

Memorandum



DATE: August 13, 2015

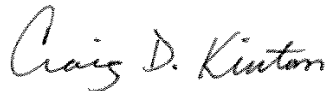
TO: Honorable Members of the Budget, Finance & Audit Committee –
Jennifer S. Gates (Chair); Philip T. Kingston (Vice Chair);
Deputy Mayor Pro-Tem Erik Wilson; Rickey D. Callahan; Scott Griggs; Lee M. Kleinman

SUBJECT: Presentation to the Budget, Finance & Audit Committee:
Office of the City Auditor Fiscal Year 2015 – Fourth Quarter Update

I will provide a briefing to the members of the Budget, Finance & Audit Committee on Monday, August 17, 2015 regarding:

- Office of the City Auditor Fiscal Year 2015 – Fourth Quarter Update

Sincerely,



Craig D. Kinton
City Auditor

Budget, Finance and Audit Committee

Office of the City Auditor Fiscal Year 2015 – Fourth Quarter Update



**City of Dallas
Office of the City Auditor
August 17, 2015**





Office of the City Auditor

- The Office of the City Auditor is established by the City of Dallas Charter, Chapter IX as an independent audit function with the primary responsibility of serving at the direction of the City Council.



Office of the City Auditor – Mission and Purpose

Mission

Promote public trust and advance accountability through independent, objective, and useful professional services

Purpose

To assist the Council with oversight responsibilities and management with operational responsibilities

Objective assessments provide information regarding:

- ❑ Accountability of City resources
- ❑ Adequacy of internal controls
- ❑ Accuracy of information
- ❑ Efficiency and effectiveness of City programs, projects, and departments
- ❑ Compliance with rules and regulations

Internal Controls Are Common Sense



What do you worry about going wrong?

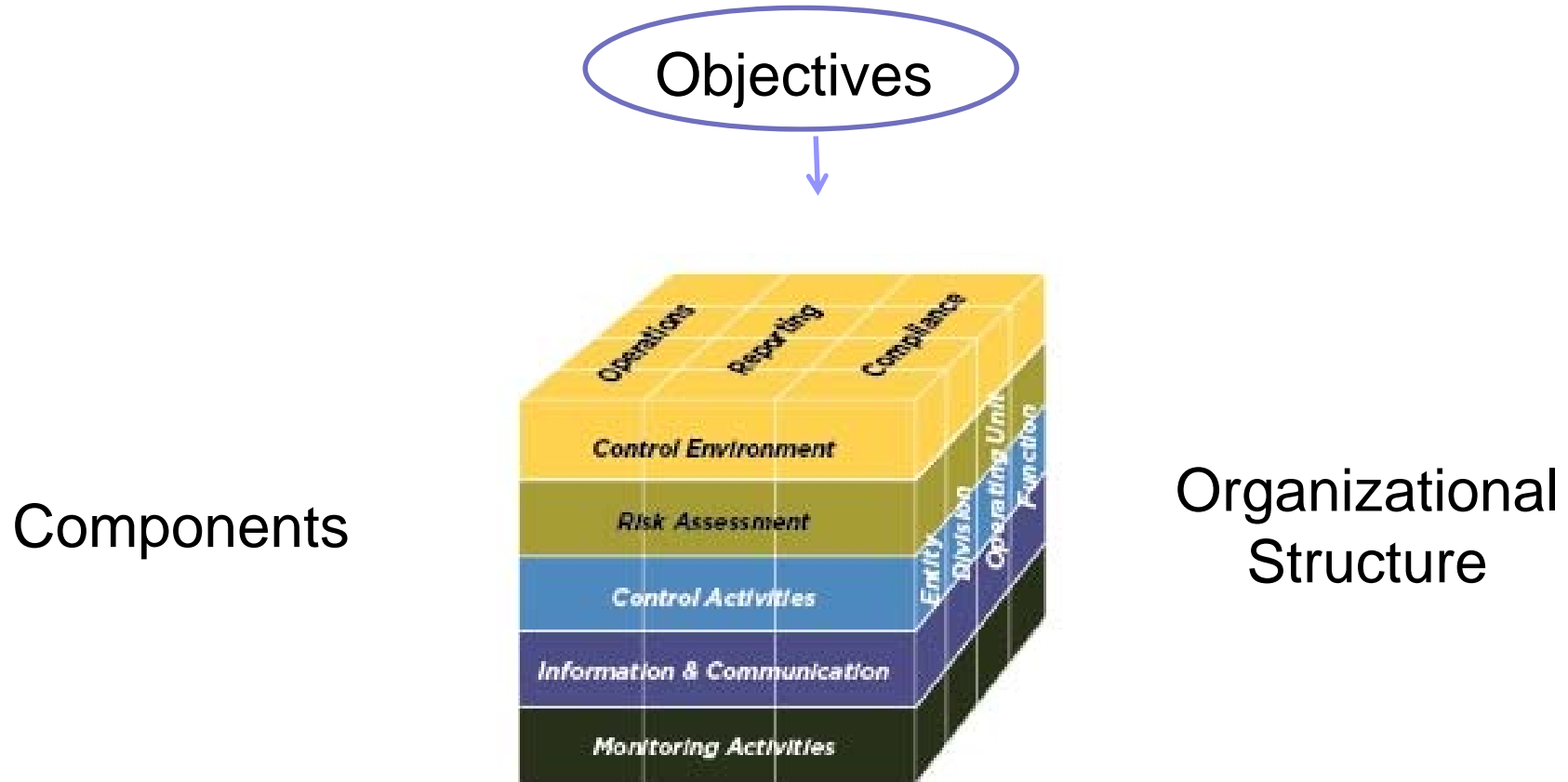
What steps have been taken to assure it doesn't?



