



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

May 9, 2008

TO: Barry Lipton, Deputy City Auditor

FROM: Paula Stallcup, Director, Downtown Operations Department

RE: Management's Corrective Action Plan for the Audit of Lease Management in the Departments of Asset Management and Downtown Operations.

Downtown Operations Management has reviewed the Lease audit report and has developed the Corrective Action Plans below corresponding to report recommendations. The Funding Agreement for Centro Alameda, Inc. supports renovations to the Theatre Complex.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
A	Master Lease with Centro Alameda, Inc. (1998-2023 with 25 year renewal)	5			
A.1	Reduce the amount reported as available for restoration and renovation at the Complex in the Funding Agreement by \$91,718. Disbursements were made from 1998 through 2002.	6	Accept	Mary Yturri Contract Coordinator	Formal notice sent to CAI on 4/14/08
A.2	Enhance monitoring of the Master Lease and enforce Lease terms.	6	Accept	Mary Yturri Contract Coordinator	Throughout Term + Renewals
A.3	Enhance monitoring of the Funding Agreement and enforce Agreement terms.	6	Accept	Mary Yturri Contract Coordinator	Throughout Term + Renewals
<p>Action plan: A.1 Written notice regarding reduced amount was sent to CAI on 4/14/08. Last disbursement made to CAI per funding agreement was dated 3/12/02. A.2 Enhance monitoring to ensure timely receipt of semi-annual and annual progress reports and annual progress report attestation. Meet with CAI quarterly to review reporting and ensure compliance. A.3 Enhance monitoring to ensure timely receipt of annual audited financial statements. Meet with CAI quarterly to review reporting and ensure compliance.</p>					

We are committed to addressing the valid recommendations in the audit report and the plan of actions presented above.

Paula X. Stallcup
Director
Downtown Operations Department

Penny Postoak Ferguson
Assistant City Manager
City Manager's Office