

# Memorandum



CITY OF DALLAS  
Bid Review # S15-005

**DATE:** January 29, 2015

**TO:** A.C. Gonzalez, City Manager  
Jo Giudice, Director – Department of Dallas Public Library  
Michael Frosch, Director – Department of Business Development and Procurement Services

**SUBJECT:** Independent Auditor's Report on Applying Agreed-Upon Procedures for  
Single Bid # BT1429: Department of Dallas Public Library –  
Purchase and Physical Processing of Library Audio Visual Materials, \$8,434,200.00

Attached for your review is the *Independent Auditor's Report on Applying the Agreed-Upon Procedures for Single Bid # BT1429: Department of Dallas Public Library – Purchase and Physical Processing of Library Audio Visual Materials.*

No exceptions were noted as a result of applying the Agreed-Upon-Procedures as shown in Attachment I.

We have performed these procedures solely to assist the Dallas City Council and City of Dallas (City) management in evaluating the Department of Business Development and Procurement Services' (BDPS) and Department of Dallas Public Library's (LIB) compliance with the requirements of the Administrative Directive (AD) 4-5: *Contracting Policy.*

The Dallas City Charter Chapter IX, Section 3, and the Office of the City Auditor's Fiscal Year 2015 Annual Audit Plan approved by the City Council authorized these agreed-upon procedures projects.

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

Sincerely,

A handwritten signature in black ink that reads "Craig D. Kinton".

Craig D. Kinton  
City Auditor

Attachments



C: Honorable Members of the Budget, Finance & Audit Committee  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Kjerstine Nielsen, Assistant Director – LIB  
Stephanie Cooper, Assistant Director – BDPS  
Mario Alvarado, Procurement Manager – BDPS  
Michelle Charnoski, Buyer Manager – BDPS  
Eva Poon, Buyer – BDPS



**City of Dallas Office of the City Auditor  
Independent Auditor's Report on Applying Agreed-Upon Procedures**

*Single Bid # BT1429:  
Department of Dallas Public Library – Purchase and Physical Processing of  
Library Audio Visual Materials*

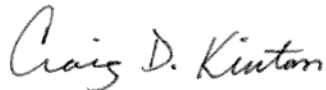
We have performed the procedures described in Attachment I, which were agreed to by the Department of Business Development and Procurement Services (BDPS), solely to assist the Dallas City Council and City of Dallas (City) management in evaluating the BDPS' compliance with the requirements of the Administrative Directive (AD) 4-5: *Contracting Policy*. The BDPS is responsible for the establishment of the policies and procedures and for compliance with those requirements.

No exceptions were noted as a result of applying the Agreed-Upon-Procedures as shown in Attachment I.

These agreed-upon procedures were conducted in accordance with United States generally accepted government auditing standards which incorporate attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of BDPS. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment I either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Dallas City Council and City management and it is not intended to be and should not be used by anyone other than these specified parties; however, the report is a matter of public record and its distribution is not limited.



Craig D. Kinton, CPA  
City Auditor

**January 29, 2015**

**Agreed-Upon Procedures and Results of Procedures**

*Single Bid # BT1429:  
 Department of Dallas Public Library – Purchase and Physical Processing of  
 Library Audio Visual Materials  
 January 29, 2015*

<b>Agreed-Upon Procedures</b>	<b>Results of Procedures</b>
1. Verify that the documentation to support the single bid procurement is provided by BDPS and applicable City departments.	<b>No exceptions were found as a result of applying the procedure.</b>
2. Review the bid specifications to ensure that the bid specifications were developed to encourage competition, prevent favoritism, and obtain the best price in the interest of the City.	<b>No exceptions were found as a result of applying the procedure.</b>
3. Confirm that the bid package was posted for the appropriate period of time on the City's website.	<b>No exceptions were found as a result of applying the procedure.</b>
4. Confirm that the bid package was properly advertised in the newspaper.	<b>No exceptions were found as a result of applying the procedure.</b>
5. Confirm that BDPS applied the correct commodity codes and classes to identify potential bidders.	<b>No exceptions were found as a result of applying the procedure.</b>
6. Confirm that BDPS sent solicitation notices to the identified potential bidders in step 5.	<b>No exceptions were found as a result of applying the procedure.</b>
7. Review BDPS' analysis of no bids to determine that there were no other bidders and verify the information used by BDPS in the no bid analysis.	<b>No exceptions were found as a result of applying the procedure.</b>
8. If applicable, review BDPS' analysis of disqualified bidders and verify the validity of the bidder's disqualification.	<b>No exceptions were found as a result of applying the procedure.</b>

<b>Agreed-Upon Procedures</b>	<b>Results of Procedures</b>
9. Review the bidder's response package to determine whether the bidder has completed the bid response, business information form, Business Inclusion and Development Affidavit, and/or other required documentation.	<b>No exceptions were found as a result of applying the procedure.</b>
10. Evaluate the criteria or the basis used by BDPS to determine whether BDPS has performed analysis on the reasonableness of the bid price and verify the information used by BDPS in the price reasonableness analysis.	<b>No exceptions were found as a result of applying the procedure.</b>
11. Verify the mathematical accuracy of the bidder's quote and/or estimated costs of the goods and/or services.	<b>No exceptions were found as a result of applying the procedure.</b>
12. Review the prior procurement history, if applicable, of the goods and/or services to determine the basis for price reasonableness.	<b>No exceptions were found as a result of applying the procedure.</b>
13. Determine if a bid security should have been secured and to what extent and confirm that the bid security has been paid by the bidder (only applicable for the purchase of goods or services).	<b>No exceptions were found as a result of applying the procedure.</b>
14. Review the bid recommendation letter and confirm that appropriate levels of signatures were obtained based on the monetary value of the bid.	<b>No exceptions were found as a result of applying the procedure.</b>
15. Verify that BDPS used the Federal System for Award Management (SAM) website to confirm that the vendor is not currently excluded.	<b>No exceptions were found as a result of applying the procedure.</b>