



City of San Antonio

Agenda Memorandum

File Number:
{{item.tracking_number}}

Agenda Item Number: 3

Agenda Date: March 29, 2023

In Control: Audit and Accountability Committee

DEPARTMENT: Office of the City Auditor

DEPARTMENT HEAD: Kevin Barthold

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Acceptance of the Office of the City Auditor Report AU22-001 Audit of Arts and Culture - Arts Funding

SUMMARY:

Determine if funding for the Arts is distributed according to policies and if funding agreements are adequately monitored to include performance measures.

BACKGROUND INFORMATION:

Background

Established in 2007, the Department of Arts & Culture has worked to enrich the City of San Antonio by creating art programming and helping people experience art. The department is funded by the Hotel Occupancy Tax (HOT). Artists and nonprofit organizations may receive Arts Funding

to create projects aimed to promote tourism and the convention and hotel industry through the encouragement, promotion, improvement, application, and exhibition of the arts. Approximately \$6.5 million was awarded for Art Funding during award year 2022.

Scope & Methodology

The audit scope included department policies and procedures, City Administrative Directives, award application and award process, contract compliance, awardee payments, and system user access for the 2022 award year.

We assessed internal controls relevant to the audit objective. This included a review of written policies and procedures, authorization practices, quality of information and communication, and ongoing monitoring efforts.

As part of our testing procedures, we examined key contract terms, compliance, awardee applications, awardee resources, department operating systems and user access. Further, payments made to awardees were reviewed for adequate support, management approval, and reconciliation against the City's financial system.

Conclusions

The Department of Arts & Culture is distributing arts funding according to policies and procedures and is adequately performing award monitoring.

We reviewed the two most recent payments made for 20 individual awardees and confirmed they were adequately supported and approved. Each met all required contract reporting such as the type and number of events held and attendance details. Awardee payment requests were found to be allowable and in accordance with award contracts.

There are no findings. Consequently, we make no recommendations to Arts & Culture management.

ISSUE:

This item is presented for acceptance by the Audit and Accountability Committee.

FISCAL IMPACT:

None

ALTERNATIVES:

N/A

RECOMMENDATION:

Staff recommends acceptance of this audit report.