

Memorandum



DATE: October 21, 2025

TO: Honorable Members of the Finance Committee: Chad West (Chair), Kathy Stewart (Vice Chair), Zarin Gracey, Maxie Johnson, Jesse Moreno, Jaime Resendez, Gay Donnell Willis

SUBJECT: Internal Audit Reports Released Between May 31, 2025, and September 30, 2025

Attached for your review are the Office of the City Auditor audit reports released between May 31, 2025, and September 30, 2025. See [Attachment 1](#) for the full reports. [Exhibit 1](#), summarizes the number of report recommendations accepted by city management.

Exhibit 1:

Summary of Audit Reports Recommendations Accepted

Audit Report Title	Report Recommendations		
	Accepted	Total	Percentage
Fiscal Year 2025 Follow-Up of Prior Audit Recommendations (June 9, 2025)	N/A	N/A	N/A
Audit of Youth Services - Dallas Park and Recreation and Dallas Public Library (June 9, 2025)	10	10	100%
Audit of Homeless Response System Strategy and Coordination (June 18, 2025)	11	13	85%
Attestation Engagement for the Kay Bailey Hutchison Convention Center Dallas Master Plan Component 4 Construction Manager at Risk for The Black Academy of Arts and Letters - CIZ24-CCT-3118 (June 24, 2025)	N/A	N/A	N/A
Audit of Lead Hazard Control and Healthy Homes Grant Program (July 28, 2025)	4	4	100%
Special Audit of the Former City Manager – T.C. Broadnax (September 26, 2025)	1	1	100%
Audit of Cross-Connection and Backflow Prevention Program (September 26, 2025)	11	11	100%
Audit of Firearm, Ammunition, and Equipment Tracking – Dallas Police Department (September 26, 2025)	9	9	100%

"Service First, Now!"

Connect – Collaborate – Communicate

October 21, 2025

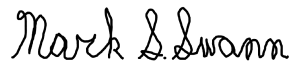
Internal Audit Reports Released Between May 31, 2025, and September 30, 2025

Page 2 of 2

Also on September 26, 2025, the Association of Local Government Auditors concluded the City of Dallas City Auditor's Office internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with Government Auditing Standards and applicable legal and regulatory requirements for audits and attestation engagements during May 1, 2022, through April 30, 2025.

If you have any questions, please contact me at (214) 670-3222 or mark.swann@dallas.gov.

Sincerely,



Mark S. Swann
City Auditor

Attachments

c: Kimberly Bizer Tolbert, City Manager
Tammy Palomino, City Attorney
Billieae Johnson, City Secretary
Preston Robinson, Administrative Judge
Baron Eliason, Inspector General (I)
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
Donzell Gipson, Assistant City Manager
Robin Bentley, Assistant City Manager
Jack Ireland, Chief Financial Officer
Ahmand Goree, Chief of Staff
Directors and Assistant Directors

**Attachment 1 – Internal Audit Reports Released Between
May 31, 2025, and September 30, 2025**



Reports Released

1. Fiscal Year 2025 Follow-Up of Prior Audit Recommendations (June 9, 2025)
2. Audit of Youth Services - Dallas Park and Recreation and Dallas Public Library (June 9, 2025)
3. Audit of Homeless Response System Strategy and Coordination (June 18, 2025)
4. Attestation Engagement for the Kay Bailey Hutchison Convention Center Dallas Master Plan Component 4 Construction Manager at Risk for The Black Academy of Arts and Letters - CIZ24-CCT-3118 (June 24, 2025)
5. Audit of Lead Hazard Control and Healthy Homes Grant Program (July 28, 2025)
6. Special Audit of the Former City Manager – T.C. Broadnax (September 26, 2025)
7. Audit of Cross-Connection and Backflow Prevention Program (September 26, 2025)
8. Audit of Firearm, Ammunition, and Equipment Tracking – Dallas Police Department (September 26, 2025)
9. External Quality Control Review of the City of Dallas, TX City Auditor's Office (September 26, 2025)



Fiscal Year 2025 Follow-Up of Prior Audit Recommendations

June 9, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Tennell Atkins

Deputy Mayor Pro Tem

Adam Bazaldua

Council Members

Carolyn King Arnold

Paula Blackmon

Zarin D. Gracey

Cara Mendelsohn

Jesse Moreno

Omar Narvaez

Jaime Resendez

Paul E. Ridley

Jaynie Schultz

Kathy Stewart

Chad West

Gay Donnell Willis



City of Dallas

Table of Contents

Audit Results	1
Definitions and Methodology	3
Definitions for Implementation Status Categories	3
Methodology	3
Major Contributors to the Report	4
Appendix A: Recommendation Evaluation Results	5
Audit of Parking Management Contract Oversight.....	5
Audit of the Department of Public Works' Contract Monitoring.....	6
Audit of Sole Source / Single Bid Procurements.....	7
Audit of the Department of Trinity Watershed Management.....	8
Audit of Business Partners Oversight – Arts District	10
Audit of Court Information System – Cash Management / Collections Processes	16
Audit of Special Collections Operations	17
Audit of Environmental Compliance - Management of Environmental Spills and Scrap Tire Disposal at City Facilities	18
Audit of Miscellaneous Permit Fee Revenues.....	19
Audit of Business Partners Oversight – Department of Park and Recreation	21
Audit of VisitDallas.....	25
Audit of Department of Dallas Water Utilities' Water Quality and Safety, Testing, and Monitoring	30
Audit of Business Partner Oversight for White Rock Boathouse, Inc.	31
Audit of the Dallas Police Department's Complaint Process	34
Audit of the Office of Community Care Community Centers.....	35
Audit of City-Owned Buildings' Elevator Safety.....	36
Audit of Fire Hydrant Inspection, Flow-Testing, and Maintenance Process	37
Audit of the Office of Homeless Solutions	38
Audit of Pedestrian Safety.....	39
Audit of Dangerous and Aggressive Dogs Investigation and Determination Process	40
Appendix B: Management's Response.....	41

Audit Results

The Office of the City Auditor evaluates and reports on the adequacy of each department's internal controls at intervals determined by the City Auditor's annual work plan to determine whether corrective action has been implemented as required by Administrative Directive 4-09, *Internal Control* and *City Council Resolution 210432*.

The scope of recommendations covered in this report includes all audit recommendations (excluding confidential audit recommendations) with implementation dates before October 1, 2024. For a summary of the recommendations' implementation status, see [Exhibit 1](#). For details about each recommendation's implementation status, see [Appendix A](#).

Management implemented 105 of 121 audit recommendations or 87 percent. Eleven of 132 audit recommendations in scope, or 8 percent, were concluded as no longer relevant.

Exhibit 1:

Summary of Implementation Status

Audit Report Title – Release Date	Implemented	Not Implemented	No Longer Relevant	Percent Implemented (excluding the No Longer Relevant Recommendations)
Audit of Parking Management Contract Oversight – February 13, 2015	0	0	1	Not Applicable
Audit of the Department of Public Works' Contract Monitoring – May 27, 2016	4	0	0	100%
Audit of Sole Source / Single Bid Procurements – June 2, 2017	0	1	0	0%
Audit of the Department of Trinity Watershed Management - June 9, 2017	3	0	0	100%
Audit of Business Partners Oversight – Arts District - August 25, 2017	2	13	1	13%
Audit of Court Information System – Cash Management / Collections Processes - September 29, 2017	2	0	0	100%
Audit of Special Collections Operations - March 23, 2018	4	0	0	100%
Audit of Environmental Compliance Management of Environmental Spills and Scrap Tire Disposal at City Facilities - March 30, 2018	6	0	0	100%
Audit of Miscellaneous Permit Fee Revenues - September 14, 2018	8	0	0	100%
Audit of Business Partners Oversight – Department of Park and Recreation – December 7, 2018	19	0	0	100%
Audit of VisitDallas - January 4, 2019	16	0	8	100%

Audit Report Title – Release Date	Implemented	Not Implemented	No Longer Relevant	Percent Implemented (excluding the No Longer Relevant Recommendations)
Audit of Department of Dallas Water Utilities' Water Quality and Safety, Testing, and Monitoring - March 22, 2019	8	0	0	100%
Audit of Business Partner Oversight for White Rock Boathouse, Inc. - March 29, 2019	16	0	0	100%
Audit of the Dallas Police Department's Complaint Process - November 25, 2019	5	0	0	100%
Audit of the Office of Community Care Community Centers - May 22, 2020	4	1	0	80%
Audit of City-Owned Buildings Elevator Safety - September 15, 2020	1	0	0	100%
Audit of Fire Hydrant Inspection, Flow-Testing, and Maintenance Process - September 15, 2020	1	1	0	50%
Audit of the Office of Homeless Solutions - September 17, 2021(Revised January 20, 2022)	1	0	1	100%
Audit of Pedestrian Safety - May 23, 2022	3	0	0	100%
Audit of Dangerous and Aggressive Dogs Investigation and Determination Process - August 29, 2022	2	0	0	100%
Total: 20 audit reports	105	16	11	87%

Definitions and Methodology

Definitions for Implementation Status Categories

Implemented – City Auditor determined that there is sufficient and appropriate audit evidence to show that management has developed and implemented recommended internal control improvements that are likely to mitigate the risk identified during the original audit.

Not Implemented – City Auditor determined that there is insufficient audit evidence to show that management has developed and implemented recommended internal control improvements. Therefore, the risk identified during the original audit may remain unmitigated.

No Longer Relevant – City Auditor determined that the procedures related to the original audit recommendation and its associated risk had changed and as such, the recommendation is no longer relevant.

Methodology

The scope of recommendations covered in this report includes all audit recommendations with implementation dates before October 1, 2024. For a complete list of audit recommendations reviewed, see [Appendix A](#).

Each recommendation's source report and associated management response were reviewed to understand the recommendations' requirements. Then, the status of the recommendations' implementation from department directors and the City Controller's Office was reviewed.

The implementation evaluation methodology included: (1) discussions with management on their work to implement the recommendations; and (2) assessing the sufficiency and appropriateness of evidence to validate the implementation of recommendations. The audit examined all five components of the *Standards for Internal Control in Federal Government*.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Anatoli Douditski, MPA, CIA, CFE, ACDA – Engagement Manager

Shino Knowles, MAcc, CPA – In-Charge Auditor

Brandon Boykin, MBA – Auditor

Nadia Gonzalez – Auditor

William King, MSAcc – Auditor

Natalie Martinez, MPA, CTCM – Auditor

Jennifer Phung, MS-Tax, CIA – Auditor

Appendix A: Recommendation Evaluation Results

Audit of Parking Management Contract Oversight

REPORT RELEASED - FEBRUARY 13, 2015

No.	Recommendation	Results
2(3)	We Recommend the Chief of Police improve and document monitoring activities to periodically validate that the City receives the appropriate parking revenue from ACS/Xerox. Status: The parking enforcement function was moved from the Dallas Police Department to the Department of Transportation.	No Longer Relevant

Audit of the Department of Public Works' Contract Monitoring

REPORT RELEASED ON MAY 27, 2016

No.	Recommendation	Results
1	We recommend the Director of the Public Works (currently assigned to Bond and Construction Management) updates formal (written, signed, dated) policies and procedures for contract monitoring, including specifying document approval and maintenance responsibilities among Division personnel, the architect, and the contractor	Implemented
2	We recommend the Director of Bond and Construction Management develops and implements standard quality control documents using best practices, such as The American Institute of Architects, to demonstrate sufficient contract monitoring and consistent documentation.	Implemented
3	We recommend the Director of Bond and Construction Management ensures Division personnel comply with the Division's contract monitoring resources through standard quality control documents.	Implemented
4	We recommend the Director of Bond and Construction Management implements a consistent, systematic process for filing construction related documents for construction contract monitoring activities.	Implemented

Audit of Sole Source / Single Bid Procurements

REPORT RELEASED ON JUNE 2, 2017

No.	Recommendation	Results
1	We recommend the Director of Procurement Services ensures the Texas Local Government Code Chapter 252, Purchasing and Contracting Authority of Municipalities and Administrative Directive 4-05 requirements are consistently met by developing and implementing formal policies and procedures (written, approved, and dated) over the sole source / single bid procurement process, including the quality control process. Status: Procurement Services do not have departmental formal policies and procedures (written, approved, and dated) over sole source/single bid procurement process.	Not Implemented

Audit of the Department of Trinity Watershed Management

REPORT RELEASED ON JUNE 9, 2017

No.	Recommendation	Results
1	We recommend the Director of Trinity Watershed Management (currently Dallas Water Utilities) ensures the Storm Drainage Management Fund Internal Transaction Initiator are consistently processed timely by developing formal (written, approved, and dated) policies and procedures that include the following measures to track and / or improve the Storm Drainage Management Fund Internal Transaction Initiator process: • Establish an expectation for the timely completion of the Storm Drainage Management Fund Internal Transaction Initiator (i.e., within 30 calendar days or other appropriate benchmark to measure timely Storm Drainage Management Fund Internal Transaction Initiator processing) and adopt standards for timely completion of each step within the Storm Drainage Management Fund Internal Transaction Initiator process, specifically senior management's review.	Implemented
2	We recommend the Director of Dallas Water Utilities ensures the Storm Drainage Management Fund Internal Transaction Initiator are consistently processed timely by developing formal (written, approved, and dated) policies and procedures that include the following measures to track and / or improve the Storm Drainage Management Fund Internal Transaction Initiator process: • Compare actual results of Storm Drainage Management Fund Internal Transaction Initiator processing against the adopted standards to evaluate opportunities to further improve timeliness.	Implemented
3	We recommend the Director of Dallas Water Utilities ensures Internal Transaction Initiators are consistently processed timely by developing formal (written, approved, and dated) policies and procedures that include the following measures to track and / or improve the Storm Drainage Management Fund Internal Transaction Initiator process: • Perform a customer satisfaction survey periodically (e.g., annual or biannual) with applicable City departments /	Implemented

No.	Recommendation	Results
	offices to monitor expectations of the Storm Drainage Management Fund Internal Transaction Initiator process and performance of the Storm Drainage Management personnel.	

Audit of Business Partners Oversight – Arts District

REPORT RELEASED ON AUGUST 25, 2017

No.	Recommendation	Results
1	We recommend the Director of Office of Cultural Affairs (currently Office of Arts and Culture) implements procedures to more closely monitor the financial viability of the business partners ATT Performing Arts Center and the Dallas Black Dance Theatre. Status: The Office of Arts and Culture developed a written procedure that covers the office’s monitoring of the financial viability of the two business partners. There is evidence that shows that the office followed the procedure in Fiscal Year 2018 but not after that or in Fiscal Year 2024. The Office of Arts and Culture is working on reinstating the procedure.	Not Implemented
2	We recommend the Director of Office of Arts and Culture complies with the cost reimbursement terms for each Arts District business partner’s agreement. If the Office of Arts and Culture determines the retroactive calculations needed to gain compliance with the terms of each agreement are too onerous, we recommend the Office of Arts and Culture works with the individual business partners and the City Attorney’s Office to align each agreement with current expense reimbursement practices. Status: For the Dallas Black Dance Theatre, the Office of Arts and Culture addressed the recommendation by updating the agreement to have it align with the current expense reimbursement practices. However, for the Dallas Museum of Art and the ATT Performing Arts Center, the Office of Arts and Culture does not have 1) documentation that supports that the office improved their internal controls to ensure that they meet the cost reimbursement terms described in the agreements, or 2) updated agreements that align with the current expense reimbursement practices.	Not Implemented
3	We recommend the Director of Office of Arts and Culture develops procedures to ensure the Consumer Price Index adjustment calculation is performed when and as required by the agreement with the ATT Performing Arts Center.	Not Implemented

No.	Recommendation	Results
4.1	Status: The Office of Arts and Culture developed a written procedure that describes the office's internal controls around ensuring the Consumer Price Index adjustment calculation is performed timely. However, the office does not have evidence that shows that they have performed the Consumer Price Index adjustment calculations. We recommend the Director of Office of Arts and Culture complies with Administrative Directive 6-01 Section 4.2.6, and Section 4.1 of the Dallas Museum of Art agreement by performing an annual inventory of the City-owned artwork housed and exhibited at the Museum and valuing the artwork as considered appropriate to obtain adequate insurance coverage. Status: The Office of Arts and Culture does not intend to perform a 100% inventory count annually on the artwork citing budget and staffing limitations. The Office of Arts and Culture plans to perform an annual inventory that would provide 10% coverage.	Not Implemented
4.2	We recommend the Director of Office of Arts and Culture complies with Administrative Directive 6-01 Section 4.2.6, and Section 4.1 of the Dallas Museum of Art agreement by obtaining an artwork Certificate of Insurance from the Dallas Museum of Art. Status: The most recent Certificate of Insurance that the Office of Arts and Culture has in possession has the coverage dates of July 18, 2018, through July 18, 2019.	Not Implemented
4.3	We recommend the Director of Office of Arts and Culture complies with Administrative Directive 6-01 Section 4.2.6, and Section 4.1 of the Dallas Museum of Art agreement by verifying the Dallas Museum of Art has adequate artwork insurance coverage for the City's artwork housed and exhibited at the Museum. Status: The Office of Arts and Culture does not have current values of the artwork and does not have a current Certificate of Insurance, which the office needs to have to determine whether	Not Implemented

No.	Recommendation	Results
	the Dallas Museum of Art has adequate artwork insurance coverage.	
5.1	We recommend the Director of Office of Arts and Culture improves internal controls over the invoice processing and approval of ATT Performing Arts Center's quarterly Payment Certificates by reviewing the Payment Certificates to ensure the information included is correct. Status: The Office of Arts and Culture developed a written procedure that requires the office to judgmentally sample and review the invoices from the ATT Performing Arts Center's quarterly Payment Certificates for accuracy. However, the Office of Arts and Culture does not review all invoices within those Payment Certificates.	Not Implemented
5.2	We recommend the Director of Office of Arts and Culture improves internal controls over the invoice processing and approval of ATT Performing Arts Center's quarterly Payment Certificates by ensuring each reimbursement expense amount listed on the Payment Certificate is adequately supported. Status: The Office of Arts and Culture developed a written procedure that requires the office to judgmentally sample and review the invoices from the ATT Performing Arts Center's quarterly Payment Certificates to ensure that they are adequately supported. However, the Office of Arts and Culture does ensure that reimbursement expense amounts listed on all Payment Certificate are adequately supported.	Not Implemented
5.3	We recommend the Director of Office of Arts and Culture improves internal controls over the invoice processing and approval of ATT Performing Arts Center's quarterly Payment Certificates by establishing the criteria for acceptable supporting documentation required for Office of Arts and Culture to reimburse ATT Performing Arts Center for purchases made with personal credit cards.	Implemented

No.	Recommendation	Results
5.4	We recommend the Director of Office of Arts and Culture improves internal controls over the invoice processing and approval of ATT Performing Arts Center's quarterly Payment Certificates by documenting unallowable costs that are identified and not reimbursed to ATT Performing Arts Center. Status: The Office of Arts and Culture developed a written procedure that requires the office to judgmentally sample, review, and document the result of the review of the invoices from the ATT Performing Arts Center's quarterly Payment Certificates. The review result should capture the identification of the unallowable costs. However, the Office of Arts and Culture does not review all invoices.	Not Implemented
5.5	We recommend the Director of Office of Arts and Culture improves internal controls over the invoice processing and approval of ATT Performing Arts Center's quarterly Payment Certificates by documenting Office of Arts and Culture's review and approval of each Payment Certificate. Status: The Office of Arts and Culture developed a written procedure that requires the office to judgmentally sample, review, and document the result of the review of the invoices from the ATT Performing Arts Center's quarterly Payment Certificates. However, the Office of Arts and Culture does not review all invoices.	Not Implemented
6.1	We recommend the Director of Office of Arts and Culture improves the Dallas Black Dance Theatre's invoice review and approval procedures to ensure the Dallas Black Dance Theatre submits evidence that the Dallas Black Dance Theatre paid the vendor (preferably a canceled check) with each invoice as evidence the Dallas Black Dance Theatre paid the vendor. Status: The Office of Arts and Culture developed a written procedure for reconciling the invoices to supporting documentation. However, the Office of Arts and Culture does not have evidence that shows that the procedure was practiced in Fiscal Year 2024. The Office of Arts and Culture is working on reinstating the procedure.	Not Implemented

No.	Recommendation	Results
6.2	We recommend the Director of Office of Arts and Culture improves the Dallas Black Dance Theatre's invoice review and approval procedures to ensure the Dallas Black Dance Theatre submits the complete vendor invoice. Status: The Office of Arts and Culture developed a written procedure for ensuring the office obtains complete invoices from Dallas Black Dance Theatre. However, the Office of Arts and Culture does not have evidence that shows that the procedure was practiced in Fiscal Year 2024. The Office of Arts and Culture is working on reinstating the procedure.	Not Implemented
6.3	We recommend the Director of Office of Arts and Culture improves the Dallas Black Dance Theatre's invoice review and approval procedures to ensure the Office of Arts and Culture reimburses Dallas Black Dance Theatre only once for each vendor invoice submitted. Status: The Office of Arts and Culture developed a written procedure for ensuring the office reimburses Dallas Black Dance Theatre only once for each vendor invoice submitted. However, the Office of Arts and Culture does not have evidence that shows that the procedure was practiced in Fiscal Year 2024. Office of Arts and Culture is working on reinstating the procedure.	Not Implemented
7	We recommend the Director of Office of Arts and Culture works with the City Attorney's Office and Dallas Symphony Association to modify the use agreement to include a facility fee charge as part of the ticket price for Dallas Symphony Association performances. Status: The intent of the recommendation was to ensure that the City is getting a facility fee charge revenue as part of the ticket price from Dallas Symphony Association to maintain Meyerson premises. The City has transferred the ownership of Meyerson to Dallas Symphony Association. Dallas Symphony Association is now responsible for the maintenance of the Meyerson premises.	No Longer Relevant

No.	Recommendation	Results
8	We recommend the Director of Office of Arts and Culture works with the City Attorney's Office and the Dallas Symphony Association to modify the use agreement to allow for full utilization of the Meyerson and Strauss Square.	Implemented

Audit of Court Information System – Cash Management / Collections Processes

REPORT RELEASED ON SEPTEMBER 29, 2017

No.	Recommendation	Results
1	We recommend the City Manager ensures City departments responsible for the citation accountability processes develop and implement formal (written, approved, and dated) policies and procedures that define roles, responsibilities, and accountability among departments to ensure: • Issued e-citations and paper citations are properly accounted for in the Incode System • Unissued and / or voided paper citations and the associated citation books are properly accounted for, retained, and ultimately destroyed.	Implemented
3	We recommend the Director of Communication and Information Services (currently Information and Technology Services), in consultation with Court and Detention Services (currently Dallas Municipal Court), ensures an information technology solution is implemented to eliminate the duplicate scanning of paper citations.	Implemented

Audit of Special Collections Operations

REPORT RELEASED ON MARCH 23, 2018

No.	Recommendation	Results
1	We recommend the Director of Dallas Water Utilities further improves segregation of duties by specifying appropriate job descriptions for cash handling personnel in the Dallas Water Utilities Special Collection Section job descriptions.	Implemented
2.1	We recommend the Director of Dallas Water Utilities further improves the Dallas Water Utilities Special Collection Section cash handling controls by developing a role-based security matrix to establish SAP System user profiles and access privileges. If business process changes result in the need to modify existing user profiles, management should evaluate these modifications for inadequate segregation of duties.	Implemented
2.2	We recommend the Director of Dallas Water Utilities further improves the Dallas Water Utilities Special Collection Section cash handling controls by monitoring SAP System user profiles and access privileges at least annually.	Implemented
2.3	We recommend the Director of Dallas Water Utilities further improves the Dallas Water Utilities Special Collection Section cash handling controls by documenting the monitoring results of the SAP System user profiles and access privileges and actions taken to investigate and correct errors or fraud.	Implemented

Audit of Environmental Compliance - Management of Environmental Spills and Scrap Tire Disposal at City Facilities

REPORT RELEASED ON MARCH 30, 2018

No.	Recommendation	Results
4.1	We recommend the Director of Sanitation Services ensures Sanitation Services staff are trained to inspect sanitation trucks prior to use and to report mechanical issues.	Implemented
4.2	We recommend the Director of Sanitation Services ensures sanitation trucks are properly maintained and not dispatched when mechanical issues exist.	Implemented
4.3	We recommend the Director of Sanitation Services ensures an in-depth analysis of sanitation truck preventative maintenance and fleet size is conducted.	Implemented
8.1	We recommend the Chief of Dallas Fire Rescue ensure all 30 Texas Administrative Code § 328.58 Manifest System requirements are followed by completing all fields on the manifest form properly.	Implemented
8.2	We recommend the Chief of Dallas Fire Rescue ensure all 30 Texas Administrative Code § 328.58 Manifest System requirements are followed by training department staff responsible for processing scrap tire disposals on 30 Texas Administrative Code § 328.58 Manifest System requirements.	Implemented
8.3	We recommend the Chief of Dallas Fire Rescue ensure all 30 Texas Administrative Code § 328.58 Manifest System requirements are followed by ensuring State recordkeeping requirements are consistently followed, including verifying completed manifest forms are obtained within 60 days of transporting the tires off-site.	Implemented

Audit of Miscellaneous Permit Fee Revenues

REPORT RELEASED ON SEPTEMBER 14, 2018

No.	Recommendation	Results
1.1	We recommend the City Manager in consultation with City Attorney, determines if further updates to the Dallas City Code, Chapter 6 are needed to more clearly address areas such as: (1) the City's duties and responsibilities for application processing, collecting fees, issuing receipts, refunding payments, and enforcing delinquent payments; and, (2) enforcement mechanisms such as penalties, late fees, posting of receipts by businesses, citations, and reporting of non-compliance.	Implemented
1.2	We recommend the City Manager develops a city-wide policy, such as an Administrative Directive to provide an internal control framework for all City departments involved in the alcoholic beverage license and permit fee processes.	Implemented
1.3	We recommend the City Manager ensures responsible departments comply with: (1) the newly established requirements in the Dallas City Code, Chapter 6, if deemed appropriate; and, (2) the new city-wide policy.	Implemented
1.4	We recommend the City Manager with the assistance of the Director of the Department of Communication and Information Services (currently Information and Technology Services) and directors from other relevant departments such as Dallas Water Utilities and the Department of Sustainable and Development Construction, ensures the City's website is designed to provide a positive user experience and the content is sufficient to effectively communicate with businesses that should apply to pay the City's alcoholic beverage license and permit fees, including the following important information: • The City's authorization to charge alcoholic beverage license and permit fees. • The original and renewal application processes for alcoholic beverage license and permit fees, including the required supporting documentation. • The Fee Schedule for different types of alcoholic beverage license and permit fees.	Implemented

No.	Recommendation	Results
	• The alcoholic beverage license and permit fee enforcement process and the associated penalties for not paying alcoholic beverage license and permit fees. • Other relevant information as deemed necessary.	
2.1	We recommend the Director of Dallas Water Utilities reviews systematically the: (1) Texas Alcoholic Beverage Code; (2) Texas Alcoholic Beverage Code 's Gulde for Tax Accessor Collectors and information; and (3) other relevant guidance to update the Fee Schedule as permitted by the Texas Alcoholic Beverage Code.	Implemented
2.2	We recommend the Director of Dallas Water Utilities improves internal controls such as systematically comparing the population of active licenses and permits issued by the Texas Alcoholic Beverage Code with the population of active license and permit fees issued by the City to ensure the City issues and collects all alcoholic beverage license and permit fees as permitted by the Texas Alcoholic Beverage Code.	Implemented
2.3	We recommend the Director of Dallas Water Utilities revises DWU-PRO-156-RB to incorporate the improved internal controls.	Implemented
2.4	We recommend the Director of Dallas Water Utilities retains documentation of monitoring controls including review of the Fee Schedule updates, identification of original licenses and permits, and comparison of the City's population of active license and permit fees with the Texas Alcoholic Beverage Code's population of active licenses and permits.	Implemented

Audit of Business Partners Oversight – Department of Park and Recreation

REPORT RELEASED ON DECEMBER 7, 2018

No.	Recommendation	Results
1.1	We recommend the Director of Park and Recreation ensures the Leisure Venue Destination Management Division performs and fully completes contract oversight and monitoring procedures as specified by the Leisure Venue Destination Management Division policies and procedures.	Implemented
1.2	We recommend the Director of Park and Recreation maintains adequate and qualified personnel by working with the City's Department of Human Resources to evaluate and streamline the recruiting and hiring process for the Leisure Venue Destination Management Division contract administrators.	Implemented
2.1	We recommend the Director of Park and Recreation ensures all necessary contract monitoring activities are properly executed by minimizing the fragmentation and increasing coordination among Park and Recreation 's divisions and other City departments which may include: • Defining and agreeing upon roles and responsibilities. • Establishing compatible policies and procedures across Park and Recreation divisions with contract oversight and monitoring responsibilities. • Reinforcing the Leisure Venue Destination Management Division 's role as the centralized oversight function within Park and Recreation to monitor and evaluate the adequacy of contract monitoring activities performed by Park and Recreation divisions and other City departments.	Implemented
2.2	We recommend the Director of Park and Recreation ensures all necessary contract monitoring activities are properly executed by confirming personnel have the specialized skills and experience to oversee specific contract oversight and monitoring activities, such as conveyance of capital assets and analysis of financial data to ensure contract compliance.	Implemented
3.1	We recommend the Director of Park and Recreation in coordination with the City Manager develops a consistent process for receiving Dallas Zoological Society/Dallas Zoo Management, Inc. requests to convey new assets; identifies the City department or division to receive such requests; and	Implemented

No.	Recommendation	Results
	communicates the process to Dallas Zoological Society/Dallas Zoo Management, Inc.	
3.2	We recommend the Director of Park and Recreation in coordination with the City Manager develops and implements policies and procedures to ensure new assets acquired by Dallas Zoological Society/Dallas Zoo Management, Inc. are consistently conveyed to the City. This may include: • Defining and agreeing upon roles and responsibilities. • Establishing compatible policies and procedures to operate across departments and PKR divisions. • Centralizing oversight by the Leisure Venue Destination Management Division to ensure receipt of information needed to fulfill contract monitoring responsibilities related to conveyance of assets.	Implemented
5.1	We recommend the Director of Park and Recreation ensures the Leisure Venue Destination Management Division and Park and Recreation Special Services validate the accuracy and completeness of gross sales and revenue reported by the contractors managing Elm Fork, the golf courses, and the tennis centers.	Implemented
5.2	We recommend the Director of Park and Recreation implements consistent policies and procedures to review additional contractor documentation, such as daily cash drawer counts, close out reports to credit card reports (z-tapes), cash receipts, check deposits, and bank reconciliations.	Implemented
5.3	We recommend the Director of Park and Recreation requires the golf courses and the tennis centers to obtain and provide externally validated or audited gross sales reports.	Implemented
6.1	We recommend the Director of Park and Recreation assesses the current policy and procedure for distributing Dallas Arboretum complimentary tickets to identify ways to accomplish the objective to provide all City residents equitable access to the Dallas Arboretum.	Implemented

No.	Recommendation	Results
6.2	We recommend the Director of Park and Recreation implements a consistent procedure for: - Communicating the overall purpose of the Program to recreation center staff responsible for distributing the complimentary Dallas Arboretum tickets. - Advertising or communicating the availability of the complimentary Dallas Arboretum tickets to the public. - Managing practical aspects of the Program, such as the number of complimentary Dallas Arboretum tickets allowed annually per resident and how to distribute the tickets equitably across the City, by continuing to monitor the Program and make adjustments as necessary.	Implemented
7.1	We recommend the Director of Park and Recreation, in consultation with the City Attorney's Office, work with Dallas Zoological Society/Dallas Zoo Management, Inc. and the Department of Sustainable Development and Construction to clarify the language in the contract regarding ownership of land purchased by Dallas Zoological Society/Dallas Zoo Management, Inc. before the Dallas Zoo privatization.	Implemented
7.2	We recommend the Director of Park and Recreation, in consultation with the City Attorney's Office, work with Dallas Zoological Society/Dallas Zoo Management, Inc. and the Department of Sustainable Development and Construction to convey the land to the City if the clarified contract language results in a determination that the land should have been transferred.	Implemented
8.1	We recommend the Director of Park and Recreation develops a process to annually define the specific performance indicators or measures and other relevant information agreed upon by Dallas Zoological Society/Dallas Zoo Management, Inc. and Dallas Arboretum and Botanical Society, Inc.	Implemented
8.2	We recommend the Director of Park and Recreation identifies how Park and Recreation personnel will evaluate performance, including the specific performance information required for evaluation and when the information should be received by Park and Recreation personnel.	Implemented

No.	Recommendation	Results
8.3	We recommend the Director of Park and Recreation ensures that Park and Recreation personnel are conducting periodic performance analysis as required by the Leisure Venue Destination Management Division policies and procedures.	Implemented
9	We recommend the Director of Park and Recreation, in consultation with the City Attorney's Office, work with Dallas Zoological Society/Dallas Zoo Management, Inc. and Dallas Arboretum and Botanical Society, Inc. to include in a supplemental contract agreement a process to annually define the specific performance indicators or measures and other relevant information as described in Recommendation VIII.	Implemented
10	We recommend the Director of Park and Recreation implements procedures to more closely monitor the financial position of these two business partners, including the financial risks noted.	Implemented
12	We recommend the Director of Park and Recreation implements policies and procedures to ensure Dallas Arboretum and Botanical Society, Inc.'s fulfillment of matching requirements aligns with Section 3.2 of the contract. If additional or revised language is needed, we recommend the Director of Park and Recreation, in consultation with the City Attorney's Office, works with Dallas Arboretum and Botanical Society, Inc. to develop a supplemental contract agreement.	Implemented

Audit of VisitDallas

REPORT RELEASED ON JANUARY 4, 2019

No.	Recommendation	Results
1.1a	We recommend the Director of Convention and Event Services improves monitoring of VisitDallas by developing and adopting formal procedures to: • Document a more in-depth review of VisitDallas' expenses.	Implemented
1.1b	We recommend the Director of Convention and Event Services improves monitoring of VisitDallas by developing and adopting formal procedures to: • Obtain and review annually VisitDallas' Form 990.	Implemented
1.1c	We recommend the Director of Convention and Event Services improves monitoring of VisitDallas by developing and adopting formal procedures to: • Request VisitDallas presents annual briefings on VisitDallas' budget, activities, and performance goals to the appropriate City Council committee.	Implemented
1.1d	We recommend the Director of Convention and Event Services improves monitoring of VisitDallas by developing and adopting formal procedures to: • Ensure formal City approval (City Manager or City Manager's designee) of VisitDallas' performance goals. • Ensure formal City approval (City Manager or City Manager's designee) of VisitDallas' annual budget.	Implemented
1.2	We recommend the Director of Convention and Event Services improves monitoring of VisitDallas by working in coordination with VisitDallas to create a financial reporting format that: (1) segments spending by funding source and in total across all funding sources for the same categories of expenses; and (2) provides more detailed information.	Implemented

No.	Recommendation	Results
1.3	We recommend the Director of Convention and Event Services improves monitoring of VisitDallas by consulting with the City Attorney's Office, to implement a memorandum of understanding or supplemental contract agreement with VisitDallas that stipulates reasonable due dates for contractual obligations.	Implemented
2.1	We recommend the Director of Convention and Event Services ensures Convention and Event Services timely invoices VisitDallas for the annual capital contribution to meet VisitDallas' annual \$500,000 funding commitment to Convention and Event Services. Status: The new contract between the City and VisitDallas beginning on October 1, 2020, no longer requires capital contributions.	No Longer Relevant
2.2	We recommend the Director of Convention and Event Services monitors the timeliness of collections and performs appropriate collection efforts if capital contributions are not received timely. Status: The new contract between the City and VisitDallas beginning on October 1, 2020, no longer requires capital contributions.	No Longer Relevant
2.3	We recommend the Director of Convention and Event Services in consultation with the City Attorney's Office, determines the appropriate funds for sourcing capital contributions to ensure compliance with the State of Texas Local Government Code for Improvement Districts in Municipalities and Counties Chapter 372.003(b)(13): Authorized Improvements. Status: The new contract between the City and VisitDallas beginning on October 1, 2020, no longer requires capital contributions.	No Longer Relevant

No.	Recommendation	Results
2.4	We recommend the Director of Convention and Event Services in coordination with VisitDallas, works to take appropriate corrective actions, if the City Attorney's Office determines capital contributions were incorrectly sourced. Status: The new contract between the City and VisitDallas beginning on October 1, 2020, no longer requires capital contributions.	No Longer Relevant
3.1	We recommend the Director of Economic Development ensures Economic Development timely invoices VisitDallas for quarterly installment payments to meet VisitDallas' annual \$100,000 funding commitment to Economic Development and Creative Industries. Status: Creative Industries is no longer a division of Economic Development and has been moved to VisitDallas. As such, Economic Development is no longer responsible for monitoring the payments described in the recommendations.	No Longer Relevant
3.2	We recommend the Director of Economic Development monitors the timeliness of collections and performs appropriate collection efforts if quarterly installment payments are not received timely. Status: Creative Industries is no longer a division of Economic Development and has been moved to VisitDallas. As such, Economic Development is no longer responsible for monitoring the payments described in the recommendations.	No Longer Relevant
5.1	We recommend the Director of Economic Development, as allowed by the City contract with the Dallas Tourism Public Improvement District and VisitDallas, develops a formal contract monitoring procedure.	Implemented
5.2	We recommend the Director of Economic Development, as allowed by the City contract with the Dallas Tourism Public Improvement District and VisitDallas, requests and documents timely collection of contract deliverables.	Implemented

No.	Recommendation	Results
5.3	We recommend the Director of Economic Development, as allowed by the City contract with the Dallas Tourism Public Improvement District and VisitDallas, obtains and reviews annually the Dallas Tourism Public Improvement District 's Form 990 and VisitDallas' Form 990.	Implemented
8.1	We recommend the Director of Convention and Event Services: Requests VisitDallas develops policies and procedures that document the methodology, formulas, and associated definitions, used in preparing both the monthly VisitDallas Metrics report and the annual Accomplishments and Action Plan report.	Implemented
8.2	We recommend the Director of Convention and Event Services reviews these VisitDallas policies and procedures for completeness and reasonableness and requests VisitDallas amends any aspects that are not considered sufficient.	Implemented
8.3	We recommend the Director of Convention and Event Services obtains underlying source documentation used by VisitDallas to produce metrics and periodically validates the accuracy of reported information.	Implemented
11.1	We recommend the Director of Convention and Event Services develops procedures for data and metrics measuring the success of the Convention Center including retaining proper supporting documentation. Status: Convention and Event Services delegated managing and operating the Convention Center to a contractor OVG360. The contractor's compensation is directly tied to their performance on the successful operations of the Convention Center. Convention and Event Services monitors OVG360's performance.	No Longer Relevant

No.	Recommendation	Results
11.2	We recommend the Director of Convention and Event Services conducts a documented comparative analysis on a periodic basis of the Convention Center space rental rates.	No Longer Relevant
	Status: Convention and Event Services delegated managing and operating the Convention Center to a contractor OVG360. The contractor's compensation is directly tied to their performance on the successful operations of the Convention Center. Convention and Event Services monitors OVG360's performance.	
14	We recommend the Director of Convention and Event Services monitors VisitDallas' compensation practices with particular focus on the basis for the CEO's annual compensation goals in order to demonstrate compliance with State law related to the Hotel Occupancy Tax.	Implemented
16	We recommend the Director of Convention and Event Services requests that VisitDallas strengthens the VisitDallas' Policies and Procedures Manual to provide adequate guidance on allowable expenses to better ensure the City achieves the expected benefit from expenses made from the Hotel Occupancy Tax and the Dallas Tourism Public Improvement District funds.	Implemented
17	We recommend the Director of Convention and Event Services requests VisitDallas complies with State of Texas law for the Hotel Occupancy Tax funds by maintaining a separate bank account for the Hotel Occupancy Tax funds.	Implemented
18	We recommend the Director of Economic Development requests VisitDallas complies with the Dallas Tourism Public Improvement District administrative contract with VisitDallas by maintaining a separate bank account for the Dallas Tourism Public Improvement District funds.	Implemented

Audit of Department of Dallas Water Utilities' Water Quality and Safety, Testing, and Monitoring

REPORT RELEASED ON MARCH 22, 2019

No.	Recommendation	Results
1	We recommend the Director of Dallas Water Utilities establish expectations for: (1) response time and response resolution; and, (2) customer satisfaction in the water quality complaint resolution policies and procedures. These requirements may vary based on the type of complaint and may be addressed by referencing a completed Service Level Agreement that includes the call response time expectations for water quality complaint types.	Implemented
2	We recommend the Director of Dallas Water Utilities improve the tracking of water quality complaint resolution by noting in either data source (Excel or SAP) when a closed complaint is still outstanding in the other data source.	Implemented
3	We recommend the Director of Dallas Water Utilities eliminate the use of prior year complaint numbers to track new complaint.	Implemented
4.1	We recommend the Director of Dallas Water Utilities develop and implement policies and procedures that specify requirements to: Independently compare Texas Commission on Environmental Quality report data to source documents before monthly report submission.	Implemented
4.2	We recommend the Director of Dallas Water Utilities develop and implement policies and procedures that specify requirements to: Reduce the potential for errors by limiting data transfer among forms.	Implemented
5.1	We recommend the Director of Dallas Water Utilities ensure Bachman Water Treatment Plant has current policies and procedures.	Implemented
5.2	We recommend the Director of Dallas Water Utilities ensure East Side Water Treatment Plant has policies and procedures for filtration.	Implemented
5.3	We recommend the Director of Dallas Water Utilities ensure the annual review process for policies and procedures is adequate to determine if policies and procedures are complete and current.	Implemented

Audit of Business Partner Oversight for White Rock Boathouse, Inc.

