

# Memorandum



CITY OF DALLAS

**DATE:** January 20, 2017

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

**SUBJECT:** Office of the City Auditor – Audit, Attestation and Investigative Services Update:  
Fiscal Year 2017 Second Quarter

The *Audit, Attestation and Investigative Services Update: Fiscal Year 2017 Second Quarter* (Update) is presented to provide current information about the results and status of audit, attestation, and investigative service projects of the City of Dallas' (City) Office of the City Auditor (Office).

A total of three audit reports were issued in the first quarter of Fiscal Year (FY) 2017, including:

- Audit of the Design of Controls over the Dallas Police Department's Police Personnel and Training Services
- Audit of MuniServices, LLC Contract Related to the Verification of Sales / Use Tax Receipts and Associated Fees
- Audit of Dallas Animal Services Operations

In addition, four investigative reports were also released during the first quarter:

- Allegation of Fire Code Violations – Department of Dallas Fire-Rescue
- Theft of Water Services – Department of Dallas Water Utilities
- Theft – Department of Park and Recreation
- Abuse of Position – Office of Cultural Affairs

The key points from these reports are included in Section II of the Update. The project objectives for reports scheduled to be released and for projects currently in progress or expected to be started in the second quarter of FY 2017 are included in Sections III through V of the Update.

Should you have questions or if we can be of assistance, please contact me at 214-670-3222.

Sincerely,

Craig D. Kinton  
City Auditor

Attachment

Honorable Mayor and Members of the City Council  
January 20, 2017  
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C: A.C. Gonzalez, City Manager  
Larry Casto, City Attorney  
Rosa Rios, City Secretary

**City of Dallas  
Office of the City Auditor**

**Audit, Attestation and  
Investigative  
Services Update**

**Fiscal Year 2017 – Second Quarter**

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## Summary of Audit, Attestation and Investigative Services \*

**Audit** – Reports that provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability

**Attestation** – Reports that cover a broad range of financial or non-financial objectives; results in an examination, a review, or an agreed-upon procedures report on a subject matter or an assertion about a subject matter that is the responsibility of another party

**Investigative** – Reports providing evaluations and results of substantiated allegations of fraud, waste and abuse

**Audit and Attestation Services  
Reports Issued  
Fiscal Year 2017 – First Quarter  
October 1, 2016 to December 31, 2016  
(See Section II for Details)**

- Audit of the Design of Controls over the Dallas Police Department's Police Personnel and Training Services
- Audit of MuniServices, LLC Contract Related to the Verification of Sales / Use Tax Receipts and Associated Fees
- Audit of Dallas Animal Services Operations

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\* All audit and attestation services are conducted under authority of the City Charter, Chapter IX, Section 3, and in accordance with the Annual Audit Plan approved by the City Council. We conduct our work in accordance with generally accepted government auditing standards. Those standards require that we plan and perform our work to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objective(s). Fraud investigations are conducted in accordance with Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency.

**Investigative Services  
Reports Issued  
Fiscal Year 2017 – First Quarter  
October 1, 2016 to December 31, 2016  
(See Section II for Details)**

- Allegation of Fire Code Violations – Department of Dallas Fire-Rescue
- Theft of Water Services – Department of Dallas Water Utilities
- Theft – Department of Park and Recreation
- Abuse of Position – Office of Cultural Affairs

**Audit and Attestation Services  
Anticipated Report Releases  
Fiscal Year 2017 – Second Quarter  
January 1, 2017 to March 31, 2017  
(See Section III for Details)**

- Special Audit of the Accounts of Former Chief Financial Officer – Jeanne Chipperfield
- Prior Audit Recommendations Follow-Up (Fiscal Year 2015)
- Construction Related Procurements
- Cash Management / Collections Processes – Courts Information System
- Neighborhood Code Enforcement Services
- Sole Source / Single Bid Procurements – Business Development and Procurement Services

**Audit and Attestation Services  
Projects in Progress  
Fiscal Year 2017 – Second Quarter  
January 1, 2017 to March 31, 2017  
(See Section IV for Details)**

