



# City of San Antonio

## Agenda Memorandum

**File Number:**15-2050

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**Agenda Item Number:** 3.

**Agenda Date:** 3/17/2015

**In Control:** Audit Committee

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### **AUDIT COMMITTEE SUMMARY**

**March 17, 2015**

#### **Follow-up Audit of EDD SBEDA Contract Compliance Monitoring**

Report Issued January 15, 2015

### **Background**

In October of 2013, the Office of the City Auditor completed an audit of the Economic Development Department (EDD) SBEDA Contract Compliance Monitoring. The objective of the audit was to determine if EDD adequately monitors compliance for contracts with SBEDA requirements.

The Office of the City Auditor issued a positive report however identified areas for improvement. We found the formal process for monitoring contracts with SBEDA requirements not fully developed or implemented. EDD lacked formal policies and procedures for the review of user access in CCMS. Additionally, EDD needed to continue vendor outreach training to help improve the confirmation of subcontractor payments. Finally, the audit office found that departmental CCMS users had not received training prior to granting access, and did not retain training records.

### **Follow-up Audit Objective**

Determine if the Economic Development Department successfully implemented action plans to address prior audit recommendations relating to SBEDA contract compliance monitoring.

### **Audit Scope and Methodology**

The audit scope was limited to the recommendations made in the original report and corresponding action plans related to EDD's SBEDA monitoring processes from November 2013 through September 2014.

### **Audit Conclusion**

Yes, EDD has successfully implemented action plans that address all recommendations from the previous audit. This includes:

- EDD has completed the development and implementation of the SBEDA contract compliance monitoring process.

- EDD has developed and implemented formal procedures to periodically review user access and privileges of the CCMS system.
- EDD implemented monthly vendor training sessions of CCMS to help ensure subcontractors are confirming payments within CCMS. EDD has also created a form that firms can utilize to confirm subcontractor payments manually rather than in CCMS.
- EDD has implemented required training sessions that all departmental users must attend prior to granting system access.

### **Recommendation**

Since EDD Management effectively implemented all action plans, we made no recommendations.