



# Special Audit of the Former City Manager – T. C. Broadnax

September 26, 2025

Mark S. Swann, City Auditor

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City of Dallas

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## Executive Summary

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### Objectives and Scope

The objectives of this audit were to determine whether the former City Manager:

- Had any outstanding debts owed to the city.
- Had his authorities as an agent of the City removed.
- Used his officeholder account expenditures for public purpose.
- Had physical access to City facilities and logical access to information systems disabled.
- Controlled and accounted for City owned personal property.

The scope of the audit was from May 2, 2022, through May 2, 2024.

### Recommendations

Management should ensure departmental compliance with City administrative directives by establishing additional internal controls within the City Manager's Office.

### Background

The Office of the City Auditor is required by City Charter Chapter IX, Section 4, *Special Audit*, to audit the accounts of former City officials upon their death, resignation, removal, or expiration of term to determine any indebtedness to the City.

The audit evaluated T. C. Broadnax, the former City Manager, who resigned from the City effective May 2, 2024. T. C. Broadnax had served in the role since February 1, 2017.

### Observed Conditions

The review of former City Manager T. C. Broadnax' accounts did not identify any debts owed to the City upon his departure.

Opportunities do exist for the City Manager's Office to reduce noncompliance with City administrative directives.

## Objectives and Conclusions

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1. Did the City Manager have any outstanding debts owed to the City?

**No.**

2. Was the City Manager removed as an authorized agent of the City?

**Yes.**

3. Were the City Manager's expenditures for public purpose?

**Generally, yes.** Purchasing and travel card expenditures were identifiable as public purpose based on vendor descriptions. However, receipts to support these expenditures were not always available to validate purchase details. Also, the purchasing and travel cards assigned to the former City Manager were not deactivated timely (See [Observation A.](#))

4. Was the City Manager's physical access to City facilities and logical access to information systems disabled?

**Generally, yes.** The parking decal was transferred internally to the Interim City Manager instead of being returned to the Security Division. (See [Observation A.](#))

5. Did the City Manager control and account for City owned personal property?

**Generally, no.** As part of the off-boarding process, certain assets were collected. However, other assets that might have been purchased during tenure were not tracked in an inventory listing and could not be verified for existence. (See [Observation A.](#))

## Audit Results

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Both *City Council Resolution 88-3428* and Administrative Directive 4-09, *Internal Control* prescribe policy for the City to establish and maintain an internal control system. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

### Observation A: Noncompliance with City Administrative Directives

Certain activities were not completed in accordance with City administrative directives. City administrative directives are issued: (1) to improve service to the public through efficient management, and (2) to establish procedures for the uniform administration and effective and efficient coordination of the functions of the City of Dallas.<sup>1</sup>

- Purchasing card receipts do not agree with the actual amount charged to the purchasing card. This indicates a lack of monitoring to ensure the purchase card was charged the actual amount. There were lunch receipts that did not include the gratuity added to the actual amount charged to the purchasing card. For example, a February 14, 2024, lunch purchase receipt had an amount line of \$17.33 and no amount on the gratuity or total lines. The amount charged on the purchasing card statement was for \$20.33. A \$3.00 gratuity was consistently added to the amount of purchase on the purchase card statement even when the \$3.00 gratuity was not written in on the gratuity line of the receipt.
- Purchasing card was given to staff to make purchases. This allows for unauthorized purchases that do not meet public purposes to occur.
- Purchasing and travel cards were not deactivated timely. The purchasing card was not reduced to a \$1 credit limit until September 12, 2024, because of delays in the reconciliation process. The purchasing card was not deactivated until February 25, 2025. The travel card was not deactivated until March 5, 2025.
- Travel card receipts were not provided. Based on travel card statement descriptions, there was a purchase of travel insurance and several air flight seat upgrades. These transactions do not comply with Administrative Directive 4-07, *Authorization and Reimbursement for Out-of-Town Travel and Travel-Related Expenses* (October 1, 2013).
- Parking decal was not returned to the Security Division upon departure as required by Administrative Directive 6-10, *Dallas City Hall Parking Garage*. Instead, it was transferred to the Interim City Manager.
- Personal property maintained by the City Manager's Office lacks internal controls. A personal property inventory list was not provided and return of all City-issued property could not be verified.

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<sup>1</sup> Administrative Directive 2-1, Administrative Directives, Section 2, *Purpose*.

## Criteria

- Administrative Directive 6-10, *Dallas City Hall Parking Garage* (December 26, 2012)
- Administrative Directive 4-07 Authorization and Reimbursement for Out-of-Town Travel and Travel-Related Expenses (October 1, 2013)
- Administrative Directive 4-15 *Purchasing Card Policy and Procedures* (Interim) (September 7, 2022)
- Administrative Directive 6-01 *Control of City Property* (January 24, 2000)
- Standards for Internal Control in the Federal Government: *Principle 10 – Control Activities*

Assessed Risk Rating:

**Low**

## We recommend the **City Manager's Office**:

**A.1:** Ensure departmental compliance with City administrative directives by establishing additional departmental internal controls for:

- Monitoring purchase and travel card purchases to ensure the actual amount charged to the purchase or travel card agrees to the receipt and retaining all receipts.
- Training personnel on how to apply purchase and travel cards administrative procedures.
- Timely deactivation of parking passes, and purchase and travel cards.
- Tracking City owned personal property.