- Franchise Fees Review through Third-Party Vendor (*Ongoing*)
- Sales / Use Tax Compliance Review through Third-Party Vendor (*Ongoing*)
- Business Partner Oversight – Arts District
- Environmental Compliance – Multiple Departments
- Special Collections Operations – Dallas Water Utilities
- Trinity Watershed Management
- City Attorney’s Office Operations
- Continuity of Operations Audit Follow-Up
- Homeless Response System Effectiveness
- Records Management System – Dallas Police Department
- Information Technology Processes – Communication and Information Services

**Audit and Attestation Services  
Anticipated Project Starts  
Fiscal Year 2017 – Second Quarter  
January 1, 2017 to March 31, 2017  
(See Section V for Details)**

- Special Audit of the Accounts of Former City Manager – A.C. Gonzalez
- Line-of-Duty Death Report Recommendations – Dallas Fire-Rescue
- Miscellaneous Permit Fee Revenues
- Off-Duty Employment Administration – Dallas Police Department
- Prior Audit Recommendations Follow-Up (Fiscal Year 2016)

**Audit, Attestation and Investigative Services  
Reports Issued  
Fiscal Year 2017 – First Quarter  
October 1, 2016 to December 31, 2016**

**Audit Services**

**Audit of the Design of Controls over the Dallas Police Department's  
Police Personnel and Training Services (October 7, 2016)**

- The Dallas Police Department (DPD) has made a commitment to: (1) uphold Texas Commission on Law Enforcement (TCOLE) Standards and DPD's General Orders and Standard Operating Procedures (DPD requirements); and, (2) continue to monitor and implement best practices and procedures for police management included in the United States Department of Justice's (DOJ) consent decrees. The TCOLE Standards, DPD requirements, and other law enforcement agencies' DOJ consent decrees provide relevant criteria to help DPD management ensure DPD's recruiting, hiring, and training services follow best practices.
- The Office of the City Auditor's (Office) internal control design assessment shows DPD has control activities in place, such as General Orders and / or Standard Operating Procedures (SOP) to help ensure: (1) applicable TCOLE Standards and DPD requirements are upheld; and, (2) DOJ best practices and procedures for police management are generally monitored and implemented when appropriate for the City of Dallas (City).
- Four opportunities to strengthen controls were identified:
  - Ensuring the Training Advisory Board (Advisory Board) Members' files include evidence: (1) the Chief of Police approved the appointment of each Advisory Board member; (2) of each Advisory Board member's biography; and, (3) of completion of Advisory Board training within one year of appointment
  - Developing and implementing a DPD SOP that defines the DPD Police Academy instructor qualification requirements to align with TCOLE Standards
  - Demonstrating compliance with DPD's Personnel and Development Division SOP sections related to recruiting and the President's Task Force



on 21<sup>st</sup> Century Policing, May 2015, Pillar 1: Building Trust & Legitimacy – Recommendation 1.8<sup>1</sup> through improved documentation

- Implementing an automated system to efficiently capture and report DPD Police Academy Basic Training and police officer continuing education training

Audit Recommendation	Responsible Department	Agreement Status	Implementation Date
We recommend the Chief of Police:			
<ul style="list-style-type: none"> <li>• Ensures the Training Advisory Board Members' files include evidence: (1) the Chief of Police approved the appointment of each Advisory Board member; (2) of each Advisory Board member's biography; and, (3) Advisory Board training is completed within one year of appointment</li> </ul>	DPD	Agree	September 2015
<ul style="list-style-type: none"> <li>• Develops and implements an SOP that defines the DPD Police Academy instructor qualification requirements to align with TCOLE standards</li> </ul>	DPD	Agree	February 2016
<ul style="list-style-type: none"> <li>• In consultation with the City Attorney's Office, improves documentation to demonstrate compliance with DPD's Personnel and Development Division Standard Operating Procedure sections related to recruiting and the President's Task Force on 21<sup>st</sup> Century Policing, May 2015, Recommendation 1.8</li> </ul>	DPD	Agree	April 1, 2017
<ul style="list-style-type: none"> <li>• Implements an automated system to efficiently capture and report DPD Academy Basic Training and police officer continuing education training courses</li> </ul>	DPD	Agree	To Be Determined

**Audit of MuniServices, LLC Contract Related to the Verification of Sales / Use Tax Receipts and Associated Fees (November 11, 2016)**

- In Fiscal Year (FY) 2016, the Office of the City Auditor (Office) verified \$1,014,463 in sales / use tax receipts collections that MuniServices, LLC (Consultant) identified as owed to the City of Dallas (City) from businesses operating in the City. The Office also verified the accuracy of \$290,922 in

<sup>1</sup> "Law enforcement agencies should strive to create a workforce that contains a broad range of diversity including race, gender, language, life experience and cultural background to improve understanding and effectiveness in dealing with all communities."

