



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

Park E. Pearson
Interim City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for the Temporary Audit of Food Establishment License Fees in the

The San Antonio Metropolitan Health District has reviewed the audit report and has developed the Corrective Action Plans below corresponding to report recommendations.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
A-1	Monitoring License Renewals and Computing Late Fees				
	The SAMHD Director should develop and communicate policies and procedures to ensure that license revenues are properly collected and that only food establishments with a current license are allowed to operate	4	Accept	Dr. Fernando Guerra, Director SAMHD	Completed
	A-2	The Department should calculate late fees in accordance with City Code	4	Accept	Dr. Fernando Guerra, Director SAMHD
A-3	SAMHD management should include identifying, tracking, and monitoring requirements in its information systems.	4	Accept	Dr. Fernando Guerra, Director SAMHD	March 2009

Action plan:

A-1 - In October 2008 a memorandum was circulated to all Sanitarians requiring that establishments found to be operating without a permit are issued a ten (10) day notice to obtain a valid permit. If after ten (10) days the permit has not been obtained, the Sanitarian will issue a (24) hour notice to comply. If after the end of the next business day the establishment still has not obtained its permit, the establishment will be closed until a permit is obtained. A policy has been developed to formalize this procedure.

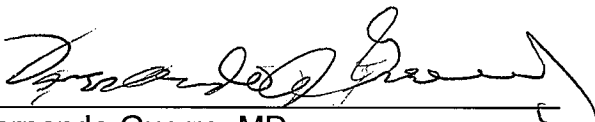
A-2 – Department is now compounding late fees.

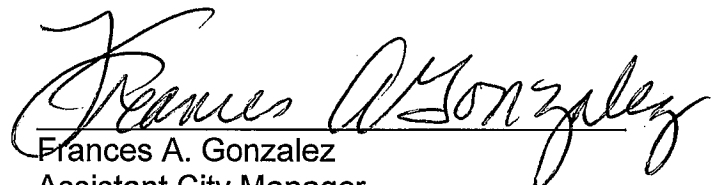
A-3 - The Digital Health Department software currently being installed will be capable of creating standard and ad hoc reports to include information to analyze compliance history as well as allow all fees generated and collected to be tracked. Staff will be able to see if an establishment's fees are in "Paid" or "Late" status. The system will also automatically generate "past due" invoices. Written procedures have been implemented and a formal policy will be distributed late March 2009 when the system is expected to "go live".

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
B-1	<p>License and License Fee Exemptions</p> <p>The SAMHD Director should develop a formalized policy, consistent with City Code, which provides for when, if ever, food establishments may be granted license fee exemptions.</p>	5	Accept	Dr. Fernando Guerra, Director SAMHD	Partially Completed
<p>Action plan: B-1 - SAMHD implemented a policy, consistent with current practice that clarifies the various types of food establishments both in the City limits and in the County that do not need to obtain a food permit in order to operate. Notably, this policy exempts public schools. The Department is reviewing this practice which may require a change in the City Code.</p>					
C-2	<p>Access Controls over Accounts</p> <p>The SAMHD Director should consult with ITSD to assign appropriate IT access controls or develop appropriate compensating controls to prevent undetected losses in license revenues.</p>	6	Accept	Stephen Barscewski, Sanitarian Services Manager	March 2009
<p>Action plan: C-2 - Digital Health Department software will automate the food and environmental health permitting process to include managing renewal notices, tracking delinquent notices, and improving collections. The SAMHD established a lock box agreement with Frost Bank to receive all payments for licenses and the fees will be directly deposited into the City's account. This will eliminate the problem with conflicting roles.</p>					

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

Sincerely,


 Fernando Guerra, MD
 Director
 San Antonio Metropolitan Health District


 Frances A. Gonzalez
 Assistant City Manager
 City Manager's Office