



City of San Antonio

Agenda Memorandum

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In Control: Audit and Accountability Committee

AUDIT COMMITTEE SUMMARY

January 29, 2019

Audit of Convention and Sports Facilities Visit San Antonio Contract

Report Issued January 9, 2019

Audit Objective

Determine if the Visit San Antonio Contract is adequately monitored and key terms of the contract are complied with.

Background

The San Antonio Convention and Visitors Bureau transitioned to an independent non-profit corporation in FY2017. The mission of VSA is to promote and market San Antonio as a premier leisure visitor and convention/meeting destination for the purpose of positively affecting the City's economy and enhancing citizens' quality of life.

During the transition period, \$590,000 was budgeted for costs associated with depository services, insurance requirements, legal services, and employee annual leave payouts. Going forward, an allocation of 35% of net Hotel Occupancy Tax Fund collections is used to fund the Agreement with VSA. The budget for FY2018 was \$23,339,889 and the adopted budget for FY2019 was \$23,751,358.

Audit Scope & Methodology

The audit scope included contract monitoring efforts related to the Visit San Antonio contract from fiscal year 2017 and 2018. We reviewed their Contract Administration Plan to determine if key terms of the contract were included. Additionally, we reviewed support documentation to determine if key terms of the contract were compliant.

We reviewed a sample of 15 events to determine if credits issued to clients by VSA were warranted, accurate, approved, and properly recorded. In addition, we reviewed monthly invoices of reimbursable expenditures for completeness, accuracy, and timeliness. Finally, we reviewed the EBMS system's user access for appropriateness.

Audit Conclusions

The Visit San Antonio Contract is adequately monitored and key terms of the contract are complied with. The Convention and Sports Facilities (CSF) department has established a Contract Administration Plan to monitor key contractual terms. CSF implemented procedures to ensure proper issuance of credits issued to clients by

VSA.

However, CSF has not established monitoring controls associated with system user access. We recommend that CSF Management establish and implement documented procedures for the periodic access review of the EBMS system to ensure that users no longer requiring access are removed. CSF concurred with the recommendations and developed positive corrective action plans.