Consultant invoices received for the period of October 1, 2015 through September 30, 2016 for payment of the Consultant's percentage of the amount collected under the contingent fee contract arrangement with the City. Since the inception of the contract in 2010, the Consultant has identified a total of \$5,235,635 in sales / use tax receipts collections owed to the City. The City has received \$3,863,108 net of the Consultant's fees of \$1,372,527.

- *No recommendations associated with this report.*

### **Audit of Dallas Animal Services Operations (December 9, 2016)**

- Dallas Animal Services (DAS) operations, a Division within the Department of Code Compliance (CODE), have been a high priority in the City of Dallas (City) for years. Following loose dog attacks that included the tragic death of a City resident in May 2016, the City engaged Boston Consulting Group (BCG) to analyze the loose dog problem and develop a strategic plan for improvement. In August 2016, BCG published a report identifying seven main recommendations for addressing the loose dog problem. The City has already begun acting on those recommendations by approving a new mission statement for DAS, assigning Deputy Chief of Police Robert Sherwin as a direct report to the City Manager, and developing a taskforce to oversee implementing the improvements.
- This performance audit, initiated prior to the City's engagement with BCG, showed DAS needs to improve internal controls to ensure DAS is meeting operational objectives as follows:
  - The DAS is not consistently meeting its on-time response goals for three types of high priority calls. As a result, City residents depending on DAS for urgent assistance can be left waiting longer than expected.
  - The DAS' Chameleon Shelter Case Management System (Chameleon System) does not have sufficient controls to ensure data is reliable (complete, accurate, or secured). In addition: (1) priority levels / category definitions are not consistent; (2) monitoring procedures are not established; and, (3) Chameleon System reports needed to analyze call response times are limited. As a result, DAS' ability to accurately analyze and improve its call time response is restricted.
  - The DAS does not have formal (written, approved, and dated) policies and procedures related to call response timeliness or management review of call response timeliness. The DAS has documented its priorities for calls based on the type of call; however, this information is not included in formal policies and procedures. Without formal policies and procedures, DAS cannot ensure effective controls are in place and that DAS personnel are performing their duties consistently to meet goals for call time response.

- A very small percentage of the dogs who bite or attack people in the City are determined to be Dangerous Dogs as defined by a State of Texas (State) mandated program. State law requires a sworn statement from any witnesses requesting the dog be considered a Dangerous Dog, but most witnesses do not submit the statement. As a result, the City's Dangerous Dog Program has limited effectiveness protecting the community.
- The CODE's policies and procedures for the oversight of active dangerous dog cases are inadequate. Specifically, CODE does not have policies and procedures for: (1) monitoring compliance with the Dangerous Dog Program's requirements; (2) the Dangerous Dog Coordinator's roles and responsibilities; and, (3) how often the CODE's inspections of active dangerous dog cases are to be performed, including how the inspection report is to be maintained and who is responsible for performing the inspections. As a result, there is increased risk dangerous dogs are not adequately monitored and compliance with the Dangerous Dog Program requirements are not enforced consistently.
- The DAS does not have consistent inventory practices, documented policies and procedures, and adequate segregation of duties among the DAS personnel able to dispense drugs and those who perform inventory monitoring. The DAS also does not have policies and procedures in place to ensure that expired drugs, including controlled substances, were identified, separated, not used, and disposed of properly. While animal shelters need controlled substances to operate, without appropriate policies and procedures in place there is an increased risk: (1) controlled substances are subject to misuse (sale or diverted for personal use) without detection; and, (2) the DAS could inadvertently use drugs that are less effective to treat animals.
- The DAS surveillance camera system management is inadequate, and DAS personnel responsible for managing the surveillance camera system have not received training. As a result, surveillance cameras may not be working when needed, theft or misuse can occur undetected, and the video may not be available to review after the fact.
- Access to restricted areas is not properly controlled. As a result, there is an increased risk that unauthorized access to restricted areas will occur without detection.
- The DAS generally complies with most of the Association of Shelter Veterinarians' Guidelines for Standards of Care in Animal Shelters (Guidelines); however, seven Guidelines were not implemented and the DAS policies and procedures do not specifically address 55 of the 98 Guidelines reviewed. In addition, in a June 22, 2016 survey of 14 DAS personnel, seven either said they could not find the DAS policies and procedures or said they were available in an incorrect location. As a result, DAS personnel may not consistently apply Guidelines for standards of care.

