

Memorandum



CITY OF DALLAS

DATE: December 23, 2005

TO: Honorable Mayor and Members of the City Council

SUBJECT: Follow-up report of the April 23, 2004, *Performance Audit of Event Revenue Processing by the Dallas Convention Center*

We conducted this follow-up under the authority of Chapter IX of the City Charter, and according to applicable government auditing standards. We included tests of records and reviews of program guidelines and procedures that we considered necessary in the circumstances. Our objective was to determine whether management had implemented the original audit's recommendations or had taken other acceptable actions to remedy the control weaknesses identified in the original audit report.

The original audit contained five findings with seven recommendations. Management implemented six and partially implemented one of the recommendations.

1. Invoice preparation and distribution need improvement.

We recommended that the Director of Event Services ensure that:

- Performance measures are developed for invoice preparation and issuance that are comparable to industry standards.

We found that management developed performance measures for invoice preparation and issuance that are comparable to industry standards for timeliness (Implemented).

- Operations are periodically reviewed to evaluate whether actual performance meets the goals and objectives. These reviews should be conducted no less often than every six months.

We found that the Contract Coordinator oversees this process and tracks it daily by means of an event tracking chart in Excel (Implemented).

2. Delinquent accounts are not pursued in accordance with Administrative Directive (AD) 4-10.

We recommended that the Director of Event Services ensure that procedures are established and implemented to pursue delinquent accounts. Procedures should comply with AD 4-10.

We found that management developed and implemented written procedures that comply with AD 4-10 for pursuing delinquent accounts (Implemented).

3. Accountant's duties are not adequately segregated.

We recommended that the Director of Event Services ensure that duties performed by the staff accountant are properly segregated.

We found that management segregated the accounting duties between the Event Coordinator, Accountant, Security Manager, and the Assistant Director (Implemented).

4. Event processing and filing procedures need improvement.

We recommended that the Director of Event Services ensure that:

- A. Procedures are established to ensure file folder accountability. Such procedures should address management review of file folders, notification of file folder removal, and file folder contents and order. Management should consider using a check off sheet to quickly determine event status and any outstanding issues that need to be resolved.

We found that the Contract Coordinator ensures file folder accountability through her tracking sheet. She merges the Event Coordinator's file with hers when the event concludes (Implemented).

- B. Procedures are established to ensure consistent treatment of deposits after event cancellation.

We found that management established procedures that ensure consistent treatment of deposits after event cancellations (Implemented).

5. Current software is not being utilized.

We recommended that the Director of Event Services ensure that software is tested, staff is trained, and software is utilized in all areas of possible benefit.

Honorable Mayor and City Council
December 23, 2005
Page 3

*We found that event staff are using ConCentRICs software more extensively than at the time of the audit, but there is still no full-time system administrator. They have four out of ten suites of ConCentRICs and use them to calculate bills and print invoices. They rely on CIS and the vendor to assist them, along with one Event Coordinator with extensive computer experience to help in his spare time. The software does not integrate into RESOURCE (the City's system) **(Partially implemented)**.*

Paul T. Garner
Assistant City Auditor

c: Frank Poe, Director of Convention and Event Services