REPORT RELEASED ON MARCH 29, 2019

No.	Recommendation	Results
1.1	We recommend the Director of Park and Recreation implement formal contract oversight and monitoring policies and procedures to reduce the risk of contract noncompliance. This includes ensuring contracts are timely renewed and properly executed.	Implemented
1.2	We recommend the Director of Park and Recreation implement formal contract oversight and monitoring policies and procedures to reduce the risk of contract noncompliance. This includes ensuring White Rock Boathouse, Inc. develops a Master Plan approved by the Park and Recreation Board to operate and maintain the "Premises."	Implemented
1.3	We recommend the Director of Park and Recreation implement formal contract oversight and monitoring policies and procedures to reduce the risk of contract noncompliance. This includes ensuring receipt and review of White Rock Boathouse Inc. financial statements prepared in accordance with generally accepted accounting principles.	Implemented
1.4	We recommend the Director of Park and Recreation implement formal contract oversight and monitoring policies and procedures to reduce the risk of contract noncompliance. This includes requiring White Rock Boathouse, Inc. to maintain identifiable financial records needed to produce complete and accurate financial statements.	Implemented
2	We recommend the Director of Park and Recreation request the creation of a White Rock Lake Beautification Trust Fund or ensure that a designated account for funds received from White Rock Boathouse, Inc. is maintained for improvements to the "Premises" operated by White Rock Boathouse, Inc. or White Rock Lake Park and does not include funds from other sources.	Implemented
3.1	We recommend the Director of Park and Recreation implement formal policies and procedures to ensure that White Rock Boathouse, Inc. provides an accurate and complete accounting of revenues and remits correct payments to the City.	Implemented

No.	Recommendation	Results
3.2	We recommend the Director of Park and Recreation request White Rock Boathouse, Inc. to obtain and provide externally validated or audited financial information or develop and implement Park and Recreation procedures to periodically provide some assurance that gross sales and revenues reported are complete and accurate.	Implemented
4.1	We recommend the Director of Park and Recreation, in consultation with the City Attorney's Office work with the Boathouse Board of Directors to agree on which portion of Filter Building "Extras" generated from the rental of the Filter Building should be included in "gross revenues" for purposes of calculating payment to the City.	Implemented
4.2	We recommend the Director of Park and Recreation, in consultation with the City Attorney's Office document the agreement of revenues generated from the rental of the Filter Building that will be included in "gross revenues".	Implemented
4.3	We recommend the Director of Park and Recreation, in consultation with the City Attorney's Office require White Rock Boathouse, Inc. to make payment to the City within a reasonable timeframe for any outstanding portion of "gross revenues" the City should have received, as applicable.	Implemented
5.1	We recommend the Director of Park and Recreation develop a process to annually define the specific performance indicators or measures and other relevant information agreed upon by White Rock Boathouse, Inc.	Implemented
5.2	We recommend the Director of Park and Recreation identify how Park and Recreation personnel will evaluate White Rock Boathouse, Inc.'s performance including the specific performance information required for evaluation and when the information should be received by Park and Recreation personnel.	Implemented
5.3	We recommend the Director of Park and Recreation develop and implement formal policies and procedures to ensure Park and Recreation contract monitoring procedures include periodic performance analysis.	Implemented

No.	Recommendation	Results
6	We recommend the Director of Park and Recreation work with White Rock Boathouse, Inc. to define the specific performance indicators or measures and other relevant information needed to allow Park and Recreation to appropriately monitor whether White Rock Boathouse, Inc. is achieving the City's goal to provide rowing opportunities to youth in the City.	Implemented
7.1	We recommend the Director of Park and Recreation request White Rock Boathouse, Inc. to adopt and implement formal policies and procedures or other internal controls over expenses and credit card usage to support White Rock Boathouse, Inc.'s mission.	Implemented
7.2	We recommend the Director of Park and Recreation request White Rock Boathouse, Inc. to obtain and provide externally validated or audited financial information or develop and implement Park and Recreation procedures to periodically provide some assurance over the proper accounting and internal control for expenses and credit card usage.	Implemented

Audit of the Dallas Police Department's Complaint Process

REPORT RELEASED ON NOVEMBER 25, 2019

No.	Recommendation	Results
A.1	We recommend the Chief of Police develop and implement procedures that include standards for how to request, review, authorize, and document the voiding of incidents in Blue Team and IAPro. The procedures should limit deletions and require documentation of the reasons for the deletion of incidents, such as court ordered expungements, etc.	Implemented
A.2	We recommend the Chief of Police develop and implement procedures that include standards for conducting annual monitoring of IAPro/Blue Team data accuracy and completeness, e.g. gaps in the incident numbering.	Implemented
A.3	We recommend the Chief of Police develop and implement procedures that include standards for performing a quarterly review of user access in IAPro to ensure user privileges are commensurate with the job descriptions.	Implemented
A.4	We recommend the Chief of Police develop and implement procedures that include standards for performing a quarterly review of user access in IAPro to: (1) determine whether user accounts not accessed within a consecutive 90-day period should be disabled; and, (2) revoke access of terminated employees.	Implemented
C.5	We recommend the Chief of Police to incorporate the United States Department of Justice's best practices, such as: (1) creating a 24-hour hotline; and, (2) updating and distributing informational materials such as brochures that describe: (a) the investigation and disciplinary process; (b) how and where to file a complaint; (c) how and where to check the status of a complaint; and, (d) contact information for the Community Police Oversight Board, and the Office of Community Police Oversight.	Implemented

Audit of the Office of Community Care Community Centers

REPORT RELEASED ON MAY 22, 2020

No.	Recommendation	Results
A.1	We recommend the Office of Community Care (currently Office of Community Care and Empowerment) formally approve all written protocols and procedures.	Implemented
A.2	We recommend the Office of Community Care and Empowerment continue to establish community center protocols and procedures for the areas yet to be addressed.	Implemented
A.3	We recommend the Office of Community Care and Empowerment correct the petty cash segregation of duties and reconciliation form internal control weaknesses.	Implemented
C.1	We recommend the Office of Community Care and Empowerment conduct a cost-benefit analysis for outsourcing the Martin Luther King, Jr. Celebration Events and present the results to the City Manager for consideration of outsourcing the Martin Luther King, Jr. Celebration Events.	Implemented
D.1	We recommend the Office of Community Care and Empowerment work with the Controller's Office and Office of Budget for a timely resolution of the client assistance funds with negative balances.	Not Implemented

Status: The City Controller's Office and the Office of the Budget fully resolved five of the seven negative balance trust funds identified in the original audit. However, two remaining trust funds still have a negative balance at the unit level,

Fund 0305 (Unit 9374) = \$(187,246.42)

Fund 0312 (Unit 0418) = \$(306,533.12)

Fund Type	Fund	Unit	Fund Name	Fund Balance as of February 2025
Trust Fund	0305	9365	MLK Trust	\$212,639.38
Trust Fund	0305	9374	MLK Trust	\$(187,246.42)
Fund total				\$25,392.96
Trust Fund	0312	0418	TXU Energy Aid MLK	\$(306,533.12)
Trust Fund	0312	1435	TXU Energy Aid WD	\$306,533.12
Fund total				\$0

Audit of City-Owned Buildings' Elevator Safety

REPORT RELEASED ON SEPTEMBER 15, 2020

No.	Recommendation	Results
1	We recommend the City Manager ensure a City-wide process, such as an Administrative Directive, is developed and implemented, that establishes responsibilities for monitoring the maintenance and annual inspection of elevators located in City-owned buildings. This process should ensure all elevators on a going forward basis: • Are identified. • Have documentation showing current State of Texas certification. • Have as complete a record of maintenance performed as possible, given the availability of historical maintenance records.	Implemented

Audit of Fire Hydrant Inspection, Flow-Testing, and Maintenance Process

REPORT RELEASED ON SEPTEMBER 15, 2020

No.	Recommendation	Results
A.1	We recommend the Chief of Dallas Fire-Rescue maintain accuracy of fire hydrant count by comparing the Dallas Fire Rescue Internal Document System public fire hydrant list to the Dallas Water Utilities Geographic Information System hydrant list at least annually.	Implemented
A.2	We recommend the Chief of Dallas Fire-Rescue assess and update the standard operating procedures as needed so that compliance can be achieved for: (1) Inspecting 100 percent of all public fire hydrants annually. (2) Monitoring the status of public fire hydrants in need of repair or out of service at least monthly. (4) Clarifying documentation procedures for Battalion Chief spot checks.	Not Implemented

Status: The updated Dallas Fire-Rescue Manual of Procedures addresses the elements below:

- (1) Inspecting 98 percent of all public fire hydrants annually.
- (2) Monitoring the status of public fire hydrants in need of repair or out of service at least monthly.
- (4) Battalion Chief spot checks of public fire hydrants.

However, there is no evidence that compliance was achieved for items (1) and (4).

Item (1) – Evidence shows 91% inspection rate.

Item (4)- Dallas Fire-Rescue's Internal Document System (IDS) system which was used to track spot checks is now inaccessible due to the ransomware attack the City suffered in Fiscal Year 2024. Dallas Fire-Rescue is working with Information and Technology Services to regain access to the necessary function within the Internal Document System and to reinstate this control.

Audit of the Office of Homeless Solutions

REPORT RELEASED ON SEPTEMBER 17, 2021 (REVISED JANUARY 20, 2022)

No.	Recommendation	Results
A.1	We recommend the Director of the Office of Homeless Solutions Require Rapid Rehousing Program subrecipients to provide documentation that a background check is performed for current participants and for future applicants prior to approval. Status: Office of Homeless Solutions is following the United States Department of Housing and Urban Development guidelines, which were published after the audit, that suggest to not use the background check because it is a barrier that prevents the homeless clients from obtaining housing.	No Longer Relevant
C.1	We recommend the Director of the Office of Homeless Solutions: Review the invoices and contract with the hotel and resolve the payments for unused hotel rooms. Resolution may involve seeking reimbursement for unused hotel room payments, documenting acceptance of the payments as needed due to COVID-19, and/or using other funds to pay for these rooms.	Implemented

Audit of Pedestrian Safety

REPORT RELEASED ON MAY 23, 2022

No.	Recommendation	Results
A.1	We recommend the Director of the Dallas Department of Transportation (currently Department of Transportation and Public Works) develop and implement specific, measurable, and time-bound goals, objectives, and performances, measures to improve pedestrian safety.	Implemented
A.2	We recommend Director of the Department of Transportation and Public Works develop and implement written operating procedures for collecting, analyzing, and using pedestrian accident data to improve safety conditions at high injury locations.	Implemented
A.3	We recommend Director the Department of Transportation and Public Works develop and implement written criteria and work instructions for decision-making related to: a) pedestrian incident investigations, traffic studies, and road safety audits; b) appropriate pedestrian countermeasures; and, c) re-design of high injury locations.	Implemented

Audit of Dangerous and Aggressive Dogs Investigation and Determination Process

REPORT RELEASED ON AUGUST 29, 2022

No.	Recommendation	Results
A1	Recommend the Director of Dallas Animal Services in consultation with City Attorney recommend the City Council consider technical revisions to Dallas City Code, Chapter 7, Animals, Article V-a. Aggressive Dogs which include: • In Section 7-5.15, describe how the noncompliance hearings will be held or remove the words "Noncompliance Hearing," from the title of the section. • • In Section 7-5.16 (c), change the responsible party to the Municipal Court.	Implemented
A2	Recommend Director of Dallas Animal Services develop formal policies and procedures for ensuring owners comply with the requirements for owning dangerous and aggressive dogs.	Implemented

Appendix B: Management's Response

Memorandum



DATE: June 4, 2025

TO: Mark S. Swann – City Auditor

SUBJECT: Response to Fiscal Year 2025 Follow-Up of Prior Audit Recommendations

This letter acknowledges the City Manager's Office received the [*Fiscal Year 2025 Follow-Up of Prior Audit Recommendations*](#) audit report. City management is committed to implementing agreed-to audit recommendations, as demonstrated by the current 87% overall implementation rate.

Further, 100% of agreed-to recommendations were implemented or were determined no longer relevant for the Audit of VisitDallas, Audit of Business Partners Oversight – Department of Park and Recreation, and the Audit of Business Partner Oversight for White Rock Boathouse, Inc.

The City Controller's Office worked with the Office of Arts and Culture to implement most of the audit recommendations from the *Audit of Business Partners Oversight—Arts District*. However, the department underwent significant personnel changes, and many established controls did not transition with the personnel changes. The Office of Arts and Culture has developed a reimplementation action plan that includes reviewing procedures, forms, and processes, resuming the controls previously in place, and it anticipates implementing the recommendations by September 30, 2025. The City Controller's Office will work with the Office of Arts and Culture to verify the reimplemented controls mitigate the risks originally identified.

Similarly, the City Controller's Office will assist the other departments in continuing to work towards implementing recommendations when feasible.

We appreciate the professionalism and hard work of the City Auditor and his staff and their acknowledgment of our progress in strengthening the City's internal controls.

Service First, Now!

[Kimberly Bizer-Tolbert \(Jun 4, 2025 12:21 CDT\)](#)

Kimberly Bizer Tolbert
City Manager

Response to Fiscal Year 2025 Follow-Up of Prior Audit Recommendations
June 4, 2025
Page 2 of 2

C: Jack Ireland, Chief Financial Officer
Tammy Palomino, City Attorney, City Attorney's Office
Dominique Artis, Chief of Public Safety
Liz Cedillo-Pereira, Assistant City Manager
Robin Bentley, Assistant City Manager
Alina Ciocan, Assistant City Manager
Dev Rastogi, Assistant City Manager
Donzell Gipson, Assistant City Manager
Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)
Michele Andre, Director, Office of Community Police Oversight
Janette Weedon, Director, Budget & Management Services
Sheri Kowalski, City Controller, City Controller's Office
Nina Arias, Director, Department of Human Resources
Daniel C. Comeaux, Chief of Police, Dallas Police Department
Samuel Sarmiento, Deputy Chief/Director (I), Dallas Marshal's Office
Justin Ball, Fire Chief, Dallas Fire-Rescue
Gregory Nelson, Director, Dallas Municipal Court
Martine E. Philippe, Director, Office of Arts and Culture
Jessica Galleshaw, Director, Office of Community Care and Empowerment
John Jenkins, Director, Department of Park & Recreation
Rosa Fleming, Director, Convention & Event Services
Kevin Spath, Director, Economic Development
Paul Ramon, Director, Dallas Animal Services
Clifton Gillespie, Director, Department of Sanitation Services
Christine Crossley, Director, Office of Homeless Solutions
Sarah Standifer, Director, Dallas Water Utilities
Dr. Ghassan (Gus) Khankarli, Director, Department of Transportation and Public Works
Jennifer Nicewander, Director, Office of Bond & Construction Management
Tanishia Dorsey, Director (I), Information & Technology Services
Juanita Ortiz, Director, Office of Procurement Services

"Service First, Now!"
Connect – Collaborate – Communicate



Audit of Youth Services – Dallas Park and Recreation and Dallas Public Library

June 9, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Tennell Atkins

Deputy Mayor Pro Tem

Adam Bazaldua

Council Members

Carolyn King Arnold

Paula Blackmon

Zarin D. Gracey

Cara Mendelsohn

Jesse Moreno

Omar Narvaez

Jaime Resendez

Paul E. Ridley

Jaynie Schultz

Kathy Stewart

Chad West

Gay Donnell Willis



City of Dallas

Table of Contents

Executive Summary	1
Objectives and Conclusions	2
Audit Results	3
Observation A: Compliance with Safe Environment Procedures.....	3
Observation B: Calculation Errors in Performance Measure Results.....	6
Observation C: Updates to Key Policies and Procedures	9
Observation D: System User Access Controls.....	10
Duplicate Services - Further Considerations.....	13
Appendix A: Background and Methodology.....	46
Background.....	46
Methodology	47
Major Contributors to the Report.....	48
Appendix B: Management’s Response.....	49

Executive Summary

Objectives and Scope

The objectives of this audit were to determine if: 1) performance measures exist to gauge the efficiency and effectiveness of youth services programs; 2) opportunities exist to increase the efficiency and effectiveness of youth services programs; and 3) processes exist to avoid or reduce duplication of youth services programs offered by Dallas Park and Recreation and Dallas Public Library.

The scope of the audit was October 1, 2021, through September 30, 2023, and covers youth services programs offered by Dallas Park and Recreation and Dallas Public Library only.

Recommendations

Management should:

- Revise procedures to ensure compliance with safe environment procedures.
- Revise procedures to ensure accuracy of performance measures and supporting data.
- Revise procedures to ensure key operating manuals are updated when significant changes occur.
- Implement periodic reviews (annual or biennial) of user access to identify unauthorized and/or inappropriate access.

Background

Dallas Park and Recreation offers educational and recreational youth services programs to children/youth, up to age 17, who reside within the City of Dallas or attend school in the Dallas Independent School District. Most programs are offered to Dallas residents for free or for a nominal fee. Non-Dallas residents may enroll and participate in the programs offered but at a higher fee.

Dallas Public Library youth programs are free to all children and youth in accordance with the Texas Administrative Code.

Revenues generated and operating expenses incurred for youth services programs are not tracked separately in the departments' financial budgets.

Observed Conditions

Both Dallas Park and Recreation and Dallas Public Library have procedures in place to review their youth services programs performance results, as well as determine the efficiency and effectiveness of those programs.

However, opportunities exist for both departments to improve the accuracy of their performance measurement results and ensure the safety and security of youth participants by monitoring and enforcement of established safety and security procedures.

Objectives and Conclusions

1. Do performance measures exist to gauge the efficiency and effectiveness of Dallas Park and Recreation and Dallas Public Library youth services programs?

Generally, Yes. Both Dallas Park and Recreation and Dallas Public Library have established performance measurements to gauge the efficiency and effectiveness of their youth services programs. Though, some published results were not accurate. (See [Observation B](#)).

2. Do opportunities exist to increase the efficiency and effectiveness of youth services programs?

Generally, Yes. Opportunities exist to improve the safe environment of participants in Dallas Park and Recreation and Dallas Public Library youth services programs by monitoring and enforcing compliance with established policies and procedures. (See [Observation A](#), [Observation C](#), and [Observation D](#)).

3. Do processes exist to avoid or reduce duplication of youth service programs offered by Dallas Park and Recreation and Dallas Public Library?

Generally, Yes. Informal collaboration between Dallas Park and Recreation and Dallas Public Library exists to reduce or avoid duplication of youth services programs, and a review of youth services programs offered by both departments showed minimal duplication.

Additional analysis was performed to determine if youth services programs offered by Dallas Park and Recreation and Dallas Public Library were duplicated by nearby community organizations, with the potential of redirecting City resources to other programs or operations. (See [Duplicate Services Further Considerations](#))

Audit Results

Both *City Council Resolution 88-3428* and Administrative Directive 4-09, *Internal Control* prescribe policy for the City to establish and maintain an internal control system. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Compliance with Safe Environment Procedures

Dallas Park and Recreation and Dallas Public Library are not completely complying with their safe environment procedures. As a result, participants may face an increased risk of physical and/or mental hazards.

Dallas Park and Recreation

Vendors and volunteers were tested for required background screenings and risk assessments with the following results:

- One of three (33 percent) contract fee instructor packets tested did not have documentation that the Office of Risk Management had performed a risk review. Additionally, an adverse result was noted on the background screening but there was no evidence provided that management reviewed the adverse result prior to approving the contract fee instructor.
- Three of twenty-five (12 percent) volunteers tested had adverse results noted on their background screenings but there was no evidence provided that management reviewed the adverse results prior to approving the volunteer for service.

The following are the results of testing Primary Drivers (drivers authorized to transport children and youth to/from various recreation programs) for compliance with Dallas Park and Recreation's *Department Procedures for Transporting Participants*.

- Two of twenty (10 percent) Primary Driver background screenings were ordered after the hire date on the Dallas Park and Recreation Position Report, and one of twenty (5 percent) Primary Drivers had no evidence that a screening had been ordered.
- Eight of twenty (40 percent) Primary Drivers had no evidence of taking an approved/certified defensive driving course.
- Four of twenty (20 percent) Primary Drivers had no evidence of a physical exam, or no record was provided, and six of twenty (30 percent) were overdue for their next physical exam.
- Four of twenty (20 percent) Primary Drivers had no evidence of a valid driver's license.
- Three of twenty (15 percent) Primary Drivers had no evidence showing completion of a CPR/First Aid/AED training course.

Dallas Public Library

The following are the results of testing vendors and volunteers for compliance with background screening and risk assessment procedures:

- One of six (16.7 percent) paid performer/presenter packets did not have documentation that the Office of Risk Management had performed a risk review.
- Five of sixteen (31.3 percent) volunteers were incorrectly labeled as "minors" (17 years of age or younger) and did not receive a background check, since minors at the time were exempt from background checks. However, volunteer procedures during the scope period in Fiscal Year 2022 indicated all in-person volunteers (regardless of age) required a background check and in Fiscal Year 2023, volunteers aged 17 or older required a background check.
- One of sixteen (6.25 percent) volunteers had no evidence of a background check having been performed.

Criteria

- ❖ Dallas City Code, Chapter 12, *City Youth Programs Standards of Care*
- ❖ LIB-PRO-404 – Paid Performer/Presenter Procedure
- ❖ LIB-PRO-408 – Performer and Presenter Background Screening Procedure
- ❖ LIB-WKI-418 – Volunteer and Community Service Assistance
- ❖ LIB-WKI-418 – Volunteer and Community Service Assistance – CERVIS Procedure
- ❖ LIB-PRO-443 – Programming Manual
- ❖ Standards of Internal Control in the Federal Government:
 - *Principle 10 – Design Control Activities*
 - *Principle 12 – Implement Control Activities*

Assessed Risk Rating:

High

We recommend the **Director of Dallas Park and Recreation:**

A.1: Revise procedures to ensure that management documents its review of background screening adverse results and decision to approve the contract fee instructor or volunteer.

A.2: Revise procedures to ensure compliance with Dallas Park and Recreation *Department Procedures for Transporting Participants*.

We recommend the **Director of the Dallas Public Library:**

A.3: Revise procedures to ensure that management documents its review of background screening adverse results and decision to approve the paid performer/presenter or volunteer.

A.4: Revise procedures to ensure compliance with Dallas Public Library background screening procedures.

Note: New hire onboarding requires coordination with Human Resources and the Office of Risk Management. As such, we also recommend that both Dallas Park and Recreation and Dallas Public Library work with management in both departments to implement the recommendations noted above.

Observation B: Calculation Errors in Performance Measure Results

Dallas Park and Recreation and Dallas Public Library have established internal performance measures to gauge the efficiency and effectiveness of their youth service programs. The performance results are reported under the City's Annual Budget Book and Dallas 365 initiatives but are not always accurately calculated. As a result, there is increased risk that the wrong conclusion on the efficiency and effectiveness of their youth service programs may be made.

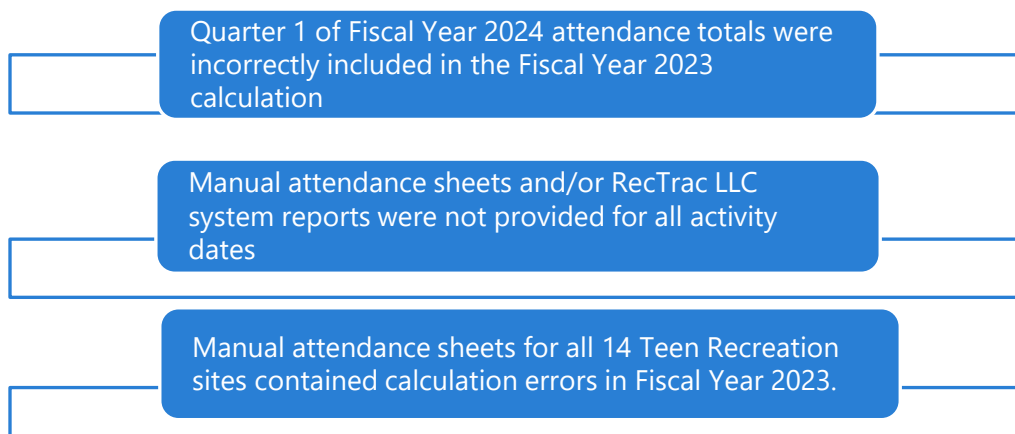
Dallas Park and Recreation

Dallas Park and Recreation provides late-night teen programming for teens aged 13-17 at 14 recreation centers. The reported Fiscal Year 2023 attendance percentage of 37.20 percent for performance measure *Participation Rate at Late-Night Teen Recreation Sites* could not be recalculated. Using the manual attendance sheets and/or RecTrac LLC system reports provided, the percentage should have been 20.39 percent. Several factors contributed to the errors noted when recalculating the percentage, see [Exhibit 1](#) below.

In addition to the calculation errors, the manual attendance sheets used to capture teen census data, parental contact information and recreation card identification numbers were not consistent across the 14 Teen recreation sites. Many of the forms did not have input fields to capture this required information, or the input fields were not filled out, hindering recreation employees' ability to contact parents in case of an emergency.

Exhibit 1:

Factors Contributing to Calculation Errors



Source: Dallas Park and Recreation; Office of the City Auditor Analysis

Results for Fiscal Year 2023 performance measure *Percentage Increase in Youth Athletic Activities Registrations* (a year-over-year calculation) were not accurate as the registration totals used in the calculations did not agree to the source data in nine of twelve months (75 percent).

Dallas Park and Recreation also reports key recreation center activity results (performance indicators) each month using data pulled from the RecTrac LLC system. Of the 11 youth services program performance indicators reported for Fiscal Year 2023, eight (72.70 percent) did not agree with the reported results (see [Exhibit 2](#), denoted by *).

Exhibit 2:

Youth Performance Indicators

Recreation Card Sales	Recreation Out of School Time	Summer Camp	Citywide Sports
Preschool	Enrollment*	Enrollment*	Baseball*
Youth Jr.*	Revenue*	Revenue*	Basketball
Youth			Flag Football*
			Soccer*

Source: Dallas Park and Recreation Annual Performance Indicators (Youth Programs only)

Dallas Public Library

During Fiscal Year 2022, Dallas Public Library offered child literacy activities at branches across the City, and selected attendance at these programs as a performance measure for Fiscal Year 2022.

The annual attendance number for Fiscal Year 2022 for performance measure *Number of Children in Attendance at Child Literacy Programs* exceeded the target goal but did not agree to the supporting documentation provided by Dallas Public Library or the Auditor recalculated number using the same supporting documentation.

The Fiscal Year 2023 performance measure *Satisfaction Rate for Library Programs* could not be verified since the supporting data could not be located.

Criteria

- ❖ Dallas City Code Chapter 12, *City Youth Program Standards of Care Article I Sec. 2-6 Enrollment*
- ❖ Texas Public Library Standards
- ❖ Standards of Internal Control in the Federal Government:
 - *Principle 10 – Design Control Activities*
 - *Principle 16 – Perform Monitoring Activities*

Assessed Risk Rating:

Moderate

We recommend the **Director of Dallas Park and Recreation:**

B.1: Implement a review procedure to ensure the accuracy of performance measure results.

B.2: Develop a standard method to capture attendance at all Late-Night Teen Recreation program sites that complies with the requirements of Dallas City Code, Chapter 12, *City Youth Program Standards of Care, Article I Sec. 2-6*

We recommend the **Director of the Dallas Public Library:**

B.3: Implement a review procedure to ensure the accuracy of performance measure results.

Observation C: Updates to Key Policies and Procedures

Dallas Park and Recreation has documented policies and procedures to ensure operational consistency throughout their facilities but does not always update those documents when changes occur. As a result, there is an increased risk that due to conflicting information, youth service programs may not provide a positive experience for participants.

Dallas Park and Recreation did not provide updated copies of the *Recreation Center Operations Manual* (dated 2020) and the *RecTrac LLC User Operating Manual*, which are key to operational consistency at the recreation centers. The *Recreation Center Operations Manual* provided did not include significant changes to the afterschool and summer camp programs that were implemented in January 2020, and the *RecTrac LLC User Operating Manual* had not been revised since the implementation of the cloud-based version of the software in July 2023.

Criteria

- ❖ Dallas City Code, Chapter 12, *City Youth Programs Standards of Care*
- ❖ Standards of Internal Control in the Federal Government:
 - *Principle 10 – Design Control Activities*
 - *Principle 12 – Implement Control Activities*

Assessed Risk Rating

Moderate

We recommend the **Director of Dallas Park and Recreation**:

C.1: Revise procedures to ensure operating manuals are updated when significant changes occur to maintain operational consistency in recreation center operations and youth service programs.

Observation D: System User Access Controls

Dallas Park and Recreation and Dallas Public Library provided no evidence that periodic reviews (annual or biennial) of system access roles occurred. As a result, there is an increased risk that unauthorized and/or inappropriate access may occur.

Dallas Park and Recreation

Dallas Park and Recreation primarily utilizes the RecTrac LLC system application to manage daily operations including account and membership management, program activities and course registration, facility reservations, sports league management, marketing and communication, instructor management, ticketing and point of sale transactions, payment processing compliance and financial accounting.

The following are the results of testing RecTrac LLC access roles/authorizations:

- System user access for three of five (60 percent) employees designated as Sharks does not appear reasonable for their current job titles (Administrative Specialists and Office Assistants) as Sharks have access to all modules and menu options in RecTrac LLC.
- System user access for two of eight (25 percent) employees designated as ZZZZZs was changed at the time of audit inquiry indicating RecTrac LLC user access is not reviewed on a periodic basis for inappropriate or unauthorized access. This user access role allows direct access to the RecTrac LLC production environment.

Dallas Public Library

Dallas Public Library utilizes three systems (Library Aware, Library Market and Beanstack) to administer and manage library programs (including youth services programs). The following are the results of testing user access in all three systems (see [Exhibit 3](#) on the following page).

Exhibit 3:

System User Access Control Testing

Library Aware

- Templates to create custom program newsletters and book displays

- 4/68 (5.9%) users with Editor access were not found in Outlook Directory or on the DPL HR Position Report
- 5/68 (7.3%) users with Editor access were set-up incorrectly with branch email addresses and individual user (vs branch) names
- 3/52 (5.8%) users assigned Editor access did not appear to need this level of access based on their job positions

Library Market

- Administration and management of programming event calendars and public use room management

- No user access role issues identified.

Beanstack

- Administration and management of all reading challenges

- 2/15 (13.3%) users with Library Admin access roles were not found on the DPL HR Position Report

Criteria

- ❖ Commission for Accreditation of Park and Recreation Standards, Section 3.6, *Records Management Policy and Procedures*
- ❖ Texas Public Library Standards
- ❖ Standards of Internal Control in the Federal Government:
 - *Principle 11 – Design Activities for the Information System*
 - *Principle 12 – Implement Control Activities*

Assessed Risk Rating:

Moderate

We recommend the **Director of Dallas Park and Recreation:**

D.1: Implement periodic reviews (annual or biennial) of user access to identify unauthorized and/or inappropriate access.

Assessed Risk Rating:

Low

We recommend the **Director of the Dallas Public Library:**

D.2: Implement periodic reviews (annual or biennial) of user access to identify unauthorized and/or inappropriate access to system data.

Duplicate Services - Further Considerations

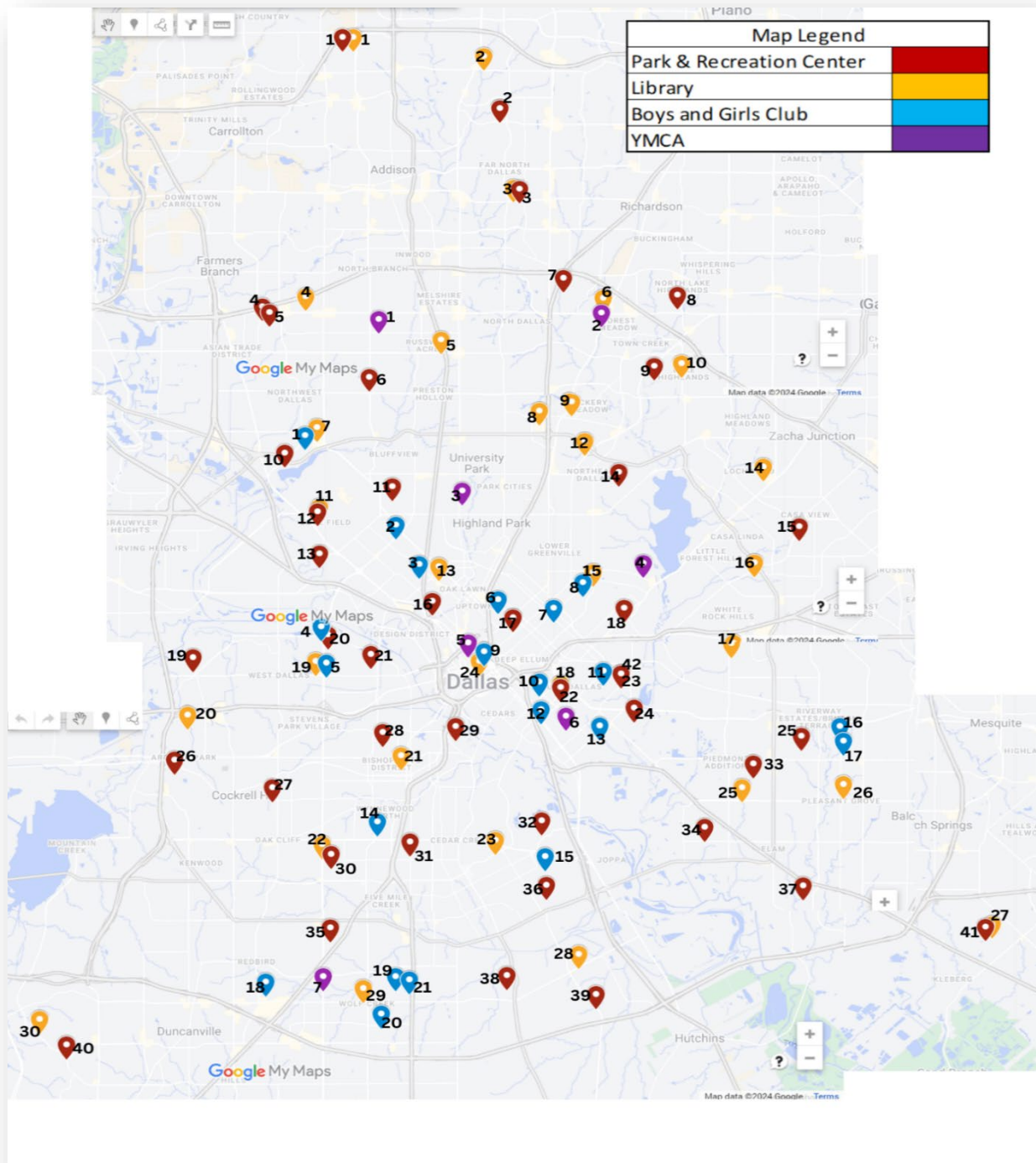
Additional analysis was performed to determine if youth services programs offered by Dallas Park and Recreation and Dallas Public Library were duplicated by nearby community organizations, with the potential of redirecting City resources to other programs or operations.

To perform the analysis, Dallas Park and Recreation centers were designated as the focal point, and using a three-mile radius, Dallas Public Library, Boys and Girls Clubs and YMCA locations were identified. Youth services programs for 11 Dallas Park and Recreation centers were selected and compared to youth programs offered by the Dallas Public Library, Boys and Girls Clubs and YMCAs for duplication.

The analysis shows areas of Dallas with more than one Dallas Park and Recreation center and/or Library branch within a three-mile radius of each other, as well as Boys and Girls Clubs and YMCA locations within the same three-mile radius offering many of the same youth service programs offered by the City. The following Exhibits (beginning on the next page) give the results of this analysis.

Exhibit 4:

Youth Services Programs Locations



Source: Office of the City Auditor

Numbered map locations above correspond to the following table:

No.	Park & Recreation Centers	Library Branches	Boys and Girls Clubs	YMCAs
1	Timberglen Recreation Center	Timberglen	Uplift Triumph	Semones Family YMCA
2	Campbell Green Recreation Center	Renner Frankford	Maple Lawn Elementary School	Lake Highlands Family YMCA
3	Fretz Recreation Center	Fretz Park	Cedar Springs	Moody Family YMCA
4	Marcus Annex Recreation Center (1)	Park Forest	Uplift Heights	White Rock YMCA
5	Marcus Recreation Center	Preston Royal	West Dallas	T. Boone Pickens YMCA
6	Walnut Hill Recreation Center	Forest Green	Roseland	Park South Family YMCA
7	Willie B. Johnson Recreation Center	Bachman Lake	East Dallas	Moorland Family YMCA at Oak Cliff
8	Churchill Recreation Center	Bookmarks in NorthPark Center	William Lipscomb Elementary	
9	Lake Highlands Recreation Center	Vickery Park	Downtown Montessori at Ida B. Wells Academy	
10	Bachman Recreation Center	Audelia Road	Billy Earl Dade Middle School	
11	K.B. Polk Recreation Center	Grauwyler Park	Paul L. Dunbar Learning Center	
12	Grauwyler Recreation Center	Skillman Southwestern	Dr. Martin Luther King, Jr. Arts Academy	
13	Arlington Park Recreation Center	Oak Lawn	Lincoln High School	
14	Ridgewood Belcher Recreation Center	Lochwood	Uplift Pinnacle Prep	
15	Harry Stone Recreation Center	Lakewood	Oak Cliff	
16	Reverchon Recreation Center	White Rock Hills	Edward Titche Elementary School	
17	Exall Recreation Center	Skyline	KIPP Pleasant Grove Primary	
18	Samuell Grand Recreation Center	Martin Luther King, Jr.	KIPP Destiny Elementary	
19	Jaycee Zaragoza Recreation Center	Dallas West	T.G. Terry Elementary School	
20	Nash-Davis Recreation Center	Arcadia Park	Umphrey Lee Elementary School	
21	Anita Martinez Recreation Center	North Oak Cliff	Uplift Wisdom	
22	Martin Luther King Jr. Recreation Center	Hampton-Illinois		
23	Juanita J. Craft Recreation Center	Paul Laurence Dunbar Lancaster-Kiest		

No.	Park & Recreation Centers	Library Branches	Boys and Girls Clubs	YMCAs
24	Larry Johnson Recreation Center	J. Erik Jonsson Central Library		
25	Pleasant Oaks Recreation Center	Pleasant Grove		
26	Arcadia Recreation Center	Prairie Creek		
27	Martin Weiss Recreation Center	Kleberg Rylie		
28	Kidd Springs Recreation Center	Highland Hills		
29	Eloise Lundy Recreation Center	Polk-Wisdom		
30	Kiest Recreation Center	Mountain Creek		
31	Beckley-Saner Recreation Center			
32	John C. Phelps Recreation Center			
33	Umpress Recreation Center			
34	Janie C. Turner Recreation Center			
35	Thurgood Marshall Recreation Center			
36	Hiawatha Williams Recreation Center			
37	Fireside Recreation Center			
38	Singing Hills Recreation Center			
39	Tommie M. Allen Recreation Center			
40	Park in the Woods Recreation Center			
41	Kleberg-Rylie Recreation Center			
42	Exline Recreation Center			

Source: Dallas Park and Recreation; Office of the City Auditor Analysis

(1): Marcus Annex Recreation Center offers Senior Adult programs only.

Exhibit 5:**Demographics by Council Districts**

This Exhibit shows demographic data by council district, and only certain demographics are highlighted in our graphic displays. For full screen and an interactive version of the Demographic Summary - Council Districts 2023 map go to: <https://dallas-census-datahub-dallasgis.hub.arcgis.com/>

Council district graphics begin on the following page.

DISTRICT DEMOGRAPHICS

District 1



District 1 Summary Analysis:

The 2022 Child Population (Age <18) was 30%.

Recreation Centers: Kidd Springs Recreation Center and Martin Weiss Recreation Center.

Library: North Oak Cliff Branch

Boys and Girls Clubs: Uplift Pinnacle Prep

DISTRICT DEMOGRAPHICS

District 2



District 2 Summary Analysis:

The 2022 Child Population (Age <18) was 22%.

Recreation Centers: Reverchon Recreation Center, K.B. Polk Recreation Center, Samuell Grand Recreation Center, Arlington Park Recreation Center, Grauwyler Recreation Center, and Harry Stone Recreation Center

Libraries: J. Erik Jonsson Central Library, Grauwyler Park Branch

Boys and Girls Clubs: Cedar Springs, East Dallas, Maple Lawn Elementary School

DISTRICT DEMOGRAPHICS

District 3



District 3 Summary Analysis:

The 2022 Child Population (Age <18) was 27%.

Recreation Centers: Arcadia Park Recreation Center, Park in the Woods Recreation Center, Thurgood Marshall Recreation Center

Libraries: Hampton-Illinois Branch, Mountain Creek Branch

Boys and Girls Clubs: T.G. Terry Elementary School, Uplift Wisdom

YMCA: Moorland Family YMCA at Oak Cliff

DISTRICT DEMOGRAPHICS

District 4



District 4 Summary Analysis:

The 2022 Child Population (Age <18) was 28%.

Recreation Centers: Beckley Saner Recreation Center, Kiest Park Recreation Center, Eloise Lundy Recreation Center, Hiawatha Recreation Center, John C. Phelps Recreation Center

Library: Paul Laurence Dunbar Lancaster-Kiest Branch

Boys and Girls Clubs: Oak Cliff

DISTRICT DEMOGRAPHICS

District 5



District 5 Summary Analysis:

The 2022 Child Population (Age <18) was 32%.

Recreation Centers: Umphress Recreation Center, Pleasant Oaks Recreation Center

Libraries: Pleasant Grove Branch, Prairie Creek Branch

DISTRICT DEMOGRAPHICS

District 6



District 6 Summary Analysis:

The 2022 Child Population (Age <18) was 29%.

Recreation Centers: Jaycee Zaragoza Recreation Center, Anita Martinez Recreation Center, Bachman Recreation Center, Nash Davis Recreation Center

Libraries: Arcadia Park Branch, Bachman Lake Branch, Dallas West Branch

Boys and Girls Clubs: West Dallas, Uplift Heights, Uplift Triumph

DISTRICT DEMOGRAPHICS

District 7



District 7 Summary Analysis:

The 2022 Child Population (Age <18) was 28%.

Recreation Centers: MLK Jr. Recreation Center, Juanita J Craft Recreation Center, Larry Johnson Recreation Center, and Exline Recreation Center.

Libraries: Martin Luther King, Jr Branch, Skyline Branch, White Rock Hills Branch

Boys and Girls Clubs: Billy Earl Dade Middle School, Dr. Martin Luther King Jr. Arts Academy, Edward Titcher Elementary School, KIPP Pleasant Grove Primary, Lincoln High School, Paul L. Dunbar Learning Center

YMCA: Park South Family YMCA

DISTRICT DEMOGRAPHICS

District 8



District 8 Summary Analysis:

The 2022 Child Population (Age <18) was 31%.

Recreation Centers: Singing Hills Recreation Center, Fireside Recreation Center, Janie C. Turner Recreation Center, Kleberg Rylie Recreation Center, Tommie Allen Recreation Center

Libraries: Highland Hills Branch, Kleberg Rylie Branch, Polk-Wisdom Branch

Boys and Girls Clubs: Umphrey Lee Elementary School

DISTRICT DEMOGRAPHICS

Districts 9



District 9 Summary Analysis:

The 2022 Child Population (Age <18) was 22%.

Recreation Center: Ridgewood/Belcher Recreation Center

Libraries: Lochwood Branch, Skillman Southwestern Branch

DISTRICT DEMOGRAPHICS

District 10



District 10 Summary Analysis:

The 2022 Child Population (Age <18) was 26%.

Recreation Centers: Lake Highlands Recreation Center, Willie B. Johnson Recreation Center

Libraries: Audelia Road Branch, Forest Green Branch

YMCA: Lake Highlands Family YMCA

DISTRICT DEMOGRAPHICS

District 11



District 11 Summary Analysis:

The 2022 Child Population (Age <18) was 21%.

Recreation Centers: Churchill Recreation Center, Fretz Recreation Center

Library: Fretz Park Branch

DISTRICT DEMOGRAPHICS

District 12



District 12 Summary Analysis:

The 2022 Child Population (Age <18) was 18%.

Recreation Centers: Campbell Green Recreation Center, Timberglen Recreation Center

Libraries: Renner Frankford Branch, Timberglen Branch

DISTRICT DEMOGRAPHICS

District 13



District 13 Summary Analysis:

The 2022 Child Population (Age <18) was 25%.

Recreation Centers: Walnut Hill Recreation Center, Marcus Recreation Center, Marcus Annex Recreation Center

Libraries: Bookmarks Branch, Park Forest Branch, Preston Royal Branch, Vickery Park Branch

YMCA: Semones Family YMCA

DISTRICT DEMOGRAPHICS

District 14



District 14 Summary Analysis:

The 2022 Child Population (Age <18) was 12%.

Recreation Centers: Exall Recreation Center

Libraries: Lakewood Branch, Oak Lawn Branch

Boys and Girls Clubs: Roseland, Downtown Montessori at Ida B. Wells Academy, William Lipscomb Elementary

YMCAs: White Rock YMCA, T. Boone Pickens YMCA

Exhibit 6:

General Observations

Recreation Center location without Boys and Girls Clubs within 3 miles

- Lake Highlands Recreation Center does not have a Boys and Girls Clubs location within three miles.

Fitness/Health/Wellness Programming

- 7 of 11 (64 percent) Recreation Centers in the sample provide Fitness/Health/Wellness programming that is similar to the Fitness/Health/Wellness programs available through the Boys and Girls Clubs and YMCAs within a 3 mile distance.

Arts and Crafts Programming

- 4 of 11 (36 percent) Recreation Centers in the sample provide Arts and Crafts programming. Dallas Public Library locations and all connecting Boys and Girls Clubs and YMCA locations offer Arts and Crafts programming.

Summer Camp Programming

- All 11 (100 percent) Recreation Centers in the sample provide Summer Camp programming that is similar to the Summer Camps available through the Boys and Girls Clubs and YMCAs. However, 4 of the 11 were not at capacity.

Afterschool Programming

- All 11 (100 percent) Recreation Centers in the sample provide Afterschool programming (with school pickup) that is similar to the Afterschool programs available through the Boys and Girls Clubs and YMCAs within a 3 mile distance. However, of the 11 Recreation Centers tested, the Dallas Park and Recreation website shows that 9 Recreation Center Afterschool programs that offer school pickup are not full.

Science, Math, Art, Reading, Technology (S.M.A.R.T) Summer Initiative / Science, Technology, Engineering, Art, Math (STEAM) Programs

- Samuell Grand Recreation Center and Larry Johnson Recreation Center offer S.M.A.R.T./STEAM programming similar to the S.M.A.R.T./STEAM programs available through the Boys and Girls Clubs and YMCAs, and the Dallas Public Library's *S.M.A.R.T Summer* initiative.

Program Pricing

- The Boys and Girls Clubs offer pricing within a similar range to Dallas Park and Recreation programs. YMCA pricing is notably higher than both Dallas Park and Recreation and Boys and Girls Clubs pricing. All three offer financial assistance, discounts, and scholarships for some of their programming. Dallas Public Library does not charge for any programs.

Summer Camp Pricing

- The Boys and Girls Clubs offer their Summer Camp for 7 weeks with one fee of \$200 for ages 6-12 or \$125 for ages 13-18. Dallas Park and Recreation offers their Summer Camp for ages 5-12 for 9 weeks with a weekly fee of \$75. Dallas Park and Recreation's Teen Camp and Discover Dallas Summer Camps are free.