## Appendix A: Background and Methodology

### Background

The Office of the City Auditor is required by City Charter Chapter IX, Section 4, *Special Audit*, to audit the accounts of former City officials upon their death, resignation, removal, or expiration of council member's term to determine any indebtedness to the City.

The primary off-boarding activities include:

- Verification of debt clearance for property taxes, parking fees, water bills, and other fines.
- Removal of physical access to City facilities by destroying identification badges and obtaining parking decals.
- Disabling of logical access to the City network, applications, and mobile devices.
- Confirmation of proper use of funds for purchasing and travel card expenditures.
- Return of personal property (tangible assets of less than \$1,000) purchased with City funds.
- Examination of accurate employee pay prior to departure.
- Removal of signatory authority.

**Exhibit 1** outlines administrative directives and policies used to complete and ensure due diligence of off-boarding activities.

### Exhibit 1: Special Audit Authoritative Documents

Document Name	Purpose
<b>Dallas City Charter, Chapter VI.</b> <i>City Manager</i>	Establishes the City Manager as the chief administrative and executive officer of the city and defines their powers and duties.
<b>Dallas City Charter, Chapter IX.</b> <i>City Auditor, Section 4 Special Audit</i>	Upon the death, resignation, removal, or expiration of the term of any officer, other than city auditor, the city auditor shall cause an audit and investigation of the accounts of such officer to be made and shall report to the city manager and council. If, as a result of any such audit, an officer is found to be indebted to the city, the city auditor, or other person making such audit, shall immediately give notice of such indebtedness to the council, the city manager, and the city attorney, and the city attorney shall, as directed by the city council, proceed to collect such indebtedness.

Document Name	Purpose
<b>Administrative Directive 2- 04,</b> <i>Interim Identification and Access Badge and Restricted Areas Policy</i> <b>(June 28, 2018)</b>	Provide instructions on the proper procedures for turning in City of Dallas identification/access badges at termination.
<b>Administrative Directive 3-56,</b> <i>Payroll Procedures</i> <b>(November 3, 2016)</b>	Establish a comprehensive guideline regarding City's payroll processing procedures, including requirements for processing terminations.
<b>Administrative Directive 4-07,</b> <i>Authorization and Reimbursement for Out-of-Town Travel and Travel-Related Expenses</i> <b>(October 1, 2013)</b>	<p>Provide policies and procedures for City government employees, council members, and commission members who perform local and out-of-town official travel in the interest of the City of Dallas.</p> <p>Provide guidance to personnel who authorize, direct, or review such travel or certify payments for reimbursement of travel-related expenses.</p>
<b>Administrative Directive 4-08,</b> <i>Mobile Telephone Services</i> <b>(June 12, 2004)</b>	Establish policy and procedures for the acquisition and use of City-owned mobile services and devices and establish City policy about City cell phone allowance.
<b>Administrative Directive 4-15,</b> <i>Purchasing Card Policy and Procedures (Interim)</i> <b>(September 7, 2022)</b>	Establish policies and procedures for procuring goods and/or services using a Purchasing Card.
<b>Administrative Directive 6-01,</b> <i>Control of City Property</i> <b>(January 24, 2000)</b>	Establish responsibilities and reporting policies for control of City-owned personal property.
<b>Administrative Directive 6-10,</b> <i>City Hall Parking Garage</i> <b>(December 26, 2012)</b>	Provide information and regulations regarding the use of the City Hall parking garage.
<i>City of Dallas Enterprise Information Security Standard</i> <b>(November 18, 2024)</b>	Section 15 guides the separation of employment procedures for handling users' access to all systems.

**Source:** City of Dallas Intranet, Publications, Administrative Directives

## Methodology

The audit methodology included: (1) interviewing personnel from the City Manager's Office and other City departments; (2) reviewing policies and procedures, applicable administrative directives, and best practices; and (3) verifying compliance with procedures. In addition, all five components of *Standards for Internal Control in the Federal Government* were considered.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

## Major Contributors to the Report

Isaac Tetteh, CISA, CRISC – In-Charge Auditor

Rory Galter, CPA – Engagement Manager

Michael Warr, CIA – Senior Auditor

Laura Miller – Auditor

## Appendix B: Management's Response

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Memorandum



**DATE:** September 17, 2025

**TO:** Mark S. Swann – City Auditor

**SUBJECT:** Response to Special Audit of the Former City Manager

This letter acknowledges the City Manager's Office received the *Special Audit of the Former City Manager* and submitted responses to the recommendations.

The City Manager's Office appreciates the work of the City Auditor and agrees that internal controls should be enhanced to ensure compliance with applicable administrative directives.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly Bizzor Tolbert", written over a circular blue stamp or seal.

Kimberly Bizzor Tolbert  
City Manager

C: Jack Ireland, Chief Financial Officer  
Ahmad Goree, Chief of Staff

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
Low	We recommend the <b>Director of City Manager's Office:</b>				
	<b>A.1:</b> Ensure departmental compliance with City administrative directives by establishing additional departmental internal controls for: <ul style="list-style-type: none"><li>Monitoring purchase and travel card purchase to ensure the actual amount charged to the purchase or travel card agrees to the receipt and retaining all receipts.</li><li>Training personnel on how to apply purchase and travel cards administrative procedures.</li><li>Timely deactivation of parking passes, and purchase and travel cards.</li><li>Tracking City owned personal property</li></ul>	Agree	The City Manager's Office will implement controls to ensure compliance with the procedures referenced.	12/31/2025	Next Special Audit of a Former City Manager