



Central Valley Community Sports Foundation

11/26/2018

Kriti Agrawal, Principal Internal Auditor
City of Fresno
2600 Fresno Street, Suite 2162
Fresno, CA 93721-3611

Dear Ms. Agrawal,

Thank you for providing us the draft report of the City's internal audit of our operations at Granite Park.

We appreciate the input and recommendations of your audit team.

As stated in our meeting, we understand the audit team's position that under City standards they cannot render a qualified opinion on CVCSF's revenues and expenses from Granite Park. We accept this position and in light of this, withdraw the request, at this time, for additional support.

We feel it would be appropriate to work with the audit team going forward to develop and maintain the set of procedures, controls and reports that would allow a qualified opinion to be rendered at a future date.

We also invite the City's audit team visit the facility in order to observe and gauge the revenues (gate receipts, food & beverage) and related expenses (cost of goods, payroll & utilities) of operating the park.

The operations at Granite Park are very simple. We collect daily gate fees, snack bar sales, and bar sales. All revenues are tracked on a daily basis, and with our POS system, we actually track revenues in real-time. Then we also have other payments for advertising, public support and other one-off type payments. Expenses consist of payroll, utilities, and a monthly mortgage payment. Attached is a copy of our latest (October 2018) Profit and Loss statement, along with the detail of revenues and documentation of expenses. Also, included in the information is the monthly reconciliation.

We would be grateful to review this information with the audit team at your earliest convenience and then get to work to establish the procedures, controls and reports discussed above.

In addition, it would also be useful and enlightening to make a comparison of how much it costs us to operate the park versus how much it would cost the City.

We look forward to continuing our discussions and our relationship with the City that, to date, has delivered important and worthwhile recreational programming to tens of thousands of our City's residents.

Thank you for your continued support.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Terance Frazier', with a long horizontal flourish extending to the right.

Terance Frazier
President, Central Valley Community Sports Foundation