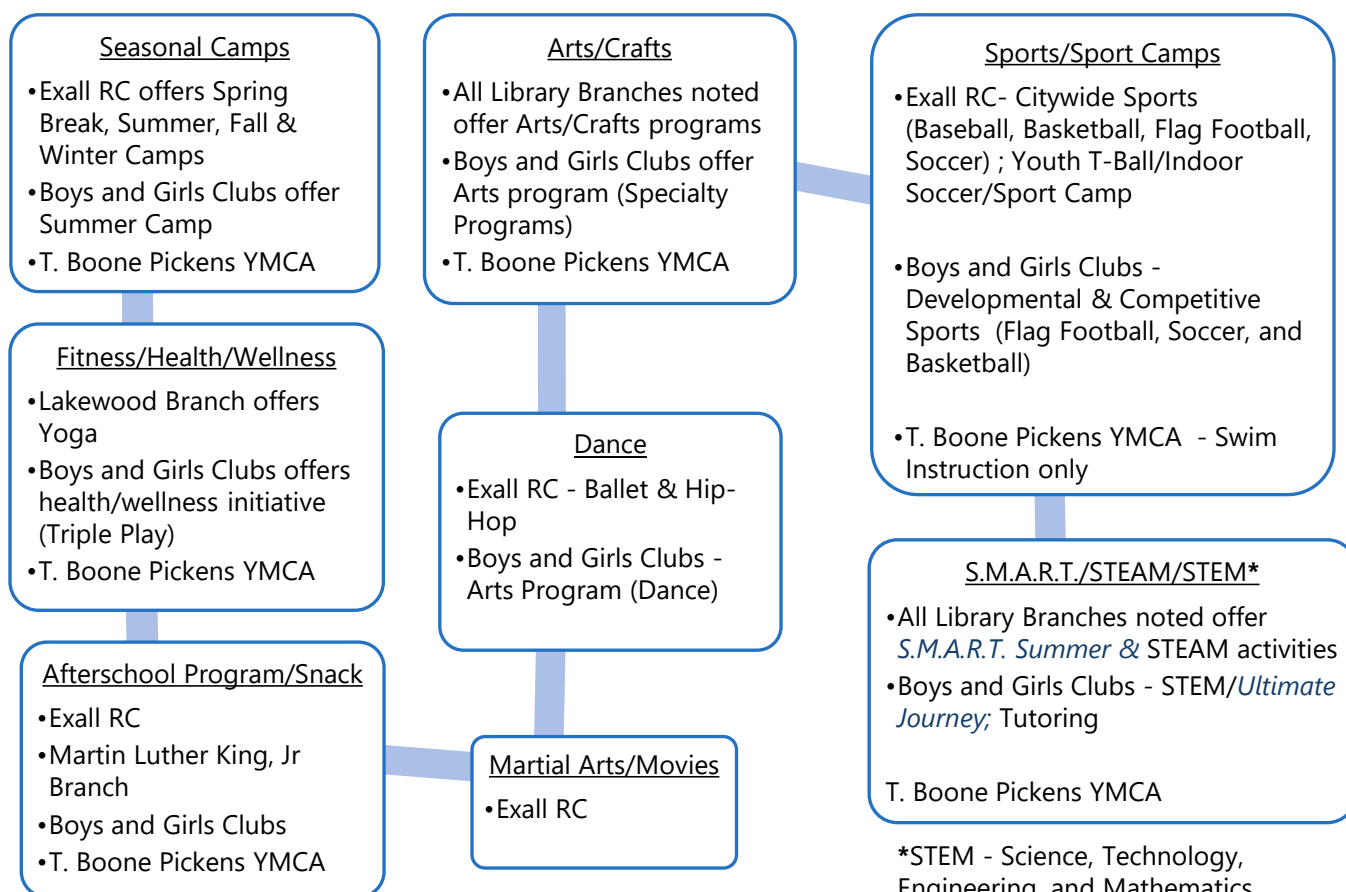
Source: Office of the City Auditor Analysis

Exhibit 7:

Facilities within 3 Miles –Details

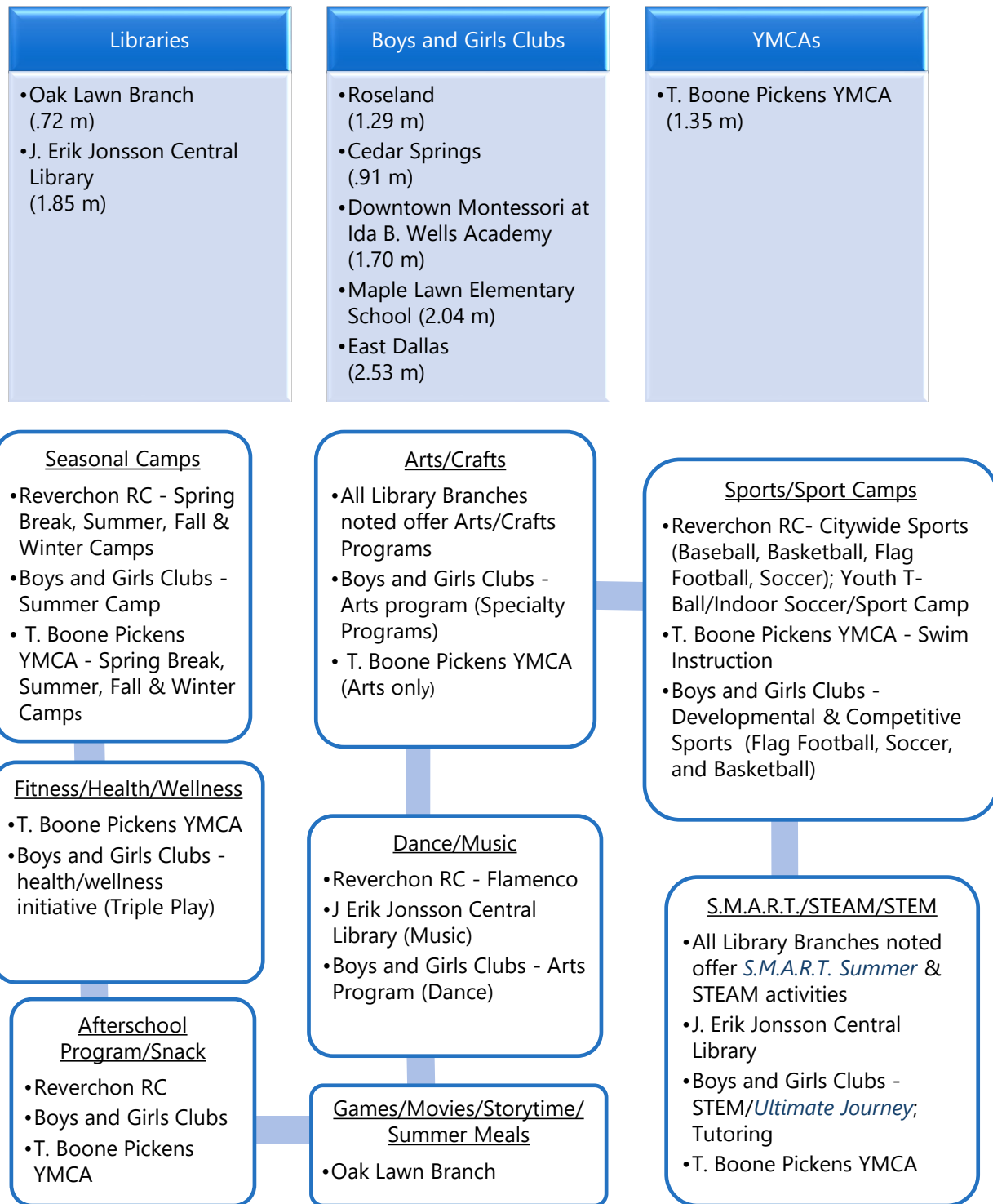
EXALL Recreation Center (Facilities ≤ 3 Miles) Program Duplications

Libraries	Boys and Girls Clubs	YMCAs
•Lakewood Branch (2.11 m) •J. Erik Jonsson Central Library (1.32 m) •Martin Luther King, Jr. Branch (1.98 m) •Oak Lawn Branch (2.09 m)	•Roseland (.58 m) •East Dallas (.92 m) •William Lipscomb Elem. (1.81 m) •Downtown Montessori-Ida B. Wells Academy (1.09 m) •Billy Earl Dade Middle School (1.73 m) •Dr. Martin Luther King Jr Academy (2.36 m) •Paul L. Dunbar (2.39 m)	•T. Boone Pickens YMCA (1.17 m)



REVERCHON Recreation Center

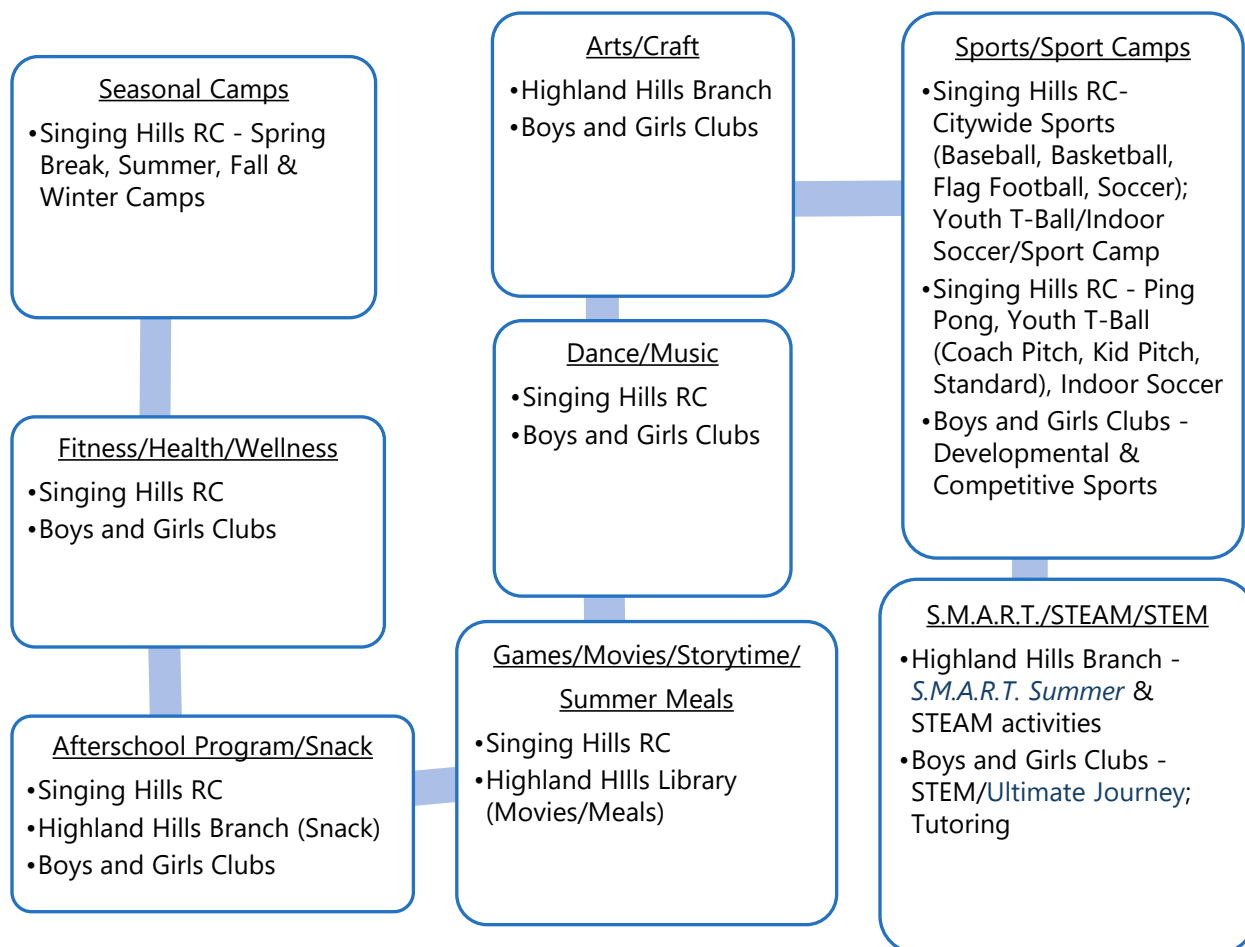
(Facilities $\leq$ 3 Miles)
Program Duplications



SINGING HILLS Recreation Center

(Facilities $\leq$ 3 Miles)
Program Duplications

Libraries	Boys and Girls Clubs	YMCAs
• Highland Hills Branch (1.78 m)	• T. G. Terry Elementary School (2.37 m) • Uplift Wisdom (2.10 m) • Umphrey Lee Elementary School (2.84 m)	• N/A



LAKE HIGHLANDS Recreation Center (Facilities $\leq$ 3 Miles) Program Duplications

Libraries	Boys and Girls Clubs	YMCA's
•Audelia Road Branch (.69 m) •Bookmarks Branch (2.74 m) •Vickery Park Branch (2.00 m) •Skillman Southwestern Branch (2.35 m) •Forest Green Branch (2.10 m)	•N/A	•Lake Highlands Family YMCA (1.81 m)

Seasonal Camps

- Lake Highlands RC- Spring Break, Summer, Fall & Winter Camps
- Lake Highlands Family YMCA

Arts/Crafts

- Lake Highlands RC (Arts)
- All Library Branches noted offer Arts/Crafts Programs

Sports/Sport Camps

- Lake Highlands RC- Citywide Sports (Baseball, Basketball, Flag Football, Soccer)
- Lake Highlands RC- Youth T-Ball/ WallBallClinic/ Volleyball/Basketball; Archery/Middle School Baseball Sports Camp
- Lake Highlands Family YMCA - Citywide Sports, Volleyball, Swimming

Fitness/Health/Wellness

- Lake Highlands RC
- Bookmarks Branch
- Lake Highlands Family YMCA

Dance

- Lake Highlands RC- Dance Classes
- All Library Branches noted offer Dance Programs (excluding Forest Green Branch)
- Lake Highlands Family YMCA

Afterschool Program/Snack

- Lake Highlands RC
- Vickery Park Branch (Snack)
- Lake Highland Family YMCA

Games/Movies/Storytime/Summer Meals

- Audelia Road Branch
- Bookmarks Branch
- Vickery Park Branch (Movies/Meals)
- Skillman Southwestern Branch (Movies)

S.M.A.R.T./STEAM/STEM

- All Library Branches noted offer *S.M.A.R.T. Summer* & STEAM activities

K. B. POLK Recreation Center

(Facilities $\leq$ 3 Miles)
Program Duplications

Libraries

- Grauwlyer Park Branch (1.70 m)
- Bachman Lake Branch (2.26 m)
- Oak Lawn Branch (2.23 m)

Boys and Girls Clubs

- Maple Lawn Elementary (.94 m)
- Uplift Triumph (2.33 m)
- Cedar Springs (2.02 m)

YMCAs

- Moody Family YMCA (1.55 m)

Seasonal Camps

- K. B. Polk RC - Spring Break, Summer, Fall & Winter Camps
- Moody Family YMCA
- Boys and Girls Clubs (Summer Camp)

Arts/Crafts

- All Library Branches noted offer Arts/Crafts Programs
- Boys and Girls Clubs
- Moody Family YMCA

Sports/Sport Camps

- K. B. Polk RC- Citywide Sports (Baseball, Basketball, Flag Football, Soccer); Youth T-Ball (Coach/Kid Pitch, Standard), Archery, Boxing for Fitness, Lacrosse, Basketball 11U & 14U, Drills and Skills, and Volleyball
- Boys and Girls Clubs - Developmental and Competitive Leagues
- Moody Family YMCA - Citywide Sports, TBall, Softball, Volleyball, Cheerleading, Tackle Football, Swim Team and Instruction

Fitness/Health/Wellness

- K. B. Polk RC
- Moody Family YMCA
- Boys and Girls Clubs

Dance/Martial Arts

- K.B. Polk RC - Dance Classes
- Boys and Girls Clubs
- Moody Family YMCA (Martial Arts)

Afterschool Program/Snack

- K. B. Polk RC
- Grauwlyer Park Branch (Snack only)
- Boys and Girls Clubs
- Moody Family YMCA

Movies/Summer Meals

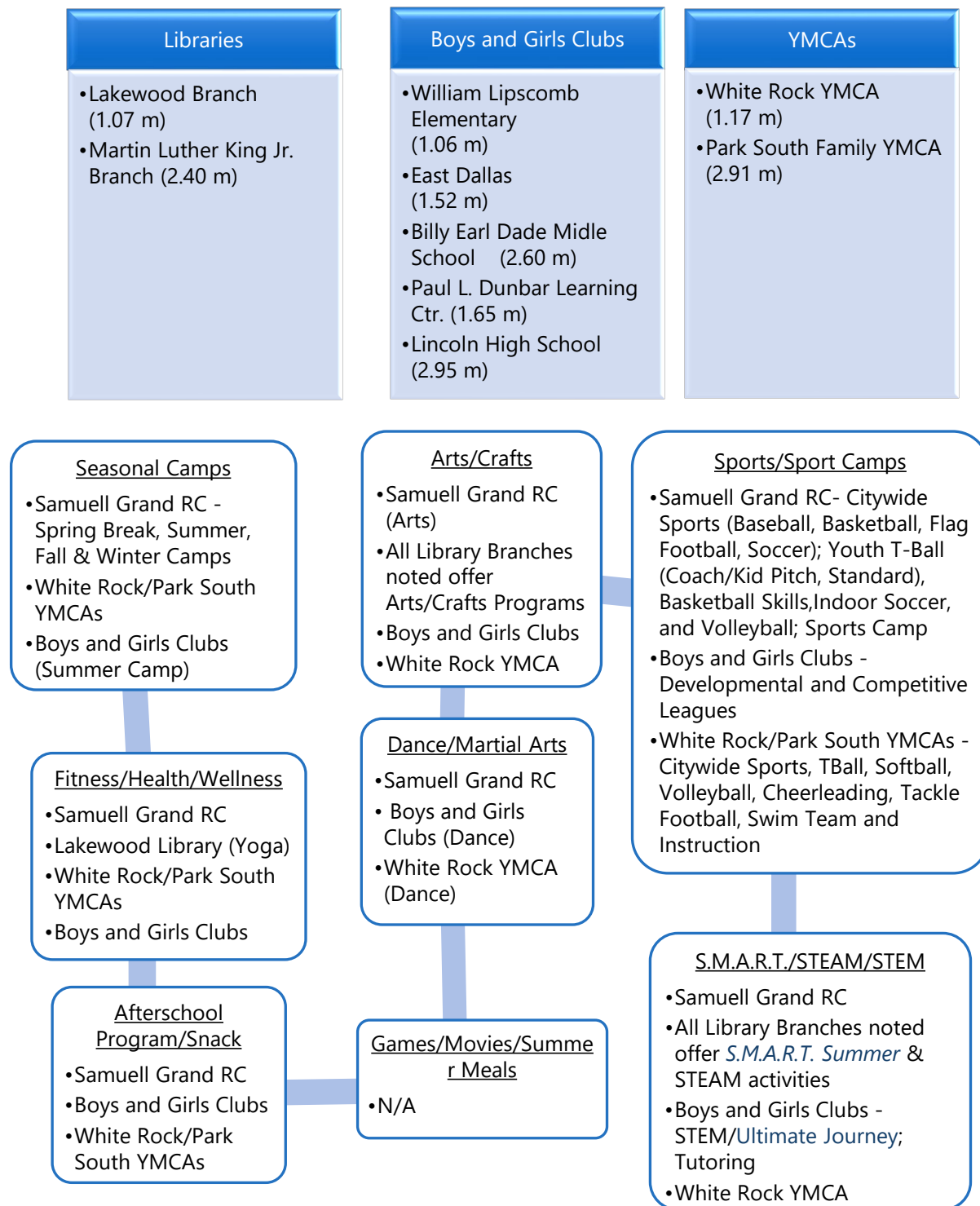
- Grauwlyer Park Branch

S.M.A.R.T./STEAM/STEM

- All Library Branches noted offer *S.M.A.R.T. Summer & STEAM* activities
- Boys and Girls Clubs- STEM/Ultimate Journey; Tutoring
- Moody Family YMCA
- K. B. Polk (Tutoring only)

SAMUELL GRAND Recreation Center

(Facilities $\leq$ 3 Miles)
Program Duplications



**(Facilities $\leq$ 3 Miles)
Program Duplications**

YMCAs

- Park South YMCA (.63 m)

Sports/Sport Camps

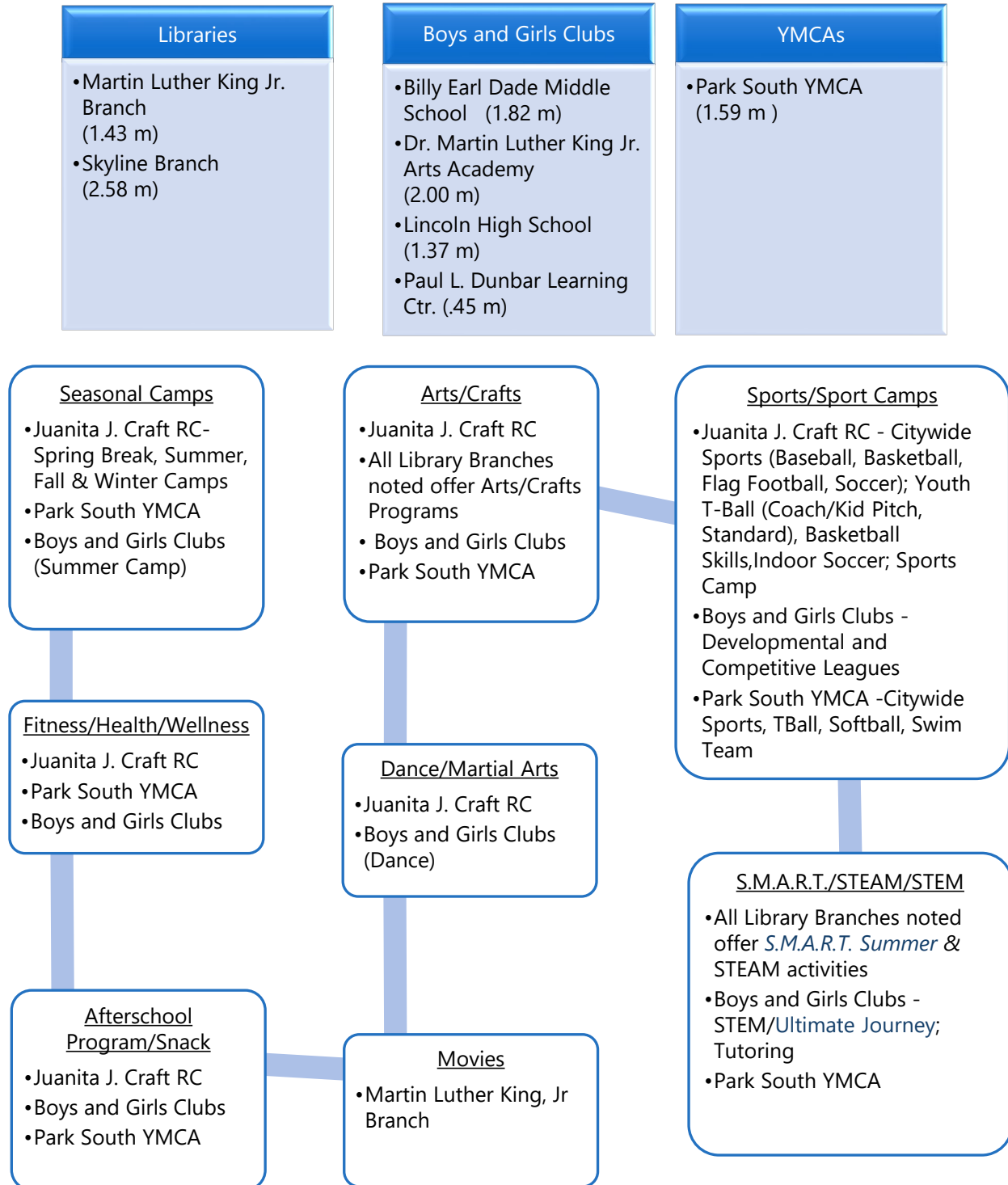
- Martin Luther King, Jr. RC - Citywide Sports (Baseball, Basketball, Flag Football, Soccer); Youth T-Ball (Coach/Kid Pitch, Standard), Basketball Skills, Indoor Soccer; Sports Camp
- Boys and Girls Clubs - Developmental and Competitive Leagues
- Park South YMCA -Citywide Sports, TBall, Softball, Swim Team

S.M.A.R.T./STEAM/STEM

- All Library Branches noted offer *S.M.A.R.T. Summer* & STEAM activities
- Boys and Girls Clubs - STEM/*Ultimate Journey*; Tutoring
- Park South YMCA

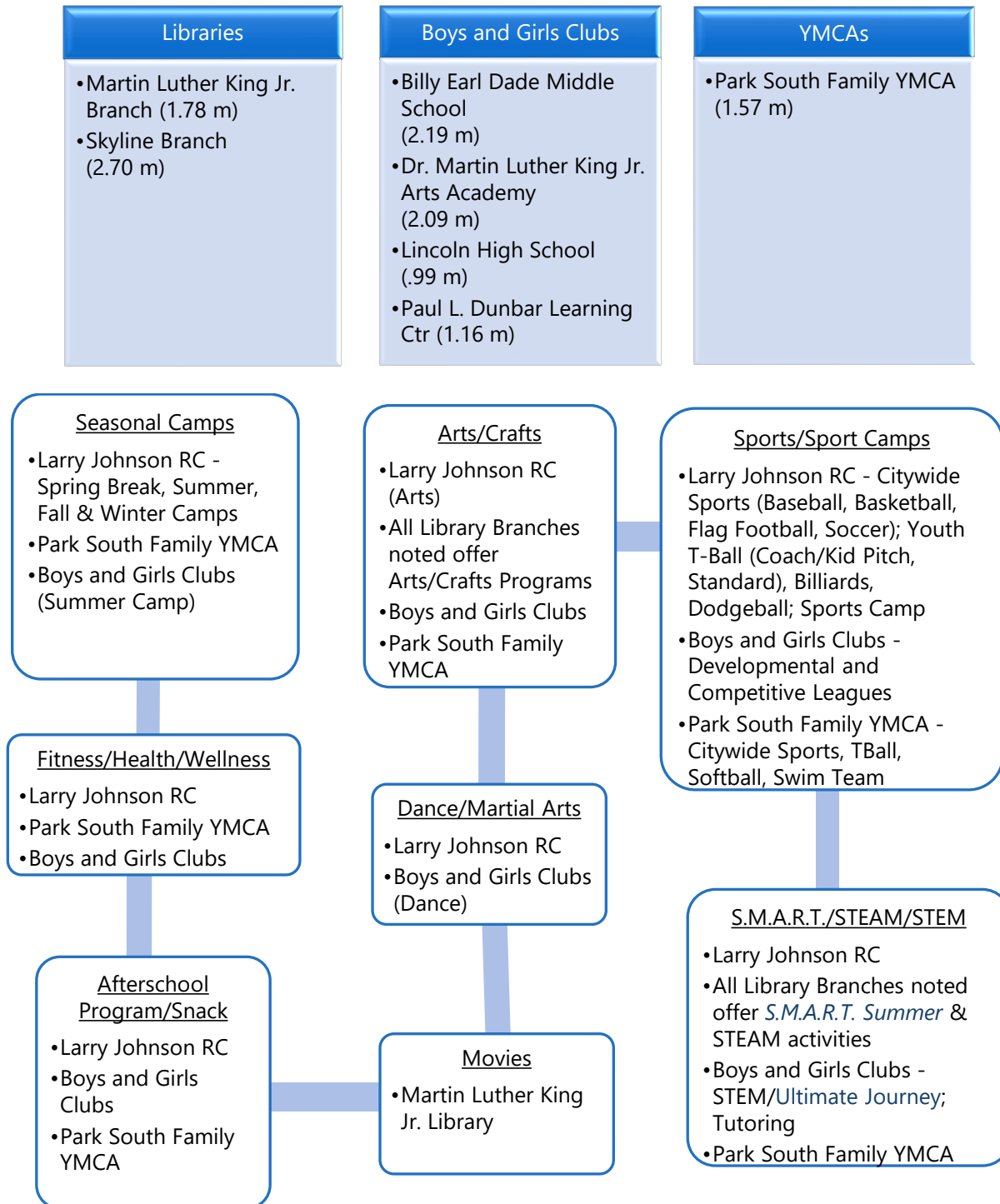
- Martin Luther King, Jr. Library

JUANITA J. CRAFT Recreation Center (Facilities $\leq$ 3 Miles) Program Duplications



LARRY JOHNSON Recreation Center

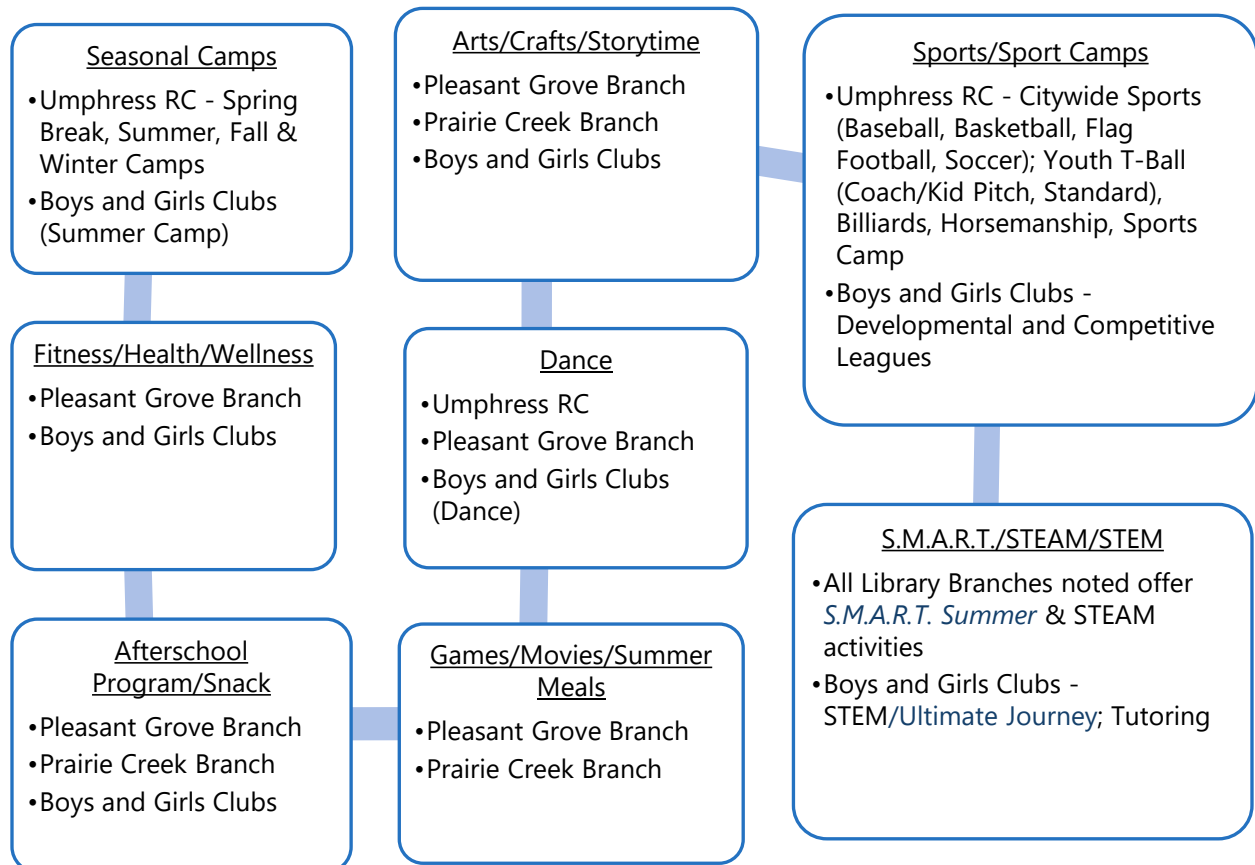
(Facilities $\leq$ 3 Miles)
Program Duplications



UMPHRESS Recreation Center

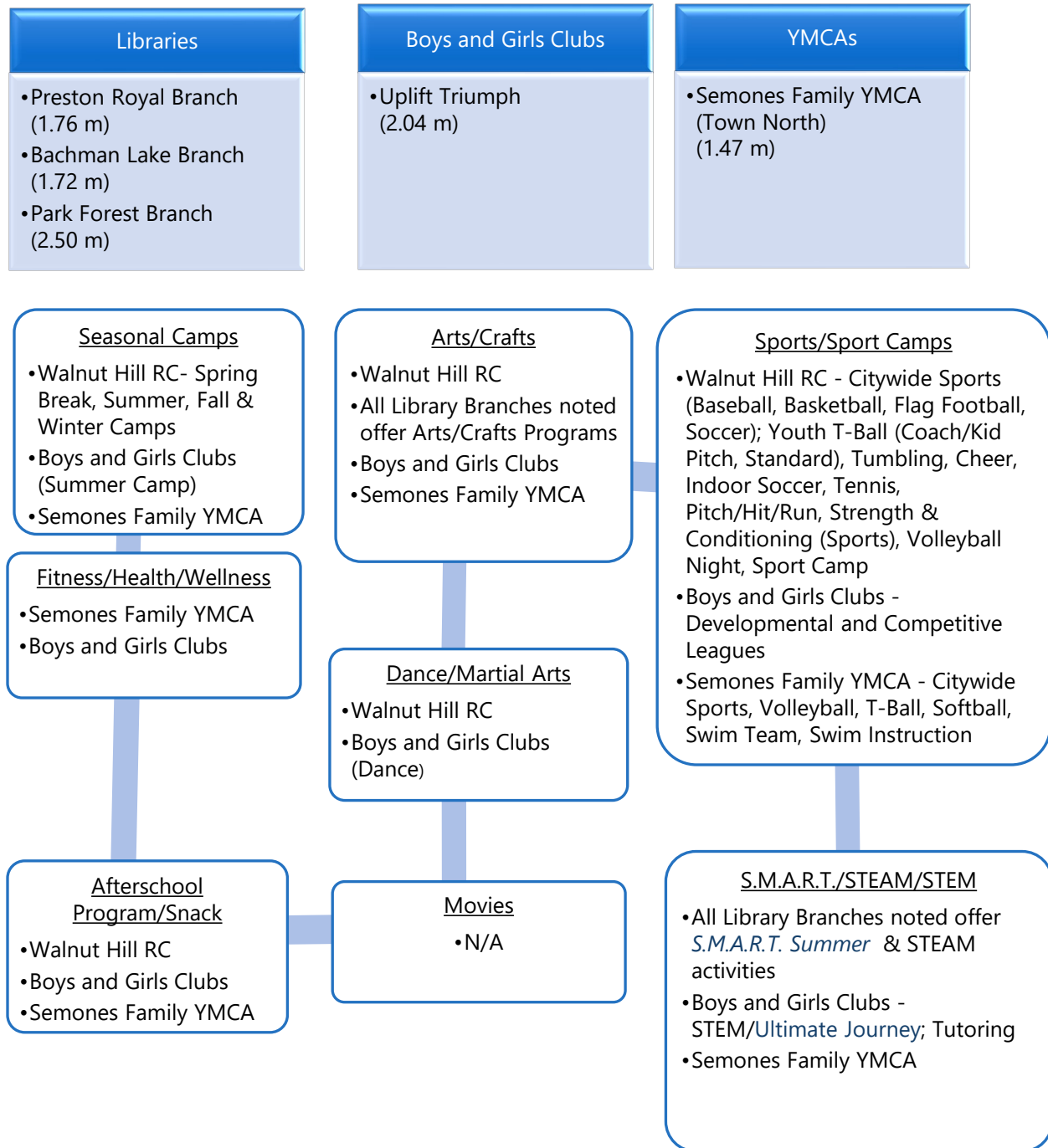
(Facilities $\leq$ 3 Miles)
Program Duplications

Libraries	Boys and Girls Clubs	YMCAs
•Pleasant Grove Branch (.59 m) •Prairie Creek Branch (2.10 m)	•KIPP Pleasant Grove Primary School (2.06 m) •Edward Titcher Elementary (2.07 m)	•N/A



WALNUT HILL Recreation Center

(Facilities $\leq$ 3 Miles)
Program Duplications



**Recreation Center to Recreation Center
Connections**
(Facilities $\leq$ 3 Miles)

Recreation Center (RC)	RC to RC Connections
Exall RC	Martin Luther King Jr., Reverchon RC, Samuel Grand RC, Juanita J. Craft, Exline RC
Reverchon RC	Anita Martinez RC, Exall RC, Nash-Davis RC, Arlington Park RC, K. B. Polk RC
Singing Hills RC	Tommie Allen RC, Hiawatha Williams RC
Lake Highlands RC	Ridgewood Belcher RC, Willie B. Johnson RC
K. B. Polk RC	Grauwylers RC, Arlington Park RC, Bachman RC, Reverchon RC
Samuel Grand RC	Juanita J. Craft RC, Larry Johnson RC, Exall RC, Martin Luther King Jr RC
Martin Luther King Jr. RC	Juanita J. Craft RC, Larry Johnson RC, Exall RC, Samuel Grand RC, Eloise Lundy RC
Juanita J. Craft RC	Martin Luther King Jr RC, Larry Johnson RC, Exall RC, Samuel Grand RC, Exline RC
Larry Johnson RC	Martin Luther King Jr RC, Juanita J. Craft, Samuel Grand RC, Umphress RC, Exline RC
Umphress RC	Pleasant Oaks RC, Janie C. Turner RC, Larry Johnson RC
Walnut Hill RC	Marcus RC, Bachman RC, K. B. Polk RC,

Source: Office of the City Auditor Analysis

Library to Library Connections

(Facilities $\leq$ 3 Miles)

Library (LB)	LB to LB Connections
Bookmarks in NorthPark Ctr.	Preston Royal, Vickery Park, Skillman Southwestern
Vickery Park	Forest Green, Bookmarks in NorthPark Ctr., Skillman Southwestern
Audelia Road	Forest Green, Vickery Park, Skillman Southwestern
Skillman Southwestern	Vickery Park, Bookmarks in NorthPark Ctr., Audelia Road
North Oak Cliff	J. Erik Jonsson Central Library, Hampton-Illinois, Paul Laurence Dunbar – Lancaster/Kiest
J. Erik Jonsson Central Library	Oak Lawn, North Oak Cliff, Martin Luther King Jr.

Source: Office of the City Auditor Analysis

Appendix A: Background and Methodology

Background

Dallas Park and Recreation

Dallas Park and Recreation is divided into six service divisions with most youth services programs administered in the Recreation Services (recreation centers) and Citywide Athletic Reservation Events (C.A.R.E.S.) divisions (city-wide outdoor sports).

Recreation Services operates 42 recreation centers (offering 16,800 programs) and serves more than 1.4 million participants annually, while the Citywide Athletic Reservation Events division manages the city-wide youth sports programs (baseball, basketball, flag football and soccer) and all other outdoor sports activities including aquatics, skating, golf, tennis and oversees the Special Events Division. See the list of recreation centers below.

Recreation Centers

Service Area 1	Service Area 2	Service Area 3
• Anita Martinez • Arcadia • Arlington Park • Bachman • Campbell Green • Churchill • Forest Audelia • Fretz • Grauwylar • Jaycee Zaragoza • Marcus Annex • Marcus • Nash Davis • Polk • Timberglen • Walnut Hill	• Exall • Fireside • Harry Stone • Juanita J. Craft • Janie C. Turner • Kleberg Rylie • Lake Highlands • M.L. King, Jr. • Pleasant Oaks • Reverchon • Ridgewood • Samuel Grand • Umphress • Willie B. Johnson	• Beckley Saner • Hiawatha Williams • Eloise Lundy • Exline • J.C. Phelps • Kidd Springs • Kiest • Larry Johnson • Martin Weiss • Park in the Woods • Singing Hills • Tommie Allen • Thurgood Marshall

Dallas Public Library

Dallas Public Library is divided into three service divisions with youth service programs administered in the Library Operations and Public Service and Literacy Initiatives, Education, and Community Engagement divisions. Some youth service programs are also funded by Friends of the Dallas Public Library.

Dallas Public Library operates 30 library branches across the City including the J. Erik Jonsson Central Library (located in downtown Dallas) and the Bookmarks at NorthPark Center locations.

In addition to the Dallas Public Library's traditional children/youth programs (i.e., *S.M.A.R.T Summer*, Reading Challenges, etc.), new programs geared toward children aged 0-5 were added in 2023 including installation of 29 *Reading Ready Play Spaces*, the distribution of 10,000 *Reading Ready Kits* to families in neighborhoods identified by the Racial Equity Plan, and *Here Comes Kindergarten* in 6 locations. See the list of library branches below which exclude the J. Erik Jonsson Central Library and the Bookmarks by NorthPark branch locations.

Library Branches

East District	West District
•Audelia Road •Forest Green •Fretz Park •Kleberg-Rylie •Lakewood •Lochwood •Martin Luther King, Jr. •Pleasant Grove •Prairie Creek •Renner Frankford •Skillman Southwestern •Skyline •Vickery Park •White Rock Hills	•Arcadia Park •Bachman Lake •Dallas West •Grauwylar Park •Hampton-Illinois •Highland Hills •Lancaster-Kiest •Mountain Creek •North Oak Cliff •Oak Lawn •Park Forest •Polk-Wisdom •Preston Royal •Timberglen

Methodology

The audit methodology included:

- (1) Interviewing personnel from Dallas Park and Recreation, Dallas Public Library, Human Resources, and other City departments
- (2) Reviewing policies and procedures, the *Texas Local Government Code*, applicable Administrative Directives, City Code and Association Accreditation standards
- (3) Performing various analyses.

In addition, all five components of *Standards for Internal Control in the Federal Government* were considered.

We conducted this performance audit 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Carron Perry, CIA – In-Charge Auditor

Rory Galter, CPA – Engagement Manager

Natalie Martinez, CTCM – Auditor

Appendix B: Management's Response

Memorandum



DATE: June 4, 2025
TO: Mark S. Swann – City Auditor
SUBJECT: Response to Audit of Youth Services – Dallas Park and Recreation and Dallas Public Library

This letter acknowledges that the City Manager's Office received the *Audit of Youth Services – Dallas Park and Recreation and Dallas Public Library* and submitted responses to the recommendations in consultation with Dallas Park and Recreation and the Dallas Public Library.

Dallas Park and Recreation and the Dallas Public Library are committed to offering engaging, compelling, and safe programs for qualifying youth. Dallas Park and Recreation and the Dallas Public Library have procedures in place to review their youth services programs' performance results, as well as determine the efficiency and effectiveness of those programs.

However, we recognize there are opportunities to further improve the administration of these programs and agree to implement the auditor's recommendations.

Specifically, Dallas Park and Recreation agrees to:

- Improve its existing procedures to ensure management documents its review of contract fee instructors' and volunteers' background screening results and related management decisions;
- Improve its existing procedures and ensure effective and appropriate background checks for City staff;
- Develop a procedure to ensure performance measures are thoroughly vetted prior to publication;
- Develop a process for capturing Late-Night Teen Recreation program attendance. In addition, PKR will develop a standardized procedure for recording registration and attendance data for Late-Nite Teen Recreation;
- Reinforce process owners' responsibility to perform a periodic review of policies and procedures and to make timely revisions as needed; and
- Formalize its process and implement a procedure for performing periodic user access reviews for the RecTrac LLC system.

"Service First, Now!"
Connect – Collaborate – Communicate

Response to Audit of Youth Services – Dallas Park and Recreation and Dallas Public Library

June 4, 2025

Page 2 of 2

In addition, Dallas Public Library agrees to:

- Improve existing procedures to ensure management documents its review of paid performers'/presenters' and volunteers' background screening results and related management decisions;
- Improve existing procedures to ensure compliance with DPL's background screening procedures;
- Develop a procedure to ensure performance measures are thoroughly vetted prior to publication; and
- Implement a procedure for performing periodic user access reviews for its systems.

Please let me or my team know if you have any questions.

Service First, Now!

Sincerely,



Kimberly Bizer-Tolbert (Jun 4, 2025 12:21 CDT)

Kimberly Bizer Tolbert

City Manager



John D. Jenkins (Jun 4, 2025 14:02 CDT)

John D. Jenkins, Director

Dallas Park and Recreation

C: Jack Ireland, Chief Financial Officer

Liz Cedillo-Pereira, Assistant City Manager

Heather Lowe, Director of Libraries (I), Dallas Public Library

"Service First, Now!"

Connect – Collaborate – Communicate

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
Recommendations – Dallas Park and Recreation:					
High	We recommend the Director of Dallas Park and Recreation:				
	A.1: Revise procedures to ensure that management documents its review of background screening adverse results and decision to approve the contract fee instructor or volunteer.	Agree	Dallas Park and Recreation (PKR) will improve the documentation and retention of reviewing background checks. PKR will document the revised process in a procedure to ensure consistency.	9/30/2025	3/31/2026
	A.2: Revise procedures to ensure compliance with Dallas Park and Recreation <i>Department Procedures for Transporting Participants</i> .	Agree	PKR will develop procedures that ensure the consistent performance of background checks in compliance with PKR's Department Procedures for Transporting Participants.	9/30/2025	3/31/2026
Moderate	We recommend the Director of Dallas Park and Recreation:				
	B.1: Implement a review procedure to ensure the accuracy of performance measure results.	Agree	PKR will develop a procedure to ensure performance measures are thoroughly vetted prior to publication.	9/30/2025	3/31/2026
	B.2: Develop a standard method to capture attendance at all Late-Night Teen Recreation program sites that complies with the requirements of Dallas City Code, Chapter 12, <i>City Youth Program Standards of Care, Article 1, Sec. 2-6</i> .	Agree	PKR will develop a standardized procedure for recording attendance data for Late-Nite Teen Recreation programs, capture this process in a procedure, and ensure staff training is completed.	9/30/2025	3/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
Recommendations – Dallas Park and Recreation:					
	C.1: Revise procedures to ensure key operating manuals are updated when significant changes occur.	Agree	PKR will reinforce process owners' responsibility to periodically review policies and procedures and make timely revisions as needed. Revised procedures will be communicated to applicable employees, and complex process changes will be supported by documented employee training on the revised process.	12/31/2025	6/30/2026
	D.1: Implement periodic reviews of user access (annual or biennial) to identify unauthorized and/or inappropriate access.	Agree	PKR will formalize its process and implement a procedure for performing periodic user access reviews for the RecTrac LLC system. The procedure will assign responsibility for ensuring employee access is needed, and the employee is assigned to the appropriate role.	12/31/2025	6/30/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans	Implementation Date	Follow-Up/ Maturity Date
Recommendations – Dallas Public Library				
High	We recommend the Director of the Dallas Public Library:			
	A.3: Revise procedures to ensure that management documents its review of background screening adverse results and decision to approve the paid performer/presenter or volunteer.	Agree	Dallas Public Library (DPL) will improve the documentation and retention of background checks. To ensure a consistent process, DPL will document the revised process in a procedure.	9/30/2025 3/31/2026
	A.4: Revise procedures to ensure compliance with Dallas Public Library background screening procedures.	Agree	DPL will revise procedures to ensure consistent performance of background checks in compliance with the DPL background screening procedures.	9/30/2025 3/31/2026
Moderate	We recommend the Director of the Dallas Public Library:			
	B.3: Implement a review procedure to ensure the accuracy of performance measure results.	Agree	DPL will develop a procedure to ensure performance measures are thoroughly vetted prior to publication.	9/30/2025 3/31/2026
Low	We recommend the Director of the Dallas Public Library:			
	D.2: Implement periodic user access reviews (annual or biennial) to identify unauthorized and/or inappropriate access to system data.	Agree	DPL will implement a procedure for performing periodic user access reviews for its systems. The procedure will assign responsibility for ensuring employee access is needed and that the employee is assigned to the appropriate role. The director or assistant director will approve any	12/31/2025 6/30/2026

			variance from the procedure due to low-risk and operational needs.		
--	--	--	--	--	--



Audit of Homeless Response System Strategy and Coordination

June 18, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Jesse Moreno

Deputy Mayor Pro Tem

Gay Donnell Willis

Council Members

Adam Bazaldua

Paula Blackmon

Lorie Blair

Laura Cadena

Zarin D. Gracey

Maxie Johnson

Cara Mendelsohn

Jaime Resendez

Paul E. Ridley

Bill Roth

Kathy Stewart

Chad West



City of Dallas

Table of Contents

Executive Summary	1
Objectives and Conclusions	2
Audit Results	2
Methodology.....	3
Major Contributors to the Report	3
Appendix A: Weaver and Tidwell, L.L.P.'s Report.....	4
Appendix B: Management's Response.....	58

Executive Summary

Objective and Scope

- Analysis of the Four-Track Strategy and other strategic planning efforts.
- Validation of strategic results and outcomes for effectiveness.
- Assessment of key partners and City coordination to provide emergency shelter space.
- Evaluation of Housing Forward's procedures to count individuals experiencing homelessness, considering federal requirements and best practices.

