



City of San Antonio

Agenda Memorandum

File Number: 16-5499

Agenda Item Number: 2.

Agenda Date: 10/25/2016

In Control: Audit Committee

CITY OF SAN ANTONIO FINANCE DEPARTMENT

TO: Sheryl Sculley, City Manager

FROM: Troy Elliott, CPA, Deputy Chief Financial Officer

COPIES: Members of the Audit Committee; Ben Gorzell Jr., Chief Financial Officer

SUBJECT: Required Communications with the Audit Committee for the Fiscal Year 2016 Audit

DATE: October 25, 2016

On June 14, 2012, Ordinance Number 2012-06-14-0444 was passed executing an audit services contract with Padgett Stratemann & Co., L.L.P. (PS&Co) to provide independent audit services for fiscal years ending September 30, 2012, 2013 and 2014.

On December 4, 2014, Ordinance Number 2014-12-04-0940 was passed executing the first extension of the audit services contract with PS&Co to provide independent audit services for fiscal year ending September 30, 2015.

On December 3, 2015, Ordinance Number 2015-12-03-1005 was passed executing the second and final extension of the audit services contract with PS&Co to provide independent audit services for fiscal year ending September 30, 2016.

We are requesting an item be placed on the October 25th agenda of the Audit Committee to present and discuss required communications between PS&Co and the Committee for the fiscal year 2016 external audit. PS&Co began the financial audit for the City of San Antonio on July 20, 2016.

The communications by PS&Co to the Audit Committee as required by the AICPA include:

1. The auditor's responsibility under generally accepted accounting standards (GAAS).
2. An overview of the planned scope and timing for the fiscal year 2016 audit.
3. Significant findings from the audit (to be provided upon completion).
4. Inquiry of the Audit Committee as to their knowledge of fraud, suspicion of fraud, and views of fraud risk.

If you should have any questions or require additional information, please feel free to contact me at ext. 78604.