- The DAS does not have policies and procedures to ensure DAS personnel are up-to-date on State of Texas (State) mandated training for Animal Service Officers and the performance of euthanasia. The spreadsheet DAS uses to track compliance with euthanasia training did not include six active Animal Service Officers. While no DAS personnel actually performing euthanasia were found to be out of compliance with euthanasia training requirements, there is greater risk DAS personnel could fall out of compliance if there are no policies and procedures for training.
- From calendar years 2012 through 2014, DAS did not employ a veterinarian to conduct an annual veterinarian inspection of DAS in compliance with the State Health and Safety Code. The 2015 inspection was performed on November 10, 2015 by the DAS Operations Manager, a licensed veterinarian, after an audit request for the documentation. As a result, the City had not been in compliance with Standards for Animal Shelters' requirements until the audit.
- The CODE identified a drug inventory management system as a DAS need in both the 2014 and 2015 self-assessments performed to comply with Administrative Directive 4-09, *Internal Control*, but DAS had not fully implemented its efforts. During the course of the audit, DAS developed and released new or revised policies and procedures, demonstrating an effort to improve internal controls in several of the areas audited.

Audit Recommendation	Responsible Department	Agreement Status	Implementation Date
We recommend the City Manager:			
<ul style="list-style-type: none"> <li>• Ensures DAS reviews and tracks call response times to improve the timeliness of high priority call responses, including: (1) tracking and monitoring call response times; (2) reporting and monitoring call productivity; and, (3) obtaining and using routing software to minimize travel time between calls</li> </ul>	DAS	Agree	June 30, 2019

Audit Recommendation	Responsible Department	Agreement Status	Implementation Date
<ul style="list-style-type: none"> <li>• Ensures DAS improves its data reliability by:               <ul style="list-style-type: none"> <li>• Improving Chameleon System controls related to accuracy, validity, and security</li> <li>• Aligning the priority document to better reflect how priority categories are entered and maintained within the Chameleon System</li> <li>• Developing monitoring procedures and Chameleon System reports for call response time on an organizational level</li> </ul> </li> </ul>	DAS	Agree	September 30, 2019
<ul style="list-style-type: none"> <li>• Ensures DAS works with 311 and CIS to allow for better call response time analysis by:               <ul style="list-style-type: none"> <li>○ Resolving the issue in which dispatch and arrival times are overwritten by a later action</li> <li>○ Ensuring the call time is available in the Chameleon System for managers to review</li> </ul> </li> </ul>	DAS	Agree	September 30, 2019
<ul style="list-style-type: none"> <li>• Ensures DAS continues to develop and implement policies and procedures related to call response time management to resolve inconsistent protocols for collecting call response time information</li> </ul>	DAS	Agree	September 30, 2019

Audit Recommendation	Responsible Department	Agreement Status	Implementation Date
<ul style="list-style-type: none"> <li>• Improves the Dangerous Dog Program by: <ul style="list-style-type: none"> <li>○ Working with City's Intergovernmental Services to determine whether the State law requirement for a sworn affidavit can be eliminated or revised</li> <li>○ Taking steps to make the public more aware of the Dangerous Dog Program, such as distributing a brochure and / or attending neighborhood meetings and special events</li> <li>○ Developing policies and procedures that define the: (1) roles between the CODE Dangerous Dog Program and DAS personnel; (2) process for soliciting affidavits; and, (3) process for Dangerous Dog investigations and hearings, including the roles and responsibilities of various parties and required coordination</li> <li>○ Improving coordination and communication between the CODE Dangerous Dog Program and DAS</li> </ul> </li> </ul>	DAS	Agree	September 30, 2017
<ul style="list-style-type: none"> <li>• Ensures DAS improves the oversight of active dangerous dog cases by developing policies and procedures related to: (1) monitoring compliance with the Dangerous Dog Program's requirements; (2) the Dangerous Dog Coordinator's roles and responsibilities; and, (3) how often the inspections of active dangerous dogs are to be performed, including who is responsible for performing the inspections and how the inspection reports are maintained</li> </ul>	DAS	Agree	September 30, 2017

