



# City of San Antonio

## Agenda Memorandum

**File Number:**15-4531

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**Agenda Item Number:** 2.

**Agenda Date:** 8/18/2015

**In Control:** Audit Committee

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**AUDIT COMMITTEE SUMMARY**  
**August 18, 2015**  
**Audit of City Council Project Funds**  
Report Issued June 4, 2015

### Background

In January 2012, City Council approved an ordinance for the adoption of the City Council Project Funds (CCPF). The funds were earmarked for expenditures such as family strengthening, youth development, workforce development, community safety net initiatives and scholarship programs. In December of 2013, City Council updated the CCPF, which provided additional guidelines related to eligible expenditures. Expenditures must serve a municipal purpose and fit into one of three categories: education, City Council District/community event, or youth and senior services.

Each Council District and the Mayor's office are allocated \$50,000 per fiscal year. The Mayor and Councilperson are free to award projects to agencies of their choice, with the exception of awards over \$10,000, which must be approved by City Council. All awards must go through an application process managed by the City Council Office.

### Audit Objective

Determine if the City Council Project Funds are managed in accordance with policies and procedures.

### Audit Scope & Methodology

The audit scope included assessing current processes and CCPF events that occurred in FY 2014 to ensure compliance with the City ordinance.

We reviewed events for proper approval, expenditures for adequate invoice support, and adherence to the ordinance. We verified FY 15 carry forward amounts were within established thresholds. Finally, we verified that no CCPF events or activity occurred during the moratorium periods.

### Audit Conclusions

Yes, CCPF was used in accordance with policies and procedures. CCPF had proper controls in place to ensure events and commitments were properly approved, the moratorium was implemented and

annual carry forwards were within proper thresholds.

However, we did note on area that needed improvement. At the time payment was made, CCPF event files contained insufficient documentation to verify events complied with the City ordinance in 2 of 40 event files tested. Subsequent to audit's review, CCPF staff provided verifying support documentation for the two files noted. We recommend that all supporting documentation be obtained prior to payment disbursement.

The City Council Offices' Assistant to City Council concurred with the recommendation and developed a corrective action plan.