

Memorandum



CITY OF DALLAS
(Report No. A14-003)

DATE: December 6, 2013
TO: Honorable Mayor and Members of the City Council
SUBJECT: Special Audit of the Accounts of Five Former City Council Members¹

The Office of the City Auditor (Office) completed the *Special Audit of the Accounts of Five Former City Council Members* (Special Audit) and determined that the former accounts for City of Dallas (City) Council Members Angela Hunt, Delia Jasso, Linda Koop, Ann Margolin, and Pauline Medrano were in order; however, certain procedural errors and a processing control issue were noted. The Office issued a Management Letter that included these issues. Although no formal responses were requested of management, the Office will follow-up on these issues during subsequent special audits to determine whether corrective actions were taken.

The City has implemented the recommendations included in the *Special Audit of the Accounts of Three Former Council Members and a Former City Secretary*, Report Number A12-002, issued December 9, 2011. In addition, the City addressed the issues included in the *Management Letter – Special Audit of the Accounts of Former Director of the Department of Park and Recreation, Paul Dyer*, issued February 15, 2013.

We appreciate the cooperation we received from City management during the conduct of this audit. If you have any questions or need additional information, please contact me at 214-670-3222 or Carol Smith, First Assistant City Auditor, at 214-670-4517.

Sincerely,

A handwritten signature in cursive script that reads "Craig D. Kinton".

Craig D. Kinton
City Auditor

¹ We conducted a *Special Audit of the Accounts of Five Former City Council Members* under the authority of the City Charter, Chapter IX, Section 3. This audit is part of our Fiscal Year 2013 Audit Plan approved by the City Council. This performance audit was conducted 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 on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The objectives of the audit were to ensure the former Council Members properly controlled and accounted for City assets, were removed as authorized agents of the City, and did not have any outstanding City debts; however, certain other matters, procedures, and transactions outside the period may be reviewed to understand and verify information during the audit period.

To achieve our objectives, we verified that: (1) items identified, on the City's Termination Check List as assigned to the former City Council Members, were returned; (2) the former City Council Members information technology system access was revoked; and, (3) final payments to the former City Council Members were accurate and that no debts were owed.

- C: A.C. Gonzalez, Interim City Manager
Elsa Cantu, Assistant to the City Manager – City Manager’s Office
Jeanne Chipperfield, Chief Financial Officer
Warren M.S. Ernst – City Attorney
William Finch, Director – Department of Communication and Information Services
Michael Frosch, Director – Department of Business Development and Procurement Services
Molly McCall, Director – Department of Human Resources
Jo M. (Jody) Puckett, P.E., Director – Department of Dallas Water Utilities
Rosa Rios, City Secretary
Edward Scott, City Controller
Errick Thompson, Director – Department of Equipment and Building Services