The scope of the audit is October 1, 2022, to February 29, 2024.

Recommendations

- Collaborate with the Continuum of Care (CoC) and Housing Forward to align the Four-Track Strategy with the broader CoC strategy.
- Require more source documentation from contractors to validate submitted performance results.
- Work with Housing Forward to improve availability of data for contractor performance validation and expectations for data availability.
- Improve communication of strategic decisions to area partners for Temporary Inclement Weather Shelter transportation.
- Encourage Housing Forward to consider and implement opportunities to improve Point-in-Time Count practices and transparency.

Background

In October 2017, the City of Dallas established the Office of Homeless Solutions (OHS) to provide collaborative solutions that make homelessness brief and nonrecurring. OHS was also designed to centralize homeless services and programs across the City and facilitate successful outcomes and partnerships.

With a \$14.8 million budget for FY 2024-25, OHS partners with several external organizations and community members, including the local CoC, led by Housing Forward to meet its overarching strategic and departmental goals.

Weaver and Tidwell, L.L.P. was retained to perform this audit. See [Appendix A](#) for their report.

Observed Conditions

OHS's Four-Track Strategy and performance validation processes are limited in their ability to define success and measure progress toward its goals. Performance validation of external partners, required to inform progress on the strategy, is inconsistent and evidence of results is often incomplete or unavailable. Furthermore, performance reporting requirements in contracts to provide wrap-around services and increase homeless system capacity are limited to support effectiveness and evaluate coordinated services. Strategic coordination of OHS and area partners for post-inclement weather transportation could also be improved.

Opportunities exist for Housing Forward and the local CoC to improve Point-in-Time Count practices and performance reporting that will increase accuracy of count results and enhance transparency of progress within the homeless response system.

Objectives and Conclusions

Part A – Office of Homeless Solutions

1. Is the Office of Homeless Solutions' Four-Track Strategy aligned with other Continuum of Care strategic planning efforts?

Generally, no. The Office of Homeless Solutions has made significant strides in its strategic planning processes since it was established in 2017, implementing its Four-Track Strategy last revised and adopted in 2022. However, an analysis of the Office of Homeless Solutions' Four-Track Strategy in comparison to the All Neighbors Coalition Continuum of Care Program Annual Strategic Priorities, led by Housing Forward, highlight various areas of focus and objectives that are not clearly coordinated, aligned, or defined as complementary in the City's strategy. (See [Appendix A, Observation A.](#))

2. Are strategic results and outcomes for effectiveness, including housing models, wrap-around services, and decreased recidivism for individuals provided housing assistance by the City and its partners through the Rapid Rehousing Initiative valid?

Indeterminable. Performance validation of external partners, required to inform progress on the strategy, is inconsistent and evidence of results is often incomplete or unavailable. (See [Appendix A, Observation A.](#))

3. Is the City's coordination with key partners to provide temporary emergency inclement weather shelter space working?

Yes. However, opportunities exist to improve communication of strategic decisions between OHS and key partners in managing the transportation of unhoused individuals after inclement weather events. (See [Appendix A, Observation B.](#))

Part B – Housing Forward and the Local Continuum of Care

4. Are Housing Forward and the Local Continuum of Care procedures for counting individuals experiencing homelessness aligned with federal requirements and best practices?

Yes. Out of 23 Housing and Urban Development Point-In-Time count requirements, Housing Forward procedures aligned with 18 requirements and partially aligned with 5 requirements. Opportunities do exist to improve Point-in-Time Count practices and performance reporting that will increase accuracy of count results and enhance transparency of progress within the homeless response system. (See [Appendix A, Part B.](#))

Audit Results

See [Appendix A](#) for Weaver report.

Methodology

Weaver and Tidwell L.L.P. was retained to perform this audit. See [Appendix A](#) for Weaver and Tidwell L.L.P.'s methodology. In addition, all five components of *Standards for Internal Control in Federal Government* were considered.

We conducted this performance audit 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Weaver and Tidwell, L.L.P.
Carron Perry – Engagement Manager

Appendix A: Weaver and Tidwell, L.L.P.'s Report

Weaver and Tidwell L.L.P. report begins on the following page.



Performance Audit of the City of Dallas Homeless Response System Strategy and Coordination

Final Report

Weaver and Tidwell, L.L.P. | 2300 N Field Street Suite 1000 | Dallas TX 75201



February 14, 2025

Mr. Mark S. Swann
Office of the City Auditor
City of Dallas
1500 Marilla Street, Room 2FN
Dallas, TX 75201

Mr. Swann,

This report presents the results of the audit procedures performed for the *Performance Audit of Homeless Response System Strategy and Coordination*. Weaver and Tidwell, LLP was engaged to conduct this performance audit to analyze progress on the Office of Homeless Solutions (OHS) strategic initiatives, assess key partners and City coordination, and identify improvements to ensure an accurate and complete count of individuals experiencing homelessness using comparisons with other Texas cities.

This performance audit covered the following key objectives:

- Analysis of OHS's Four-Track Strategy and other strategic planning efforts
- Validation of strategic results and outcomes for effectiveness, including housing models, wrap-around services, and decreased recidivism for individuals provided housing assistance by the City and its partners through the Rapid Rehousing Initiative
- Assessment of key partners and City coordination to provide emergency shelter space
- Evaluation of Housing Forward's procedures to count individuals experiencing homelessness, considering federal requirements and best practices
- Comparison of Housing Forward's procedures to ensure accurate and complete counts of individuals experiencing homelessness to other urban Texas cities

To accomplish these objectives, we evaluated policies, processes, and procedures, analyzed strategic planning processes and documentation of results and outcomes, performed walkthroughs with internal and external stakeholders, and evaluated internal controls and compliance with local and federal requirements for funding. We also evaluated research and survey results from cities and their Continuum of Care to identify best practices for counting individuals experiencing homelessness and other efforts to ensure transparency and accuracy of the state of homelessness in the community.

The following report summarizes the audit results and recommendations for improvement and management's responses. Thank you for the opportunity to work with the City of Dallas on this important audit engagement.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas

February 14, 2025



CONTENTS

Cover Letter	2
Acronym Glossary.....	4
Executive Summary of Results	5
Background, Scope, and Objectives.....	6
Detailed Audit Results	8
Appendices	31
Appendix A: City of Dallas OHS Executed Contracts Per Strategy Track.....	32
Appendix B: Housing and Urban Development (HUD) PIT Count Requirements	35
Appendix C: Housing and Urban Development (HUD) PIT Count Suggested Guidance	42
Appendix D: Peer Continuum of Care (CoC) Survey Responses.....	44
Appendix E: Common Public Dashboard Performance Metrics Reported by Peer CoCs	50
Appendix F: Criteria.....	52
Appendix G: Risk Rating Definitions.....	53

Acronym Glossary

CoC	Continuum of Care
DART	Dallas Area Rapid Transit
HDX	Homeless Data Exchange
HIC	Housing Inventory Count
HMIS	Homeless Management Information System
HUD	U.S. Department of Housing and Urban Development
ICA	Institute for Community Alliances
OHS	City of Dallas Office of Homeless Solutions
PIT	Point-in-Time Count
PSH	Permanent Supportive Housing
RTR	R.E.A.L. Time Rehousing
TIWS	Temporary Inclement Weather Shelter

Executive Summary of Results

Scope and Objectives

The objective of this audit was to:

- Analyze OHS's Four-Track Strategy and other strategic planning efforts
- Validate strategic results and outcomes for effectiveness, including housing models, wrap-around services, and decreased recidivism
- Assess key partners and City coordination to provide emergency shelter space
- Evaluate Housing Forward's procedures to count individuals experiencing homelessness, considering federal requirements and best practices
- Compare Housing Forward's procedures to ensure accurate and complete counts of individuals experiencing homelessness to other urban Texas cities

Scope Period: October 1, 2022 through February 29, 2024

Background

In October 2017, the City of Dallas established the Office of Homeless Solutions (OHS) to provide collaborative solutions that make homelessness brief and nonrecurring. OHS was also designed to centralize homeless services and programs across the City and facilitate successful outcomes and partnerships.

With a \$14.8 million budget for FY 2024-25, OHS partners with several external organizations and community members, including the local Continuum of Care (CoC) led by Housing Forward, to meet its overarching strategic and departmental goals. These goals are encompassed in OHS's Four-Track Strategy last revised and adopted by the City Council in 2022. OHS is also responsible for the oversight and monitoring of its external partners central to the execution of its strategy.

Housing Forward is responsible for the execution of the CoC's annual Point-in-Time Count to count the number of individuals experiencing homelessness in Dallas and Collin counties.

What We Found

OHS's Four-Track Strategy and performance validation processes are limited in their ability to define success and measure progress toward its goals. Performance validation of external partners, required to inform progress on the strategy, is inconsistent and evidence of results are often incomplete or unavailable. Furthermore, performance reporting requirements in contracts to provide wrap-around services and increase homeless system capacity are limited to support effectiveness and evaluate coordinated services. Strategic coordination of OHS and area partners for post-inclement weather transportation could also be improved.

While Housing Forward aligns its practices with most Housing and Urban Development (HUD) *Point-In-Time (PIT) Count* requirements and guidance, we identified additional considerations for Housing Forward and the CoC to improve its PIT Count practices and enhance transparency of progress within the homeless response system. These considerations and accompanying recommendations are provided within the audit results for Housing Forward's review and are not the responsibility of OHS management.

What We Recommend

OHS management should:

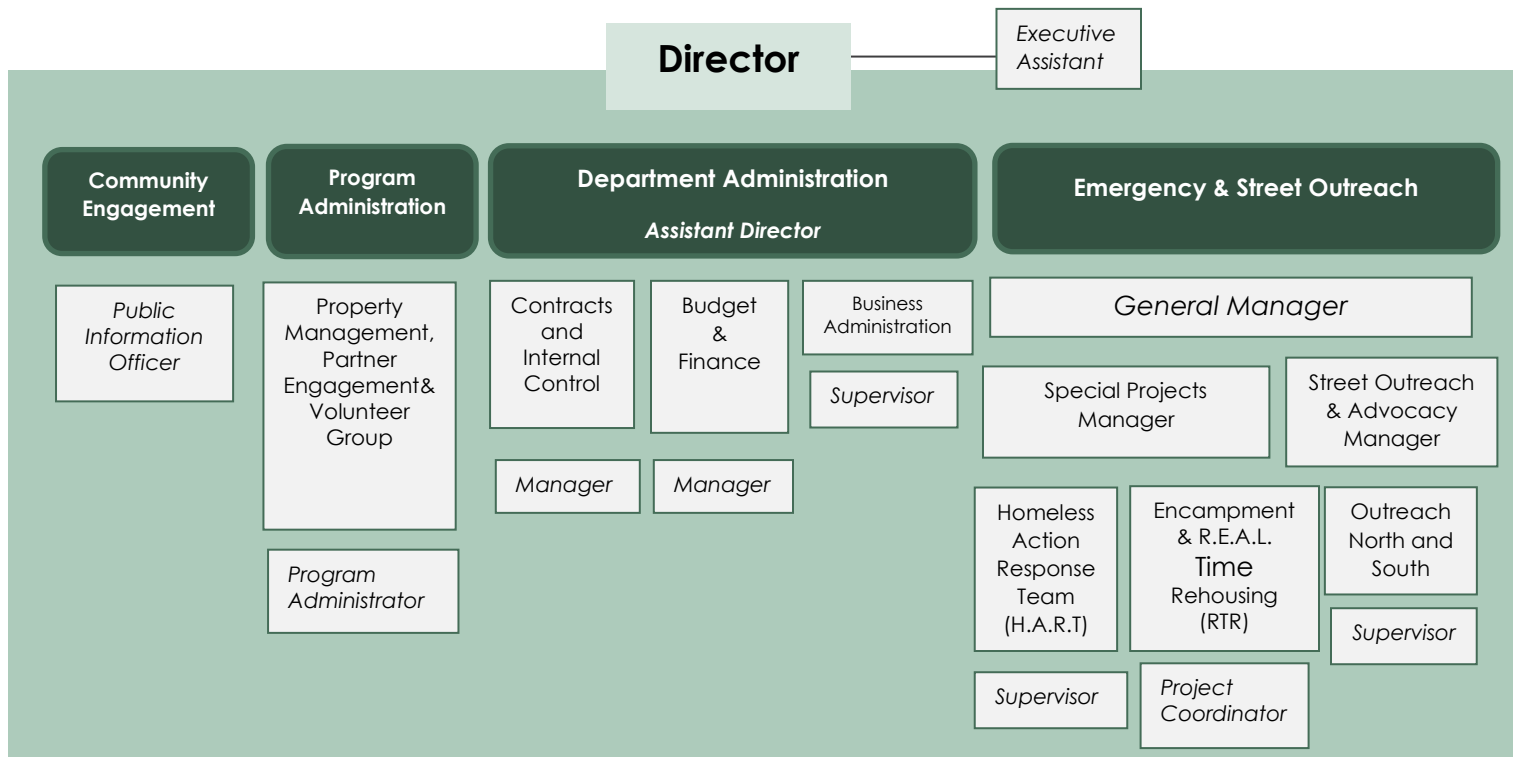
- Collaborate with the CoC and Housing Forward to align the Four-Track Strategy with the broader CoC strategy where feasible and establish quantitative outcomes to better inform progress
- Strengthen alignment of contractor objectives with the Four-Track Strategy, ensure OHS's procedures for performance validation are clear and adhered to, and require more source documentation from contractors to validate submitted performance results
- Work with Housing Forward to improve consistent availability of HMIS data for contractor performance validation and reinforce expectations for data availability in future contracts with Housing Forward
- Improve coordination with area partners for Inclement Weather Shelter transportation by ensuring awareness by all program partners of the decision-making processes for use of bus passes for post-inclement weather transportation

Background, Scope, and Objectives

Background

The City of Dallas Office of Homeless Solutions (OHS) was established by the Dallas City Council in October 2017 to positively impact the quality of life in the City of Dallas through innovative, collaborative, and comprehensive solutions to make homelessness brief and nonrecurring. OHS was also designed to centralize the once fragmented homeless services and programs across the City to become a more effective response system and facilitate successful outcomes and partnerships.

When created, OHS was charged with identifying new and innovative solutions to address the complex issue of homelessness. Consolidating formerly fragmented services such as Street Outreach, Homelessness-focused Grants (Finance Division), Contract Administration, Program Administration (Property Management, Volunteer Services, and Partnerships) into one functioning office has allowed OHS to become a multifaceted department. OHS is organized as follows:



As of FY 2024-25, OHS has an adopted budget of \$14.8 million, down from \$17.8 million the year before (see [Exhibit 1](#)). This is due in part to decreases in one-time encampment-related allocations from FY 2023-24, program-specific budget reductions from the Healthy Community Collaborative and Landlord Subsidized Leasing Programs, and reimbursements from the Sanitation Services Department for Environmental Clean Up.

Exhibit 1

Office of Homeless Solutions Annual Budget			
FY 2021-22	FY 2022-23	FY -24	FY 2024-25
\$11,987,770	\$16,851,704	\$17,850,149	\$14,814,707

Sources: City of Dallas Fiscal Year 2022 – 2025 Adopted / Proposed Budgets

OHS partners with several external organizations and community members to meet its overarching strategic and departmental goals to make homelessness rare, brief, and nonrecurring. The City of Dallas is also a key organization of the All Neighbors Coalition (the Continuum of Care Program or CoC) and has significant partnership with the CoC lead agency, Housing Forward.

Housing Forward, formerly Metro Dallas Homeless Alliance (MDHA), was founded in 2002 and leads a system-wide strategy to solve homelessness in the community. As a part of this strategy, Housing Forward is responsible for the execution of the annual Point-in-Time Count, mandated by the U.S Department of Housing and Urban Development, to count the number of sheltered and unsheltered individuals experiencing homelessness in Dallas and Collin counties on a single night in January.

Objectives

This performance audit covered the following key objectives:

- Analysis of OHS's Four-Track Strategy and other strategic planning efforts
- Validation of strategic results and outcomes for effectiveness, including housing models, wrap-around services, and decreased recidivism for individuals provided housing assistance by the City and its partners through the Rapid Rehousing Initiative
- Assessment of key partners and City coordination to provide emergency shelter space
- Evaluation of Housing Forward's procedures to count individuals experiencing homelessness, considering federal requirements and best practices
- Comparison of Housing Forward's procedures to ensure accurate and complete counts of individuals experiencing homelessness to other urban Texas cities

Scope and Methodology

The scope period for the audit was October 1, 2022, through February 29, 2024, but included evaluation of procedures and documentation outside of this period for historical context and understanding of the **current state**.

Our audit procedures included the following:

- Evaluation of OHS and CoC policies, processes, procedures, and relevant supporting documentation related to validation of strategic results and outcomes, coordination of key partners, and PIT Count methodologies and requirements
- Walkthroughs and interviews with relevant OHS personnel and key nonprofit partners of the CoC, including Housing Forward, The Bridge Steps, Austin Street Center, and OurCalling
- Evaluation of strategic objectives and planning processes, internal controls to ensure effective results and outcomes, and compliance with local and federal requirements
- Research and survey analysis of responses from national and comparable CoCs to benchmark procedures for ensuring accurate and complete counts of individuals experiencing homelessness along with applicable best practices

We conducted this performance audit 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.

Weaver Performance Audit Team

Brandon Tanous, CIA, CFE, CGAP, CRMA – Engagement Partner, Governance, Risk, and Compliance

Holly Hart, CPA, CIA – Senior Manager, Governance, Risk, and Compliance

Chelsea Wong, CIA – Senior Associate, Governance, Risk, and Compliance

Claudia Pineda – Associate, Governance, Risk, and Compliance

Detailed Audit Results

As a result of planned procedures, we identified a total of **13** recommendations, under two overarching observations, to address existing gaps in policies, procedures, or processes, and opportunities to improve governance, performance, effectiveness, or efficiency of processes. These recommendations are provided in **Part A: Observations and Recommendations for the Office of Homeless Solutions** of this report.

Additionally, we identified opportunities to improve Housing Forward's Point-in-Time count practices provided in **Part B: Opportunities for Housing Forward and the CoC to Improve the Annual Point-in-Time Count** of this report.

PART A:
Observations and Recommendations for the
Office of Homeless Solutions

Observation A

OHS Strategy and Performance Validation Processes for External Contractors are Limited in their Ability to Define Success and Measure Progress

City of Dallas Office of Homeless Solutions

OHS Four-Track Strategy

Track I: Increase Shelter Capacity

Expand capacity of existing providers through contracted shelter overflow programs

Track II: Inclement Weather Shelters

Provide respite from inclement weather for the unsheltered population

Track III: Subsidized Supportive Housing Provide various support to further the alleviation of poverty to tenants, as well as incentives and risk mitigation to participating landlords.

Track IV: Investments in Facilities Combating Homelessness

Funding for several low barrier housing types; ensuring that program participants are in compliance with the requirements of their housing applications; and day centers, for seamless wrap-around services.

OHS Our Initiatives Strategy Webpage

The Office of Homeless Solutions (OHS) has made significant strides in its strategic planning processes since it was established in 2017, implementing its Four-Track Strategy last revised and adopted in 2022 (see text box "*OHS Four-Track Strategy*").

However, analysis of the Four-Track Strategy in comparison to the *All Neighbors Coalition Continuum of Care Program (CoC) Annual Strategic Priorities*, led by Housing Forward, highlight various areas of focus and objectives that are not clearly coordinated, aligned, or defined as complementary in the City's strategy. In addition, the Four-Track Strategy does not include quantifiable outcomes that define success within each track. Absent of strategy coordination and quantifiable outcomes, the City is limited in its ability to define and validate success to holistically measure progress on its strategic initiatives as a whole.

Furthermore, progress on the OHS Four-Track Strategy is informed through the performance data and measures reported by contractors executing OHS programs to provide homeless services and support. However, OHS has not implemented a consistent process for monitoring and validating contractor performance. Specifically, we identified inconsistencies in verifying the accuracy, completeness, and validity of contractor reported performance data, further limiting the ability to accurately assess and inform progress on its strategy.

Strategy Coordination



Analysis of the OHS Four-Track Strategy and the CoC's Annual Strategic Priorities (CoC Strategy) highlight the following:

- The CoC Strategy is specifically tailored to distinct unhoused populations (e.g., veterans, youth, families), enabling stakeholders to address the unique needs of each group. In contrast, the OHS Four-Track Strategy takes a more generalized approach, without focusing each strategy track on specified unhoused groups.
- The OHS strategy is divided between short-term solutions (e.g., shelter stays) and long-term solutions (e.g., rapid rehousing, permanent supportive housing (PSH)), with two of its tracks concentrating primarily on shelter services. Meanwhile, the CoC Strategy places a greater emphasis on long-term housing solutions throughout its framework.
- Both strategies emphasize key areas such as homelessness diversion, PSH, rapid rehousing, and encampment decommissioning.

Documentation provided by Housing Forward and OHS does not support that the two strategies were initially assessed or continually reassessed for needed coordination to ensure focus areas are aligned and complementary of each other.

Inherently, the City of Dallas and OHS must incorporate additional responsibilities within their strategy, such as responding to 311 calls and monitoring encampments for public health and safety. However, improved coordination and alignment of strategies may assist OHS in determining balanced performance outcomes within its strategy tracks, allowing a more streamlined approach to advancing strategic progress.

 *The CoC and OHS have certain complementary initiatives, but lack establishment and coordination of these initiatives for optimum alignment and efficiency.*

For example, the CoC focuses efforts to reduce chronic unsheltered homelessness with systemwide diversion programs and expanded exits to housing, reducing shelter stays and increasing shelter space. OHS Strategy Track 1 to increase shelter capacity is complementary to this initiative, but only up to the point that an equilibrium is reached to match annual inflow¹. Over time, OHS and the CoC must coordinate their performance outcomes and measures to ensure the City appropriately adjusts its investments in shelter capacity overflow, balancing increases in capacity with eventual declines in demand as diversion programs are scaled and options for exits to housing grow.

All Neighbors Coalition - Housing Forward

The CoC Strategic Priorities

Effectively End Veteran Homelessness: Achieve Federal Declaration w/ United States Interagency Council on Homelessness (USICH)

Significantly Reduce Chronic Unsheltered Homelessness: Sustain expanded rapid rehousing, sustain housing navigation, implement systemwide diversion, scale encampment decommissioning and coordinated outreach, expand permanent supportive housing w/ integrated behavioral healthcare

Significantly Reduce Family Homelessness: Sustain Expanded Diversion, Expand Rapid Rehousing, Revamp Housing Navigation, Integrate Domestic Violence sector into Coordinated Access System

Significantly Reduce Unaccompanied Youth Homelessness: Build Youth Crisis Response and Rehousing System

COC 2024 Annual Planning & Priority Setting
March 2024



¹ Per the CoC 2024 Annual Planning and Priority Setting summary, system modeling indicates the need to eliminate long-term shelter through diversion and housing options, allowing the homeless response system to shrink to match annual inflow.

Strategy Outcomes and Contract Analysis

While several goals exist in each strategy track, the OHS Four-Track Strategy does not include *quantifiable* outcomes that specifically define success in each track. As such, we were unable to assess strategic results and outcomes in relationship to defined success within each track. Alternatively, progress on the strategy is informed through the performance results of contracts executed with external nonprofit contractors to carry out strategic goals within each track (except for Strategy Track 4, which currently has no executed contracts²).

Therefore, we evaluated 10 contracts in each applicable strategy track over the scope period to assess:

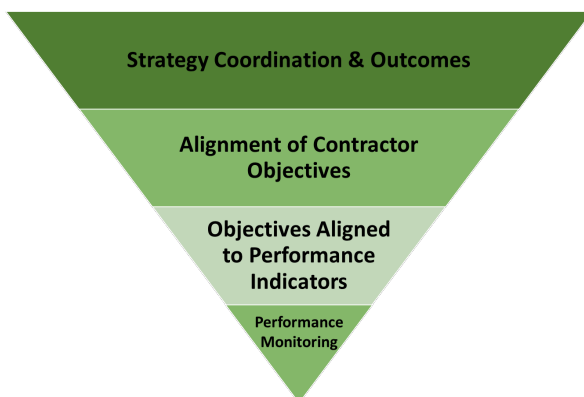
- Contract objective alignment with the Four-Track Strategy
- Alignment of contract objectives with required performance measures and indicators
- Performance monitoring and validation of contractor results and outcomes, including wrap-around services, housing models such as REAL Time Rehousing (RTR) and Permanent Supportive Housing (PSH), decreased recidivism after exit to housing, and coordinated emergency shelter services

Please refer to **Appendix A** for the population of evaluated contracts over the scope period.

Contract Alignment with OHS Strategy

Most required performance measures and indicators specified in contracts align with their respective strategy tracks, providing measurable insight into the *direction* of progress within the OHS strategy. However, we identified the following:

Strategy & Contract Analysis



- Contractor collaboration with OHS on the feasibility of required performance reporting generally occurs *after* the contract has been executed, leading to misalignment of contractor reporting capabilities and the contract's initial requirements.
- While performance measures are defined for exits to housing and recidivism, certain OHS contracts do not require performance metrics to evaluate the *effectiveness* of wrap-around services. Neither the Housing Forward REAL Time Rehousing (RTR) contract or The Bridge Steps Pay-to-Stay contract, requiring specific wrap-around services such as case management, coordinated services, and community integration, include targeted metrics to inform the City of identifiable performance directly related to these services.

U.S Department of Housing and Urban Development (HUD)

Performance Measurement

Outcome: Benefits or changes experienced by program beneficiaries; should be quantitative and qualitative

Indicator: Metrics used to measure achievement of outcomes; measurable and associated with goals

Outputs: Direct products of program activities

HUD's *System Performance Measurement Guide (2015)* provides examples of quantifiable outcomes, such as:

- Reduction in *average length* of time persons remain homeless
- Increase in *percent* of persons who retain housing

Source: HUD Exchange

² As Track 4 does not contain contracts in progress, we could not assess or validate performance for Track 4.

- Inherently, certain contracts only allow for performance reporting at the contract's conclusion (e.g., United Way Metro Capacity Building via stabilization of nonprofits) or upon specific events (e.g., Austin Street Center Inclement Weather Shelter), limiting OHS's ability to consistently capture progress and assess coordinating activities. Efforts to monitor performance for these non-traditional contracts include periodic communication with vendors; however, there are currently no defined processes within OHS standard operating procedures or the contract language to monitor the progress of these contracts outside of specific events or at the conclusion of the contract. For these types of contracts, consideration of *qualitative* methods to track progress on contract objectives may prevent non-performance, failures in ongoing coordinating activities, or needed remediation before final payment and contract closure.

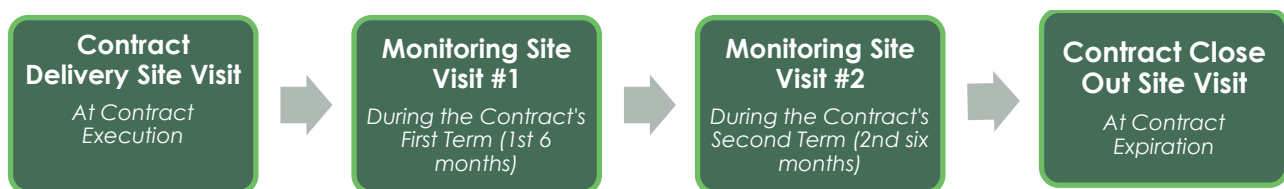
Performance Monitoring and Validation of OHS Contractors

OHS does not have a consistent process to effectively monitor and validate contractor performance. Given progress on the OHS Four-Track Strategy is informed through executed contracts administered by OHS, we evaluated OHS's performance monitoring and validation processes, procedures, and source documentation for 10 contracts relevant to strategy Tracks 1 through 3 to assess the validation of strategic results and outcomes for effectiveness.

Background

OHS monitors the performance of contractors monthly along with verifying expenses for reimbursement. OHS Contract Specialists are responsible for reviewing and verifying the reported performance results, while OHS Finance Specialists are responsible for reviewing and validating contractor expenses for reimbursement.

OHS outlines processes and procedures to evaluate contractor performance and compliance with contract terms in Chapter 5: *Project Administration* of its Standard Operating Procedures (SOP). This includes requirements to review and validate *Monthly Reimbursement Reports* that contain evidence of performance and conduct periodic site visits to confirm the program is following the terms of the contract and operating effectively and efficiently. OHS personnel responsible for contractor performance validation procedures must complete at least four site visits during the contract term, as illustrated below:



Source: The Office of Homeless Solutions' Operations and Performance Division Standard Operating Policies and Procedures: "OHS Project Site Visit Timeline"

We evaluated 36 samples of *Monthly Reimbursement Reports* and documentation from 30 monitoring site visits for ten contracts administered by OHS and identified inconsistencies in ensuring contractor performance data is accurate, complete, and valid according to performance objectives and indicators stipulated in contracts.

Furthermore, the execution of performance monitoring procedures, specifically the expectation to conduct site visits, does not consistently adhere to its procedures in Chapter 5: *Project Administration*. The specific results of the evaluation are provided in [Exhibit 2](#).

Exhibit 2: Monthly Reimbursement Report and Site Visit Evaluation

Issue Identified	Details	Contracts with Exceptions
Performance Data Unavailable	Two of 10 contractors (6/36 samples) did not report monthly performance results due to performance data only available at specific intervals (e.g., end of contract or upon certain events). To monitor the performance of these non-traditional contract, OHS engages in periodic communications with vendors but has not established a formal process for tracking progress on contract objectives. Per OHS management, a formal process is being developed.	United Way Metro. Dallas Capacity Building Program Austin Street Center Temporary Inclement Weather Shelter (TIWS) Program
Contractor Unresponsive	For the <i>Housing Forward Master Leasing Contract</i> and <i>RTR Street Outreach Contract</i> , documentation to substantiate requests for reimbursement and validate performance have not been received (as of the end of audit fieldwork), prompting OHS to withhold payment.	Housing Forward RTR Outreach Housing Forward Master Leasing
Unreconciled Performance Data	We were unable to reconcile the performance data to valid source data and documentation for 6 out of 10 contracts (18/36 samples), as documentation such as Homeless Information Management System (HMIS) reports or other valid support (if HMIS system validation is not feasible ³) was not provided.	Austin Street Center Temporary Inclement Weather Shelter (TIWS) Program CitySquare Landlord Subsidized Leasing Program First Presbyterian Church dba (The Stewpot) Homeless Diversion Program Bridge Steps Homeless Diversion Program Catholic Charities of Dallas Supportive Housing for Seniors Program Housing Forward Master Leasing Program
Unvalidated Internal Documents	Two of 10 contractors (7/36 samples) submitted internally generated documents (e.g., Tableau dashboards, internal tracking spreadsheets) to support performance results. OHS did not perform additional validation to verify the results were sufficiently supported and accurate.	Bridge Steps Pay to Stay Housing Forward RTR Outreach
Variation in Required Metrics & Available HMIS Data	Four of 10 contractors (16/36 samples) reported performance results that do not align with the corresponding HMIS Reports due to variations in the measures required by their contract and data available in the HMIS system. OHS is working with Housing Forward, subsidized by the City of Dallas to operate HMIS ⁴ , to improve the system's reporting capabilities that meet the City's needs for performance reporting.	Housing Forward RTR Outreach CitySquare Landlord Subsidized Leasing Program Bridge Steps Homeless Diversion Catholic Charities of Dallas Supportive Housing for Seniors Program

³ HMIS cannot validate performance data for all contracts, as the system tracks clients experiencing homelessness only. Certain contracts are not intended to serve homeless clients directly, as is the case with the United Way Capacity Building Program.

⁴ The City's contract with Housing Forward to manage and maintain HMIS licenses for area partners and service providers, perform in depth data analysis, manage data quality, and provide ad hoc reports was quoted \$430K for calendar year 2025.

Issue Identified	Details	Contracts with Exceptions
Missing Documentation	Four of 10 contractors (15/36 samples) were missing documentation required as part of the <i>Monthly Reimbursement Report</i> , such as the <i>Monthly Feedback Form</i> and supporting source documentation to validate performance and expenses. OHS rationale for not requiring documentation or accepting alternative documentation before expense verification is not documented.	1. Bridge Steps Pay to Stay 2. Bridge Steps Homeless Diversion 3. First Presbyterian Church dba (The Stewpot) Homeless Diversion Program 4. Catholic Charities of Dallas Supportive Housing for Seniors Program

Monitoring Site Visits



For 8 of 10 contractors (11/30 site visits samples), we could not verify monitoring site visits were conducted at the required frequency over the annual contract term per the OHS procedures in Chapter 5: *Project Administration*. Cited reasons include:

- Limited staffing resources to conduct site visits
- The *Monitoring Site Visit Form* is not applicable for the specific contract
- The contractor is not compliant with providing documentation despite OHS requests

OHS procedures do not require contract specialists to maintain documentation to support their assessment during the site visit and conclusions on effective contractor performance, compliance, or data reliability. In addition, the *Monitoring Site Visit Form* does not explicitly make clear the importance of inconsistencies found within the support in relationship to data reliability. Therefore, we could not verify monitoring site visits occurred in alignment with procedures in Chapter 5: *Project Administration* and were effective at achieving the intended purpose.

SOPs and Training



Chapter 5: *Project Administration* does not include clear guidelines on the required supporting source documentation for validating performance results and measures. This prevents OHS contract personnel from referencing OHS expectations for supporting documentation, specifically to validate performance results as currently defined for expense reimbursement.

In addition, performance management training during the scope period for OHS Contract Specialists was not clearly established. Per OHS management, this is attributed to the demand of daily administration of both departmental responsibilities and management of contractors to execute on OHS's strategy.

OHS has reported new initiatives to create an improved mentoring and training process to educate both contract and finance specialists on their roles and responsibilities.

Total Contract Spend



Housing Forward's contracts with OHS for the *Master Leasing Program* and *RTR Street Outreach* (16 FTEs) have utilized only 2% of contracted funds combined, indicating these programs may not be fully implemented as intended to support their respective strategy track (Track 3: Subsidized Supportive Housing). Cited reasons include Housing Forward's use of alternate funding for these services and delays in payments allowed by the contract due to lack of required performance information.

As almost no funds have been spent on these contracts, OHS cannot effectively report on the programs' contributions to the overall progress of the City's strategy for Track 3.

Please refer to **Appendix A** for the total contract amounts spent of each contract evaluated.

Risk Rating: **High**

We recommend the **Office of Homeless Solutions**:

A.1 Work with the Housing and Homelessness Solutions Committee of the City Council and Housing Forward to coordinate its strategy with the broader CoC strategy, where feasible, and periodically reassess alignment as appropriate. This alignment should consider complementary initiatives and performance outcomes to further ensure a cohesive framework for the City's role in the homeless response system, ensure changes in this dynamic environment are addressed, and achieve a balanced approach.

A.2 In addition to qualitative performance outcomes, establish *quantitative* outcomes for the Four-Track Strategy where feasible to better define success and ensure downstream efforts, such as contracting and establishment of performance measures, not only inform the *direction* of progress but provide clarity on the effectiveness of the City's efforts to make homelessness rare, brief, and nonrecurring.

A.3 Strengthen alignment of contractor objectives with its strategy by:

- Ensuring feasibility of required performance reporting in collaboration with contractors *before* contract execution to identify reporting capability concerns and mitigate the risk that OHS will not receive the necessary performance data to inform progress on strategic goals
- Establishing performance measures that evaluate effectiveness of wrap-around services provided by contractors such as Housing Forward and The Bridge Steps as well as capacity building efforts
- Considering qualitative milestones to track progress on contract objectives that are not fully realized until the end of the contract term

A.4 Update Chapter 5: *Project Administration* of its procedures to include specific guidelines and requirements that validate contractor performance in enough detail to provide contract specialists with examples of appropriate source documentation for validation of performance results and understanding of when additional verification is necessary.

A.5: Ensure consistency and adherence of performance monitoring and validation procedures specified in Chapter 5: *Project Administration* of its procedures. This includes requirements for valid source documentation and protocols for situations in which performance data is inherently difficult to obtain or contractor is unresponsive to requests for required performance information.

A.6: Require source documentation be provided to periodically validate internally generated performance reporting, such as information from dashboards or input into spreadsheets.

A.7 Define the requirement to document exceptions within the *Monthly Reimbursement Report* in instances when procedures to validate performance or expenses diverge from expectations set forth in the contract or OHS procedures. Ensure review and approval of the documented exceptions before payment is issued, and periodically review these instances to determine opportunities to improve contractor compliance.

A.8 Continue to work with Housing Forward to improve consistent availability and utilization of HMIS data for performance validation purposes, including availability of data and ad hoc reporting needed to validate performance measures and results stipulated in OHS contracts. Consider including and/or enforcing expectations for these efforts in future contracts with Housing Forward, such as the City's contract for HMIS services.

A.9 Ensure that OHS allocates sufficient resources to consistently perform the required number of site visits and retain sufficient evidence to support contract specialists' review and conclusions on performance, effectiveness, and data reliability. OHS should also ensure monitoring site visit forms align with unique contracts prior to the start date and facilitate an awareness of the importance of the site visits to confirm continued data reliability.

A.10 Prioritize training to ensure contract specialists understand their roles and responsibilities in a complex environment, including how to appropriately validate reported performance results on a monthly basis and during site visits.

A.11 Work with Housing Forward to determine an appropriate path forward to effectively utilize the City's allocated general funds for the *Master Leasing Program* and *RTR Street Outreach* contracts. This includes scaled planning efforts between the City and Housing Forward to ensure the funds are used and reinforcement of performance reporting requirements to issue payments allowed by the contracts.

Subsequent Events:

Per OHS management, additional efforts have been made as of the report date to address conditions presented in Observation A and provided below. While these efforts have not been verified by auditors, they may be considered when addressing implementation of recommendations provided.

- **Contractor Collaboration on Performance Reporting (pg 12):** Office of Procurement Services' policies restrict communication between City departments and bidding organizations during procurement. Going forward, these restrictions have been addressed with the Office of Procurement and OHS staff are now permitted to speak with vendors as long as the assigned buyer is in attendance.
- **Monitoring Non-Traditional Contracts (pg 13):** Efforts are underway to include an updated reporting process and template within OHS standard operating procedures designed specifically to measure activity or benchmarks for non-traditional type contracts or projects.
- **Performance Monitoring and Validation of OHS Contractors (pg 13):** OHS has now added contract monitoring personnel and provided training on the importance of completing the Monthly Feedback Form, ensuring they understand its value in helping partner organizations communicate any challenges or deviations from expected supporting documentation. Further, Going forward, OHS will enforce and update supporting documentation requirements for reimbursement as documented in Chapter 5: *Project Administration*, limiting any acceptable alternatives. OHS is also continuing to collaborate with Housing Forward staff to better understand HMIS capabilities for capturing specific performance measures and other quantitative and qualitative data to enhance performance monitoring. OHS has hired a Data Coordinator to support HMIS analysis, maximize its capabilities, and improve performance reporting.
- **Monitoring Site Visits (pg 15):** OHS is in the process of updating its site visit monitoring processes and procedures, site visit forms, and the defined site visit frequency. OHS is also updating Chapter 5: *Project Administration* to address unique contracts where the typical site-visit frequency is not applicable.

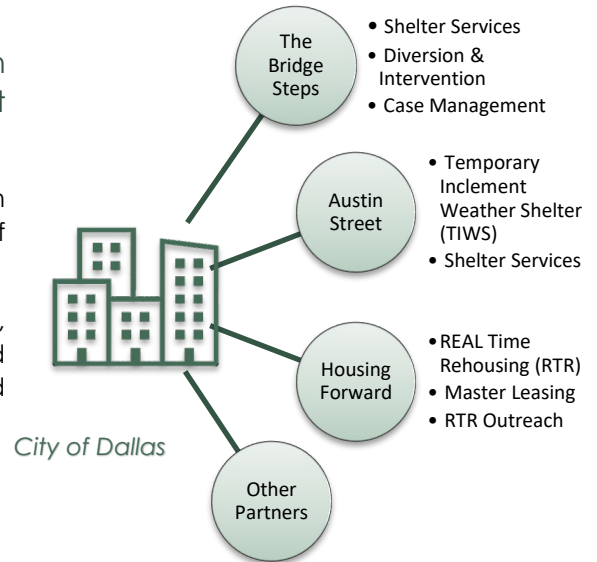
Observation B

Opportunities Exist to Improve Coordination between OHS and Key Partners Regarding Temporary Inclement Weather Shelter Transportation

Opportunities exist to improve coordination and communication between OHS and key partners in managing the transportation of unhoused individuals after inclement weather events.

In addition to documentation and information obtained from OHS, we met with the following key partners to confirm selected coordinating activities, review supporting documentation, and obtain feedback:

- Austin Street Center
- Housing Forward
- The Bridge Steps
- OurCalling



Post-Inclement Weather Shelter Transportation Practices

In an inclement weather event, the City's Temporary Inclement Weather Shelter Program (TIWS) is activated and operated by Austin Street Center and area partners such as OurCalling⁵. Transportation to and from TIWS locations is facilitated through a combination of the *Dallas Connector*⁶, City vehicles, and Dallas Area Rapid Transportation (DART) bus passes provided through OHS. After the inclement weather event has ended, these combined resources are used to return individuals to their desired destination via 'transportation zones' identified and periodically updated by OHS' Street Outreach team to align with *accessible support services* and areas of high traffic from individuals experiencing homelessness (please refer to Exhibit 3 below).

Exhibit 3: TIWS Transportation Zones

Zone No.	Zone Location	Facilities / Destinations
1	South of I-30 (Based at OurCalling)	Austin Street Center & City Square Area – encampments & covered bus stops Our Calling Warren United Methodist Church Fair Park Entrances / MLK Jr Blvd & Malcom X Blvd area Dallas LIFE surrounding neighborhood & Kay Bailey Convention Center area Malcolm X Blvd & Pennsylvania Ave Bus Stop Botham Jean Blvd & Al Lipscomb Way MLK J.B Jackson Transit Station - Pick up Only DART NW Fairgrounds (Perry Ave) - Pick up Only

⁵ OurCalling is a faith based zero-barrier daytime outreach center providing daytime shelter services and connecting individuals with on-site and partner services. OurCalling does not have an active contract with OHS, however, they support partners who do contract with OHS. For example, OurCalling will coordinate with Austin Street Center during TIWS activation with supporting services including logistics, security, meal service, etc.

⁶ The *Dallas Connector* is coordinated by Austin Street Center in collaboration with area partners, provides regularly scheduled transportation to persons experiencing homelessness free of charge.

Zone No.	Zone Location	Facilities / Destinations
2	Central Business District (Based at West End Transit Station)	J. Erik Jonsson Central Library The Bridge Steps area The Stewpot/ First Presbyterian Church Dallas 24 Hour Club and surrounding area (Including Gaston Ave, Ross Ave, Park at south end of Greenville Ave Greenville Ave & Ross Ave intersection / Garrett Park at South end of Greenville Ave John J. Carpenter Park – Located across from Pearl Street Transit Station at Pearl and Pacific
3	Medical District & Forest Ln Area (Based at Oak Lawn United Methodist Church)	Parkland Hospital / Southwest Medical Center area / Union Gospel Mission Salvation Army and Medical District areas, Northwest along Harry Hines City Place area, Highway 75 bridge underpasses Medical City Green Oaks Hospital Highway 75 and Forest Ln area Forest Ln DART Station - Pick up Only Parkland Hospital /SWMC DART Stations - Pick up Only Renner Frankford Dallas Public Library - Pick up Only

Source: Office of Homeless Solutions Inclement Weather Activation Webpage

In late 2023, DART officially launched initiatives⁷ in collaboration with area partners to help riders who are experiencing homelessness also connect with support services and minimize the use of DART as a de facto shelter for the unhoused population. However, an added benefit of using the *Dallas Connector* and City vehicles as modes for post-inclement weather transportation is their alignment with area partners' broader initiatives, as these modes both minimize DART as a shelter and more directly connect riders with accessible services located within the identified transportation zones.

However, while the use of DART bus passes for post-inclement weather transportation is appropriate in many instances and a documented plan exists to notify DART officers of the use of bus passes, we were unable to identify a defined strategic decision-making process within the TIWS program, or awareness of such by area partners, to determine a balanced approach for using DART bus passes versus other resources for post-inclement weather transportation. A misaligned approach of utilizing DART bus passes for post-inclement weather event transportation may inherently overwhelm current initiatives and *potentially decrease efficiency and timeliness of individuals being connected with needed services.*

Risk Rating: **Low**

We recommend the **Office of Homeless Solutions**:

B.1 Work with Austin Street Center, OurCalling, and other area partners involved in the TIWS Program to formally define in its transportation plan when and how the use of DART bus passes is appropriate for post-inclement weather transportation and ensure all partners are aware of its application. This includes considerations for connecting individuals experiencing homelessness with accessible services.

⁷ The *DART Cares Program* is a specialized team of area partners to assist unsheltered riders timely connect appropriate services based on the identified need. Community collaborators include DART; Parkland Health; Dallas Fire Rescue; Metrocare; The Bridge; OurCalling; Downtown Dallas Inc.; Parkland Homes; Integrated Psychotherapeutic Services; SSI/SSDI, Outreach, Access, and Recovery (S.O.A.R.) and the Meadows Mental Health Policy Institute.

Additional Recommendations for OHS

In addition to the recommendations provided as a result of Observation A and Observation B, we offer the following recommendation regarding the opportunities for improvement provided in Part B of this report regarding the annual Point-In-Time count performed by Housing Forward.

R.1 We recommend OHS management encourage Housing Forward to consider and implement the opportunities for improvement provided in **Part B: Opportunities for Housing Forward and the CoC to Improve the Annual Point-in-Time Count**.

