
CITY OF SAN ANTONIO
OFFICE OF THE CITY AUDITOR



Audit of Workforce Development Office

AlamoPROMISE Contract

Project No. AU23-037

May 16, 2023

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the Workforce Development Office, specifically the AlamoPROMISE Contract. The audit objectives, conclusions, and recommendations follow:

Determine if the AlamoPROMISE contracts are adequately monitored to include management of key terms and fiscal areas.

Overall, the AlamoPROMISE contracts are adequately monitored to include management of key terms and fiscal areas. Evidence of match funding is received and reviewed. Sufficient controls exist for the use of remaining funds. Periodic reports are submitted and are reasonable. NXT Level youth participants are adequately served, and City of San Antonio funds are used appropriately.

We make no recommendations to the Workforce Development Office; consequently, no management responses are required. Management's acknowledgement of these results is in Appendix B on page 5.

Table of Contents

Executive Summary	i
Background.....	1
Audit Scope and Methodology	2
Audit Results and Recommendations	3
Appendix A – Staff Acknowledgement.....	4
Appendix B – Management Acknowledgement	5

Background

AlamoPROMISE was created by the Alamo Colleges District (ACD) in 2019. The program provides funding for up to three years of full-time community college for graduating high school seniors in Bexar County to eliminate financial barriers to higher education. Its goal is to increase the rate of college-going high school seniors from 49% to 67% and enhance economic and social mobility while meeting workforce demands.

To be eligible for the program, students must have graduated from a participating high school in the Spring semester, must commit to attending one of the ACD colleges in the subsequent Fall semester, and must submit all required financial aid documentation. Once accepted, students receive “last-dollar” scholarships, which provide funding to them for remaining tuition and mandatory fee expenses after financial aid awards have been granted. In December 2022, additional participating high schools were added to the program for a total of 73 high schools throughout Bexar County.

The City of San Antonio (COSA) is one of several organizations who provide funding for last-dollar scholarships to students participating in the program, with increasing participation each year in line with expected enrollment growth. COSA is projected to provide approximately half of the funding required to meet last-dollar scholarship estimates for each year.

COSA provides funding to ACD each semester. To obtain funding, ACD must submit evidence that match funding has been received. In addition, to receive payment in the Fall semester, ACD must meet 75% of target enrollments for the previous program year. To receive payment in the Spring semester, ACD must meet 75% of target enrollments for the previous semester. Target enrollments are established by ACD based upon projected enrollments in the program for each cohort. Total actual and projected enrollments and COSA funding are as follows:

Contract Year	Actual and *Projected Enrollments	Actual and *Projected Funding
Year 1 (Fall 20 – Spr 21)	2,815	\$154,218
Year 2 (Fall 21 – Spr 22)	4,146	\$1,141,593
Year 3 (Fall 22 – Spr 23)	7,235*	\$2,456,170
Year 4 (Fall 23 – Spr 24)	7,491*	\$2,565,173*
Year 5 (Fall 24 – Spr 25)	8,056*	\$2,873,090*
Total		\$9,190,244

Audit Scope and Methodology

The audit scope included the Year-2 AlamoPROMISE contract (Fall 2021 – Spring 2022) and Fall 2022 of the Year-3 AlamoPROMISE contract.

To gain an understanding of the area under audit we interviewed Workforce Development Office (WDO) staff and reviewed relevant documentation including periodic reports, contract administration plans, and contract monitoring reports. Testing criteria included AlamoPROMISE contracts and City of San Antonio administrative directives and purchasing manual.

We assessed internal controls relevant to the audit objective. This included a review of the Year-2 and Year-3 AlamoPROMISE contracts with ACD, contract monitoring reports, and contract administration requirements in COSA's purchasing manual. In addition, as part of our testing procedures, we reviewed the following areas:

- NXT Level youth participants are being served as outlined in the contract
- Submitted periodic reports are reasonable
- Contract administration plans are developed and monitored
- COSA funds are being used appropriately
- Evidence of match funding is obtained
- Remaining funds are carried forward or refunded

We utilized computer-processed data provided by ACD to examine the reasonableness of provided reports. However, an opinion on the reliability of the provided data is beyond the scope of this audit. Accordingly, while we used data provided directly by ACD as context for our work conducted relating to the contract, our conclusions were based upon monitoring controls implemented by WDO.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results and Recommendations

Overall, the AlamoPROMISE contracts are adequately monitored to include management of key terms and fiscal areas.

We obtained evidence that match funding documentation has been submitted and is sufficient and reviewed. Additionally, sufficient controls exist for the use of remaining funds. For Fall 2022 of Year 3, remaining funds in the amount of \$140,061 had not been allocated for last-dollar scholarships. Workforce Development and ACD developed a plan to carry the funds forward for Spring 2023 and refund any remaining funds at year-end, in line with contract terms.

Additionally, while not required under the contract, mid-semester reports of target versus actual enrollments are submitted and are reasonable. Additionally, NXT Level youth participants are adequately served. Per the ACD contract, at least 20 NXT Level youth participants should be served each year and those targets were monitored appropriately.

Finally, COSA funds are used appropriately. We determined that adequate support is received and reviewed for the number of program participants and that program goals were met for funding purposes. Additionally, adequate support was provided for COSA funds expensed on last-dollar scholarships for AlamoPROMISE Scholars.

Appendix A – Staff Acknowledgement

Mark Bigler, CPA-Utah, CISA, CFE, Audit Manager
Nastasha Leach, CIA, CGAP, CRMA, Auditor in Charge

Appendix B – Management Acknowledgement



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

May 10, 2023

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
San Antonio, Texas

RE: Management's Acknowledgement of its review of the AlamoPROMISE Contract audit.

The Workforce Development Office has reviewed the audit report and provided its comments to the auditors. As there are no recommendations for management, no management responses are required.

Workforce Development Office:

Fully Agrees

Does Not Agree (provide detailed comments)

Sincerely,



Mike Ramsey
Director
Workforce Development

5/14/23

Date



Alex Lopez
Assistant City Manager
City Manager's Office

5/15/2023

Date