How do you know things are under control?

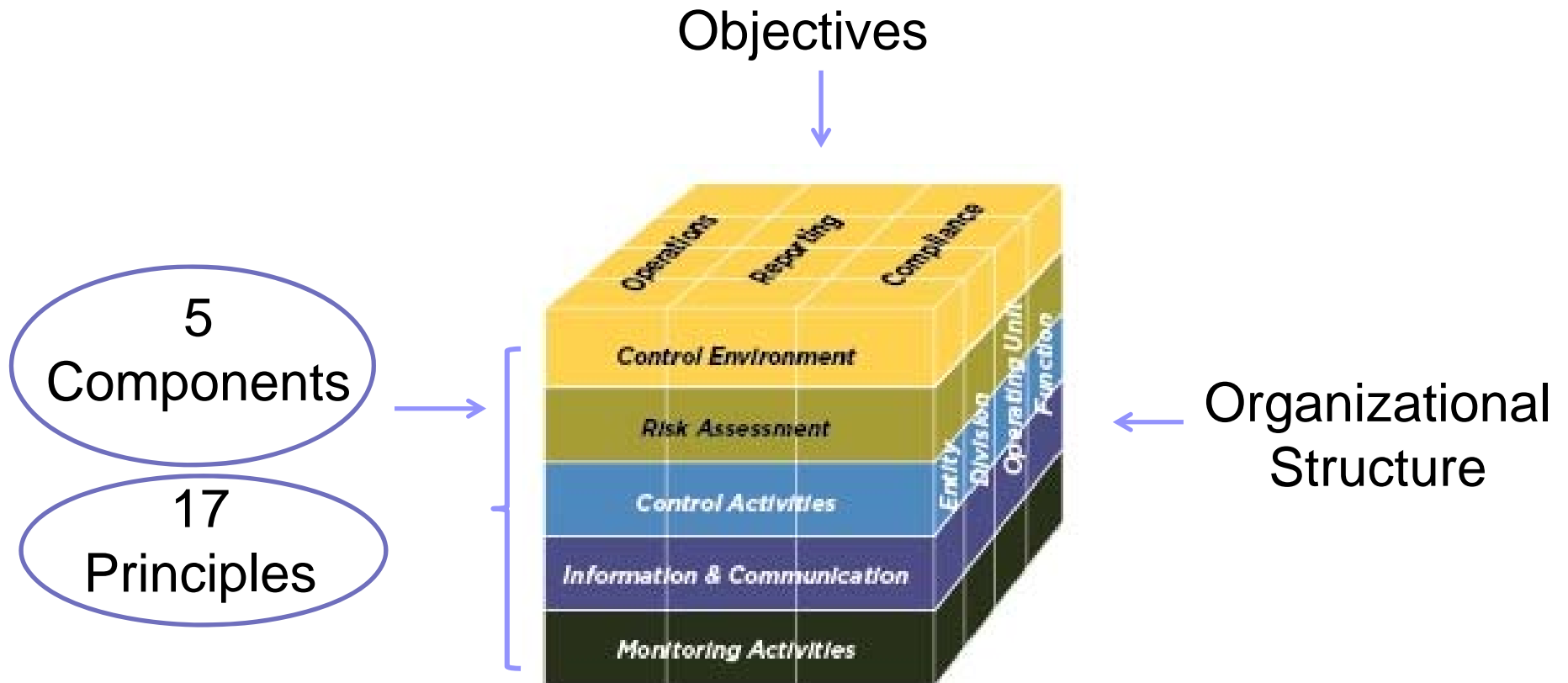


Internal Control Model



Internal Control Model

Relationship of Objectives and Components





Audit and Attestation Services Reports Issued

Fiscal Year 2015 Third Quarter through August 7, 2015

■ Performance Audits

- ❑ Controls over Weapons and Other High Risk Inventory for DPD's Quartermaster Unit
- ❑ Paving and Maintenance Program / Capital Program Streets and Thoroughfares
- ❑ Design of Controls over the Department of Dallas Water Utilities' Meter-to-Billing Process
- ❑ Performance Measurement Process for Dallas Fire-Rescue



Audit and Attestation Services Reports Issued

Fiscal Year 2015 Third Quarter through August 7, 2015

- Independent Auditor's Reports on Applying Agreed-Upon Procedures
 - Single Bid, \$9,861,990 –
 - Outfall Closure Devices Controls System (Large Scale Hazardous Containment System) Maintenance and Support, \$1.35M
 - Liquid Polymer for Wastewater Facilities, \$6.4M
 - CBD Signage and Wayfinding Phase III, \$184K
 - Outdoor Warning Signs Preventative Maintenance, \$109K
 - Aircraft Identification and Fee Billing/Collection System, \$432K
 - Center for Performance Excellence Business Survey, \$59K
 - Hold Sign Relocation Project at Dallas Love Field, \$1.3M



Investigative Services Reports Issued

Fiscal Year 2015 Third Quarter through August 7, 2015

- Theft by Employee – Department of Code Compliance



Audit and Attestation Services Anticipated Report Releases

**Fourth Quarter, Fiscal Year 2015
(August 8, 2015 to September 30, 2015)**

- Civilian Timekeeping Internal Controls and Processes