PART B:
**Opportunities for Housing Forward and the CoC to Improve the
Annual Point-in-Time Count**

Opportunity 01: Current PIT Count Practices Could Be Improved to Fully Aligned with HUD Requirements, Guidance, and Best Practices

The *Point-in-Time (PIT) Count* practices of Housing Forward do not fully align with U.S. Department of Housing and Urban Development (HUD) required and best practice guidance for the PIT count. We evaluated Housing Forward's PIT count practices for accuracy, completeness, and transparency by comparing them to the requirements and recommended guidelines established by HUD. Requirements and guidelines evaluated include:

- HUD's PIT Count Methodology Guide
- 2024 HUD HIC/PIT Count Data Collection Notice, creating additional requirements for PIT counts
- HUD's PIT Count Planning Worksheet, supplemental guidance to assist communities in planning for and conducting their PIT count, providing a list of all major steps in planning the count
- HUD's Model Night of the Count PIT Survey forms, provided as a tool to assist CoC's in developing their PIT count surveys

Please refer to **Appendix B and C** for additional information regarding analysis of the required and suggested HUD guidance evaluated.

PIT Count Survey Required Questions

Questions pertaining to veteran status of both unsheltered and sheltered counts in Housing Forward's 2024 PIT count survey tool within the *Counting Us* application were not required for volunteers to ask before submitting the survey. The survey format inquired about *veteran status* under a header stating respondents "are not required to answer any question they're uncomfortable with, but responses will help enhance community services." *Veteran status* was the ninth optional question for volunteers to ask under this header, after querying the respondent of their potential substance abuse, chronic health conditions and disabilities, and whether they are homeless due to specified violence, stalking, or assault.

While HUD model survey tools indicate homeless respondent participation is voluntary, and it is understandable that some respondents would decline to answer certain survey questions, HUD does require CoCs to *collect and report* data on veteran survey respondents. This includes the total number of veteran households, the total number of veterans, the total number of persons in veteran households, and the gender, race, and ethnicity of veterans⁸.

Point-in-Time (PIT) Count

The *Point-in-Time (PIT) Count* is a count of sheltered and unsheltered people experiencing homelessness on a single night in January. HUD requires that CoCs conduct an annual count of people experiencing homelessness who are sheltered in emergency shelter, transitional housing, and Safe Havens on a single night. CoCs also must conduct a count of unsheltered people experiencing homelessness at least every other year (odd numbered years). Each count is planned, coordinated, and carried out locally. Data for the PIT count are submitted to HUD via the online data submission Homelessness Data Exchange (HDX).

Volunteers participating in Housing Forward's annual PIT count collect data for the unsheltered and sheltered population via a survey tool within the SimTech Solutions' 'Counting Us' mobile application. Housing Forward manages count preparation and execution via the SimTech Regional Command Center, a dashboard that also consolidates data collected by the application.

Source: HUD Exchange, Housing Forward

⁸ Per HUD's November 2023 *Notice for Housing Inventory Count (HIC) and Point-in-Time (PIT) Count Data Collection Notice*, CoCs **must** collect and report data on veterans, including the total number of veteran households, the total number of veterans, the total number of persons in veteran households, and the gender, race, and ethnicity of veterans.

Per Housing Forward, volunteers are not required to ask questions regarding veteran status prior to survey submission. Housing Forward reported 83% of respondents to the unsheltered survey had a yes or no record of the question pertaining to *veteran status* and provided a summary table in an exported spreadsheet without data to support this metric, such as raw data from the survey tool with this specific data field. Therefore, we could not validate or verify this metric with sufficient supporting source documentation.

While the PIT count is inherently limited in its ability to determine complete and accurate numbers of unhoused individuals⁹, requiring volunteers to ask questions regarding veteran status from respondents who agree to participate can help improve count accuracy of veterans experiencing homelessness. This requirement can also record when a participating respondent *prefers not to answer* questions regarding their veteran status, increasing transparency of PIT count results reported to the community. Furthermore, reporting the unhoused veteran population in Dallas and Collin Counties as accurately as possible will help ensure sufficient funding availability for resources and services for unhoused veterans in the future. Housing Forward has indicated they will work with the survey vendor to require all questions where respondents can prefer not to answer or respond that they do not know the answer.



Survey responses from three of four comparable peer CoCs reported that veteran status is a required question in their respective PIT count surveys to help ensure data for this HUD-required demographic is asked for and collected by volunteers. See **Appendix E** for detailed survey results.

Housing Forward PIT Count Planning

Housing Forward's current *PIT Count Plan* and accompanying documents do not fully align with HUD's *PIT Count Methodology Guide* and supplemental requirements and guidelines (see **Exhibit 4**). These requirements and guidelines include standards and best practices designed by HUD to improve the quality of homelessness data. Specifically, HUD requires all CoCs have a *PIT Count Plan* with the planning attributes detailed in **Appendix B**, such as roles and responsibilities, intent and scope of the count, methodologies, data quality plans, survey development, training, and reporting requirements.

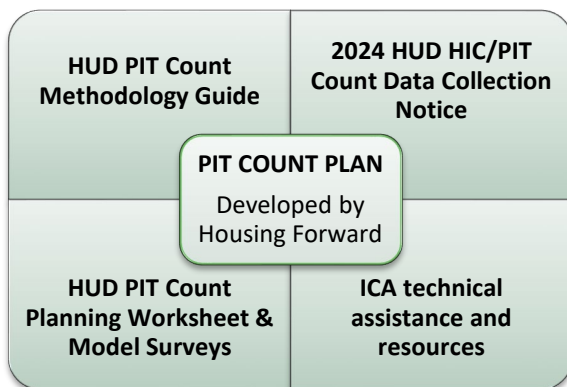


Exhibit 4: PIT Count Plan Development

Housing Forward develops their *PIT Count Plan* for the CoC with the assistance of the *Institute of Community Alliances*¹⁰ (ICA), an external vendor providing technical assistance and support for the PIT count and subsequent reporting of results. Currently, Housing Forward's *PIT Count Plan* is established through various documents and systems, including internal planning spreadsheets that function as a task tracker and timeline of PIT count activities. We analyzed these spreadsheets and supplementary documentation, as available, to determine if Housing Forward reasonably satisfied the required PIT count planning activities and attributes outlined by HUD.

⁹ The Government Accountability Office (GAO) January 2020 Report "*Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population*" determined that PIT count data was likely underestimated because identifying people experiencing homelessness is inherently difficult, recommending HUD strengthen its guidance and oversight to improve the quality of homelessness data. Cited reasons include the hidden nature of the unsheltered population and natural exclusion of those unhoused at different points in the year, large year over year fluctuations raising questions about accuracy, and potential misalignment of HUD guidance and the goal of collecting accurate PIT count data.

¹⁰ The Institute of Community Alliances is a nonprofit organization providing technical assistance and training support for more than 4,000 HMIS database users in 14 states across the country. Per the ICA website, they support data-driven solutions and information systems that help communities address housing instability, homelessness, food insecurity and related issues.

While most planning attributes were verified through supporting documentation (tracking spreadsheets, emails, presentations, screenshots of system generated reports, etc.), the following planning attributes were only partially satisfied:

- Development of a PIT Count Plan: Housing Forward documents their *PIT Count Plan* in various documents and information systems, such as SimTech's *Regional Command Center*. There is no centralized planning document or tool that includes all required attributes of the PIT count planning process. This fragmentation of clearly defined planning activities increases the risk that key components of the plan will be omitted or not fully understood by all CoC stakeholders, making it more difficult to ensure accuracy and transparency of the PIT count process, and potentially creating heavy reliance on Housing Forward leadership for consistency in the future.
- Identification of Intent and Scope: Housing Forward's PIT count planning documentation describes the intent and scope of the count and days following the count as an effort to "obtain the annual census of individuals and families experiencing homelessness in sheltered and unsheltered situations on a single night in January" but does not define how this aligns with the determination of resource needs or other PIT count objectives. Per this HUD requirement, CoCs must decide the intent and scope of the count to "know what resources will be needed on the night of the count and determine how best to allocate available resources."

Point-in-Time (PIT) Count Timing

Section 578.3 of the CoC Program interim rule defines *Point-in-Time Count* as a "count of sheltered and unsheltered homeless persons carried out on one **night** in the **last 10 calendar days of January**... The term 'night' signifies a single **period of time from sunset to sunrise**, which spans two actual dates."

The 2024 HUD HIC/PIT Data Collection Notice also states CoCs will "be asked to report ... whether and how the CoCs statistically adjusted their count to account for **uncanvassed areas**."

Source: 2024 HUD HIC/PIT Count Data Collection

- Data and Time of the Count: For the 2024 PIT Count evaluated, Housing Forward's PIT Count planning documentation includes the date of the PIT Count as January 25th, 2024. We could not verify a start time specified in the planning documentation, nor could we verify documentation to support when the count was completed. It is feasible that a count with sufficient coverage could be completed before the required timeframe (see text box "PIT Count Timing") if either: (a) quality control procedures indicated all known areas of homelessness were sufficiently canvassed, or (b) the CoC had an approach for statistically adjusting their count for any uncanvassed areas. However, we could not verify through the documentation provided, including the approved 2024 methodology, that these procedures were defined and/or occurred.

In addition to PIT count planning requirements and guidelines, we analyzed all key requirements and guidance for the PIT count outlined by HUD in the areas of executing the sheltered and unsheltered count, data management, and PIT count reporting. All required attributes except those identified in the above observations were satisfied.

Opportunities for Improvement:

- 1.1** Ensure the most accurate and complete counting of veterans experiencing homelessness during the CoC's annual PIT count survey by requiring volunteers to ask question(s) of participating respondents to determine veteran status. As they continue to work with their survey vendor, Housing Forward should consider recording when a participating respondent declines to answer questions regarding their veteran status to increase transparency of final PIT count reporting results.
- 1.2** Ensure all PIT count planning activities and attributes required by HUD are defined and documented in a centralized *PIT Count Plan* available for review and reference by CoC members and stakeholders.

1.3 Ensure the *PIT Count Plan* includes defined resource needs aligned with the intent and scope of the PIT count, including any additional objectives of the CoC's PIT count such as outreach, engagement, screening, triage, and public engagement.

1.4 Ensure the timing for the night of the count is identified in the *PIT Count Plan* and the completion timeframe of an executed count is documented. Housing Forward should also consider defining quality control procedures in the *PIT Count Plan* to ensure known areas of homelessness are sufficiently canvassed and/or establishing an approach to statistically adjust the count to account for any uncanvassed areas.

Opportunity 02: Opportunities Exist to Improve the PIT Count, CoC Reporting Transparency, and Other CoC Best Practices

Our analysis of Housing Forward's practices compared to various sources highlighted opportunities to further improve the CoC's execution and reporting of PIT count results and other performance information, providing an overall increased understanding of the state of homelessness in and around the community.

We evaluated and compared the PIT count practices and performance reporting of Housing Forward and other national and peer CoCs to identify best practices in these areas. Specifically, we performed the following analysis (also see **Exhibit 5**):

- CoC Comparative Analysis of Publicly Available Information
- Peer CoC Comparative Analysis
- Peer CoC Dashboard Summary (for reference)

CoC Comparative Analysis of Public Information	Best Practices broadly identified via publicly available information such as other CoC public-facing websites and posted reporting
Peer CoC Comparative Analysis	Best practices regarding specific PIT Count activities, dashboards, and reporting identified from a survey of peer CoCs in comparable cities, including Atlanta, Austin, Houston, and Tarrant County
Peer CoC Dashboard Summary	A summary listing of measures reported by surveyed peer CoCs via performance dashboards for easy reference, available in Appendix E .

Exhibit 5: Sources of Comparative Analysis

Highlighted below are specific best practices that Housing Forward and the CoC should consider to improve the execution and reporting of the annual PIT count, while also increasing transparency in assessing the CoC's performance, its partners' efforts in addressing homelessness, and the overall status of the homeless response system.

CoC Comparative Analysis of Publicly Available Information

We first analyzed publicly available information from various national CoCs compared to Housing Forward to identify significant practices related to the reporting of the annual PIT count, methodologies, and other relevant information. While several practices aligned with those of Housing Forward, we identified the following opportunities for consideration:

- ✓ PIT Count Report Transparency

The *PIT Count Reports* of other CoCs, which are used to communicate count results, contained additional details not specifically found in Housing Forward's *PIT Count Report*. A summary of *PIT Count Report* practices and details is provided on the following page.

Exhibit 6: PIT Count Report Transparency

Common CoC PIT Count Report Practices Include:	Source	Details
<i>Specific accomplishments related to the CoC strategic plan</i>	CoCs in Tarrant County, San Antonio-Bexar County, and San Francisco	While Housing Forward reports summary outcomes in their annual <i>PIT Count Report</i> , they do not report specific accomplishments <i>related to the CoC's strategic plan</i> , reducing the community's understanding of progress towards solving homelessness ¹¹ .

¹¹ It is noted that Housing Forward provides specific accomplishments in their annual *State of Homelessness Address*. However, the *PIT Count Report* presents additional opportunity to provide more formal detail for those that do not watch the address, as this context isn't clear in presentation slides.

Common CoC PIT Count Report Practices Include:	Source	Details
<i>A regional or geographic representation of PIT Count Data</i>	CoCs in Tarrant County, San Francisco, and Seattle King County	Housing Forward does not report PIT count results by geographic region within Dallas and Collin County areas, reducing the community's understanding of areas of individuals experiencing homelessness.
<i>Specific challenges and resource needs for the annual PIT Count</i>	CoCs in Tarrant County and San Antonio-Bexar County	Housing Forward does not formally report challenges with conducting a complete and accurate PIT count or the need for additional resources, which may assist in improved planning efforts for the next count.
<i>Inherent Limitations of the PIT Count</i>	CoCs in Tarrant County, San Antonio-Bexar County, Houston, Atlanta, and Seattle King County	Many COCs report how to use the report and the inherent limitations of the PIT count, emphasizing PIT count data does not accurately depict the full homelessness story and describing efforts to increase the count accuracy. Housing Forward does not formally report any inherent limitations of the CoC's <i>PIT Count Methodology</i> , reducing the community's understanding of how to interpret the PIT count results.
<i>A glossary of definitions terminology and definitions specific to PIT Count processes and HUD requirements</i>	CoCs in Tarrant County, San Antonio-Bexar, and Seattle King County	Although Housing Forward's <i>PIT Count Report</i> includes a glossary of acronyms, it does not define key terminology commonly used in discussions about the PIT count, reducing the community's understanding of the PIT count framework and its purpose.

✓ **Monthly Counts of Unsheltered Individuals Located Downtown**

The Downtown San Diego Partnership, a nonprofit organization that advocates for the economic prosperity and cultural vitality of Downtown San Diego, performs and reports on a **monthly unsheltered count** broken down by the different **areas of their downtown**. The Dallas and Collin County areas do not have a similar method to continuously or periodically count unsheltered individuals, specifically in a high traffic area such as Downtown Dallas.

✓ **PIT Count Methodology Sampling Methods**

Per the 2024 HUD HIC/PIT Count Data Collection Notice, CoCs "should use **sampling and extrapolation methods** to account for areas that were not included in the unsheltered count, if there is any possibility an unsheltered person could be found there".

As an example, the King County Regional Homeless Authority (KCRHA) changed their *PIT Count Methodology* in 2022 after receiving approval from HUD to perform *Respondent Driven Sampling* (RDS). In 2024, the count was performed over several days, from January 22 through February 2, 2024, to survey individuals experiencing homelessness through a peer-to-peer recruitment effort that "uses existing social networks to generate a representative sample for surveys and data collection in which results are statistically extrapolated across the unsheltered population". While the latest research in this area is complex and ongoing, it may be advantageous to consider a statistical approach to supplement PIC count data in the future. This includes adhering to HUD requirements for uncanvassed areas.

Peer CoC Comparative Analysis



Our CoC Comparative Peer Analysis compared the PIT count and performance reporting practices of responsive peer CoCs, including the CoCs in Tarrant County, Houston-Harris County, Austin, and Atlanta areas, to those of Housing Forward and the All Neighbors Coalition. Summary themes and recommendations are provided in Exhibit 7 below, and the complete summary of CoC responses by survey question can be found in **Appendix D**.

Exhibit 7: Summary Themes from Peer CoC Comparative Analysis

Category	Summary Theme	Details	Recommendation
PIT Count Area Selection	Peer CoCs utilize numerous data sources to identify geographical areas where concentrations of individuals experiencing homelessness reside	Peer CoCs, including Housing Forward, identified input from outreach teams, 311, and historical data to inform areas of the unsheltered count. One peer CoC reported utilizing department data from their Neighborhood Police Officers, indicating law enforcement data may be helpful in identifying areas of homelessness concentration for the unsheltered count.	In addition to data already used to identify PIT count areas, Housing Forward should consider supplementing law enforcement data to further improve identification of concentrations of individuals experiencing homelessness.
PIT Count Volunteer Assessment	For peer CoCs, experienced volunteers and team leads are assigned to more complex or populated areas for survey	All peer CoCs assign experienced team members to survey areas of high concentration of individuals experiencing homelessness. Housing Forward also assigns at least one staff person from the homeless response system to the PIT teams. In addition, Housing Forward and one other peer CoC inquire disclosure of prior experience when signing up to volunteer.	Housing Forward currently aligns with peer best practices identified for assessing PIT count volunteers. No additional recommendations for consideration.
PIT Count Volunteer Training	Peer CoCs provide multiple training resources when preparing for the PIT Count	All peer CoCs indicated similar training resources when preparing for the PIT count, including survey protocols, safety, use of technology, and engagement strategies. One CoC also identified the practice of including a Neighborhood Police Officer for each volunteer group who is also trained prior to the count.	Housing Forward currently aligns with peer best practices identified for training PIT count volunteers, but should also consider the use of trained Neighborhood Police Officers from the Dallas Police Department to pair with each volunteer group.
Ongoing Reporting of Performance Metrics	Peer CoCs provide a host of details and measures via dashboards or other reports to communicate comprehensive status of the community's homeless response system	Peer CoCs report monthly or quarterly PIT counts and other data from HMIS and areas partners that Housing Forward does not report, specifically inflows of homelessness by type (including family and veterans), length of stay in the system, interactive system capacity and flow, and common definitions and terminology. ¹²	Housing Forward should consider incorporating additional measures with data available in HMIS to better communicate the status of the homeless response system in its dashboards or other frequent reporting. We provide a summary listing of peer CoC dashboard measures for reference in Appendix E .

¹² Like many CoCs, the All Neighbors Coalition/Housing Forward also provides *annual* data for inclusion in the System Performance Measurement Dashboard managed by Simtech Solutions. This dashboard acts as an “executive summary of regional activities by following the same performance measures that HUD requests in their annual reporting”. Our analysis of ongoing reporting of performance metrics does not include these dashboards as they only include annual data year over year and currently only go back to 2022.

Category	Summary Theme	Details	Recommendation
Annual Reporting of Performance Metrics	Peer CoCs provide information and performance data above HUD required information in their annual or biannual <i>PIT Count Report</i>	Peer CoCs report supplementary detail in their annual PIT count reports, including strategic outcomes, project results , average lengths of homelessness, resource gap assessments, outcomes by intervention type, and tracking of shifts in locations of homelessness. Housing Forward's annual report does not significantly report beyond the HUD required data and information (also refer to the <i>CoC Comparative Analysis of Publicly Available Information</i> regarding <i>PIT Count Report Transparency</i>).	Housing Forward should consider incorporating additional details and data in its annual <i>PIT Count Report</i> to ensure the community receives a more comprehensive understanding of the state of homelessness beyond the PIT count results.
PIT Count Survey Requirements	HUD-required information, such as demographic information and veteran status , are collected via required questions asked during the survey for most CoCs (respondents can elect not to provide the information)	Three of four peer CoCs require volunteers to ask at least one question regarding veteran status , and all CoCs include HUD-required data fields.	Refer to Observation C .
PIT Count Timeline	Peer CoCs have or are considering extending the timeline to collect PIT Count data to improve accuracy of the count	Two of four peer CoCs extend their timeframes for physically collecting PIT count data via survey, as approved by HUD: - One CoC collects data over three consecutive days and encourages volunteers to revisit their assigned area at least twice - One CoC performs day site visits at service providers for an additional week In addition, one CoC who conducts the PIT Count on a single night reported an upcoming change to their PIT Count timeframe to improve count accuracy.	Housing Forward should consider changes to their timeline of the annual PIT count, as approved by HUD. This may include multiple consecutive days of the count or additional site visits over a period of time to improve accuracy of the count.

Opportunities for Improvement:

2.1 Provides additional details that increase transparency of the annual *PIT Count Report*, even if they aren't specifically required by HUD. This includes:

- Communicating results in alignment with the CoC's strategic plan in the formal report to increase the community's understanding of progress towards its initiatives
- Including regional or geographic representations of PIT count data to increase the community's awareness of locations or shifts in concentrated areas of individuals experiencing homelessness
- Communicating PIT count challenges, lessons learned, or resource needs to improve community awareness and planning efforts for the next PIT Count

- Communicating the inherent limitations of the PIT count process and efforts to improve count accuracy to ensure the community understands how to interpret PIT count results
- Providing a glossary of definitions and terminology frequently used when communicating results of the PIT Count to improve the community's conceptual understanding of the purpose and results of the count

2.2 Works with community partners to consider a periodic count specifically targeting the various sections of the Downtown Dallas area, known to be a high traffic area for individuals experiencing homelessness. This may assist the community with understanding shifts in the unsheltered counts and location for the downtown area.

2.3 Considers incorporating statistical sampling and extrapolation methods, at a minimum, for areas that were not included in the unsheltered count if there is any possibility of an unsheltered person in an uncanvassed area.

2.4 Considers peer CoC best practices regarding:

- Identification of concentrations of individuals experiencing homelessness for purposes of the PIT count, including the addition of law enforcement data, as available
- The use of trained community neighborhood police officers to pair with volunteer groups to enhance skill, safety, and confidence of the group
- Incorporating additional data available in HMIS on the CoCs dashboard metrics or other frequent reporting to better communicate the status of the homeless response system on an ongoing basis (also refer to **Appendix E** for summary of common peer CoC dashboard measures)
- Incorporating additional data and metrics in its annual *PIT Count Report* to improve the community's understanding of the state of homelessness beyond the results of the PIT count. This may include information regarding strategic outcomes, project results, average lengths of homelessness, resource gap assessments, and tracking of shifts in locations of homelessness (also refer to recommendation **2.1**).
- Extending the timeline to collect PIT count data, as approved by HUD, to improve accuracy of the count

Appendices

- Appendix A: City of Dallas OHS Executed Contracts Per Strategy Track
- Appendix B: Housing and Urban Development (HUD) PIT Count Requirements
- Appendix C: Housing and Urban Development (HUD) PIT Count Suggested Guidance
- Appendix D: Peer Continuum of Care (CoC) Survey Responses
- Appendix E: Common Public Dashboard Performance Metrics Reported by Peer CoCs
- Appendix F: Criteria
- Appendix G: Risk Ratings Definitions

Appendix A: City of Dallas OHS Executed Contracts Per Strategy Track

The following table depicts the OHS Four-Track Strategy tracks and associated contracts, including those evaluated by auditors in each track. The total amounts spent per contract is as of November 7th, 2024. Information was derived from documents received and walkthroughs with OHS management.

Exhibit 8: City of Dallas Office of Homeless Solutions - Executed Contracts Per Strategy Track

Strategy Track		External Partner	Program	Funding Source	Amount	Contract Term	Contracted Amount Spent to Date	Percent of Total Amount Spent
Track 1	Track 1: Increase Shelter Capacity	Bridge Steps	Pay to Stay	General Fund	\$219,000 annually	Oct 22 - Sept 23	\$219,000	100%
						Oct 23 - Sept 24	\$219,000	100%
		United Way Metro. Dallas	Capacity Building Program	General Fund	\$1,000,000	June 23 - June 25	\$312,067	31%
Track 2	Track 2: Temporary Inclement Weather Shelters	Fair Park First	Temporary Inclement Weather Shelter (TIWS) Program	General Fund	\$234,040	Not evaluated for audit		
		Austin Street Center	Temporary Inclement Weather Shelter (TIWS) Program	General Fund	\$750,714	Jan 24 - Dec 24	\$643,838	86%

Strategy Track		External Partner	Program	Funding Source	Amount	Contract Term	Contracted Amount Spent to Date	Percent of Total Amount Spent
Track 3	Track 3: Subsidized Supportive Housing	CitySquare	Landlord Subsidized Leasing Program	General Fund	\$650,000 annually	Oct 22 – Sept 23	\$532,473	82%
						Oct 23 – Sept 24	\$608,169	94%
		Bridge Steps	Homeless Diversion	General Fund	FY22-23 - \$120,000	July 22 – June 23	\$120,000	100%
					FY23-24 - \$118,500	July 23 – June 24	\$118,500	100%
		First Presbyterian Church dba (The Stewpot)	Homeless Diversion	General Fund	FY22-23 - \$82,500	Oct 22 – Sept 23	\$82,500	100%
					FY23-24 - \$124,232	Oct 23 – Sept 24	\$106,908	86%
		DFW Economic Solutions	Homeless Diversion	General Fund	FY22-23 - \$93,750	Not evaluated for audit		
					FY23-24 - \$75,000			
		Catholic Charities of Dallas	Supportive Housing for Seniors	General Fund	\$250,000 annually	Oct 22 – Sept 23	\$227,835	91%
						Oct 23 – Sept 24	\$233,589	93%
		Dallas Housing Authority (DHA)	Real-Time Rehousing Initiative	1. ESG Cares Act 2. State and Local Fiscal Recovery Fund 3. HOME Investment Partnerships American Rescue Plan Program	\$31,421,839	Not evaluated for audit		

Strategy Track		External Partner	Program	Funding Source	Amount	Contract Term	Contracted Amount Spent to Date	Percent of Total Amount Spent
Track 3	Track 3: Subsidized Supportive Housing	Housing Forward	Real-Time Rehousing Initiative	1. ESG Cares Act 2. State and Local Fiscal Recovery Fund 3. HOME Investment Partnerships American Rescue Plan Program	\$17,491,778	Oct 21 – Sep 25	\$16,019,527	92%
		Housing Forward	Master Leasing Program	General Fund	\$3,000,000	June 23 - June 25	\$52,326	2%
		Housing Forward	RTR Outreach Contract Service -16 FTEs	General Fund	\$2,354,314	Feb 24 – Sept 25	\$1,707	0%
Track 4	Track 4: Investments in Facilities Combatting Homelessness	No Contracts Executed in this Track						

Appendix B: Housing and Urban Development (HUD) PIT Count Requirements

The table below illustrates our evaluation of the PIT count practices currently performed by Housing Forward, the lead CoC agency for Dallas and Collin County, compared to the PIT count requirements specified by the Department of Housing and Urban Development (HUD).

Exhibit 9: Evaluation of Housing Forward Practices vs HUD PIT Count Requirements

No.	HUD Requirements			Compliant?	
	PIT Count Phase	Specified Requirement	Source	Yes/No/Partial	
1	General PIT Count Parameters	Standard No. 1: CoCs are responsible for planning and conducting, at least biennially, a PIT count of homeless persons within the geographic area that meets HUD's requirements.	PIT Count Methodology Guide	Yes	
2		Standard No. 2: The sheltered and unsheltered PIT counts must be conducted during the last 10 days in January and represent all homeless persons who were sheltered and unsheltered on a single night during that period.	HIC/PIT Count Data Collection Notice	Yes	
3		Standard No. 3: The final PIT count methodology must be approved by the CoC in accordance with the CoC's governance charter.	PIT Count Methodology Guide	Yes	
4		Standard No. 4: All CoCs should consult and collaborate with all Consolidated Plan jurisdictions in the geographical boundary of the CoC... to assist the jurisdictions in submitting PIT count data that is relevant to completing their Consolidated Plans.	PIT Count Methodology Guide	Not evaluated	
5	Planning the PIT Count - Required PIT Count Planning Actions	Development of a PIT Count Plan CoCs must develop a PIT count plan to ensure that the PIT count meets all the HUD-required minimum standards and collects the required PIT count data. The plan should address the following:	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline	Partial – See Observation C	Housing Forward's <i>PIT Count Plan</i> is not defined in a comprehensive document but fragmented across various documents, information systems, and tools. Auditors confirmed that Housing Forward satisfied the required PIT count activities and processes outlined in the HUD requirements through various documentation as available (see items 5a –5j below).

No.	HUD Requirements			Compliant?	
	PIT Count Phase	Specified Requirement	Source	Yes/No/Partial	
5	Planning the PIT Count - Required PIT Count Planning Actions	a. PIT Count committee membership, roles, and responsibilities related to implementing a successful count to completion	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline	Yes	We verified the COC Workgroup and its members through other supporting documentation. Housing Forward's PIT count planning documentation lists several workgroup meetings to discuss roles and responsibilities to aid in the PIT count as a major task/activity.
5		b. The intent and scope of the activities on the night of the count and days following the count. CoCs must decide the intent and scope of the count to know what resources will be needed on the night of the count and to determine how best to allocate those available resources.	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline	Partial Satisfaction	Housing Forward's PIT count planning documentation and methodology includes the overall the intent and scope of the PIT count but does not align resource requirements.
5		c. Date and time for the count: Section 578.3 of the CoC Program interim rule defines Point-in-Time Count as a "count of sheltered and unsheltered homeless persons carried out on one night in the last 10 calendar days of January or at such other time as required by HUD." The term 'night' signifies a single period of time from sunset to sunrise , which spans two actual dates.	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline HIC/PIT Count Data Collection Notice	Partial Satisfaction	Housing Forward's PIT count planning documentation includes the date of the PIT count as January 25th, 2024 but does not include the period of time on the night of the PIT count as required by HUD. We could not verify the 2024 count occurred in the specified period of time.
5		d. Methodologies for the sheltered and unsheltered count, including enhanced approaches for hard to count geographies and subpopulations	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline	Yes	We verified Housing Forward's PIT count sheltered and unsheltered methodologies through supporting documentation.

No.	HUD Requirements			Compliant?	
	PIT Count Phase	Specified Requirement	Source	Yes/No/Partial	
5	Planning the PIT Count - Required PIT Count Planning Actions	e. A plan for data quality and deduplication for the PIT count.	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline	Yes	We verified the data quality plan, including the data cleaning procedures for unsheltered and sheltered data through supporting documentation.
5		f. Identification and confirmation of locations to count sheltered and unsheltered persons	PIT Count Methodology Guide	Yes	We verified identification of PIT count locations to count sheltered and unsheltered persons through supporting documentation.
5		g. Survey development CoCs must decide what information to gather during the PIT count and how the information will be collected.	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline	Yes	We verified survey development through supporting documentation and discussion with Housing Forward of the annual process to discuss the PIT count survey instrument, including survey questions, HUD requirements, and the language of the survey.
5		h. Volunteer roles, recruitment, and training	PIT Count Methodology Guide PIT Count Planning Worksheet Guideline	Yes	We verified PIT count training and corresponding training materials through supporting documentation.
5		i. The role and acquisition of incentives	PIT Count Methodology Guide	Yes	Housing Forward's PIT count planning documents do not list out the incentives as described in HUD requirements, however we verified Housing Forward's PIT count incentives through other supporting documentation.
5		j. Publicizing the count	PIT Count Methodology Guide	Yes	Housing Forward's <i>PIT Count Plan</i> does not describe communication strategies after conducting the count as described in HUD requirements. We verified Housing Forward's methods to publicize and communicate the PIT count through other supporting documentation.

No.	HUD Requirements			Compliant?	
	PIT Count Phase	Specified Requirement	Source	Yes/No/Partial	
5	Planning the PIT Count - Required PIT Count Planning Actions	Standard No. 14: CoCs are required to ensure that people conducting the PIT count, including project staff and community volunteers, are appropriately trained in count standards, data collection procedures, and protocols for privacy, security, and personal safety.	PIT Count Methodology Guide	Yes	
6	Executing the Sheltered Count	Standard No. 7: CoCs must be able to verify that the sheltered homeless people identified in the count are sheltered on the night designated for the count, as defined at 24 CFR 578.3 of the Homeless Definition Final Rule	PIT Count Methodology Guide	Yes	
7		Collecting key individual data CoCs must report data on the gender, race, and ethnicity for all sheltered and unsheltered persons... CoCs must also collect and report data on veterans, including the total number of veteran households, the total number of veterans, the total number of persons in veteran households, and the gender, race, and ethnicity of veterans. 1. Gender of the individual 2. Race of the individual 3. Ethnicity of the individual 4. Veteran Status	HIC/PIT Count Data Collection Notice	Partial – See Observation C	Veteran status was not a required question for volunteers to ask survey respondents in the CoC's sheltered count survey tool within the Counting Us mobile app for 2024.
8		Standard No. 13: Surveys of people for the sheltered or unsheltered count must be administered in a manner that protects participant privacy and safety, as well as the safety of the person completing the survey.	PIT Count Methodology Guide	Yes	
9		Standard No. 8: CoCs should use client data already collected and entered in HMIS as the primary data source for the sheltered PIT count for emergency shelter, Safe Haven, and transitional housing projects that participate in HMIS.	PIT Count Methodology Guide	Yes	

No.	HUD Requirements			Compliant? Yes/No/Partial
	PIT Count Phase	Specified Requirement	Source	
10	Executing the <u>Sheltered</u> Count	Accounting for Sheltered Data not in HMIS Some CoCs might not have sufficient coverage rates or data completeness in their HMIS to use it as the primary data source for the sheltered PIT count. In such cases, CoCs must use project- or client-level surveys to gather data about number and characteristics of their sheltered homeless population.	PIT Count Methodology Guide	Yes
11	Executing the <u>Unsheltered</u> Count	Established Interview Procedure Once the geography for the count is identified, CoCs must also determine whether to collect the required information from all persons encountered or a sample of persons encountered during the count.	PIT Count Methodology Guide	Yes
12		Defined Geographic Area CoCs must first determine if they can cover their entire jurisdiction in the unsheltered count or whether they must select a sample of geographic areas to cover.	PIT Count Methodology Guide	Yes
13		Standard No. 9 and 10: CoCs must account for and report on all unsheltered homeless people residing in the CoC's geography through a census or one or more sampling and extrapolation methods that are consistent with HUD standards and guidance. CoCs must document the criteria and decision-making process used to identify and exclude specific geographic areas.	PIT Count Methodology Guide	Yes
14		Standard No. 11: CoCs must be able to verify that the unsheltered homeless people identified in the count are unsheltered on the night designated for the count, as defined at 24 CFR 578.3.	PIT Count Methodology Guide	Yes
15		Standard No. 13: Surveys of people for the sheltered or unsheltered count must be administered in a manner that protects participant privacy and safety, as well as the safety of the person completing the survey.	PIT Count Methodology Guide	Yes

No.	HUD Requirements			Compliant?	
	PIT Count Phase	Specified Requirement	Source	Yes/No/Partial	
16	Executing the <u>Unsheltered</u> Count	Collecting key individual data CoCs must report data on the gender, race, and ethnicity for all sheltered and unsheltered persons... CoCs must also collect and report data on veterans, including the total number of veteran households, the total number of veterans, the total number of persons in veteran households, and the gender, race, and ethnicity of veterans. 1. Gender of the individual 2. Race of the individual 3. Ethnicity of the individual 4. Veteran Status	HIC/PIT Count Data Collection Notice	Partial – See Observation C	Veteran status was not a required question for volunteers to ask survey respondents in the CoC's unsheltered count survey tool within the <i>Counting Us</i> mobile app for 2024.
17	PIT Count Data Management	Establish a procedure to void, destroy, or omit unreadable, duplicate, or erroneous survey data	PIT Count Methodology Guide	Yes	
18		Standard No. 12: CoCs must ensure that during the PIT count homeless persons are only counted once.	PIT Count Methodology Guide	Yes	
19		Submission of Data to HUD Verify that the CoC submitted all PIT Count data through the HUD Homelessness Data Exchange (HDX) during the spring timeframe	PIT Count Methodology Guide	Yes	
20	PIT Count Reporting	CoCs must report the sheltered counting methodology(s) utilized A. Data sources used to complete the count B. Sampling strategy utilized C. Deduplication approaches used	HIC/PIT Count Data Collection Notice	Yes	

No.	HUD Requirements			Compliant? Yes/No/Partial
	PIT Count Phase	Specified Requirement	Source	
21	PIT Count Reporting	Standard No. 6: CoCs must account for and report on all sheltered homeless people residing in the CoC through a census (complete coverage) or one or more sampling and extrapolation methods that are consistent with HUD standards and guidance. <i>HUD will evaluate the nature and basis for estimation and extrapolation of CoCs' sheltered count in the annual CoC Program Competition.</i>	PIT Count Methodology Guide	Yes
22		CoCs must report the unsheltered counting methodology(s) utilized A. Strategy of unsheltered count used B. Whether and how the CoCs statistically adjusted their count to account for uncanvassed areas C. De-duplication approaches used	HIC/PIT Count Data Collection Notice	Yes
23		Verify that the CoCs reported the reasons for any changes in the PIT Count from prior year, including: A. Sheltered count changes B. Unsheltered count changes	PIT Count Methodology Guide	Yes
24		Standard No. 5: CoCs must provide PIT count data to the entity(s) responsible for the Consolidated Plan jurisdiction(s) associated with the CoC.	PIT Count Methodology Guide	Yes

Appendix C: Housing and Urban Development (HUD) PIT Count Suggested Guidance

The table below illustrates our evaluation of the PIT Count practices currently performed by Housing Forward, the lead CoC agency for Dallas and Collin County, compared to HUD suggested guidance that while not mandated by HUD, contribute to enhancing the accuracy and completeness of the PIT Count.

Exhibit 10: Evaluation of Housing Forward Practices vs HUD PIT Count Guidance

No.	HUD Suggested Guidance			Satisfactory? Yes/No
	PIT Count PIT Count	Specified Guidance	Source	
1	Planning the PIT Count - Suggested Planning Activities	Establish a PIT Count Timeline	PIT Count Methodology Guide	Yes
2		Involve key community partners in planning efforts	PIT Count Methodology Guide	Yes
3		Secondary review of the survey instrument(s)	PIT Count Methodology Guide	Yes
4		Protocol for informing volunteers if any guidance has changed since the training was provided	PIT Count Methodology Guide	Yes
5	Executing the Sheltered Count	Maximize HMIS Data Quality for the Sheltered PIT Count Established procedure to perform routine data quality monitoring to ensure sufficient data quality	PIT Count Methodology Guide	Yes
6	Executing the Unsheltered Count	Planning the Geographic Area Informed and reasonable basis for identifying the known locations where unsheltered people may be residing to inform unsheltered PIT count procedures	PIT Count Methodology Guide	Yes
7		Personnel Executing the Unsheltered Count Verify that volunteers and staff executing the unsheltered count have relevant experience either with homelessness issues or with data collection.	PIT Count Methodology Guide	Yes

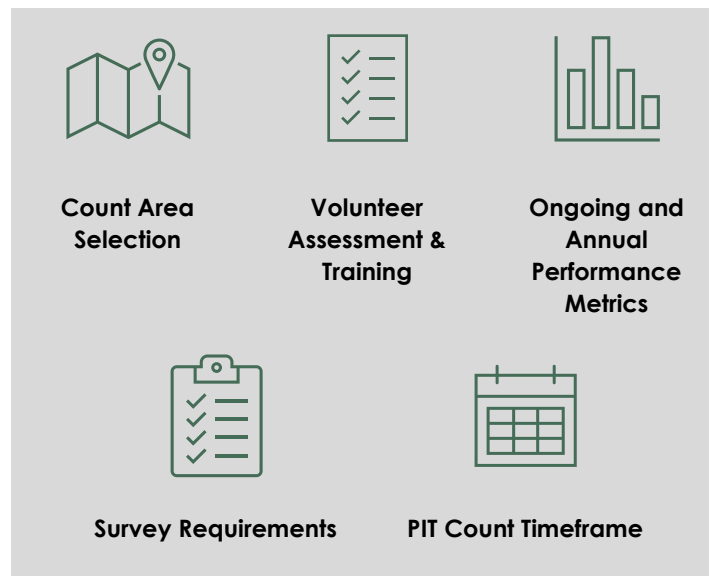
No.	HUD Suggested Guidance			Satisfactory? Yes/No
	PIT Count PIT Count	Specified Guidance	Source	
8	PIT Count Data Management	Collecting data - Data Intake Establish procedures to collect/handle the data gathered by volunteers to ensure data integrity and confidentiality	PIT Count Methodology Guide	Yes
9		Cleaning the Data Verify that a review procedure(s) has been established by the CoC to validate completeness and clarity of data	PIT Count Methodology Guide	Yes
10		Criteria for identifying a 'homeless person' are accurately met	PIT Count Methodology Guide	Yes
11		Verifying that the survey includes geographic identifiers	PIT Count Methodology Guide	Yes
12		PIT Count Survey: Each field eliciting 1 answer has only 1 answer	PIT Count Methodology Guide	Yes
13		Data Entry Data submission/entry procedure(s) has been established by the CoC to ensure consistency of data entry processes	PIT Count Methodology Guide	Yes
14		Data Security and Safeguarding Destroy any physical copies of the data once it has been entered into the database	PIT Count Methodology Guide	Yes
15		Sheltered Count - Data Validation check Because the PIT and HIC data must match, it is critical that CoCs conduct their PIT count and HIC at the same time	PIT Count Methodology Guide	Yes
16	PIT Count Reporting	Utilize the PIT Count Data to provide feedback and action changes to the current homeless response system	PIT Count Methodology Guide	Yes

Appendix D: Peer Continuum of Care (CoC) Survey Responses

The following includes key results of a survey of six comparable peer CoCs performed in October 2024. The purpose of the survey was to assess the PIT count methodologies and best practices of comparable cities and high performing CoC functions.

Survey Methodology

We composed targeted questions related to the audit's objective to ensure accurate and complete counts of individuals experiencing homelessness to compare against other comparable CoCs in the following categories:



- We selected respondents after conducting initial research and walkthroughs with Housing Forward personnel to gain an understanding of the comparable CoCs to the All Neighbors Coalition (CoC for TX-600 Dallas and Collin County, Irving)
- We contacted a representative from each city to explain the purpose of the survey and how we will use the results
- We sent the survey to six recipient CoCs and received the following completed responses to the survey:

City	CoC
Atlanta	Partners for Home
Austin	ECHO
Houston-Harris County	Coalition for the Homeless of Houston (CFTH)
Tarrant County	Partnership Home

Analysis Methodology

We compiled all CoC responses and performed qualitative analysis to compare and contrast peer CoC PIT count practices to those of Housing Forward. Housing Forward's defined PIT count practices were derived from documentation and support provided by Housing Forward.

Key Survey Results

The following table contains compiled survey results used for the qualitative analysis of Housing Forward's current PIT count practices compared to responsive surveyed peer CoCs. Please refer to **Observation D** for the results of our analysis¹³.

Exhibit 11: Summary of Peer CoC Survey Responses

Survey Question	Housing Forward Practices	Tarrant County Partnership Home	Houston CFTH/The Way Home	Austin ECHO	Atlanta Partners for Home
		CoC SUMMARY RESPONSE			
1. To inform on the unsheltered count, what is your CoC's processes or procedures to identify geographical areas where significant numbers of individuals experiencing homelessness reside?	Housing Forward uses input from Street Outreach staff and prior PIT count data to categorize geographic areas into three tiers, with "Tier 1 Zones" having the highest concentrations of individuals experiencing homelessness. The COD OHS Program Administrator runs a 311 report on homeless encampment service requests from the past 90-120 days to inform count locations.	The following data helps identify geographic regions: prior year data, location data in HMIS from outreach contacts made throughout the year, police department data from Neighborhood Police Officers, data from the MYFW app where people report encampments to the city, and meetings with outreach teams.	The Counting Us app divides the extensive geography into manageable grid maps. These grids are assigned based on input from outreach teams and historical data to identify areas with concentrations of individuals experiencing homelessness.	Inherent in Austin, unhoused neighbors are more concentrated nearer to downtown due to the number of services/shelters available in the area.	311 data and outreach teams are used to identify higher homelessness concentrations.
2. What is your CoC's process or procedure to assign volunteers to specific PIT Count areas and/or PIT Count groups?	Street Outreach workers, best equipped to effectively engage with people experiencing unsheltered homelessness, are assigned to Tier 1 Zones. Homeless system staff are paired with community volunteers to canvass less populated Tier 2 and Tier 3 zones.	A tiering system is used. If a route that is heavily populated or it is known a specific skill level is needed, the CoC will assign an outreach team or experienced group of volunteers.	Trained outreach teams, comprising over 30 teams and 150 members experienced in engaging with unsheltered populations, are assigned to areas with high concentrations of individuals experiencing homelessness.	Prior PIT Count data inform PIT count areas and volunteer assignments.	The CoC asks volunteers if they have a PIT Count area preference and include outreach system workers in their counts. The CoC puts seasoned PIT count volunteers with first-time team leads so the lead is more comfortable and prepared in the field.

¹³ Please note: Other than publicly available dashboard and reporting information, peer CoC responses were not further validated. Housing Forward practices were validated throughout the audit.

