efficiency and effectiveness of King County government and to identify and help dismantle systemic racism. In analysis we strive to ensure that communities referenced are seen, not erased. We promote aligning King County data collection, storage, and categorization with just practices. We endeavor to use terms that are respectful, representative, and people- and community-centered, recognizing that inclusive language continues to evolve. For more information, see the King County Equity and Social Justice Strategic Plan, King County’s statement on racial justice, and the King County [Auditor’s Office Strategic Plan](#).

ABOUT US The King County Auditor’s Office was created by charter in 1969 as an independent agency within the legislative branch of county government. The office conducts oversight of county government through independent audits, capital projects oversight, and other studies. The results of this work are presented to the Metropolitan King County Council and are communicated to the King County Executive and the public. The King County Auditor’s Office performs its work in accordance with Government Auditing Standards.



Help us promote positive change in King County government!
[Suggest an audit topic.](#)



AUDIT • This audit conforms to Generally Accepted Auditing Standards for independence, objectivity, and quality.