



City of San Antonio

Agenda Memorandum

File Number:18-6920

Agenda Item Number: 11.

Agenda Date: 12/11/2018

In Control: Audit and Accountability Committee

AUDIT COMMITTEE SUMMARY
December 11, 2018
CCDO Fiesta Commission Contract Monitoring
Report Issued December 5, 2018

Audit Objective

Determine whether the San Antonio Fiesta Commission Contract is adequately monitored and key terms are complied with.

Background

On February 21, 2008 the City of San Antonio entered into a ten-year contract with the Commission, a local nonprofit organization, to coordinate and oversee Fiesta events for 2009 through 2018. The contract specifies:

- The City hold certain streets and City properties available for use by the Commission for designated Fiesta events.
- A required process for the Commission's solicitation and evaluation of the carnival operator and parade concessionaire.

Proceeds from the carnival, food, beverage, and novelty concessions received by the Commission are then split between the City and the Commission. Per contractual requirements, carnival revenue flows from the carnival operator, to the Commission, to the City. Payment terms are as follows:

Carnival Proceeds Agreement

First \$500,000 of Revenue	100% due to the Commission
\$500,000 to \$650,000	100% due to the City
Above \$650,000	50% due to the City; 50% to the Commission

The City received \$0 in proceeds from 2009-2013, \$50,000 during 2014, and \$75,000 annually from 2015-2018 as a result of this agreement.

Audit Scope & Methodology

The audit scope included contract compliance and monitoring efforts related to the San Antonio Fiesta Commission Contract from 2009 through 2018.

Audit Conclusions

CCDO has an adequate monitoring process in place to ensure contractual compliance.

CCDO has developed a Contract Administration Plan to monitor key contractual terms for compliance. In addition, CCDO is involved in the carnival operator solicitation process and reviews proposal evaluations to ensure the Commission has an adequate process in place.

Additionally, CCDO has established procedures to ensure payments made to and from the Commission are accurate and properly supported. CCDO receives audited financial statements on an annual basis to ensure the accuracy of carnival proceeds. The audit team reviewed the Commission and the carnival operator's audited financial statements and verified carnival proceeds were accurate, supported, and in compliance with contract terms.