Survey Question	Housing Forward Practices	Tarrant County Partnership Home	Houston CFTH/The Way Home	Austin ECHO	Atlanta Partners for Home
		CoC SUMMARY RESPONSE			
3. How does your CoC assess the experience of volunteers prior to the PIT Count?	Housing Forward has a database of volunteer names from the Counting Us App. The database lists volunteers' previous participation, if they are an employee of the CoC, and if they are an outreach worker , indicating that Housing Forward assesses volunteer experience to gather this information. The 2025 PIT Count sign-up sheet also included these questions.	Experienced outreach teams are assigned to heavily populated routes.	The CoC identifies experienced team members when assigning areas for survey.	Each volunteer is asked to disclose if they've participated in a PIT count before .	The CoC identifies seasoned team members when assigning areas for survey.
3a. To what degree is training provided?	Housing Forward provides the following training, updated yearly: 1. Conducting the Survey and Addressing Sensitive Topics 2. Counting Us app includes reference material to set up the app to access the survey 3. PIT Count Training Video , including how to ask questions, count safety, privacy, purpose of PIT count, and how to record data in <i>Counting Us</i> application.	Initial online training when volunteers sign up and training for volunteers the night of the count. A Neighborhood Police Officer accompanies each volunteer group . The officers are provided training three weeks prior to the count .	Training sessions cover survey protocols, engagement strategies, safety considerations, and the use of the Counting Us app . Volunteers who do not complete training are removed from the participant list.	Each volunteer and Team Lead is required to attend a training session reviewing how to use the Survey Application, Safety, and Best Practices for conducting the survey . The CoC also provides a review of homelessness in Austin and why we do the count.	The CoC offers a team lead training, two general trainings for night count volunteers, and a training for the day of the site count . All trainings are virtual and recorded .

Survey Question	Housing Forward Practices	Tarrant County Partnership Home	Houston CFTH/The Way Home	Austin ECHO	Atlanta Partners for Home
		CoC SUMMARY RESPONSE			
4. What additional measures or performance metrics, if any, does your CoC report other than the PIT count to inform the public regarding the state of homelessness in your community? <i>Please refer to the Peer CoC Dashboard Analysis in Appendix E for a reference of common public dashboard measures collected by responsive peer CoCs and Housing Forward.</i>	Housing Forward currently reports a community-wide dashboard detailing housing placements and returns to homelessness, including details regarding project type, gender, age, and racial demographics¹⁴. The dashboard does not include information regarding <u>entries</u> to homelessness or <u>family</u> and <u>veteran</u> homelessness.	Tarrant County has actively worked to move away from the PIT count as the sole measuring tool for the state of homelessness. The CoCs dashboard provides monthly point in time counts of newly homeless and average households homeless per day, housings, and quarterly reporting of the number of people housed and experiencing homelessness broken down by individuals, families, and veterans.	The CoC provides monthly data reports from HMIS with numerous metrics: the number of individuals entering (new client enrollments) and exiting homelessness, length of stay, housing placements, and returns to homelessness. Additional detail is provided regarding income amounts and sources, housing retention and move-ins, people served by veteran status.	The CoC publishes monthly updates regarding individuals who accessed the system (with charts that show a further breakdown on usage by intervention type)¹⁵. Also reported are total enrollments for past 12 months by project and demographic, interactive system capacity by type and number of beds, move ins by project name and type, and data regarding family homelessness. In addition, the CoC reports a 'System Flow', measuring how many people go through coordinated entry and how long it takes to go through the entry process in each month. The dashboard also provides numerous definitions and terminology for community understanding.	Other than HUD required reporting, Atlanta's dashboard also reports metrics on monthly inflow vs. outflow of individuals, coordinated entry status by partner organization, and exits by program type that can be broken down by chronic, veteran, youth, or family homelessness. Atlanta Shelter availability is also reported. The dashboard provides numerous definitions and terminology for community understanding.

¹⁴As of January 24, 2025, Housing Forward reported average number of days between referral and housing move-in. As of February 11, 2025, this information was no longer available on the dashboard.

¹⁵ We noted that as of February 11, 2025, Austin ECHO has not updated their dashboard since October 2024.

Survey Question	Housing Forward Practices	Tarrant County Partnership Home	Houston CFTH/The Way Home	Austin ECHO	Atlanta Partners for Home
		CoC SUMMARY RESPONSE			
5. What additional measures or performance metrics, if any, does your CoC annually report along with the PIT count results?	Housing Forward reports their annual 2024 State of Homelessness address which includes information reported in their annual <i>PIT Count Report</i>. Housing Forward's 2024 <i>PIT Count Report</i> includes the data required by HUD, including HIC, PIT Count numbers (sheltered and unsheltered), individuals experiencing chronic homelessness, veterans, unaccompanied youth, and demographics.	In addition to PIT count results, the CoC reports: 1. Number of households housed 2. Funding secured for capital and services 3. Utilization of housing resources 4. Number of landlord partners 5. Accomplishments (new housing assessment tool, hours of training provided, national recognition, etc.) 6. Outcomes by specific interventions: diversion, outreach, shelter, safe haven, transitional housing, rapid exit, shallow subsidies, rapid rehousing, and PSH.	The Houston CoC complements PIT count results with other data to provide comprehensive analysis. This includes system performance measures such as housing placement rates, lengths of homelessness, and returns to homelessness.	ECHO publishes an annual Needs and Gaps report that analyzes how individuals experiencing homelessness utilize the Homelessness Response System and what gaps remain. ECHO also publishes an annual Racial Disparities report that looks at how racial inequity affects Black and brown communities.	The CoC shares additional metrics to provide context and insights, such as HIC information, trends in specific sub populations, and tracking of shifts in where individuals are staying.
6. What data fields are required in your CoC's PIT count Survey? Is veteran status a required data field?	According to the 2024 <i>PIT Count Survey</i> via the <i>Counting Us</i> App, the survey contains questions required by HUD. However, veteran status was not a required question for volunteers to ask while performing the survey.	Yes, it is required; veteran status is included in the survey.	The Houston CoC adheres to HUD's required data fields for the PIT count survey, including demographic information, veteran status, chronic homelessness, and household composition. Additionally, the CoCs survey incorporates region-specific questions to address local priorities.	It is required that veteran status is asked, but we allow clients to refuse to answer the question.	Veteran status is not a required answer.

Survey Question	Housing Forward Practices	Tarrant County Partnership Home	Houston CFTH/The Way Home	Austin ECHO	Atlanta Partners for Home
		CoC SUMMARY RESPONSE			
7. How many hours is the count typically conducted and what is the timeframe?	The PIT Count is the annual census of individuals and families experiencing homelessness in sheltered and unsheltered situations on a single night in January. A specific timeframe for the 2024 PIT count could not be determined.	The goal is to deploy volunteers by 8pm. Most are back by 10:30pm, but some stay out as late as 1:30am. Heavily populated routes have multiple groups surveying the area.	With HUD's approval, the count spans three consecutive days to accommodate the vast geography of the region. Each day begins at 6:30am with volunteers checking in at designated locations. Volunteers are encouraged to thoroughly survey their assigned areas, revisiting them at least twice to ensure accuracy.	The count is completed over the course of one night. Though it should be noted the CoC will likely be changing this methodology in the future.	Atlanta conducts their night count on the last Monday night January starting around 8 PM. We perform day site counts at various service providers starting that following Tuesday until the following Monday (an entire week).



Appendix E: Common Public Dashboard Performance Metrics Reported by Peer CoCs

We assessed the public performance dashboards of four responsive Continuum of Cares (CoCs) surveyed as well as the dashboard available from the All Neighbors Coalition, led by Housing Forward (5 CoCs in total). As a result, we identified commonly reported information and measures to enhance transparency and the public understanding of the state of homelessness in each community. The table below may be referenced for consideration of measures to include on public dashboards to monitor progress on reducing and solving homelessness.



Source: Simtech Solutions Sample Dashboard

Exhibit 12: Common Peer CoC Public Dashboard Performance Measures

No.	Common Dashboard Measures Reported by Peer CoCs	CoCs with Dashboard Measure	Number of CoCs with Dashboard Measure (Out of 5)
1.	New Client Enrollments, New Entry into Homelessness, or Monthly/Quarterly Trends in Homelessness	- Tarrant County Partnership Home - Houston CFTH - Austin ECHO - Atlanta Partners for Home	4/5
2.	Unhoused Counts Specific to Veterans	- Tarrant County Partnership Home - Houston CFTH - Atlanta Partners for Home	3/5
3.	Unhoused Counts Specific to Families	- Tarrant County Partnership Home - Houston CFTH - Austin ECHO - Atlanta Partners for Home	4/5
4.	Count of Active Individuals in Coordinated Entry System	- Austin ECHO - Atlanta Partners for Home	2/5
5.	Total Number of Individuals Placed in Housing (including demographics)	- Housing Forward - Tarrant County Partnership Home - Houston CFTH - Austin ECHO - Atlanta Partners for Home	5/5
6.	Length of Stay or Time to Obtain Housing/System Flow Time	- Housing Forward - Houston CFTH - Austin ECHO - Atlanta Partners for Home	4/5
7.	Returns to Homelessness	- Housing Forward - Houston CFTH - Austin ECHO - Atlanta Partners for Home	4/5

No.	Common Dashboard Measures Reported by Peer CoCs	CoCs with Dashboard Measure	Number of CoCs with Dashboard Measure (Out of 5)
8.	Project or Intervention Type/Type of Housing	1. Housing Forward 2. Tarrant County Partnership Home 3. Houston CFTH 4. Austin ECHO 5. Atlanta Partners for Home	5/5
9.	Shelter Capacity/Availability	1. Austin ECHO 2. Atlanta Partners for Home	2/5

Appendix F: Criteria

We reviewed the following sources to form the basis for the observations detailed elsewhere in this Report:

- City of Dallas *Charter and Code of Ordinances, Administrative Directives*, and other policies and procedures
- United States Department of Housing and Urban Development *Continuum of Care Program Guidelines and Requirements*:
 - HUD PIT Count Methodology Guide
 - 2024 HUD HIC/PIT Count Data Collection Notice
 - HUD PIT Count Planning Worksheet & Model Surveys
 - HUD Performance Measurement for Service Coordinators
 - HUD's PIT Count Planning Worksheet
- All Neighbors Coalition/Housing Forward PIT Count Methodology
- Government Accountability Office (GAO) January 2020 Report “Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population”
- The Committee of Sponsoring Organizations of the Treadway Commission (COSO) *Internal Control—Integrated Framework*
- Government Accountability Office (GAO) *Standards for Internal Control in the Federal Government*

Appendix G: Risk Rating Definitions

Residual risk is the risk derived from the environment after considering the mitigating effect of internal controls. The area under audit has been assessed from a residual risk level utilizing the following risk management classification system.

HIGH

High risk observations have qualitative factors that include, but are not limited to:

- Events that threaten the City's achievement of strategic objectives, performance goals, effective service delivery, or continued existence
- Impact of the finding could be felt outside of the City or beyond a single function or department
- Potential material impact to operations or the City's finances
- Remediation requires significant involvement from executive management and/or City Council

MODERATE

Moderate risk observations have qualitative factors that include, but are not limited to:

- Events that could threaten strategic or performance objectives of the City
- Impact could be felt outside of the City or across more than one function of the City
- Noticeable and possibly material impact to the operations or finances of the City
- Remediation efforts that will require the direct involvement of functional leader(s) and may require executive management

LOW

Low risk observations have qualitative factors that include, but are not limited to:

- Events that do not directly threaten the City's strategic priorities
- Impact is limited to a single function within the City
- Minimal financial or operational impact to the organization
- Remediation requires functional leader(s) to be kept updated, or have other controls that help to mitigate the related risk

Appendix B: Management's Response

Memorandum



DATE: June 13, 2025

TO: Mark S. Swann – City Auditor

SUBJECT: Audit of Homeless Response System Strategy and Coordination

This letter acknowledges the City Manager's Office received the *Audit of Homeless Response System Strategy and Coordination* and submitted responses to the recommendations in consultation with the Office of Homeless Solutions (OHS).

City management appreciates the work of the auditor in recommending solutions or validating process improvements previously identified and in process in order to improve service delivery to all City residents.

While City management strongly disagrees with both the criteria used in assigning risk ratings and the application of the criteria to Observation A, management nonetheless agrees to most of the recommendations, as management was largely aware of enhancement opportunities and initiated improvement efforts prior to the audit scope period.

However, Management accepts the risk related to recommendations A.1 and A.2 for the reasons detailed below.

There are fundamental differences in the Continuum of Care's and the Office of Homeless Solutions' resources, missions, reporting structures, etc., that inherently limit the degree of coordination between the organizations. However, OHS continues to work with the local Continuum of Care to ensure that strategies are closely aligned, within the guidelines of the strategies City policymakers set for OHS, as has been done since 2021.

The Office of Homeless Solutions incorporates a diverse set of data points to inform it of the success of its Four Track Strategy. This approach allows the Office of Homeless Solutions to assess programmatic impact, which is not possible when viewed only through the smaller set of contractual, quantitative data.

The Office of Homeless Solutions agrees to the remaining recommendations, the majority of which are related to Observation A and may be implemented through strengthened procedures. The Office of Homeless Solutions' standard operating procedures for contracts and compliance have been rigorously reviewed and draft enhancements began prior to the audit scope period. The Office of

Audit of Homeless Response System Strategy and Coordination

June 13, 2025

Page 2 of 2

Homeless Solutions is working diligently to finalize the draft procedures, test the procedures, formalize them, and train staff on the final revised standard operating procedures.

Please let me or my team know if you have any questions.

Service First, Now!

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberly Bizer Tolbert".

Kimberly Bizer Tolbert

City Manager

C: Jack Ireland, Chief Financial Officer

Alina Ciocan, Assistant City Manager

Christine Crossley, Director, Office of Homeless Solutions Management

"Service First, Now!"

Connect – Collaborate – Communicate

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
High	We recommend the Director of the Office of Homeless Solutions:				
	A.1 Work with the Housing and Homelessness Solutions Committee of the City Council and Housing Forward to coordinate its strategy with the broader CoC strategy, where feasible, and reassess alignment as appropriate. This alignment should consider complementary initiatives and performance outcomes to further ensure a cohesive framework for the City's role in the homeless response system, ensure changes in this dynamic environment are addressed, and achieve a balanced approach.	Accept Risk	The Office of Homeless Solutions (OHS) receives regular guidance from the Housing and Homelessness Solutions Committee through the Four Track Strategy, quarterly Continuum of Care (CoC) systems updates, and briefing presentations and memos on all major initiatives. Accordingly, OHS has initiated efforts to better align its strategy with the CoC strategy. However, we recognize fundamental differences in the organizations' resources, missions, reporting structures, etc., that will inherently limit the degree of coordination between them. Specifically, OHS's policymakers have historically favored an approach that balances short and long-term solutions. In addition, as OHS is tasked with addressing all adult homelessness for the City of Dallas, it is not feasible for OHS to focus its resources on distinct homeless populations.	N/A	N/A
	A.2 In addition to qualitative performance outcomes, establish <i>quantitative</i> outcomes for the Four-Track Strategy where feasible to better define success and ensure downstream efforts, such as contracting and establishment of performance	Accept Risk	OHS is informed of the success of its existing Four Track Strategy by numerous contract and related performance measures. OHS utilizes the CoC's quantitative performance measures as a supplement to qualitative performance outcomes. This allows OHS to better gauge not only the specific city contribution but also the impact	N/A	N/A

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	measures, not only inform the <i>direction</i> of progress but provide clarity on the effectiveness of the City's efforts to make homelessness rare, brief, and nonrecurring.		of the contribution. Analysis of both data sets is necessary to assess programmatic impact, which is not possible when viewed only through the smaller set of contractual, quantitative data. Therefore, OHS will continue to use its current process for developing performance measures		
	A.3 Strengthen alignment of contractor objectives with its strategy by: - Ensuring the feasibility of required performance reporting in collaboration with contractors <i>before</i> contract execution to identify reporting capability concerns and mitigate the risk that OHS will not receive the necessary performance data to inform progress on strategic goals. - Establishing performance measures that evaluate effectiveness of wrap-around services provided by contractors such as Housing Forward and The	Agree	OHS continually works to strengthen the alignment of its contractor objectives to OHS's strategy. Specifically, OHS: - Has already defined and is monitoring performance measures before and during the contracting period - Is already reviewing contractors' monthly reports, including performance measures; and - Already reviews existing milestones and is working to develop a systematic process for developing qualitative milestones for inclusion in monthly reimbursement reports.	06/30/2026	12/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	Bridge Steps as well as capacity building efforts. Considering qualitative milestones to track progress on contract objectives that are not fully realized until the end of the contract term.		In addition, OHS will: Work with contractors throughout the negotiation phase to ensure performance reporting is feasible and obligations and deliverables are clearly understood prior to contract execution; and as feasible, ensure performance measures evaluate the effectiveness of wrap-around services.		
	A.4 Update Chapter 5: <i>Project Administration</i> procedures to include specific guidelines and requirements that validate contractor performance in enough detail to provide contract specialists with examples of appropriate source documentation for validation of performance results and understanding of when additional verification is necessary.	Agree	OHS initiated revisions to Chapter 5: <i>Project Administration</i> in the middle of 2023. The final procedure will provide a consistent process for validating contractor performance to source documents.	12/31/2025	06/30/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	A.5 Ensure consistency and adherence of performance monitoring and validation procedures specified in Chapter 5: <i>Project Administration</i> . This includes requirements for valid source documentation and protocols for situations in which performance data is inherently difficult to obtain or contractor is unresponsive to requests for required performance information.	Agree	OHS initiated revisions to Chapter 5: <i>Project Administration</i> in the middle of 2023. The final procedure will provide a consistent process for validating contractor performance, to source documents, and contingencies for situations where source data is inherently difficult to obtain, or a contractor is unresponsive.	12/31/2025	06/30/2026
	A.6 Require source documentation be provided to periodically validate internally generated performance reporting, such as information from dashboards or input into spreadsheets.	Agree	OHS has worked with existing contractors to obtain the feedback needed for OHS to validate internally generated reports. In addition, OHS will require contractors to provide source documents as stipulated by OHS, as necessary to validate internally generated reporting, in future contracts.	06/30/2026	12/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	A.7 Define the requirement to document exceptions within the <i>Monthly Reimbursement Report</i> in instances when procedures to validate performance or expenses diverge from expectations set forth in the contract or OHS procedures. Ensure review and approval of the documented exceptions before payment is issued and periodically review these instances to determine opportunities to improve contractor compliance.	Agree	OHS has initiated revisions to their procedures to require documenting exceptions in the <i>Monthly Reimbursement Report</i> . Additionally, staff have been trained on the forms, requirements, and process for documenting the monthly reviews. OHS is working with contractors to resolve any exceptions. These practices will be documented in OHS's final procedures.	12/31/2025	06/30/2026
	A.8 Continue to work with Housing Forward to improve consistent availability and utilization of HMIS data for performance validation purposes, including availability of data and ad hoc reporting needed to validate performance measures and results stipulated in OHS contracts. Consider including and/or enforcing expectations for these efforts in future contracts with Housing Forward, such as the City's contract for HMIS services.	Agree	OHS will continue to work with Housing Forward's HMIS system administrator to meet all of the City's reporting needs (standard and ad hoc reporting).	03/31/2026	09/30/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	A.9 Ensure that OHS allocates sufficient resources to consistently perform the required number of site visits and retain sufficient evidence to support contract specialists' review and conclusions on performance, effectiveness, and data reliability. OHS should also ensure monitoring site visit forms align with unique contracts prior to the start date and facilitate an awareness of the importance of the site visits to confirm continued data reliability.	Agree	OHS's contract and finance teams are fully staffed and are performing the required number of site visits. However, resources are allocated to OHS through the larger City budget process. While OHS agrees to implement the recommendation, it is contingent upon the allocation of sufficient budget and resources. In addition, OHS has increased staff training and will ensure that procedures and ongoing instruction continue for a consistent and effective monitoring process.	03/31/2026	09/30/2026
	A.10 Prioritize training to ensure contract specialists understand their roles and responsibilities in a complex environment, including how to appropriately validate reported performance results on a monthly basis and during site visits.	Agree	OHS continues to prioritize training, with recurring weekly, monthly, and ad hoc trainings and meetings. Training subjects include a variety of topics, such as validating monthly performance measures. Future training will fully incorporate and reinforce the ongoing revisions to OHS's procedures.	06/30/2026	12/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	A.11 Work with Housing Forward to determine an appropriate path forward to effectively utilize the City's allocated general funds for the <i>Master Leasing Program</i> and <i>RTR Street Outreach</i> contracts. This includes scaled planning efforts between the City and Housing Forward to ensure the funds are used and reinforcement of performance reporting requirements to issue payments allowed by the contracts.	Agree	When the City Council approved the Master Leasing Program, it was intended to be used on an as-needed basis. As originally intended, the remaining funding will be used for the Pension Stabilization Fund. The Master Leasing contract expires September 30, 2025, and will not be renewed. OHS will work with Housing Forward to ensure the Street Outreach program meets its performance measures. OHS has created a bi-weekly meeting schedule with Housing Forward. These meetings will allow time to discuss issues and resolutions encountered by both organizations. Efforts will continue to align and improve the programs and performance measures to be more effective and provide supportive documentation.	12/31/2025	06/30/2026
Low	We recommend the Director of the Office of Homeless Solutions:				
	B.1 Work with Austin Street Center, Our Calling, and other area partners involved in the TIWS Program to formally define in its transportation plan when and how the use of DART bus passes is appropriate for post-inclement weather	Agree	The Temporary Inclement Weather Shelter (TIWS) program's process of exiting individuals has been honed over the years. There is a specific TIWS shutdown transportation process that is communicated through the Austin Street Center.	12/31/2025	06/30/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/Maturity Date
	transportation, and ensure all partners are aware of its application. This includes considerations for connecting individuals experiencing homelessness with accessible services.		However, we recognize the process may be improved by: - Continuing to improve alignment of users' transportation needs with the City's and its partners' broader strategy; and - Continuing to improve and document the post-weather transportation process in department procedures.		
Low	We recommend the Director of the Office of Homeless Solutions:				
	R.1 Encourage Housing Forward to consider and implement the opportunities for improvement provided in Part B: Opportunities for Housing Forward and the CoC to Improve the Annual Point-In-Time Count.	Agree	OHS will ensure Housing Forward receives this audit report and will ask Housing Forward to: - Review the auditor's Opportunities for Improvement; and - Consider implementing improvements where feasible.	09/30/2025	09/30/2025

Memorandum



CITY OF DALLAS

DATE: June 24, 2025

TO: Rosa Fleming, Director – Convention and Events Services
Juanita Ortiz, Director – Office of Procurement Services

SUBJECT: Independent Report on Agreed-Upon Procedures for: *Attestation Engagement for the Kay Bailey Hutchison Convention Center Dallas Master Plan Component 4 Construction Manager at Risk for The Black Academy of Arts and Letters - CIZ24-CCT-3118*

Attached for your review is the *Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Kay Bailey Hutchison Convention Center Dallas Master Plan Component 4 Construction Manager at Risk for The Black Academy of Arts and Letters - CIZ24-CCT-3118*. The Agreed-Upon Procedures are included in [Attachment 1](#). No exceptions were noted.

We have performed these procedures which were agreed to by Convention and Event Services and the Office of Procurement Services, solely to assist the City of Dallas City Council in evaluating the Convention and Event Services' and the Office of Procurement Services' compliance with the requirements of Administrative Directive 4-05, *Contracting Standards and Procedures*, relevant State of Texas statutes, and City of Dallas contracting and delivery procedures. Convention and Event Services and the Office of Procurement Services are responsible for the establishment of policies and procedures to comply with those requirements.

If you have any questions, please contact me at 615-974-8700 or mark.swann@dallas.gov.

Sincerely,

Mark S. Swann
City Auditor

Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Kay Bailey
Hutchison Convention Center Dallas Master Plan Component 4 Construction Manager at Risk for The
Black Academy of Arts and Letters - CIZ24-CCT-3118.

June 24, 2025

Page 2 of 2

Attachment

C: Honorable Mayor and Members of the City Council

Kimberly Bizer Tolbert, City Manager

Tammy Palomino, City Attorney

Biliera Johnson, City Secretary

Bart Bevers, Inspector General (I)

Robin Bentley, Assistant City Manager

Donzell Gipson, Assistant City Manager

Jack Ireland, Chief Financial Officer

Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)

Reginald Williams, Assistant Director – Convention and Event Services

Sheri Kowalski, City Controller

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Independent Report on Agreed-Upon Procedures for the Kay Bailey Hutchison Convention Center Dallas Master Plan Component 4 Construction Manager at Risk for The Black Academy of Arts and Letters - CIZ24-CCT-3118

June 24, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Jesse Moreno

Deputy Mayor Pro Tem

Gay Donnell Willis

Council Members

Adam Bazaldua

Paula Blackmon

Lorie Blair

Laura Cadena

Zarin D. Gracey

Maxie Johnson

Cara Mendelsohn

Jaime Resendez

Paul E. Ridley

Bill Roth

Kathy Stewart

Chad West



City of Dallas

Executive Summary

Objective and Scope

The objective of the agreed-upon procedures attestation engagement is to ensure that Convention and Event Services and the Office of Procurement Services have complied with the requirements of City of Dallas Administrative Directive 4-05, *Contracting Standards and Procedures*, relevant State of Texas statutes, and City of Dallas contracting and delivery procedures.

Convention and Event Services requested this attestation in accordance with Administrative Directive 4-05, Section 9.5.5, *Attestation Engagement Requirement for All Construction Projects \$100 Million and Greater*.

Background

The City of Dallas is expanding the Kay Bailey Hutchison Convention Center Dallas as part of the Convention Center Master Plan. This procurement is for Component 4 – renovation and reconstruction of The Black Academy of Arts and Letters. Convention and Event Services is leading the project and decided to use the Construction Manager at Risk construction delivery method.

Convention and Event Services is seeking approval from the City Council to award a contract to HJ Russell – Phillips May – STSW, A, a joint venture, for pre-construction and construction services, selected as the best value proposer of three. The initial award for pre-construction services for the Project is for a fee not exceeding \$695,363. The construction cost is estimated to be \$200 million. Future payments for management services will be 3 percent of construction costs.

Observed Conditions

No exceptions were found for the 17 Agreed-Upon procedures. See [Attachment 1](#) for the full list of procedures.

Results

Independent Agreed-Upon Procedures Report

The Office of the City Auditor conducted the procedures described in [Attachment 1](#), which were agreed to by the Convention and Event Services and the Office of Procurement Services, solely to assist the City of Dallas City Council in evaluating the Convention and Event Services and the Office of Procurement Services' compliance with the requirements of Administrative Directive 4-05, *Contracting Standards and Procedures*, relevant State of Texas statutes, and City of Dallas contracting and delivery procedures. Convention and Event Services and Office of Procurement Services is responsible for the establishment of policies and procedures to comply with those requirements.

No exceptions were noted for the Agreed-Upon Procedures. See [Attachment 1](#) for a list of the procedures performed.

Convention and Event Services requested this attestation on October 7, 2024, in compliance with the requirements of Administrative Directive 4-05, *Contracting Standards and Procedures*. The Office of the City Auditor completed the agreed-upon procedures on June 24, 2025.

The purpose of this report on applying agreed-upon procedures is intended solely for the information and use of the Dallas City Council and City management and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose. The Office of the City Auditor was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance. Accordingly, the Office of the City Auditor does not express such an opinion or conclusion. Had additional procedures been performed, other matters might have been identified that would have been reported.

We are required to be independent of Convention and Event Services and the Office of Procurement Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement. The agreed-upon procedures were conducted in accordance with the United States generally accepted government auditing standards which incorporate attestation standards established by the American Institute of Certified Public Accountants.

Signature:



Mark S. Swann, CPA
City Auditor
City of Dallas, Texas

6/24/2025

Attachment 1: Agreed-Upon Procedures

Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Kay Bailey Hutchison Convention Center Dallas Master Plan Component 4 Construction Manager at Risk for The Black Academy of Arts and Letters - CIZ24-CCT-3118.

6/24/2025

Agreed-Upon Procedures

As stated in Administrative Directive 4-05, *Contracting Standards and Procedures*, Section 9.5.5:

- (a) Confirm the documentation to support the procurement is provided by Convention and Event Services, and other applicable City departments.

No exceptions.

- (b) Confirm solicitation procedures complied with Administrative Directive 4-05, *Contracting Standards*, City Ordinances, application State Laws and departmental policies and procedures.

No exceptions.

- (c) Confirm the scope of work/specifications were written in a manner that promotes competition and competitive pricing.

No exceptions.

- (d) Confirm the specification identify the criteria for which Convention and Event Services could determine that a bid is responsive and responsible.

No exceptions.

- (e) Confirm that Convention and Event Services performed due diligence when developing the bid specifications by consulting with other departments, such as the City Attorney's Office, and documenting the consultation.

No exceptions.

- (f) Confirm the procurement was advertised appropriately in accordance with State law.

No exceptions.

- (g) Confirm the Convention and Event Services and the Office of Procurement Services used appropriate commodity code(s) to send notifications to the vending community from the City's solicitation system.

No exceptions.

- (h) Confirm the Office of Procurement Services sent solicitation notices and addenda (if applicable) to the vending community with sufficient time for response.

No exceptions.

- (i) Confirm the Convention and Event Service held a pre-bid meeting, if applicable.

No exceptions.

- (j) Confirm the specifications were posted for a reasonable period of time on the City's solicitation system.

No exceptions.

- (k) Confirm the Convention and Event Services obtained appropriate nondisclosure and conflict of interest forms for any consultants and/or subject matter experts used in the procurement process, if applicable. Additionally, if applicable, confirm the Convention and Event Services included conflict-of-interest and nondisclosure policy language in the scope of work/specifications.

No exceptions.

- (l) Confirm the City received sealed bids/proposals within the due date and time, opened them, and subsequently read them in compliance with State law.

No exceptions.

- (m) Confirm the City received and evaluated the bids/proposals and found them to meet the minimum requirements/qualifications for low bid or that the most advantageous proposer was determined based on the published evaluation criteria.

No exceptions.

- (n) Confirm the Convention and Event Services performed due diligence when a bidder is disqualified or in the event of a bid protest by consulting with the City Attorney's Office.

No exceptions.

- (o) Obtain a representation from the Office of Procurement Services that the Office of Procurement Services followed the City's Business Inclusion and Development policies outlined by City Council.

No exceptions.

- (p) Confirm the Convention and Event Services review and evaluation process confirmed the lowest bid or highest ranked vendor, and that Convention and Event Services appropriately documented the determination.

No exceptions.

- (q) Confirm Convention and Event Services used the Federal System for Award Management website to confirm that the lowest responsible bidder is not currently excluded.

No exceptions.



Audit of Lead Hazard Control and Healthy Homes Grant

July 28, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Jesse Moreno

Deputy Mayor Pro Tem

Gay Donnell Willis

Council Members

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City of Dallas

Table of Contents

Executive Summary	1
Objectives and Conclusions	2
Observation A: Lead Hazard Control and Healthy Homes Grant Execution.....	3
Observation B: Communication with Eligible Residents and Program Applicants	7
Observation C: Grant Monitoring	9
Appendix A: Background and Methodology	11
Background	11
Methodology.....	14
Major Contributors to the Report.....	14
Appendix B: Peer City Survey	15
Appendix C: Property Owner Survey	17
Appendix D: Grant Information	18
Appendix E: Management’s Response	20

Executive Summary

Objectives and Scope

The objectives of this audit were to determine:

- (1) What challenges affected program execution and caused delays?
- (2) Did the program's governance ensure stakeholders and participants were informed of challenges or delays in program execution?
- (3) Were the program requirements and execution comparable with peer cities?
- (4) Are other City grant programs lagging in program execution?

The scope for the Lead Hazard Control and Healthy Homes Grant was August 1, 2020, through December 31, 2023. The scope for Objective 4 on grants monitoring was from October 1, 2022, through March 31, 2025.

Recommendations

Management should:

- Implement and strengthen practices and procedures if the City seeks a new Lead Hazard Control and Healthy Homes Grant.
- Improve outreach and ongoing communication to residents, potential applicants, and the City Council.
- Enhance grant reporting to make it easier to identify grants lagging in program execution.

Background

The City of Dallas applied for and received a Lead Hazard Control and Healthy Homes Grant from the U. S. Department of Housing and Urban Development in 2018 to remediate deteriorating lead paint in homes with children under the age of six years old.

The City experienced challenges in executing the program in finding eligible homes for repairs and qualified contractors to perform the work. The City repaired lead hazards in four homes, below its goal of 130 homes. The City spent about \$438,000 of the \$2.3 million grant, and the rest was returned to the Federal government.

Dallas Morning News' coverage of the program in September 2024 led to City Council requests for this audit. The grant challenges raised other concerns about the City's monitoring of all City grant programs. During Fiscal Year 2024, the City of Dallas managed 158 grants totaling \$1.35 billion over multiple years.

Observed Conditions

Specific challenges included leadership and staff turnover, records management, and communications with stakeholders and participants. The challenges made success for the City more difficult than for other peer cities, which mostly had more prior experience with the administration of the Lead Hazard Control and Healthy Homes Grant.

Overall citywide grant monitoring can be improved with additions to the current monthly status reporting.

Objectives and Conclusions

1. What challenges affected program execution and caused delays?

The program encountered many challenges, including some specific to Dallas, that led to not meeting the goals for the grant. Specific challenges included:

- Not being able to find property owners and properties that qualified.
- Homes needing lead-related work also needed other repairs the program could not address.
- Staff and leadership turnover.
- Not maintaining a signed and executed grant agreement as required.
- Difficulty finding certified contractors.
- The timing of the COVID-19 pandemic as the program was beginning.

(See [Observation A](#).)

2. Did the program governance ensure stakeholders and participants were informed of challenges or delays in program execution?

Generally, Yes. The homeowners and the responsible City Council committee were given updates on the program's status; however, the outreach could have been improved. Some surveyed homeowners who applied for the program rated the outreach poorly, while others were satisfied. Internally, after the program began to experience challenges, there were few standalone updates on the program. The program's status was included as part of regular department performance updates on overall initiatives. (See [Observation B](#) and [Appendix C](#).)

3. Were the program requirements and execution comparable with peer cities?

Generally, No. While most requirements were consistent across cities, the grant amounts and periods were not the same. Most peer cities surveyed had prior experience with this grant administration and had more success. These cities reported facing some similar challenges as Dallas. The responding peer cities were Charlotte, Fort Worth, Houston, Phoenix, and Waco. All but Waco had prior experience with the grant. (See [Observation A](#) and [Appendix B](#).)

4. Are other City grant programs lagging in program execution?

Yes. The City uses monthly reporting to monitor grant performance. This reporting can identify when grants are doing well or lagging in program performance. While this grant had 19 percent of funding spent before it was closed, two other grant programs were closed with about 1 percent or less of their funds spent. The current monitoring process can be improved to highlight grants lagging in program execution and to include more information needed for gauging grant performance. (See [Observation C](#) and [Appendix D](#).)

Audit Results

Both *City Council Resolution 88-3428* and *Administrative Directive 4-09, Internal Control* prescribe policy for the City to establish and maintain an internal control system. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Lead Hazard Control and Healthy Homes Grant Execution

The City of Dallas experienced several challenges in Lead Hazard Control and Healthy Homes Grant's execution. While some of these challenges were similar to those faced by other cities, others were specific to Dallas. These issues made it more difficult for the City to find eligible homes, complete repairs, and meet the goals of the grant. The City provided lead reduction assistance to four homes, below the goal of 130 homes. As a result, the City did not achieve its goal to remove lead hazards for children in more Dallas homes.

Exhibit 1: Status for Home Repairs



Source: Dallas Housing and Community Development documents and Office of the City Auditor analysis.

Finding lead hazard homes where children live or frequent

Dallas estimated about eight percent of the city's housing, or almost 39,000 homes, would have lead hazards that could be improved through the program.

However, identifying homes within the 39,000 homes that met all the qualifications of the grant program proved challenging. See [Appendix A](#) for grant eligibility requirements. The City's main way of identifying homes that might qualify for lead reduction was linked to another City's housing program, which focuses on repairing aging homes that might also have lead hazards. This identification process for grant qualifications mostly attracted older

City residents who may not have children living in the home or visiting frequently.

Another key effort was to recruit landlords renting homes to families that may have children under six years old. However, this approach was unsuccessful because rental properties that accepted federal housing vouchers were already required not to have lead hazards upon inspection. This eliminated a portion of housing from the eligibility of the program.

In attempting to identify additional eligible homes, the City encountered recurring challenges that limited participation in the program.

- Homes with eligible owners but no children under the age of six live in or frequently visit the home.
- Homes with eligible owners and children did not have lead hazards because lead issues had already been addressed to make the homes livable.
- Property owners who did not meet the other eligibility requirements of the grant program.

Homes with too many additional repairs

Some homes that met all the requirements were not suitable for the program because they needed too many additional repairs. It was difficult for Dallas to combine the Lead Hazard Control and Healthy Homes Grant with other grant funds to pay for non-lead-related repairs needed in the same homes. Several applicants were declined because they had too many repairs.

For example, the City partnered with a certified lead abatement contractor with prior grant experience from another city. The contractor communicated to Dallas administrators that they could not perform lead abatement work on Dallas homes without addressing other damage to the properties. The contractor did not want to fix the lead in the windowsills and door frames without also restoring holes in the floors that were not related to lead.

According to the Dallas City Manager at the time the grant ended:

The biggest challenge was that this grant could not be administered in conjunction with our existing home repair programs. ... Houses that were built before 1978 require much more extensive repair needs than the program could cover.

Challenges Specific to Dallas

In addition to difficulties identifying eligible homes, the City experienced internal administrative and procedural challenges.

- *Department and program leadership changed during the course of the grant.* The department leadership that originally wrote the application left the City soon after the program began. Later, the staff members overseeing the program for 2020 and much of 2021 were laid off due to a reduction in force because of the COVID-19 pandemic. The

program was then managed by staff also responsible for other programs, resulting in poor execution.

- *The City did not maintain a complete signed copy of the grant agreement.* City procedures require multiple departments to retain these documents. According to *Administrative Directive 2-19*, Grant Identification, Solicitations, Application, Accounting and Administration Procedures, "A copy of all executed grant contracts and amendments shall be maintained in the central files in the originating Department and in the Intergovernmental Services – Fund Development Unit and/or Office of Financial Services, and the City Attorney's Office." Therefore, as leadership changed, a full record of the grant was not available for reference.
- *There was confusion about the grant's spending limit.* Housing and Community Development staff believed that the limit of \$20,000 was a firm cap that could not be exceeded, even if more work was needed. However, U.S. Department of Housing and Urban Development representatives and the City's grant procedures stated the limit could be exceeded if merited, with federal pre-approval.

Challenges Shared by Dallas and Peer Cities

Other cities also cited several challenges in implementing the grant program. These common obstacles occurred during the 2020–2023 period:

- *The COVID-19 pandemic was disruptive to the program.* This grant program required lead inspectors and contractors to enter the participants' homes at a time when residents were reluctant to have others work in their homes. Surveyed cities with prior grant experience reported more difficulty in the 2020-2023 period than in prior grant periods. For example, each city with prior grant experience repaired more homes in its first grant period than it did during this period.
- *This grant requires technical knowledge.* According to U.S. Department of Housing and Urban Development representatives, the program demands technical expertise in both lead hazard control and public health that other grants do not.
- *Strict eligibility criteria limited participation.* Property owners and their homes must meet ten eligibility requirements, including homes that must have been built in or before 1978. See [Appendix A](#) for grant eligibility requirements.

Certified lead abatement contractors were difficult to find. The City had difficulty in finding certified contractors who could complete the lead abatement projects. In Dallas County, there were 11 certified lead abatement workers and five certified lead abatement supervisors. Four of five peer cities surveyed also struggled in finding qualified contractors to complete the repairs.

Criteria

- ❖ *Administrative Directive 2-19*, Grant Identification, Solicitation, Application, Accounting and Administrative Procedures

- ❖ *City of Dallas Lead Safe Housing Program Policy and Procedures*
- ❖ *Dallas Housing Resource Catalog*
- ❖ *Standards for Internal Control in the Federal Government*
 - Principle 16 – Perform Monitoring Activities
 - Principle 9 – Identify, Analyze, and Respond to Change

Assessed Risk Rating:

High

We recommend the Director of Housing and Community Development:

A.1: Implement and strengthen practices and procedures to address challenges identified in the current program execution if the City seeks a new Lead Hazard Control and Healthy Homes Grant. These include improving identification of eligible homes, retention of grant documentation, preparing for leadership or staff turnover and expanding contractor capacity to perform lead abatement projects.

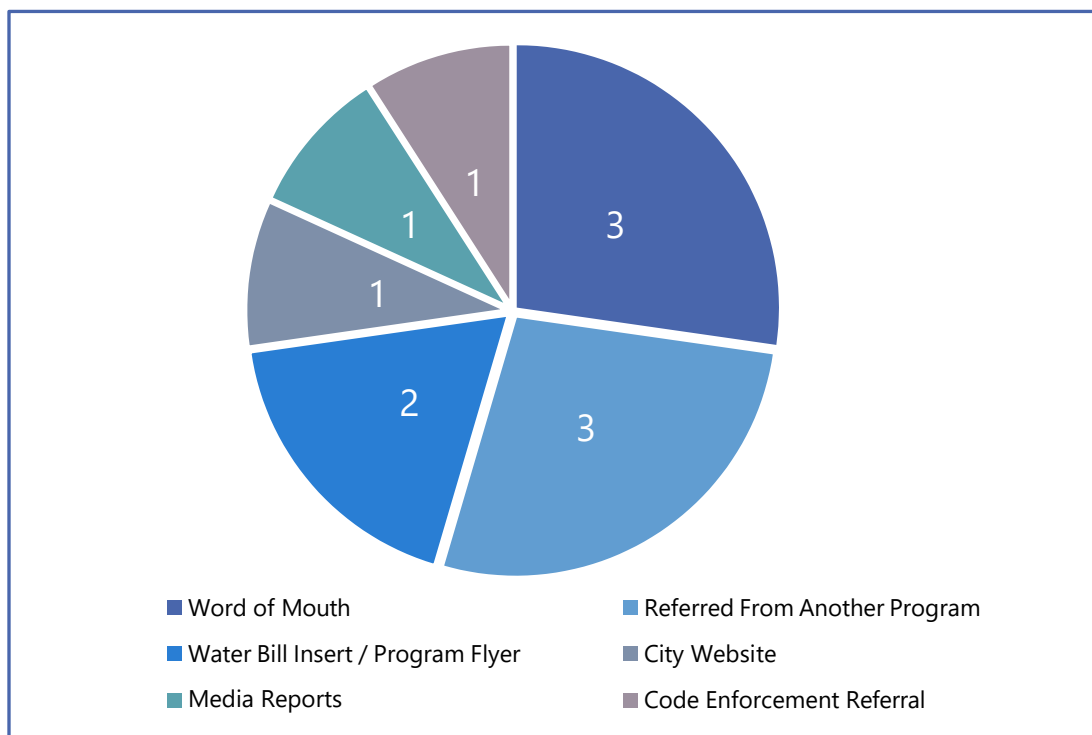
Observation B: Communication with Eligible Residents and Program Applicants

Communication with eligible residents and program applicants occurred throughout the grant period but was not fully effective, limiting the program's overall success.

Outreach efforts did not yield sufficient applications

While Dallas grant administrators attempted many of the same outreach efforts used by peer cities, the City did not generate enough applications to meet its goal. For example, one effort involved placing 20,000 door hangers at potentially eligible properties, which resulted in just three applications. A separate effort to recruit landlords by mailing 500 letters led to only one response. The audit survey results noted most applicants who learned about the program reported hearing of it through word of mouth, referrals from another City program, or inserts in their water bills.

Exhibit 2: Survey Results About City Communication



Source: Office of the City Auditor survey responses received in March and April 2025.

Surveyed applicants had mixed experiences with communication

Applicants who participated in the audit survey were split on the quality of the updates from the City about the grant program. About half of the program applicants surveyed expressed dissatisfaction with the program's communication and outreach. Others reported that they were satisfied, indicating uneven experiences across participants. One respondent, who had received

regular communication throughout the process, reported frustration after being unexpectedly denied participation.

Communication to the City Council Committee was inconsistent and unclear

At the start of the program, in June 2020, Dallas Housing administrators presented an overview to the City Council's Housing and Homelessness Solutions Committee, highlighting the program's potential. However, no similar updates were provided when the program began to struggle—such as staff reductions and unmet performance targets. Instead of highlighting program challenges (See [Observation A](#)), updates were incorporated into general department performance reports, reducing their visibility. The format and depth of the updates changed over time, making it difficult to track progress against expectations.

For example, an update on October 25, 2021, showed that the expected 40 home repairs had not been completed. The November 9, 2021, update showed that 30 home repairs would be completed by September 30, 2022. Ongoing monthly performance reporting and Committee requests later led to discussions about the program challenges and grant requirements when updates showed progress was not meeting the November 2021 projections.

Criteria

- ❖ *2019 U.S. Department of Housing and Urban Development Lead-Based Paint Hazard Control Grant Program Policy & Procedures*
- ❖ *Standards for Internal Control in the Federal Government:*
 - Principle 15 – Communicate Externally
 - Principle 14 – Communicate Internally

Assessed Risk Rating:

High

We recommend the Director of Housing and Community Development:

- B.1:** Review current resident home repair programs with a focus on communication effectiveness, including recipient satisfaction and responsiveness throughout the process.
- B.2:** Periodically review and update outreach and communication procedures for City programs, including application intake, documentation collection, and resident engagement throughout the repair process.

Observation C: Grant Monitoring

The City of Dallas conducts monthly monitoring for a wide range of grant programs using standardized reporting. However, the monthly monitoring reports do not:

- Specifically identify those grants that do not meet expectations
- Consistently provide key information needed for assessing progress, such as the grant end date, and when the unspent grant funds must be returned.

Without more consistent information on grant performance, more grants may not achieve their objectives.

As of March 30, 2025, excluding the City's smallest grants, the audit identified 19 grants totaling more than \$68 million that were lagging in program execution. See [Appendix D](#) for a list of these grants and the performance criteria used.

In addition to the Lead Hazard Control and Healthy Homes Grant, two other grants were closed with most of the funding unspent. A federal 911 grant was terminated because supply chain disruptions during COVID-19 delayed the department's ability to purchase required equipment. A grant from the Federal Communications Commission was closed at the agency's request due to limited funding.

Exhibit 3: Grants Substantially Unspent in Recent Years

Grant Name	Multi-Year Appropriations	Total Spent Since Inception	Percent Spent
Lead Hazard Control and Healthy Homes Grant	\$2,300,000	\$437,844	19%
Federal 911 Grant Program 19-22 Fund	\$3,245,088	\$0	0%
Affordable Connectivity Program Outreach Grant	\$700,000	\$7,208	1%
Total	\$6,245,088	\$445,052	7%

Source: Office of Budget and Management Services reports and Office of the City Auditor analysis.

