

# Memorandum



CITY OF DALLAS  
(Report No. A10-015)

**DATE:** June 25, 2010

**TO:** Honorable Mayor and Members of the City Council

**SUBJECT:** Special Audit of the Accounts of Mr. David K. Cook, Former Chief Financial Officer

Mr. David K. Cook, former Chief Financial Officer, has been timely removed from access to City systems and does not owe any debt to the City. All items assigned to Mr. Cook were accounted for properly.

The following issues were brought to management's attention for resolution:

- Mr. Cook's Verizon Blackberry account and the bond insurance were not terminated until April 2010. As a result, the City incurred \$65.14 in additional monthly charges for the Blackberry. The City expects to receive a refund of \$537 for the bond insurance premiums. The Department of Human Resources plans to change their forms and instructions to prevent a similar occurrence in the future.
- As of May 21, 2010, the Office of the City Secretary's website, showed Mr. Cook as a board member on the Cypress Waters Municipal Management District, the North Oak Cliff Municipal Management District, and the Trinity River West Municipal Management District. Mr. Cook was removed from the Trinity River West Municipal Management District board by City Council Resolution 10-0454 on February 10, 2010. The City Attorney's Office advised that upon Ms. Jeanne Chipperfield's promotion to the position of Chief Financial Officer, Mr. Cook was automatically replaced on the boards of the Cypress Waters Municipal Management District and the North Oak Cliff Municipal Management District. The Office of the City Secretary plans to notify the Department of Communication and Information Services to update the website to reflect that Mr. Cook was removed from these boards.

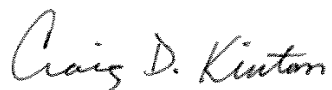
The Office of the City Auditor performed a Special Audit of the Accounts of Mr. David K. Cook, Former Chief Financial Officer, who retired from the City on February 19, 2010. Chapter IX, Section 4 of the Dallas City Charter requires an audit and a report upon the death, resignation, removal, or expiration of the term of any officer of the City. In a June 4, 2009 memorandum, the City Attorney stated that "officers of the city" included the position of Chief Financial Officer.

The objectives of our audit were to ensure the former Chief Financial Officer had properly controlled and accounted for any assigned City assets, been removed as an authorized agent for the City, and did not have any outstanding debts owed to the City. To achieve our objectives, we verified that items identified on the City's Termination Check List were returned, reviewed financial records, verified that system access was revoked, and positions on boards, commissions, and other organizations were properly updated.

We conducted this audit under authority of the City Charter, Chapter IX, Section 3, and in accordance with the Fiscal Year 2010 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.

If you have any questions or need additional information, please contact me at 214-670-3222 or Carol Smith, Assistant City Auditor, at 214-670-4517.

Sincerely,



Craig D. Kinton  
City Auditor

C: Mary K. Suhm, City Manager  
Thomas P. Perkins Jr., City Attorney  
Deborah Watkins, City Secretary  
Molly McCall, Interim Director – Human Resources  
Worris Levine Jr., Director – Department of Communication and Information Resources  
Jeanne Chipperfield, Chief Financial Officer  
Carolyn Bray, Director – Department of Equipment and Building Services