- Business Development and Procurement Services' Internal Controls for Request for Proposal Procurements
- Budget Revenue Estimates – Fiscal Year 2016
- Single Bid / Sole Source Procurements (5 total)



Audit and Attestation Services Projects In-Progress

Fourth Quarter, Fiscal Year 2015

- Building Permits – Customer Service / Satisfaction
- Contract Monitoring – Public Works and Transportation
- Courts Information System – Access Controls
- Courts Information System – Cash Management / Collections Processes
- Customer Service / 311 Non-Emergency Services
- Fleet Maintenance
- Maintenance of Infrastructure – Department of Dallas Water Utilities
- Performance Measurement Process – Dallas Police Department
- Special Audit of the Accounts of Former City Council Members



Audit and Attestation Services

Projects In-Progress *(continued)*

Fourth Quarter, Fiscal Year 2015

- Contract Monitoring – Dallas Convention and Visitors Bureau
- Contract Monitoring – Housing
- Leasing, Concessions, and Other Activities – Aviation
- Neighborhood Code Enforcement Services
- Police Personnel and Training Services
- Prior Audit Recommendations Follow-Up
- Regulatory, Safety, and Maintenance – Park and Recreation
- Franchise Fees Review through MuniServices *(Ongoing)*
- Sales/Use Tax Compliance Review through MuniServices *(Ongoing)*



Audit and Attestation Services

Anticipated Project Starts

Fourth Quarter, Fiscal Year 2015

- Agreed-Upon Procedures for Single Bid and Sole Source Engagements (as requested)

QUESTIONS?



**City of Dallas
Office of the City Auditor
August 17, 2015**

