

Memorandum



CITY OF DALLAS

Report #408

DATE: March 5, 2004

TO: Honorable Mayor and Members of the City Council

SUBJECT: Follow-up report on the September 20, 2002, *Audit of the Efficiency and Effectiveness of the Salvage Yard*, Report #368

We conducted this follow-up audit under the authority of City Council Resolution No. 920779 and according to applicable government auditing standards.

Our objective was to determine whether Equipment and Building Services had implemented the audit's recommendations or taken other acceptable actions to remedy the control weaknesses identified in the original audit report.

The original audit contained five findings and six distinct recommendations. Management has implemented four, partially implemented one, and not implemented another. The partially implemented recommendation involves quarterly inventory checks, which are not being done consistently. The non-implemented recommendation involves submitting documentation to the City Controller's General Fixed Asset Group on vehicles transferred to the Salvage Yard, which is not yet being done.

We appreciate management's cooperation in this follow-up.

Thomas M. Taylor, CPA
City Auditor

c: Teodoro J. Benavides, City Manager
Steven M. Park, Director of Equipment and Building Services