The Office of Budget and Management Services reviews each grant monthly, focusing on cumulative spending and timeline. However, many of the reviewed grants did not have documented end dates, and reporting often failed to clarify whether grant program was lagging in performance or whether unspent funds were subject to return to federal government. This created uncertainty and increased the risk of missed deadlines or noncompliance.

The City began implementing new financial software that may enhance the accuracy and completeness of grant monitoring. However, as of the audit's conclusion, an updated report reflecting these improvements was not yet available.

Criteria

- ❖ *Administrative Directive 2-19, Grant Identification, Solicitation, Application, Accounting and Administrative Procedures*
- ❖ *Standards of Internal Control in the Federal Government: Principle 14 – Communicate Internally*

Assessed Risk Rating:

High

We recommend the Director of Budget and Management Services:

C.1: Enhance grant report monitoring by including key information needed to assess program execution and identify underperforming grants. At a minimum, grant end dates, and whether unspent grant funds must be returned to the granting agency should be included.

Appendix A: Background and Methodology

Background

Childhood lead poisoning is a significant and preventable public health issue in the United States. An estimated 52 percent of privately-owned homes built before 1978 still contain lead-based paint, which can result in serious developmental, neurological, and behavioral consequences for young children. To address this hazard, the U.S. Department of Housing and Urban Development's Lead Hazard Control and Healthy Homes aimed to safeguard children under six by funding local efforts to identify and remove lead-paint hazards.

The purpose of Lead Hazard Control and Healthy Homes Grant program is to maximize the number of children under the age of six who are protected from lead poisoning. The grant assists states, cities, counties/parishes, Native American Tribes and other units of local government to identify and control lead-based paint hazards in eligible privately-owned rental or owner-occupied housing. The U.S. Department of Housing and Urban Development also

offers Healthy Homes Supplemental funding to enhance funding for other environmental hazards that affect occupants' health.

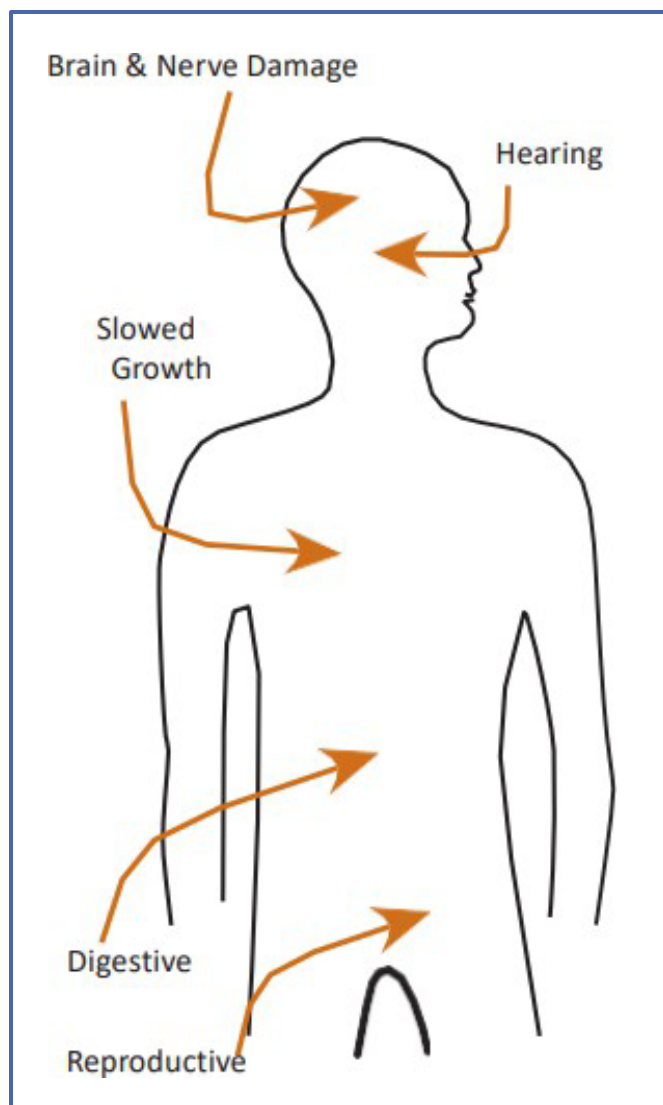
Grant Responsibility

Grant programs are a source of funding for services, operations, and capital projects in the City of Dallas. In Fiscal Year 2024, the City of Dallas received 59 new grants totaling \$167.8 million.

Managing these grants effectively is an important City responsibility and is addressed in *Administrative Directive 2-19*, Grant Identification, Solicitation, Application, Accounting, and Administration Procedures.

Each City department is responsible for managing its grants and ensuring successful outcomes. The Department of Housing and Neighborhood Revitalization, now known as Housing and Community Development, administered the Lead Hazard Control and Healthy Homes grant program.

Source: Dallas presentation on the grant, June 2020.



The Office of Budget and Management Services oversees Citywide grants. It provides monthly reports on grant status and meets regularly with departments on grant execution status. During the audit period, the Office of Budget and Management Services provided four separate monthly reports for: COVID-19 grants, Community Development Block Grants, U.S. Department of Housing and Urban Development grants, and other grants.

Grant Program Requirements

To qualify for assistance under the Lead Hazard Control and Healthy Homes grant program, projects were required to meet the following ten eligibility criteria:

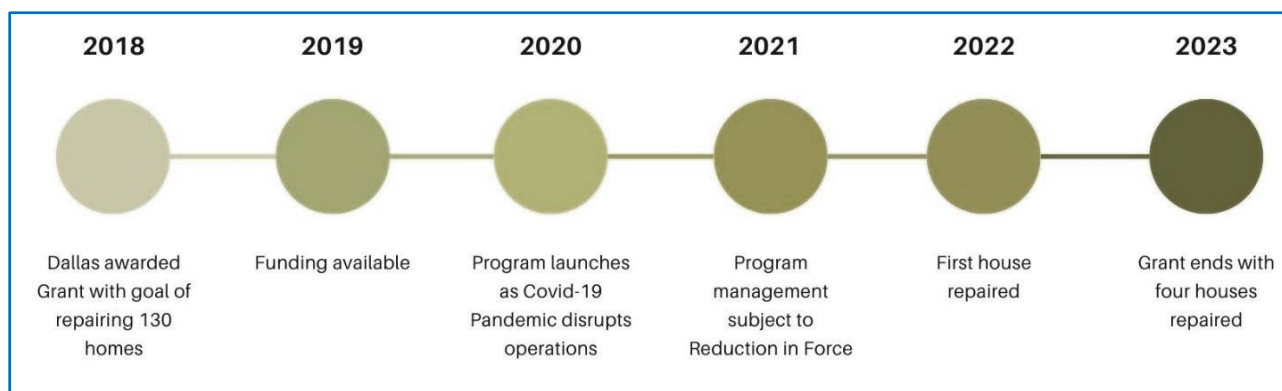
1. The project must be located within the City of Dallas.
2. The project must be built in or prior to 1978.
3. Occupants of project unit(s) must meet the current U.S. Housing and Urban Development income standards for the City of Dallas, based on the occupants' family size and/or the number of units within the building.
4. Current on property taxes.
5. The project must have a fully completed application.
6. Priority is given to residences occupied or frequented by a child under the age of six.
7. Lead-based paint hazards must be identified upon inspection and assessment.
8. For housing owned by owner-occupants, all units assisted with grants must be the principal residence of families of six months with income at or below 80 percent of the area median income level, and not less than 90 percent of the units assisted with grants must be occupied by a child under the age of six years or must be units where a child under the age of six years spends a significant amount of time visiting. Fifty percent of the rental housing units will be occupied by or made available to families with a child under the age of six with incomes at or below 50 percent of area median income for three years after receiving the grant assistance.
9. For rental housing buildings with five or more units may have 20 percent occupied of the units by families with a child under the age of six with incomes above 80 percent of area median income for three years after receiving the grant assistance.
10. Vacant units/homes that are for rent will be eligible under this program; however, those that are for sale will not qualify under this program.

Grant Program Timeline and Costs

The timeline summarizes the City's administration of the grant, highlighting key events that shaped the program's progress.

- **2018:** The Dallas Housing and Neighborhood Revitalization department applied for and received a Lead Hazard Control and Healthy Homes grant as a first-time recipient. The federal grant total was \$139 million fund aimed at reducing lead exposure in children nationwide.
- **May 2019:** Grant funds became available. The total award for the city was \$2.3 million.
- **Early 2020:** Program activities began to scale up but were soon disrupted by the COVID-19 pandemic.
- **2023:** Grant period closed after completing lead-hazard work in four homes (original goal: 130 homes).
- **September 2024:** *The Dallas Morning News* published an investigation highlighting program shortfalls.

Exhibit 4: Grant Program Timeline



Source: Office of the City Auditor using information gathered for the audit.

Of the \$2.3 million grant, \$437,844 (19 percent) was spent, primarily on grant administration. Grant administration involved staff costs related to efforts in identifying homeowners and applicants for the program. Other program costs included repairs, blood testing for children in the applicants' homes, and lead hazard testing at the applicants' homes.

Exhibit 5: Actual Spent on Grant

Spending category	Costs	Percent of funds spent	Percent of total grant award spent (\$2.3 million)
Administration costs	\$320,455	73.2%	13.9%
Lead hazard testing	\$68,134	15.6%	3.0%
Repairs	\$42,455	9.7%	1.8%
Blood testing	\$6,800	1.6%	0.3%
Total	\$437,844	100%	19%

Source: Dallas Housing and Community Development documents and Office of the City Auditor analysis

Methodology

The audit methodology included: (1) interviewing personnel from Housing and Community Development, Budget Management Services, the U. S. Department of Housing and Urban Development, and other city departments; (2) reviewing policies and procedures, the *Texas Local Government Code*, applicable Administrative Directives, grant documentation, and best practices; and, (3) performing various analyses, including reviewing performance updates to the City Council Committee on Housing and Homelessness, surveying other cities about their program management, and surveying residents who expressed interest in the program about their experience. In addition, all five components of *Standards for Internal Control in the Federal Government* were considered.

Note: The U.S. Department of Housing and Urban Development assisted with two interviews. The Department referred all requests for documents and performance information to its U.S. Freedom of Information Act process. Requests submitted in December 2024 and January 2025 were not completed in time for this audit's release, and no estimate of their completion time is available.

We conducted this performance audit 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Dan Genz, CIA, CISA, CFE – Engagement Manager

Matthew Cheadle, CIA, CFE, CGAP – In-Charge Auditor

Natalie Martinez, CTCM - Auditor

Appendix B: Peer City Survey

The Office of the City Auditor conducted a survey of Dallas and five other cities about their experience managing the Lead Hazard Control and Healthy Homes grant program during the same period as Dallas. All responding cities had more success with the program. Four cities leveraged years of experience to achieve that success.

Exhibit 6: Peer City Lead Hazard Control and Healthy Homes Grant Survey Responses

City	2020 Population	Number of Homes Repaired 2020-2023 with this Grant	Total Number of Homes Repaired with this Grant	Average Amount Spent on Repairs
Dallas	1,303,212	4	4	\$15,403
Fort Worth	923,602	217	728	\$24,517
Houston	2,299,269	306	3,800	\$18,500
Waco	140,541	36	36	\$18,994
Charlotte	875,752	80	2,000	\$28,051
Phoenix	1,612,459	35	1,577	\$5,812
Dallas Rank	3	6	6	5

Source: Survey responses received July and August 2023 and Census.Gov data.

Common themes in survey responses

Responding cities identified several common themes in their experiences administering the Lead-Based Paint Hazard Reduction Grant.

- Cities with prior grant experience reported greater difficulty during the 2020–2023 period compared to earlier grant cycles, citing the impacts of the COVID-19 pandemic as a key factor. For example, each city with prior experience completed fewer home repairs in this period than in its first grant cycle. Houston noted a 48 percent increase in the average cost per home repair compared to the previous period.
- All cities used multiple marketing strategies similar to Dallas to promote the program, including door hangers, water bill inserts, social media, and partnerships with nonprofit organizations to promote the program.
- All cities, except Fort Worth, reported challenges finding certified contractors to complete the required repairs. Cities described strategies such as training new contractors, collaborating with partner organizations, and recruiting certified professionals from nearby jurisdictions.
- Each city assigned dedicated staff to the program, with staffing levels ranging from two in Dallas to eight in Charlotte. Some staff also supported other departmental

responsibilities in addition to their grant-related duties.

Survey approach

Auditors reached out to 11 local governments, including Dallas and nine other cities and one county. Auditors selected eight local governments with similar population sizes as Dallas using the 2020 U.S. census, including five cities in Texas. When it became apparent that three of the five cities would not respond, auditors expanded the survey to include two other Texas Cities—Longview and Waco.

Dallas and five other cities listed in [Exhibit 6](#) participated for a 55 percent response rate. All responses were received by email. Survey responses were not received from the cities of Austin, Longview, Philadelphia, San Antonio, and Harris County. City of Austin responded that it could not complete the survey because it did not receive grant funds in the same period as Dallas. City of Austin cited several of the same challenges Dallas faced, including difficulty locating eligible homeowners and properties, recruiting certified contractors, and navigating the complex regulatory requirements associated with the grant.

Appendix C: Property Owner Survey

The Office of the City Auditor surveyed 20 of the 101 grant applicants. The Office of the City Auditor received responses from 11 property owners (55 percent response rate) either by phone or via email. The sample was judgmental to include:

- Property owners who received support.
- Property owners who did not receive support.
- Applicants who were approved, declined, approved, and then canceled due to grant closure.

The survey focused on their overall experience, particularly regarding communication and outreach during the program. The overall average satisfaction rating for the program was 2.9 out of 5, with 5 representing the highest satisfaction and 1 the lowest. Four respondents rated the program a 5, one rated it a 3, one rated it a 2, and four gave a rating of 1. One respondent did not provide a rating.

The most common reasons cited for high satisfaction were that the program existed and there was the potential that they could receive repairs. The most common reasons cited for low satisfaction were the time and effort put into the process without the owner receiving the benefit of the program or dissatisfaction with repairs performed. Despite this, seven said they would be interested in applying again for City of Dallas assistance.

Appendix D: Grant Information

This audit was initiated to identify grants across the City's portfolio that were lagging in program execution. Auditors developed three primary criteria to determine whether a grant was considered delayed or underperforming:

- The grant had a value of approximately \$1 million or more.
- Less than 60 percent of the grant funds had been spent or obligated.
- The grant either had no documented end date or had an end date in 2025 or earlier.

Based on these criteria, 19 grants were identified as lagging in execution. All 19 are collaborative construction projects jointly funded with other governmental agencies. Initial data for the grant evaluation was from August 2024. Grants that had obligated or spent more than 60 percent of funds by March 30, 2025, were excluded from the final list. As such, progress and timelines for these projects are partially or fully dependent on external partners and may be outside of the City's direct control.

Exhibit 7: Citywide Grants Execution

Grant or Fund Name	End Date	Multiyear Appropriations	Spent to Date	Obligated or Under Contract	Percent Spent and Obligated to Date
SOPAC Trail		\$4,000,000	\$145,293	\$214,708	9%
Park Lane – Vickery Meadows Project		\$8,139,705	\$331,226	\$244,575	7%
Linfield Project		\$3,430,000	\$518,404	\$444,562	28%
Mockingbird/US 75 Project		\$3,453,238	\$264,278	\$103,346	11%
Linfield Project Construction		\$3,960,000			0%
Fiscal Year 2021 Regional Catastrophic Preparedness	8/31/2024	\$945,859	\$459,071	\$74	49%
Ross Avenue and Greenville Improvements		\$3,836,092			0%
Carbondale Project		\$1,212,500	\$122,261	\$92,742	18%
Dallas Zoo Dart Station at Southern Gateway Public Green		\$3,836,092	\$131,111	\$229,085	9%

Grant or Fund Name	End Date	Multiyear Appropriations	Spent to Date	Obligated or Under Contract	Percent Spent and Obligated to Date
S Lancaster Kiest Blvd to E Ledbetter – STB	07/31/2025	\$1,960,000		\$260,000	13%
Cadiz Street from West of Hotel Street to Botham Jean Boulevard		\$4,950,000			0%
FY23 COPS Technology and Equipment Program	12/31/2025	\$935,000			0%
FY24 TxDOT Surface Transportation Block Program		\$2,940,000			0%
TxDOT IH-635 LBJ East Corridor Project Cost Reimbursement		\$2,564,027	\$348,480		14%
Lemmon Ave from NW Hwy to US75 CMAQ AFA	03/31/2025	\$2,000,000			0%
Circuit Trail Conservancy		\$10,000,000	\$3,179,034	\$15,592	32%
NCTCOG Grant ILA-Project Paseo	07/31/2024	\$2,156,842	\$600,000		28%
Hutchins - Eads/Colorado to Hutchins/8th - RTR		\$5,600,000			0%
10th Street from IH35E to Clarendon - RTR		\$2,400,000			0%

Source: Financials as of March 30, 2025, as analyzed by the Office of the City Auditor.

Note: One other grant was also identified and is not included because it is the subject of a separate audit by the Office of the City Auditor. That grant is the Texas Parks and Wildlife Department COVID-19 - Coronavirus State and Local Fiscal Recovery Funds Grant.

Appendix E: Management's Response

Management Response and Audit Acknowledgment Letter follow.

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
High	We recommend the Director of Housing and Community Development:				
	A.1: Implement and strengthen practices and procedures to address challenges identified in the current program execution, if the City seeks a new Lead Hazard Control and Healthy Homes Grant. These include improving identification of eligible homes, retention of grant documentation, preparing for leadership or staff turnover and expanding contractor capacity to perform lead abatement projects.	Agree	If the City seeks a new Lead Hazard Control and Healthy Homes Grant, the Department of Housing & Community Development (Housing) will develop procedures to address issues identified in the current program.	6/30/2026	9/30/2026
	B.1: Review current resident home repair programs with a focus on communication effectiveness, including recipient satisfaction and responsiveness throughout the process.	Agree	Housing will review its current resident home repair programs' communication strategy to see if there are opportunities to improve communication effectiveness and satisfaction.	6/30/2026	9/30/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	B.2: Periodically review and update outreach and communication procedures for City programs, including application intake, documentation collection, and resident engagement throughout the repair process.	Agree	Housing will develop a process to periodically review its outreach and communication procedures for City programs, including application intake, documentation collection, and resident engagement.	6/30/2026	9/30/2026
High	We recommend the Director of Budget and Management Services:				
	C.1: Enhance grant report monitoring by including key information needed to assess program execution and identify underperforming grants. At a minimum, grant end dates, and whether unspent grant funds must be returned to the granting agency should be included.	Agree	Since the launch of the new financial system, the Office of Budget and Management Services (BMS) staff have been actively engaged in developing reports designed to enhance consistent monitoring across a diverse volume of grants and granting agencies in a common manner. BMS reports will capture the grant's end date, note whether unspent grant funds must be returned by including the grant type, and capture the current percentage of unspent funds.	12/31/2025	6/30/2026

Memorandum



DATE: July 28, 2025

TO: Mark S. Swann – City Auditor

SUBJECT: Response to Audit of Lead Hazard Control and Healthy Homes Grant Program

This letter acknowledges that the City Manager's Office received the *Audit of Lead Hazard Control and Healthy Homes Grant Program* and submitted responses to the recommendations in consultation with the Department of Housing and Community Development and the Office of Budget and Management Services.

City management recognizes that the Department of Housing and Community Development plays a crucial role in administering and providing various programs and services to help residents obtain and maintain safe and affordable housing.

We acknowledge that this program was affected by numerous challenges, most of which were outside of management's control. These challenges ultimately led to the program not being as successful as intended.

City management does not believe the auditor's observations are high-risk; however, we recognize opportunities to improve and agree to implement the auditor's recommendations.

Specifically, the Department of Housing and Community Development will:

- Develop procedures to address issues identified in the current program, if the City seeks a new Lead Hazard Control and Healthy Homes Grant;
- Review its current resident home repair programs' communication strategy to see if there are opportunities to improve communication effectiveness and satisfaction; and
- Develop a process to periodically review its outreach and communication procedures for City programs.

Additionally, as the City has launched a new financial system, we welcome the auditor's recommendation to enhance monitoring reports.

Response to Audit of Lead Hazard Control and Healthy Homes Grant Program

July 28, 2025

Page 2 of 2

Specifically, the Office of Budget and Management Services' reports will capture the grant's end date, note whether unspent grant funds must be returned by including the grant type, and capture the current percentage of unspent funds.

Please let me know if you need additional information.

Service First, Now!

A handwritten signature in black ink, appearing to read "Kimberly Bizer Tolbert". The signature is fluid and cursive, with the first name "Kimberly" being the most prominent.

Kimberly Bizer Tolbert
City Manager

C: Jack Ireland, Chief Financial Officer

Robin Bentley, Assistant City Manager

Cynthia Rogers-Ellickson, Director, Department of Housing and Community Development

Janette Weedon, Director, Office of Budget and Management Services



Special Audit of the Former City Manager – T. C. Broadnax

September 26, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Jesse Moreno

Deputy Mayor Pro Tem

Gay Donnell Willis

Council Members

Adam Bazaldua

Paula Blackmon

Lorie Blair

Laura Cadena

Zarin D. Gracey

Maxie Johnson

Cara Mendelsohn

Jaime Resendez

Paul E. Ridley

Bill Roth

Kathy Stewart

Chad West



City of Dallas

Table of Contents

Executive Summary	1
Objectives and Conclusions	2
Audit Results	3
Observation A: Noncompliance with City Administrative Directives	3
Appendix A: Background and Methodology.....	5
Background.....	5
Methodology	7
Major Contributors to the Report.....	7
Appendix B: Management’s Response.....	8

Executive Summary

Objectives and Scope

The objectives of this audit were to determine whether the former City Manager:

- Had any outstanding debts owed to the city.
- Had his authorities as an agent of the City removed.
- Used his officeholder account expenditures for public purpose.
- Had physical access to City facilities and logical access to information systems disabled.
- Controlled and accounted for City owned personal property.

The scope of the audit was from May 2, 2022, through May 2, 2024.

Recommendations

Management should ensure departmental compliance with City administrative directives by establishing additional internal controls within the City Manager's Office.

Background

The Office of the City Auditor is required by City Charter Chapter IX, Section 4, *Special Audit*, to audit the accounts of former City officials upon their death, resignation, removal, or expiration of term to determine any indebtedness to the City.

The audit evaluated T. C. Broadnax, the former City Manager, who resigned from the City effective May 2, 2024. T. C. Broadnax had served in the role since February 1, 2017.

Observed Conditions

The review of former City Manager T. C. Broadnax's accounts did not identify any debts owed to the City upon his departure.

Opportunities do exist for the City Manager's Office to reduce noncompliance with City administrative directives.

Objectives and Conclusions

1. Did the City Manager have any outstanding debts owed to the City?

No.

2. Was the City Manager removed as an authorized agent of the City?

Yes.

3. Were the City Manager's expenditures for public purpose?

Generally, yes. Purchasing and travel card expenditures were identifiable as public purpose based on vendor descriptions. However, receipts to support these expenditures were not always available to validate purchase details. Also, the purchasing and travel cards assigned to the former City Manager were not deactivated timely (See [Observation A.](#))

4. Was the City Manager's physical access to City facilities and logical access to information systems disabled?

Generally, yes. The parking decal was transferred internally to the Interim City Manager instead of being returned to the Security Division. (See [Observation A.](#))

5. Did the City Manager control and account for City owned personal property?

Generally, no. As part of the off-boarding process, certain assets were collected. However, other assets that might have been purchased during tenure were not tracked in an inventory listing and could not be verified for existence. (See [Observation A.](#))

Audit Results

Both *City Council Resolution 88-3428* and Administrative Directive 4-09, *Internal Control* prescribe policy for the City to establish and maintain an internal control system. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Noncompliance with City Administrative Directives

Certain activities were not completed in accordance with City administrative directives. City administrative directives are issued: (1) to improve service to the public through efficient management, and (2) to establish procedures for the uniform administration and effective and efficient coordination of the functions of the City of Dallas.¹

- Purchasing card receipts do not agree with the actual amount charged to the purchasing card. This indicates a lack of monitoring to ensure the purchase card was charged the actual amount. There were lunch receipts that did not include the gratuity added to the actual amount charged to the purchasing card. For example, a February 14, 2024, lunch purchase receipt had an amount line of \$17.33 and no amount on the gratuity or total lines. The amount charged on the purchasing card statement was for \$20.33. A \$3.00 gratuity was consistently added to the amount of purchase on the purchase card statement even when the \$3.00 gratuity was not written in on the gratuity line of the receipt.
- Purchasing card was given to staff to make purchases. This allows for unauthorized purchases that do not meet public purposes to occur.
- Purchasing and travel cards were not deactivated timely. The purchasing card was not reduced to a \$1 credit limit until September 12, 2024, because of delays in the reconciliation process. The purchasing card was not deactivated until February 25, 2025. The travel card was not deactivated until March 5, 2025.
- Travel card receipts were not provided. Based on travel card statement descriptions, there was a purchase of travel insurance and several air flight seat upgrades. These transactions do not comply with Administrative Directive 4-07, *Authorization and Reimbursement for Out-of-Town Travel and Travel-Related Expenses* (October 1, 2013).
- Parking decal was not returned to the Security Division upon departure as required by Administrative Directive 6-10, *Dallas City Hall Parking Garage*. Instead, it was transferred to the Interim City Manager.
- Personal property maintained by the City Manager's Office lacks internal controls. A personal property inventory list was not provided and return of all City-issued property could not be verified.

¹ Administrative Directive 2-1, Administrative Directives, Section 2, *Purpose*.

Criteria

- Administrative Directive 6-10, *Dallas City Hall Parking Garage* (December 26, 2012)
- Administrative Directive 4-07 Authorization and Reimbursement for Out-of-Town Travel and Travel-Related Expenses (October 1, 2013)
- Administrative Directive 4-15 *Purchasing Card Policy and Procedures* (Interim) (September 7, 2022)
- Administrative Directive 6-01 *Control of City Property* (January 24, 2000)
- Standards for Internal Control in the Federal Government: *Principle 10 – Control Activities*

Assessed Risk Rating:

Low

We recommend the **City Manager's Office**:

A.1: Ensure departmental compliance with City administrative directives by establishing additional departmental internal controls for:

- Monitoring purchase and travel card purchases to ensure the actual amount charged to the purchase or travel card agrees to the receipt and retaining all receipts.
- Training personnel on how to apply purchase and travel cards administrative procedures.
- Timely deactivation of parking passes, and purchase and travel cards.
- Tracking City owned personal property.

Appendix A: Background and Methodology

Background

The Office of the City Auditor is required by City Charter Chapter IX, Section 4, *Special Audit*, to audit the accounts of former City officials upon their death, resignation, removal, or expiration of council member's term to determine any indebtedness to the City.

The primary off-boarding activities include:

- Verification of debt clearance for property taxes, parking fees, water bills, and other fines.
- Removal of physical access to City facilities by destroying identification badges and obtaining parking decals.
- Disabling of logical access to the City network, applications, and mobile devices.
- Confirmation of proper use of funds for purchasing and travel card expenditures.
- Return of personal property (tangible assets of less than \$1,000) purchased with City funds.
- Examination of accurate employee pay prior to departure.
- Removal of signatory authority.

Exhibit 1 outlines administrative directives and policies used to complete and ensure due diligence of off-boarding activities.

Exhibit 1: Special Audit Authoritative Documents

Document Name	Purpose
Dallas City Charter, Chapter VI. <i>City Manager</i>	Establishes the City Manager as the chief administrative and executive officer of the city and defines their powers and duties.
Dallas City Charter, Chapter IX. <i>City Auditor, Section 4 Special Audit</i>	Upon the death, resignation, removal, or expiration of the term of any officer, other than city auditor, the city auditor shall cause an audit and investigation of the accounts of such officer to be made and shall report to the city manager and council. If, as a result of any such audit, an officer is found to be indebted to the city, the city auditor, or other person making such audit, shall immediately give notice of such indebtedness to the council, the city manager, and the city attorney, and the city attorney shall, as directed by the city council, proceed to collect such indebtedness.

Document Name	Purpose
Administrative Directive 2- 04, <i>Interim Identification and Access Badge and Restricted Areas Policy</i> (June 28, 2018)	Provide instructions on the proper procedures for turning in City of Dallas identification/access badges at termination.
Administrative Directive 3-56, <i>Payroll Procedures</i> (November 3, 2016)	Establish a comprehensive guideline regarding City's payroll processing procedures, including requirements for processing terminations.
Administrative Directive 4-07, <i>Authorization and Reimbursement for Out-of-Town Travel and Travel-Related Expenses</i> (October 1, 2013)	Provide policies and procedures for City government employees, council members, and commission members who perform local and out-of-town official travel in the interest of the City of Dallas. Provide guidance to personnel who authorize, direct, or review such travel or certify payments for reimbursement of travel-related expenses.
Administrative Directive 4-08, <i>Mobile Telephone Services</i> (June 12, 2004)	Establish policy and procedures for the acquisition and use of City-owned mobile services and devices and establish City policy about City cell phone allowance.
Administrative Directive 4-15, <i>Purchasing Card Policy and Procedures (Interim)</i> (September 7, 2022)	Establish policies and procedures for procuring goods and/or services using a Purchasing Card.
Administrative Directive 6-01, <i>Control of City Property</i> (January 24, 2000)	Establish responsibilities and reporting policies for control of City-owned personal property.
Administrative Directive 6-10, <i>City Hall Parking Garage</i> (December 26, 2012)	Provide information and regulations regarding the use of the City Hall parking garage.
<i>City of Dallas Enterprise Information Security Standard</i> (November 18, 2024)	Section 15 guides the separation of employment procedures for handling users' access to all systems.

Source: City of Dallas Intranet, Publications, Administrative Directives

Methodology

The audit methodology included: (1) interviewing personnel from the City Manager's Office and other City departments; (2) reviewing policies and procedures, applicable administrative directives, and best practices; and (3) verifying compliance with procedures. In addition, all five components of *Standards for Internal Control in the Federal Government* were considered.

We conducted this performance audit 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Isaac Tetteh, CISA, CRISC – In-Charge Auditor
Rory Galter, CPA – Engagement Manager
Michael Warr, CIA – Senior Auditor
Laura Miller – Auditor

Appendix B: Management's Response

Memorandum



DATE: September 17, 2025

TO: Mark S. Swann – City Auditor

SUBJECT: Response to Special Audit of the Former City Manager

This letter acknowledges the City Manager's Office received the *Special Audit of the Former City Manager* and submitted responses to the recommendations.

The City Manager's Office appreciates the work of the City Auditor and agrees that internal controls should be enhanced to ensure compliance with applicable administrative directives.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly Bizzor Tolbert", written over a circular stamp.

Kimberly Bizzor Tolbert
City Manager

C: Jack Ireland, Chief Financial Officer
Ahmad Goree, Chief of Staff

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
Low	We recommend the Director of City Manager's Office:				
	A.1: Ensure departmental compliance with City administrative directives by establishing additional departmental internal controls for: - Monitoring purchase and travel card purchase to ensure the actual amount charged to the purchase or travel card agrees to the receipt and retaining all receipts. - Training personnel on how to apply purchase and travel cards administrative procedures. - Timely deactivation of parking passes, and purchase and travel cards. - Tracking City owned personal property	Agree	The City Manager's Office will implement controls to ensure compliance with the procedures referenced.	12/31/2025	Next Special Audit of a Former City Manager



Audit of Cross-Connection and Backflow Prevention Program

September 26, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Jesse Moreno

Deputy Mayor Pro Tem

Gay Donnell Willis

Council Members

Adam Bazaldua

Paula Blackmon

Lorie Blair

Laura Cadena

Zarin D. Gracey

Maxie Johnson

Cara Mendelsohn

Jaime Resendez

Paul E. Ridley

William Roth

Kathy Stewart

Chad West



City of Dallas

Table of Contents

Executive Summary	1
Objectives and Conclusions	2
Audit Results	3
Observation A: Backflow Prevention Assembly Information System.....	3
Observation B: Annual Inspection Enforcement.....	7
Observation C: Backflow Prevention Assembly Testers	9
Appendix A: Background and Methodology.....	11
Background.....	11
Methodology	14
Major Contributors to the Report	15
Appendix B: Risk Matrix	16
Appendix C: Management’s Response.....	17

Executive Summary

Objective and Scope

The objectives of this audit were to determine whether:

- The Cross-Connection and Backflow Prevention Program is working as intended in the guidelines set out in Dallas City Code Chapter 49, Section 29, and Texas Administrative Code Section 290.44.
- Backflow assembly testers are certified by the Texas Commission on Environmental Quality and registered with the City of Dallas Building Inspection Office.

The scope of this audit included the City's Cross-Connection and Backflow Prevention Program activities from October 1, 2023, to September 30, 2024. Documentation from before the scope period was also reviewed as a part of this audit.

Recommendations

Management should:

- Reconcile system data between the SwiftComply and Accela Civic Platform information systems.
- Strengthen data accuracy and integration.
- Enforce testing compliance.
- Standardize test entry and inspection requirements.
- Enhance oversight of testers and equipment.
- Improve interdepartmental coordination.

Background

Dallas Water Utilities is in charge of the City's Cross-Connection and Backflow Prevention Program, which protects the public water supply from contamination due to backflow and cross-connections. Backflow occurs when water flows in reverse and can introduce pollutants such as chemicals or sewage into the drinking water system. To prevent this, backflow prevention assemblies must be installed at risk locations and tested annually by Texas Commission on Environmental Quality-licensed and City-registered testers using calibrated equipment.

Observed Conditions

The Dallas Water Utilities' SwiftComply information system is incomplete and inconsistent with the Department of Planning and Development's Accela Civic Platform information system (replacement for Posse information system), resulting in numerous potential untracked backflow prevention assembly locations.

Approximately 41 percent of assemblies in SwiftComply are noncompliant with annual testing requirements, and Dallas Water Utilities does not enforce corrective action beyond issuing reminders.

Some backflow testers lacked required documentation, including evidence of annual gauge calibration.

Communication gaps between departments and the absence of formal procedures contribute to data errors and compliance failures.

Objectives and Conclusions

1. Is the backflow prevention program working as intended in the guidelines set out in City Code Chapter 49, Section 29, and Texas Administrative Code Section 290.44?

Generally, no. While the framework for the program aligns with the City Code and state regulations, enforcement is inconsistent. The Dallas Water Utilities' SwiftComply information system of backflow prevention assemblies is incomplete and sometimes inaccurate. Many testers do not submit test results through SwiftComply as required, and some test forms are accepted by Planning and Development even though they do not originate from SwiftComply. Additionally, annual testing compliance is low, and Dallas Water Utilities does not consistently follow up on overdue or failed inspections, reducing the program's effectiveness in protecting water quality. (See [Observation A](#) and [Observation B](#).)

2. Are backflow assembly testers certified by the Texas Commission on Environmental Quality and registered with the City of Dallas Building Inspection Office?

Generally, yes. All testers who performed backflow assembly tests in Fiscal Year 2024 maintained a current Texas Commission on Environmental Quality certification. However, SwiftComply does not currently validate city registration status when test reports are submitted. As a result, the Texas Commission on Environmental Quality certified but unregistered City testers performed and submitted inspections without detection. A more robust verification and reconciliation process is needed between SwiftComply and the City's registration records. (See [Observation C](#).)

Audit Results

Both *City Council Resolution 88-3428* and Administrative Directive 4-09, *Internal Control*, prescribe policy for the City to establish and maintain an internal control system. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Backflow Prevention Assembly Information System

SwiftComply, a backflow prevention assembly information system, is an effective tool used by Dallas Water Utilities to track the location of cross connections and backflow prevention assemblies and to track required annual backflow assembly testing. However, the data in SwiftComply is incomplete and is not always accurate. In particular:

- The count of unique street addresses with backflow assemblies in Posse, an information system used by Planning and Development during the audit period¹ to issue permits for the initial installation and testing of backflow assemblies, does not match the count of unique addresses in the Dallas Water Utilities' SwiftComply information system and shows 5,242 address discrepancies.
- In addition, SwiftComply includes 3,179 assemblies of "unknown" type and 81 locations with no corresponding backflow prevention assemblies. Some of these locations are City of Dallas fire stations, aquatic centers, and swimming pools. According to Dallas Water Utilities, these locations were entered as memo records for information purposes, or in error, or at some point had backflow prevention assemblies, or it is unknown how many assemblies they had.

As a result, there is a risk that defective backflow prevention assemblies are not being detected by Dallas Water Utilities because the department does not have access to Posse and does not have procedures and work instructions to reconcile the differing information between Posse and SwiftComply. According to the Dallas Water Utilities, the effects of an unlikely failure of a backflow assembly will be confined to the premises on which the assembly is located and will not compromise the water system due to the department's vigilance in maintaining a positive water pressure above 35 PSI and continuous hourly monitoring of the pressure and quality of drinking water in the water supply system.

Prior to the audit, Dallas Water Utilities has been working on improving the backflow prevention program, the rate of compliance with annual testing requirement, and the completeness and accuracy of the SwiftComply information system by requiring Backflow Prevention Group inspectors to visit questionable locations and verify the number and location, the status, and type of backflow prevention assemblies.

¹ In May 2025, Planning and Development discontinued use of the Posse information system and installed Accela Civic Platform.

However, several inconsistent procedures first pointed out in *Backflow Prevention Strategies Evaluation* prepared by Carollo engineering firm in February 2020 have not been corrected and continue to impact the accuracy of SwiftComply, such as:

- Carollo recommended that testers submit backflow prevention assembly test reports for new installations directly to Dallas Water Utilities with a copy provided to Planning and Development. But this approach is not being followed. A review of a random sample of 60 locations in Posse out of 1,786, where a new backflow prevention assembly was installed during the audit period, shows that nine (15 percent) newly installed backflow prevention assembly were inspected by Planning and Development and approved even though backflow prevention assembly testers did not enter the tests into Dallas Water Utilities' SwiftComply information system and did not present SwiftComply test forms to Planning and Development inspectors. This means that in Fiscal Year 2024, about 268 backflow prevention assemblies were installed or repaired circumventing the entry of the test in the SwiftComply information system and preventing Dallas Water Utilities from tracking their compliance with annual testing requirements.

While the Dallas Water Utilities website directs backflow prevention assembly testers to enter new installation test results into the SwiftComply information system and provide a SwiftComply printout to Planning and Development plumbing inspectors, this directive is not documented in the department's written procedures and has not been shared with Planning and Development's plumbing inspectors who continue to accept test forms that did not originate in the SwiftComply information system.

- Carollo recommended that Dallas Water Utilities and Planning and Development implement a single information system for use in backflow prevention assembly tracking and data management. However, Dallas Water Utilities and Planning and Development continue to use separate information systems without the ability to access and reconcile each other's data related to backflow prevention assembly tracking and data management. Dallas Water Utilities have been using SwiftComply since 2022, and Planning and Development used Posse, which was replaced with Accela Civic Platform in May 2025.
- Carollo recommended an upgrade to a more advanced information system (SwiftComply). According to Dallas Water Utilities, the transfer of backflow assembly prevention data from the legacy information system into SwiftComply was not error-free and added to the challenges with the data accuracy.

Criteria

- ❖ *Texas Administrative Code, Title 30, Part I, Chapter 290, Subchapter D, Rule §290.44* requires initial and annual testing of backflow prevention assemblies by certified testers.
- ❖ *Dallas City Code Section 49-29* grants the Director of Dallas Water Utilities the authority to:

- Require installation or correction of backflow assemblies at the customer's expense.
 - Refuse or discontinue water service for non-compliance.
 - Inspect backflow prevention assemblies and charge fees for inspections.
- ❖ *DWU-PRO-001-WQ.BF (Cross-Connection Control Program)* requires testing documentation via SwiftComply, periodic walkthrough inspections, and backflow assembly database maintenance.
 - ❖ Backflow Prevention Strategies Evaluation, Carollo Engineering, February 2020.
 - ❖ Standards for Internal Control in the Federal Government:

Principle 16 – Perform Monitoring Activities

Principle 9 – Identify, Analyze, and Respond to Change

Assessed Risk Rating:

High

We recommend the **Director of Dallas Water Utilities**:

A.1: Develop and implement formal reconciliation written procedures and work instructions for regular periodic reconciliation of SwiftComply and Posse (and its successor system Accela Civic Platform) information system data to identify and correct discrepancies, including:

- Locations with backflow prevention assemblies in the Accela Civic Platform but not in SwiftComply information systems.
- Locations in SwiftComply showing no backflow prevention assemblies.
- Duplicate or erroneous entries.

A.2: Develop and implement a risk-based plan to confirm the existence, condition, and hazard level of backflow prevention assemblies, targeting address discrepancies between Posse (Accela Civic Platform) and SwiftComply, assemblies of "unknown" type, and locations with no backflow prevention assemblies.

We recommend the **Director of Dallas Water Utilities** and the **Director of Planning and Development Department**:

A.3: Develop, implement, and enforce formal test entry and documentation requirements for all backflow prevention assembly testers to:

- Enter new installation and annual test results directly into the SwiftComply information system.

- Provide a SwiftComply information system-generated test form to Planning and Development plumbing inspectors.
- Train both Dallas Water Utilities and Planning and Development staff on these requirements.
- Reject test forms not originating from the SwiftComply information system to enforce compliance.

A.4: Explore options to develop an integrated data management solution to either:

- Implement a single unified information system for backflow prevention assemblies tracking, or
- Develop an application programming interface between SwiftComply and Accela Civic Platform information systems to allow for real-time data sharing and validation.

A.5: Explore options to develop a monitoring dashboard to track discrepancies between permitting records and the backflow prevention database.

Observation B: Annual Inspection Enforcement

A review of Dallas Water Utilities' Cross-Connection and Backflow Control Program documentation and procedures identified instances where required backflow prevention assemblies have not been consistently tested according to City and state regulations. Some customers failed to perform the required annual tests on backflow prevention assemblies. A review of backflow assembly test compliance data in the SwiftComply information system shows that 8,111 out of 19,644 (41 percent) backflow assemblies are not compliant with the annual testing requirement. Additionally, a separate review of a judgmental sample of 100 failed tests in Fiscal Year 2024 shows that of the 100 failed tests:

- 66 assemblies (66 percent) never received a passing re-test.
- For the 34 assemblies (34 percent) that did re-test and pass, the time between the initial failed test and the passing test ranged from 2 to 110 days.

Failure to maintain, test, and report backflow prevention assembly compliance increases the risk of backflow incidents, which could contaminate the public drinking water supply. This could result in health hazards to the community, regulatory violations, potential fines from the Texas Commission on Environmental Quality, and reputational damage to the City of Dallas. Delayed follow-up on failed tests allows potentially faulty or unsafe assemblies to remain in service for extended periods, compromising water system safety. According to the Dallas Water Utilities, the effects of an unlikely failure of a backflow assembly will be confined to the premises on which the assembly is located and will not compromise the water system due to the department's vigilance in maintaining a positive water pressure above 35 PSI and continuous hourly monitoring of the pressure and quality of drinking water in the water supply system.

Dallas City Code Section 49-29 grants the Director of Dallas Water Utilities the authority to enforce the installation or correction of backflow prevention assemblies at the customer's expense and even to refuse or discontinue water service for non-compliance. However, the department's enforcement efforts currently are limited to notification letters of required annual tests and occasional visits to non-compliant customers to remind them of the need to comply with the testing requirement. Dallas Water Utilities does not have formalized procedures to ensure timely follow-up on failed backflow assembly tests or overdue tests.

Criteria

- ❖ *Texas Administrative Code, Title 30, Part I, Chapter 290, Subchapter D, Rule §290.44* requires initial and annual testing of backflow prevention assemblies that protect against health hazards by certified testers.
- ❖ *Dallas City Code Section 49-29* grants the Director of Dallas Water Utilities the authority to:
 - Require installation or correction of backflow prevention assemblies at the customer's expense.
 - Refuse or discontinue water service for non-compliance.

- Inspect backflow prevention assemblies and charge fees for inspections.
- ❖ *DWU-PRO-001-WQ.BF (Cross-Connection Control Program)* requires testing documentation via SwiftComply, periodic walkthrough inspections, and backflow assembly database maintenance.
- ❖ Standards for Internal Control in the Federal Government:

Principle 16 – Perform Monitoring Activities

Principle 9 – Identify, Analyze, and Respond to Change

Assessed Risk Rating:

High

We recommend the **Director of Dallas Water Utilities:**

B.1: Develop and implement formal procedures for monitoring compliance with annual backflow assembly tests, including escalation steps for non-compliance based on the level of hazard present at a non-complying location.

B.2: Develop and implement formal procedures for a follow-up protocol for failed backflow tests, prioritizing high-hazard locations to ensure that correction and retesting occur promptly.

B.3: Increase proactive education and enforcement efforts to reduce the percentage of assemblies out of compliance with annual testing requirements.

B.4: Leverage the SwiftComply information system or other data management tools to generate automated notifications and track overdue inspections and failed tests systematically.

Observation C: Backflow Prevention Assembly Testers

According to the Texas Administrative Code, Title 30, Chapter 30, Subchapter G, §30.284, all backflow prevention assembly testers must be licensed by the Texas Commission on Environmental Quality and must complete an approved training course, pass a written and practical exam, and keep their license current and in good standing. Testers are also required to register with the Department of Planning and Development and pay an annual registration fee of \$120 (City Code Chapter 52, Article 802.1). In addition, the gauges they use in the testing of backflow prevention assemblies must be tested for accuracy annually (Texas Administrative Code Title 30, Chapter 290, specifically § 290.44(h)(4)(B)).

