



City of San Antonio

Agenda Memorandum

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In Control: Audit Committee

AUDIT COMMITTEE SUMMARY

February 21, 2017

Audit of Economic Development Department SBEDA Goal Setting

Report Issued December 13, 2016

Audit Objective

Determine if the SBEDA goal setting process is inclusive of relevant data and accurately documented.

Background

The City established the Small Business Economic Development Advocacy (SBEDA) Program, which provides tools to promote the utilization of small, minority and women-owned business enterprises (S/M/WBEs) on City contracts. In 2011, City Council approved major amendments to the SBEDA Program, which included the creation of a goal setting committee that reviews relevant data and recommends specific SBEDA tools to best target utilization of S/M/WBEs at both the prime contractor and subcontractor level.

The Small Business Office (SBO), a division of Economic Development Department (EDD), is responsible for the implementation and compliance monitoring of the SBEDA program. SBO reviews all solicitations and projects, on contract-by-contract basis, valued over \$50,000 in the construction, architectural and engineering, professional services, goods and supplies, and other services industry categories. The analysis of goals and incentives is based upon vendor data in the Central Vendor Registry (CVR), the scope of services for the particular solicitation and comparative historic utilization, to which a recommendation is provided from SBO to the Goal Setting Committee (GSC).

The GSC members vote to accept or modify the SBO recommendations. The GSC also sets the annual aspirational and segmented annual aspirational goals for each industry category to set benchmarks for measuring the actual utilization of S/M/WBEs on an annual basis.

Audit Scope and Methodology

The audit scope included the SBEDA goal setting process for Fiscal Year 2015 through May 2016. We reviewed for the inclusion of appropriate annual goals. We tested solicitation packets for accuracy, relevant data and sufficient documentation support. We also reviewed the department outreach efforts for reasonableness.

Audit Conclusions

The SBEDA goal setting process is inclusive of relevant data and accurately documented. The EDD has policies, procedures, and controls in place to ensure the accuracy of relevant data and sufficient documentation to support the goal setting process and SBEDA program.

We made no recommendations to EDD; consequently, no management responses were required.