A review of a random sample of 60 backflow prevention assembly tests performed by 38 privately hired testers during the Fiscal Year 2024 shows that:

- All 38 testers held active Texas Commission on Environmental Quality licenses at the time of the test.
- Nine of the 38 testers (24 percent) were not registered with the Department of Planning and Development at the time the backflow prevention assembly tests were conducted.
- One of the 60 (2 percent) backflow prevention assembly tests was performed with a test gauge with no record of calibration.

Non-compliance with the City Code and program procedures that require all backflow testers to be both licensed by Texas Commission on Environmental Quality and registered with the City results in confusion regarding tester registration requirements and loss of registration fee revenue for the City. Calibration ensures that backflow prevention testing results are accurate and reliable, reducing the risk of undetected failures in backflow prevention assemblies and false test results leading to unsafe water conditions.

Dallas Water Utilities does not have direct access to the Planning and Development's backflow prevention tester registry, and there is no shared information system or verification process in place between departments. This limits Dallas Water Utilities's ability to verify City registration status at the time of test report submission.

Criteria

- ❖ *Texas Administrative Code, Title 30, Part I, Chapter 290, Subchapter D, Rule §290.44* requires that backflow prevention testers be conducted by recognized backflow prevention assembly testers, who must hold a current license and meet testing qualifications.
- ❖ *Dallas City Code Chapter 52, Article 310.3 (2.2)* requires the owners of premises on which a backflow prevention device is located to ensure that high health hazard devices are tested at least annually by backflow prevention testers who are registered with the City of Dallas.

- ❖ *Dallas City Code Chapter 52, Subchapter 8* states that a person may not inspect or test backflow prevention assemblies within the City unless registered as a backflow prevention tester at the Building Inspection Division of the Department of Planning and Development.
- ❖ *DWU-PRO-001-WQ.BF (Cross-Connection Control Program)* requires all customer assemblies to be tested by private testers registered with the City of Dallas.
- ❖ Standards for Internal Control in the Federal Government:

Principle 16 – Perform Monitoring Activities

Principle 9 – Identify, Analyze, and Respond to Change

Assessed Risk Rating:

Low

We recommend the **Director of Dallas Water Utilities:**

C.1: Require SwiftComply to include a City of Dallas registration verification step before test report submission acceptance.

C.2: Require all backflow prevention assembly testers to provide valid documentation of annual gauge calibration prior to performing backflow tests. Establish a verification process to ensure that no test reports are accepted unless accompanied by current calibration records, in compliance with Texas Commission on Environmental Quality regulations.

Appendix A: Background and Methodology

Background

Dallas Water Utilities provides wastewater, stormwater, and flood control services to more than 2.6 million people across 27 surrounding communities, covering a 700-square-mile service area. Dallas Water Utilities operates as both a local and regional utility and employs over 1,600 full-time staff.

Program Implementation

The Cross-Connection Control Program is implemented jointly by Dallas Water Utilities (Water Quality Division) and the Department of Planning and Development. Planning and Development is responsible for issuing permits for new backflow prevention assembly installations and conducts initial inspections using Accela Civic Platform information system (replacement for Posse information system). Dallas Water Utilities manages compliance monitoring, annual testing tracking, and tester certification through the SwiftComply database, which was adopted in 2022 to replace older internal systems and modernize compliance oversight.

To perform backflow assembly tests in the City of Dallas, individuals must:

- Hold a Backflow Prevention Assembly Tester license issued by the Texas Commission on Environmental Quality,
- Be registered with the City of Dallas and submit documentation of a valid Texas Commission on Environmental Quality license and annual test gauge calibration records.

Importance of Backflow Prevention

A critical responsibility of Dallas Water Utilities is protecting the City's public water supply from contamination due to backflow, which occurs when water flows in the opposite direction of its intended path. This reverse flow can result from backsiphonage (a drop in pressure in the potable system) or backpressure (increased downstream pressure). If cross-connections are present, i.e. points where potable water connects with non-potable systems, hazardous substances can enter the drinking water supply. According to the Environmental Protection Agency and the American Water Works Association, cross-connections and backflow events have caused numerous public health incidents across the U.S., leading to contamination by pesticides, industrial fluids, biological waste, and untreated water. Such contamination has resulted in illnesses and public health advisories, particularly when backflow assemblies were missing, malfunctioning, or untested. To mitigate these risks, the City of Dallas Cross-Connection and Backflow Control Program requires that backflow prevention assemblies be installed at locations with potential cross-connections and that each assembly be tested annually to ensure it functions properly. See [Exhibit 1](#) on the next page for a count of various types of backflow prevention assemblies currently tracked in SwiftComply:

Exhibit 1:**Count of Backflow Prevention Assemblies by Type as of April 8, 2025**

(Teal shaded rows indicate backflow prevention assembly types requiring annual testing.)

Backflow Prevention Assembly Type	Definition	SwiftComply Count	Compliant with Annual Testing Requirement
Reduced Pressure Principle Assembly (RP or RPZA)	A testable mechanical assembly with two independently operating, spring-loaded check valves, and an automatically operating differential pressure relief valve located between them, plus shutoff valves and test cocks. High hazard (Health Hazard - Highest Mechanical Protection). Provides superior protection against both backsiphonage and backpressure for health hazard contaminants.	19,176	11,015 (57%)
Reduced Pressure Detector Assembly (RPDA)	An RPZA with a metered bypass assembly that also contains backflow prevention (typically another RPZA) to detect leaks or unauthorized water use, commonly in high-hazard fire sprinkler systems. High Hazard (Health Hazard). Protects against both backsiphonage and backpressure, primarily for fire suppression systems where a high hazard exists and leak detection is needed.	464	302 (65 %)
Reduced Pressure Detector Assembly – Type II (RPDA-II)	A specific configuration of an RPDA where the bypass line contains a meter and a single check valve and relief valve, as opposed to a full RPZA in the bypass, but still providing equivalent RP protection. High hazard (Health Hazard). Same as RPDA, for high-hazard fire suppression systems with leak detection.	4	1 (25%)
Air Gap (AG)	A physical, unobstructed vertical separation between the lowest point of a potable water outlet and the flood level rim of a fixture or receptacle. It is	20	Annual testing is not required.

Backflow Prevention Assembly Type	Definition	SwiftComply Count	Compliant with Annual Testing Requirement
	the simplest and most reliable method of backflow prevention. It protects against both backsiphonage and backpressure for all hazard levels .		
Atmospheric Vacuum Breaker (AVB)**	A non-testable assembly with a check valve and an air inlet valve that opens when supply pressure drops to atmospheric pressure, breaking a vacuum. High hazard (against backsiphonage only). Must be installed downstream of any shutoff valves and at least 6-12 inches above the highest point of water use. Not for continuous pressure or backpressure.	3	Annual testing is not required.
Double Check Valve Assembly (DC or DCVA)	A testable mechanical assembly consisting of two independently operating, spring-loaded check valves in a series, with shutoff valves and test cocks. Protects against both backsiphonage and backpressure where the potential contaminant is not a health hazard .	15,855	Annual testing is not required.
Double Check Detector Assembly (DCDA)	A DCVA with a metered bypass assembly that also contains backflow prevention (typically another DCVA) to detect leaks or unauthorized water use, commonly in fire sprinkler systems. Low hazard (Pollution). Protects against both backsiphonage and backpressure, primarily for fire suppression systems where leak detection is needed and the hazard is low.	301	Annual testing is not required.
Double Check Detector Assembly – Type II (DCDA-II)	A specific configuration of a DCDA where the bypass line contains a meter and a single check valve (testable), as opposed to a full DCVA in the bypass. Low hazard (Pollution). Same as DCDA, primarily for fire suppression systems with low hazard and leak detection.	39	Annual testing is not required.

Backflow Prevention Assembly Type	Definition	SwiftComply Count	Compliant with Annual Testing Requirement
Pressure Vacuum Breaker (PVB)	A testable assembly with a spring-loaded check valve and a spring-loaded air inlet valve, designed for use under continuous pressure. Includes shutoff valves and test cocks. High hazard (against backsiphonage only). Must be installed at least 12 inches above the highest point of water use. Does not protect against backpressure.	138	Annual testing is not required.
Spill-Resistant Pressure Vacuum Breaker (SVB)	A variation of the PVB designed to minimize water spillage upon operation, typically through an internal sensing passage or diaphragm that keeps the air inlet sealed until conditions require opening. Often has only one test cock High Hazard (against backsiphonage only). Functions similarly to a PVB; does not protect against backpressure. Preferred for indoor installations due to reduced discharge.	228	Annual testing is not required.
Unknown	Dallas Water Utilities does not have information about the type of assembly at a location.	3,179	Unknown
Totals:		39,407	N/A
Annual Inspections Required		19,644	11,321 (58%)

Source: Dallas Water Utilities.

Methodology

The audit methodology included: (1) interviewing personnel from Dallas Water Utilities and Planning and Development departments; (2) reviewing policies and procedures, the *Texas Administrative Code*, Texas Commission on Environmental Quality regulations, *Dallas City Code*, and best practices; and, (3) performing various analyses, including data analysis of Posse and SwiftComply. In addition, all five components of *Standards for Internal Control in the Federal Government* were considered.

We conducted this performance audit 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Brandon Boykin, MBA – Auditor

Anatoli Douditski, MPA, CIA, CFE, ACDA – Engagement Manager

Appendix B: Risk Matrix

The Office of the City Auditor uses a Risk Matrix (see [Exhibit 2](#)) to rate the severity of audit observations and assign a corresponding risk rating. Risk is rated as High, Moderate, or Low based on the auditors' evaluation of the impact and likelihood of the effects caused by internal control deficiencies.

Exhibit 2:

Risk Matrix

Risk	High	Moderate	Low
Financial: The financial impact is or is likely to be...	Greater than \$50,000	Between \$10,000 to \$50,000	Less than \$10,000
Operational: How severe are control deficiencies?	Operations have failed	Operations may fail	Operations are not likely to fail
Compliance: How severe are instances of non-compliance?	Not complying and has been or will be penalized	Not complying and is likely to be penalized	Complying or will not be penalized
Public: How severe is the reputational damage, loss of public trust, or negative media coverage?	Will immediately receive coverage	May receive coverage	Will receive no coverage
Equity: Will there be a disproportionate impact on a segment of the population?	A significant negative effect	A moderate negative effect	No negative effect

Source: Office of the City Auditor.

Appendix C: Management's Response

Memorandum



DATE: September 17, 2025

TO: Mark S. Swann – City Auditor

SUBJECT: Response to the Audit of Cross-Connection and Backflow Prevention Program

This letter acknowledges the City Manager's Office received the *Audit of Cross-Connection and Backflow Prevention Program* and submitted responses to the recommendations in consultation with Dallas Water Utilities (DWU) and the Department of Planning and Development (PDV).

DWU is subject to a comprehensive compliance investigation by the Texas Commission on Environmental Quality (TCEQ) every three years. The purpose of the investigation is to assess compliance with drinking water regulations and to identify performance limiting factors that could affect water quality. TCEQ has reaffirmed DWU's status as a "Superior" rated water system – the highest rating awarded in Texas. This recognition reflects DWU's continued commitment to regulatory compliance and the delivery of safe, clean drinking water.

While DWU remains confident in the quality of water it provides, recent system transitions have highlighted opportunities for improvement – particularly in data management and coordination. In November 2022, DWU migrated to the SwiftComply database to enhance our cross connection and backflow prevention program. More recently, in May 2025, PDV transitioned to the DallasNow platform. We appreciate the auditor's work to identify areas where we can better leverage these systems and enhance our processes to more completely mitigate any potential risks associated with backflow.

We feel strongly that the auditor's recommendations for Observations A and B are low or moderate risk. DWU is committed to maintaining TCEQ's minimum pressure requirements of 35 pounds per square inch (PSI) under normal operating conditions and 20 PSI under emergency conditions. This is accomplished through a robust and modern system that continuously monitors hundreds of various sensors throughout the water supply system. The system is actively monitored 24 hours a day, and rapid incident response teams are available to respond immediately to any concerns, including drops in water pressure. This is supplemented by multiple layers of mechanical (e.g., pumps and valves), engineering (e.g., system design, hydraulics, and equipment redundancy), and chemical (e.g., chlorine) safeguards that ensure a safe water system. In addition, backflow prevention assemblies serve as supplemental protection for private premise plumbing and supports the integrity of the distribution system in conjunction with the primary controls listed above.

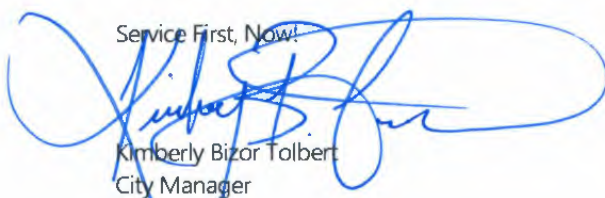
Response to the Audit of Cross-Connection and Backflow Prevention Program
September 17, 2025
Page 2 of 2

Additionally, City management would like to clarify that DWU has been actively working on evaluating and integrating the Carollo Group's recommendations into its operations as part of DWU's goal of continuous improvement and enhancing operations. DWU took a risk-based approach, and to date, has completed six recommendations and continues to work on three recommendations.

In summary, DWU and PDV agree to implement each of the auditor's recommendations.

Please let me know if you need additional information.

Service First, Now!



Kimberly Bizzor Tolbert
City Manager

C: Jack Ireland, Chief Financial Officer
Dev Rastogi, Assistant City Manager
Robin Bentley, Assistant City Manager
Sarah Standifer, Director, Dallas Water Utilities
Emily Liu, Director, Department of Planning and Development

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
High	We recommend the Director of Dallas Water Utilities:				
	A.1: Develop and implement formal reconciliation written procedures and work instructions for regular periodic reconciliation of SwiftComply and Posse (and its successor system Accela Civic Platform) information system data to identify and correct discrepancies, including: • Locations with backflow prevention assemblies in the Accela Civic Platform but not in SwiftComply information systems. • Locations in SwiftComply showing no backflow prevention assemblies. • Duplicate or erroneous entries.	Agree	Working with Planning and Development (PDV), Dallas Water Utilities (DWU) will develop and implement written procedures and work instructions for performing an annual reconciliation between the SwiftComply and Accela Civic Platform systems. This process will identify any discrepancies or erroneous entries so that they may be corrected. It should be noted that this process will not result in the two systems having identical location information, as the two systems primarily serve different departments with unique needs. For example, several records have been intentionally retained primarily to support compliance with TCEQ audit requirements. DWU will identify and notate discrepancies, similar to a reconciling item.	6/30/2026	12/31/2026
	A.2: Develop and implement a risk-based plan to confirm the existence, condition, and hazard level of backflow prevention assemblies, targeting address discrepancies between Posse (Accela Civic Platform) and SwiftComply, assemblies of “unknown’ type, and	Agree	Working with PDV, DWU will obtain all permit requests involving backflow assemblies from Accela and reconcile the discrepancies by developing and implementing a risk-based plan and prioritization based on hazard level, following TCEQ guidance of hazard types. DWU is currently investigating anomalies in SwiftComply that resulted from data	6/30/2026	12/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	locations with no backflow prevention assemblies.		migration from the previous system. DWU is initially focusing on locations with unknown assembly types. Through this process, DWU will reduce the risk associated with this recommendation. It should be noted that the implementation date reflects the development of the plan and several months of activity to demonstrate progress against the plan. However, at this time, there are too many unknowns to estimate the completion of the plan.		
	B.1: Develop and implement formal procedures for monitoring compliance with annual backflow assembly tests, including escalation steps for non-compliance based on the level of hazard present at a non-complying location.	Agree	DWU will develop procedures documenting our efforts to monitor annual backflow testing compliance. In addition, DWU's procedures will include a flexible, but consistent escalation process for non-compliance based on hazard levels.	03/31/2027	6/30/2027
	B.2: Develop and implement formal procedures for a follow-up protocol for failed backflow tests, prioritizing high-hazard locations to ensure that correction and retesting occur promptly.	Agree	DWU recognizes the importance of following up on failed tests. DWU is actively working with SwiftComply on a solution. The new process will be documented in a formal procedure.	6/30/2026	12/31/2026
	B.3: Increase proactive education and enforcement	Agree	DWU will continue to enhance its current cross connection control program	6/30/2026	12/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	efforts to reduce the percentage of assemblies out of compliance with annual testing requirements.		education and strengthen enforcement to improve compliance of the backflow program.		
	B.4: Leverage the SwiftComply information system or other data management tools to generate automated notifications and track overdue inspections and failed tests systematically.	Agree	DWU will leverage SwiftComply by implementing an automated notification process to notify customers of out-of-compliance assemblies and failed assemblies. In addition, DWU will leverage this data to track compliance.	6/30/2026	12/31/2026
Low	C.1: Require SwiftComply to include a City of Dallas registration verification step before test report submission acceptance.	Agree	DWU requires that testers to be licensed by the Texas Commission on Environmental Quality before accepting their reports. DWU does not believe it is feasible for SwiftComply, an off-the-shelf software program, to be modified to verify that testers have registered with the City. DWU will work with the City Attorney's to determine if the City Code requires testers to be registered with the City and, if so, will ask the City Council to reevaluate this requirement. If the City Code requires testers to be registered and the City Council affirms that it is their desire, DWU will develop procedures to implement the recommendation or otherwise mitigate	12/31/2026	6/30/2027

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
			the risk that DWU accepts submissions from testers, not registered with the City.		
	C.2: Require all backflow prevention assembly testers to provide valid documentation of annual gauge calibration prior to performing backflow tests. Establish a verification process to ensure that no test reports are accepted unless accompanied by current calibration records, in compliance with Texas Commission on Environmental Quality regulations.	Agree	All testers are required to provide documentation of annual gauge calibration. DWU will explore options with the software vendor to ensure test reports are accepted only with valid calibration records.	6/30/2026	12/31/2026
	We recommend the Director of Dallas Water Utilities and the Director of Planning and Development Department :				
	A.3: Develop, implement, and enforce formal test entry and documentation requirements for all backflow prevention assembly testers to: - Enter new installation and annual test results directly into the SwiftComply information system. - Provide a SwiftComply information system-generated test form to	Agree	DWU will work with PDV to develop a formal process to ensure testers enter new installations and annual test results directly into SwiftComply. This process will instruct PDV staff not to accept any test forms not originating from SwiftComply, but instead inform testers on how to submit a test to DWU via the SwiftComply system.	6/30/2026	12/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	Planning and Development plumbing inspectors. • Train both Dallas Water Utilities and Planning and Development staff on these requirements. • Reject test forms not originating from the SwiftComply information system to enforce compliance.		Lastly, DWU and PDV will ensure applicable staff are periodically trained on this process.		
	A.4: Explore options to develop an integrated data management solution to either: • Implement a single unified information system for backflow prevention assemblies tracking, or • Develop an application programming interface between SwiftComply and Accela Civic Platform information systems to allow for real-time data sharing and validation.	Agree	DWU and PDV will research options to develop an integrated data management solution. If a feasible solution is identified, DWU and PDV will advocate for the solution.	9/30/2026	12/31/2026
	A.5: Explore options to develop a monitoring dashboard to track discrepancies between	Agree	DWU and PDV will explore the feasibility of developing a monitoring dashboard to track discrepancies between permitting	9/30/2026	12/31/2026

Assessed Risk Rating	Recommendations	Concurrence and Action Plans	Implementation Date	Follow-Up/ Maturity Date
	permitting records and the backflow prevention database.	records and the backflow prevention database.		



Audit of Firearm, Ammunition, and Equipment Tracking – Dallas Police Department

September 26, 2025

Mark S. Swann, City Auditor

Mayor

Eric L. Johnson

Mayor Pro Tem

Jesse Moreno

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Gay Donnell Willis

Council Members

Adam Bazaldua

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City of Dallas

Table of Contents

Executive Summary	3
Objectives and Conclusions	4
Audit Results	5
Observation A: Firearm and Less-Lethal Equipment Tracking	5
Observation B: Ammunition Inventory Management	9
Observation C: Inventory Management System	11
Appendix A: Background and Methodology	13
Background.....	13
Methodology	14
Major Contributors to the Report	14
Appendix B: Management’s Response.....	15

Executive Summary

Objective and Scope

The objective of this audit was to determine whether the Dallas Police Department has controls and procedures in place to ensure firearms, ammunition, and equipment are procured, received, identified, recorded, tracked, secured, and disposed of (if required) in accordance with applicable requirements.

The scope of the audit was from October 1, 2021, through December 31, 2023.

Recommendations

Management should:

- Improve record keeping and have consistent accountability for oversight of firearms.
- Automate the inventory management process to improve timeliness and accuracy of information.
- Evaluate current procedures and make updates as needed to align with current work practices and industry guidelines or best practices.
- Ensure current procedures are followed consistently.

Background

Maintaining, monitoring, and tracking high-risk equipment is an important responsibility of City government. Theft or loss of City firearms, ammunition, and less-lethal equipment may impact the public's trust in law enforcement.

The Dallas Police Department manages and monitors a large inventory of firearms, ammunition, and less-lethal equipment to support its more than 3,200 police officers.

Observed Conditions

Dallas Police Department has procedures and controls for maintaining its inventory and relies on experienced officers to oversee the inventory.

Dallas Police Department conducts an annual inventory of firearms and equipment and a monthly inventory of ammunition. Individual units and divisions also conduct additional checks.

There are weaknesses in the procedures for tracking firearms that can lead to errors or missing firearms. The need to maintain a long-term supply of ammunition creates inventory management challenges.

Inventory procedures are not fully developed for ammunition, reality-based training, and less-lethal equipment.

Objectives and Conclusions

1. Does Dallas Police Department have controls and procedures in place to ensure unassigned firearms, ammunition, and equipment are procured, received, identified, recorded, tracked, secured, and disposed of (if required) in accordance with applicable requirements?

Generally, no. Dallas Police Department maintains large collections of firearms, ammunition, and less-lethal equipment and conducts an annual inventory and other periodic counts to ensure equipment is available and on hand. There are multiple weaknesses in the inventory process, including the need for more detailed procedures and not following documented procedures leading to errors, missing firearms, or increased risk of loss. See [Observation A](#) and [Observation C](#).

Dallas Police Department conducts and documents a monthly inventory of ammunition. The operational need to never run low on ammunition requires a long-term supply of ammunition that, when combined with aging facilities and limited controls, may result in losses and damages, as well as purchasing and storing ammunition that may not be needed if operations change. See [Observation B](#).

2. Does Dallas Police Department have controls and procedures in place to ensure assigned firearms and equipment are identified, recorded, tracked, and secured in accordance with applicable requirements?

Generally, yes. Dallas Police Department tracks firearm assignments. A random sample of 60 officers showed that all available officers' firearms matched their assigned duty firearms or used their own firearms. While most rifle assignments were correct, a separate review of the whole population of rifles found about 12 percent of rifle assignments were not updated immediately or accurately recorded. See [Observation A](#).

Audit Results

Both *City Council Resolution 88-3428* and Administrative Directive 4-09, *Internal Control* prescribe policy for the City to establish and maintain an internal control system. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Firearm and Less-Lethal Equipment Tracking

Dallas Police Department's tracking of firearms and less-lethal equipment included incomplete documentation, inventory errors, and potential loss. When firearms or less-lethal equipment are unaccounted for, they could pose a public safety risk and impact the department's critical law enforcement role.

Firearms

Rifle inventory tracking is incomplete and inventory records were not updated for 58 (about 12 percent) of the 491 city owned rifles.

- 2 (0.4 percent) of the 491 rifles were not located and potentially missing.
- 5 (1 percent) of the 491 rifles had serial number typos in the permanent inventory record.
- 9 (1.8 percent) of the 491 rifles were transferred to another division without immediately updating the records.
- 42 (8.6 percent) of the 491 rifles were not immediately updated in records to show the rifle had been assigned.

Dallas Police Department General Order, 513, *Administrative Leave / Restricted Duty Policy* sets requirements for weapon collection for administrative actions. The policy was updated in 2021 after pistols were stolen. The update was not implemented at two of five reviewed divisions, including the division where pistols were stolen. The two divisions used other methods to secure the firearms.

The Firearm Training Center housed firearms that are not on its inventory records, including 18 older shotguns in the back of an ammunition storage container and several unique firearms used for training demonstrations.

Dallas Police Department maintains more shotguns than are currently supported by usage data. Some shotguns were dusty from lack of use and one needed repair. The number of shotguns varied by division from a low of 9 shotguns to a high of 53 shotguns.

Exhibit 1:

Shotguns – In Ammunition Inventory Container and Ready for Distribution at a Division



Source: Office of the City Auditor.

Less-Lethal Equipment

- Minor errors were observed in the inventory counts. For a less lethal equipment example, 15 pepperball launchers on site during a count did not match the inventory list. For a reality-based training example, the storage had more cases of red and blank ammunition rounds on hand than were listed in the inventory.

Exhibit 2:

Tasers at the Inservice Training Academy



Source: Office of the City Auditor.

Firearms and Less-Lethal Equipment

- Transfer documentation of firearms and less-lethal equipment is not always complete for transfers between units and divisions. When items on hand did not match the latest inventory lists, transfers to or from another location were often cited as the reason.

Potential causes:

- The Firearm Training Center, the Managed Response / Less-Lethal Division, and the Reality Based Training unit did not have documented and detailed procedures in place for inventory management. Inventory controls are heavily dependent on manual processes and information management systems that do not include necessary tracking information. See [Observation C](#) for more information about the information systems.
- A manual process was also used to prepare the initial list of serial numbers when rifles were received from the distributor that resulted in multiple typos. This initial list was previously compared to ongoing inventory, preventing the typos from being corrected prior to the audit.

According to the Dallas Police Department, efforts are underway to address procedure items identified, including in the General Orders.

Criteria:

- ❖ Dallas Police Department, General Order, *809.00 Fixed Assets, Equipment, Personal Property, and Donation/Gifts*
- ❖ Dallas Police Department, Patrol Bureau Standard Operating Procedure 305, *Equipment Checkout Procedure*
- ❖ Dallas Police Department, *Quartermaster Unit Operational Guidelines and Procedures*
- ❖ Dallas Police Department, General Order, 513, *Administrative Leave / Restricted Duty Policy*
- ❖ Dallas City Code, Section 2-37.7, *Destruction of Restricted Weapons; Exceptions*
- ❖ Administrative Directive 6-01, *Control of City Property*
- ❖ Standards for Internal Control in the Federal Government:
 - *Principle 11 – Design Activities for the Information System*
 - *Principle 14 – Communicate Internally*
 - *Principle 17 – Evaluate Issues and Remediate Deficiencies*

Assessed Risk Rating:

High

We recommend the Dallas Police Chief:

A.1: Improve record keeping and accountability for oversight of firearms to reduce incomplete inventory records, and potential for loss, including ensuring procedures are followed consistently and that responsibility is clear.

A.2: Identify location of missing firearms and report them as lost if not found.

A.3: Ensure the policy for protecting firearms in Dallas Police Department General Order 513, *Administrative Leave / Restricted Duty Policy*, is implemented at all Divisions within the department, or revise the policy to reflect other applicable approaches.

A.4: Consistently document transfers of firearms and less-lethal equipment between divisions.

Assessed Risk Rating:

Moderate

We recommend the Dallas Police Chief:

A.5: Develop procedures for managing and monitoring less-lethal equipment and reality-based training equipment and ammunition.

Observation B: Ammunition Inventory Management

Dallas Police Department maintains a complex inventory of ammunition supporting department needs. In September 2024, Dallas Police Department maintained almost 15,000 cases of ammunition in long-term storage. There are multiple risks to current storage practices.

- Buying ammunition years in advance creates the risk that changes in equipment or training will minimize the need for the purchased ammunition.
- It is difficult to store the ammunition. The containers and a building are worn down after years of use and have experienced leaks, rust, and damage. Ammunition has also been damaged by the leaks.
- There is a strong resale market for bulk ammunition. Ammunition has been stolen from the Dallas Police Department before, which led to changes in how the inventory is managed and maintained.

Potential cause: According to Dallas Police Department management, the ammunition supply must never run low, which could put its critical public safety role at risk. As a result, Dallas Police Department maintains a 25-month supply of ammunition to ensure supply chain challenges are managed successfully. Limited ammunition availability nationwide during the recent COVID-19 pandemic delayed deliveries for months and demonstrated the importance of maintaining a long-term supply.

There is no documented support that the amount of ammunition on hand is the right amount for a 25-month supply and that the ammunition being used over time is reasonable. As usage patterns change, some ammunition supplies appear much larger than currently needed. For example, about 3,800 cases of shotgun and frangible 9mm ammunition are maintained with minimal use by staff.

Another challenge with ammunition monitoring is that ammunition is considered spent when removed from long-term storage. While additional tracking is maintained in short-term storage areas, the approach may make it more difficult to prevent and detect potential misuse. For example, about 7,000 rounds of ammunition scheduled for destruction were not on the inventory records.

[Exhibit 3](#) shows an ammunition container covered with rust and the roof of an ammunition supply area where past water leaks have damaged ammunition, forcing temporary repairs.

Exhibit 3:**Ammunition Storage Areas with Rust and Ceiling Damage**

Source: Office of the City Auditor.

Criteria:

- ❖ Standards for Internal Control in the Federal Government:
 - *Principle 7 – Identify, Analyze, and Respond to Risks*
 - *Principle 10 – Design Control Activities*
 - *Principle 16 – Perform Monitoring Activities*

Assessed Risk Rating:

Moderate

We recommend the Dallas Police Chief:

- B.1:** Develop procedures for managing and monitoring ammunition.
- B.2:** Prepare to replace outdated storage containers.
- B.3:** Evaluate ammunition storage capacity for 25-month supply and review need for current ammunition on hand.

Observation C: Inventory Management System

Dallas Police Department uses a combination of sources for monitoring its inventory. Current practices require department-wide effort and current records were not always accurate, as shown in [Observation A](#).

- An annual inventory count is performed using a combination of Excel spreadsheets and physical review of each piece of equipment across Dallas Police Department on or before September 30th each year. The inventory is accepted as signed paper copies and .pdfs and is not formatted for analyzing or searching.
- The Quartermaster Unit uses the Pinnacle system to track city-owned pistols and other equipment. The Quartermaster Unit is working to transition to another system to provide improved functionality. The Pinnacle system does not include all firearm assignments, such as rifles. In addition to the Pinnacle system, the Quartermaster Unit uses physical paper cards to track each firearm and overall equipment assigned to each officer, which does include rifles.
- The Firearm Training Center uses a decades-old Microsoft Access database to monitor rifle assignments, and its viability and availability is limited. The Firearm Training Center also uses physical paper cards to track each rifle assignment. The Firearm Training Center is working with Information and Technology Services to seek a new information system to monitor qualification status, training performance, and oversee its inventory of firearms and ammunition.
- The Units and Divisions use a variety of methods to track their equipment, including firearms. Some have developed databases to track daily assignments of shotguns, vehicles, and other equipment, while others use paper forms and other measures to manage status of firearms and equipment. The Divisions and Units use separate Excel spreadsheets to prepare the annual inventory report.
- The Managed Response / Less-Lethal Division uses Excel spreadsheets and the Axon website to track management of tasers and other equipment.

Dallas Police Department is reviewing its information technology system needs for firearms, ammunition, and equipment and is in the process of identifying one or more solutions. Dallas Police Department was in a similar position in the last firearm inventory audit, which preceded the use of Pinnacle for the Quartermaster Unit. The [Audit of Controls over Weapons and other High Risk Inventory for Dallas Police Department's Quartermaster Unit](#) was released in April 2015.

Recent related audits of Dallas Fire-Rescue and Dallas Marshal's Office identified similar needs for managing firearms, ammunition, and equipment.

Criteria:

- ❖ Dallas Police Department, General Orders, [809.00 Fixed Assets, Equipment, Personal Property, and Donation/Gifts](#)

- ❖ Dallas Police Department, *Quartermaster Unit Operational Guidelines and Procedures*
- ❖ Standards for Internal Control in the Federal Government:
 - *Principle 11 – Design Activities for the Information System*

Assessed Risk Rating:

Moderate

We recommend the Dallas Police Chief:

C.1 Automate the inventory management process.

Note – A similar recommendation to C.1. was issued to Dallas Fire Chief in the *Audit of Firearms, Ammunition, and Equipment – Dallas Fire-Rescue* issued in September 2024 and issued to the Dallas Marshal in the *Audit of Firearms, Ammunition, and Equipment – Dallas Marshal's Office* issued in February 2025.

Appendix A: Background and Methodology

Background

The Dallas Police Department was established in 1881 and consists of more than 3,200 officers and 600 professional staff. The Dallas Police Department is responsible for providing firearms, ammunition, and less-lethal equipment necessary for the officers to carry out their law enforcement duties.

Maintaining, monitoring, and tracking equipment is an important responsibility of City government. Department directors are responsible for establishing and maintaining adequate internal controls and security for the personal equipment, through City Administrative Directive 6-01, *Control of City Property*. Theft or misuse of City-owned firearms, ammunition, and equipment can affect public safety and public trust.

Dallas Police Department distributes responsibilities to officers and their oversight to multiple units or divisions:

- Officers are responsible for their assigned firearms and for qualifying annually with each firearm. Officers may use City-owned or personally owned firearms that meet Dallas Police Department requirements. All personally owned weapons are excluded from the City's inventory and are excluded from this audit. A sample of 60 officers showed 33 used a City-owned primary firearm (pistol) and 27 used a personally owned primary firearm.
- The Quartermaster is responsible for monitoring most police equipment, including primary firearms, as well as badges and uniforms. The Quartermaster oversees an inventory system that includes the assignment information for each city-owned pistol. The Quartermaster also oversees an annual inventory of firearms and other equipment, including less lethal equipment.
- The Firearm Training Center is responsible for overseeing firearm training and qualifying for all firearm types, assigning rifles, and reviewing all City-owned and personally owned firearms to ensure they meet requirements. The Firearm Training Center oversees an inventory process that includes the assignment information for each rifle. The Firearm Training Center also oversees shotguns and manages the firearm ammunition supplies.
- The Managed Response / Less-Lethal Unit in the Training Division is responsible for less-lethal weapons including tasers, 40 mm launchers, pepperball launchers, and less-lethal ammunition.
- Units and Divisions maintain inventories of equipment that officers can check out for shifts, including shotguns, other firearms, 40 mm launchers, and pepperball launchers. The Divisions report their inventory annually to the Quartermaster and coordinate with the Firearm Training Center and Managed Response / Less-Lethal Unit on storage, maintenance, and inventory movement.

- Dallas Police Department's Financial Services Unit is responsible for purchasing firearms, ammunition, and equipment upon request of the Quartermaster, Firearm Training Center, Managed Response / Less-Lethal Unit, and other Units and Divisions.

The Dallas Police Department and the Quartermaster have policies for firearms, that include the annual inventory count. While systems are used for the Quartermaster and Firearm Training Center, there are also paper methods, including a physical inventory card for each firearm. Other equipment is tracked by spreadsheets, including tasers, 40 mm launchers, and pepperball launchers. Some Divisions and Units have also developed their own databases for managing daily checkouts, including shotguns. Both the Quartermaster and Firearm Training Center are considering information system changes.

The Dallas Police Department maintains ammunition to support the use of and training for firearms and less-lethal equipment. The Firearm Training Center manages the firearm ammunition, while the Managed Response / Less-Lethal Unit and the Reality Based Training Unit maintain less-lethal ammunition. Units and Divisions also maintain ammunition for checked out firearms and less-lethal equipment.

The Dallas Police Department is one of three City departments responsible for overseeing firearms, along with the Dallas Marshal's Office and Dallas Fire-Rescue. As each department maintains a separate inventory and follows its own procedures, this audit was split into separate reports for each responsible department. This is the final report. The Dallas Fire-Rescue audit was released on September 16, 2024. The Dallas Marshal's Office audit was released on February 7, 2025.

Methodology

The audit methodology included: (1) interviewing personnel from Dallas Police Department and the City Controller's Office; (2) reviewing policies and procedures, the *Texas Local Government Code*, applicable Administrative Directives, and best practices; and (3) performing various analyses. In addition, all five components of *Standards for Internal Control in the Federal Government* were considered.

We conducted this performance audit 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Frank Mayhew – In-Charge Auditor, CIA, CISA, CFE

Daniel Genz – Engagement Manager, CIA, CISA, CFE

Jennifer Phung – Senior Auditor, CIA

Appendix B: Management's Response

Memorandum



DATE: September 17, 2025

TO: Mark S. Swann – City Auditor

SUBJECT: Response to the Audit of Firearm, Ammunition, and Equipment Tracking – Dallas Police Department

This letter acknowledges the City Manager's Office received the *Audit of Firearm, Ammunition, and Equipment Tracking – Dallas Police Department* and submitted responses to the audits observations in consultation with the Dallas Police Department (DPD).

City management and DPD believe that maintaining strong inventory controls for firearms, equipment, and related inventory is essential. DPD is pleased that the auditor found controls satisfactory for assigned firearms and equipment, while acknowledging there is potential to enhance inventory controls and procedures for unassigned firearms, ammunition, and equipment.

DPD agrees to implement the auditor's recommendations and will address the observations by:

- Strengthening and reinforcing record-keeping processes, while providing training as necessary to ensure adherence to procedures;
- Determining appropriate ammunition levels, developing procedures to manage ammunition levels, and initiating the process to replace outdated ammunition storage containers; and
- Continuing the process of transitioning to an electronic inventory management system for tracking firearms and ammunition.

Sincerely,

Kimberly Bizzor Tolbert
City Manager

C: Jack Ireland, Chief Financial Officer
Dominique Artis, Chief of Public Safety
Daniel Comeaux, Police Chief, Dallas Police Department

"Service First, Now!"
Connect – Collaborate – Communicate

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
High	We recommend the Dallas Police Chief:				
	A.1 Improve record keeping and accountability for oversight of firearms to reduce incomplete inventory records, and potential for loss, including ensuring procedures are followed consistently and that responsibility is clear.	Agree	The Dallas Police Department (DPD) will improve the current process by strengthening and reinforcing the record keeping process throughout the department. The process will be outlined in the applicable procedure and include monitoring activities to ensure consistency.	12/31/2026	6/30/2027
	A.2: Identify location of missing firearms and report them as lost if not found.	Agree	DPD will identify the location of any missing firearms. If a firearm cannot be located after a thorough search, DPD will report it as lost by filing a police report.	12/31/2025	6/30/2026
	A.3 Ensure the policy for protecting firearms in Dallas Police Department General Orders 513, <i>Administrative Leave/Restricted Duty Policy</i> , is implemented at all Divisions within the department, or revise the policy to reflect other applicable approaches.	Agree	DPD will ensure that all divisions have implemented the process outlined in General Order 513 (G.O.) through a training update and clarify any confusion in the revised G.O. In addition, DPD will designate responsibility for performing periodic onsite reviews to verify compliance with the G.O.	12/31/2026	6/30/2027

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	A.4: Consistently document transfers of firearms and less-lethal equipment between divisions.	Agree	DPD will improve the documentation procedure as stated in recommendation A.1 and will ensure that the process is consistently followed through random audits.	12/31/2026	6/30/2027
Moderate	We recommend the Dallas Police Chief:				
	A.5 Develop procedures for managing and monitoring less-lethal equipment and reality-based training equipment and ammunition.	Agree	DPD will update the current procedures, as stated in recommendation A.1, to improve the record keeping process throughout the department, to include managing and monitoring less lethal equipment and reality-based training equipment and ammunition.	12/31/2026	6/30/2027
	B.1: Develop procedures for managing and monitoring ammunition.	Agree	DPD will develop procedures to manage and monitor ammunition levels and locations.	12/31/2026	6/30/2027
	B.2: Prepare to replace outdated storage containers.	Agree	DPD will initiate the process to replace the outdated storage containers at the Firearms Training Center.	12/31/2027	6/30/2028

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
	B.3: Evaluate ammunition storage capacity for 25-month supply and review need for current ammunition on hand.	Agree	DPD will establish and implement procedures to analyze the amount of ammunition needed on an ongoing basis to justify the current amount on hand.	12/31/2026	6/30/2027
	C.1 Automate the inventory management process. Note – A similar recommendation was issued to Dallas Fire Chief and the Dallas Marshal in audits released in September 2024 and February 2025.	Agree	DPD will continue the process that was started in May of moving towards a digital inventory process by purchasing a program capable of tracking the firearms and ammunition inventory.	12/31/2027	6/30/2028



External Quality Control Review

of the
City of Dallas, TX
City Auditor's Office

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**

for the period May 1, 2022
through April 30, 2025



Association of Local Government Auditors

September 26, 2025

Mr. Mark S. Swann
City Auditor
City of Dallas
1500 Marilla Street
Dallas, TX 75201

Dear Mr. Swann,

We have completed a peer review of the City of Dallas City Auditor's Office for the period May 1, 2022, through April 30, 2025. In accordance with generally accepted government auditing standards peer review requirements, we followed the standards and guidelines contained in the *Peer Review Guide* published by the Association of Local Government Auditors (ALGA).

We reviewed the internal quality control system of your audit organization and conducted tests in order to determine whether your internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States and applicable legal and regulatory requirements. Our procedures included:

- Reviewing the audit organization's written policies and procedures;
- Reviewing internal monitoring procedures;
- Reviewing a sample of audit and attestation engagements and working papers;
- Reviewing documents related to independence, training, and development of auditing staff; and
- Interviewing auditing staff and management to assess their understanding of, and compliance with, relevant quality control policies and procedures.

Due to variances in individual performance and judgment, compliance does not imply adherence to standards in every case but does imply adherence in most situations. Organizations can receive a rating of pass, pass with deficiencies, or fail. The City of Dallas City Auditor's Office has received a rating of pass.

Further, based on the results of our review, it is our opinion that the City of Dallas City Auditor's Office internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* and applicable legal and regulatory requirements for audits and attestation engagements during May 1, 2022, through April 30, 2025.

We have prepared a separate letter offering suggestions to strengthen your internal quality control system further.

Madison Rorschach
City Auditor
City of Denton, TX

Ijegayehu Jones
Performance Audit Supervisor
City of Atlanta, GA

Luis Salinas
Deputy City Auditor
City of Brownsville, TX



Association of Local Government Auditors

September 26, 2025

Mr. Mark S. Swann
City Auditor
City of Dallas
1500 Marilla Street
Dallas, TX 75201

Dear Mr. Swann,

We have completed a peer review of the City of Dallas City Auditor's Office for the period May 1, 2022, through April 30, 2025, and issued our report thereon dated September 26, 2025. We are issuing this companion letter to offer certain observations and suggestions stemming from our peer review.

We would like to mention some of the areas in which we believe your Office excels:

- All staff appeared to have a good understanding of the Office's audit processes and *Government Auditing Standards*;
- The Office has designed and implemented work paper templates that allow staff to easily ensure compliance with *Government Auditing Standards*;
- Planning processes are thorough and result in clear work program steps that streamline the fieldwork process; and
- The Office's reports are easy to read and understand and provide clear information on the results of the audit.

We offer the following observations and suggestions to enhance your organization's demonstrated adherence to *Government Auditing Standards*:

- Standard 4.16 requires that auditors who plan, direct, perform engagement procedures for, or report on an engagement conducted in accordance with GAGAS should develop and maintain their professional competence by completing at least 80 hours of CPE in every 2-year period. Required CPE hours for the set 2-year period may be prorated based on each full 6-month interval completed. *Government Auditing Standards* outline the following example:

"An audit organization has a 2-year CPE period running from January 1, 2020, through December 31, 2021. The audit organization assigns a new auditor to a GAGAS engagement in May 2020. The audit organization may calculate the prorated CPE requirement for the auditor as follows:

- a. Number of full 6-month intervals remaining in the CPE period: 3
- b. Number of 6-month intervals in the full 2-year period: 4
- c. Newly assigned auditor's CPE requirement: $3/4 \times 80 \text{ hours} = 60 \text{ hours}$ "

In reviewing all CPE records for audit staff employed by the City of Dallas' City Auditor's Office during the review period, we found that four of the 24 auditors did not meet the minimum CPE requirements as follows:

- Three employees did not meet the minimum requirements for the Fiscal Year 2023 and Fiscal Year 2024 2-year CPE reporting period. Two of these employees' CPE requirements were prorated due to employee hire and separation.
- One employee did not meet the minimum requirements for the Fiscal Year 2025 and Fiscal Year 2026 2-year CPE reporting period. This employee's CPE requirements were prorated due to employee separation.

We suggest that accumulated employee CPE be compared to CPE requirements at least annually as part of the employee performance evaluation process and as part of employee off-boarding procedures to ensure that all CPE requirements are met.

We extend our thanks to you, your staff, and the other officials we met for the hospitality and cooperation extended to us during our review.

Sincerely,



Madison Rorschach
City Auditor
City of Denton, TX



Ijegayehu Jones
Performance Audit Supervisor
City of Atlanta, GA



Luis Salinas
Deputy City Auditor
City of Brownsville, TX



CITY OF DALLAS

September 25, 2025

Madison Rorschach
City Auditor
City of Denton, TX

Ijegayehu Jones
Performance Audit Supervisor
City of Atlanta, GA

Luis Salinas
Deputy City Auditor
City of Brownsville, TX

Dear Peer Review Team:

Thank you for dedicating your time, away from both family and work responsibilities, to conduct the external quality control review for the Dallas Office of the City Auditor for the period May 1, 2022, to April 30, 2025. We appreciate your opinion that our audit quality control system complies with [Government Auditing Standards](#). We also value your suggestions for enhancing the quality of our audit process.

In accordance with [Government Auditing Standards](#), 4.16 (Continuing Professional Education), the Office will follow the existing Office of the City Auditor's Administrative Procedure 4.3, [Training Request / Approval and CPE Reporting / Monitoring](#). We recognize that monitoring continuing professional education reporting is an area that requires improvement as we establish our office-wide performance goals for fiscal year 2026. Each auditor has a performance goal of completing 40 hours of continuing professional education, which includes 12 hours of government-related continuing professional education. Quarterly check-ins are designed to:

- Determine individual training development plans.
- Assist staff in registering and attending training.
- Review progress in updating training records in the Office's CE Tracker software.

It was a pleasure working with such a knowledgeable and skilled review team during this external quality control review.

Sincerely,

Mark S. Swann