Audit Recommendation	Responsible Department	Agreement Status	Implementation Date
<ul style="list-style-type: none"> <li>• Ensures DAS improves drug inventory management by:               <ul style="list-style-type: none"> <li>○ Developing policies and procedures for drug inventory management, including DAS personnel responsibilities and procedures related to the monitoring of drugs, completion of inventory logs, and the frequency of inventory counts. The policies and procedures should include the monitoring of and disposal of expired drugs, including controlled substances.</li> <li>○ Ensuring segregation of duties between the DAS personnel who are authorized to conduct inventory counts and the DAS personnel who are authorized to administer or dispense the drugs</li> <li>○ Working with CIS to obtain / develop, implement, and use a drug inventory management system</li> </ul> </li> </ul>	DAS	Agree	<ul style="list-style-type: none"> <li>• Manual drug inventory procedures should be implemented by December 31, 2017</li> <li>• Full implementation by September 30, 2019</li> </ul>
<ul style="list-style-type: none"> <li>• Ensures DAS improves the surveillance camera system by:               <ul style="list-style-type: none"> <li>○ Ensuring existing cameras are accounted for and operational</li> <li>○ Conducting a review of the surveillance camera system to determine if improvements or additional cameras are warranted</li> <li>○ Developing policies and procedures related to operating, overseeing, and managing the system</li> <li>○ Providing training to the DAS personnel responsible for managing the surveillance cameras</li> <li>○ Ensuring surveillance camera monitoring equipment is housed in a climate-controlled area</li> </ul> </li> </ul>	DAS	Agree	June 30, 2019
<ul style="list-style-type: none"> <li>• Ensures DAS improves security protocols related to access to restricted areas, including eliminating the observed practices described in this report</li> </ul>	DAS	Agree	September 30, 2017

Audit Recommendation	Responsible Department	Agreement Status	Implementation Date
<ul style="list-style-type: none"> <li>• Ensures DAS:               <ul style="list-style-type: none"> <li>○ Formalizes certain practices already used and also develops and / or revises policies and procedures and other documentation used to guide DAS personnel to reflect the Association of Shelter Veterinarians Guidelines for the Standards of Care in Animal Shelters for the areas identified in this audit: Animal Handling, Sanitation, Population Management, and Management and Recordkeeping</li> <li>○ Ensures policies and procedures are made available to DAS personnel responsible for conducting animal services operations</li> </ul> </li> </ul>	DAS	Agree	June 30, 2017
<ul style="list-style-type: none"> <li>• Develops policies and procedures related to DAS personnel training</li> </ul>	DAS	Agree	September 30, 2017
<ul style="list-style-type: none"> <li>• Ensures DAS conducts annual inspections of DAS as required in State Health and Safety Code Chapter 823</li> </ul>	DAS	Agree	September 30, 2017

## **Investigative Services**

### **Allegation of Fire Code Violations – Department of Dallas Fire Rescue (October 7, 2016)**

- This investigative report provided results of a review by the Office of the City Auditor (Office) of an allegation that the Department of Dallas Fire-Rescue (DFR) “covered up” fire code violations at the Black Police Officers Association (BPOA) building.
- On October 28, 2015, the Office was forwarded an anonymous letter received by a City of Dallas (City) Councilmember. The letter contained allegations related to the DFR inspection of the BPOA building. The allegations included: (1) the BPOA building had “many” fire code violations; (2) the BPOA building elevator system is “under violation” with the State of Texas; and, (3) a member of DFR had someone “cover up” the violations.
- Although DFR had previously received a complaint and inspected elevator related issues at the BPOA building in October 2013, DFR again inspected the BPOA building on February 19, 2016. This inspection revealed 17 conditions / violations at the BPOA building, including not having fire alarm notification



devices on the second floor in the assembly use areas and not having monitoring for the fire alarm system.

- The allegations related to the BPOA building fire code violations were substantiated. The Office's review of DFR's inquiry found insufficient evidence to substantiate that a DFR member had someone "cover up" the violations.
- On September 30, 2016, DFR Management explained it is not uncommon when inspecting occupancies multiple times to find different violations on different dates. Some violations (like providing and maintaining fire alarm systems, providing and maintaining the automatic sprinkler systems, and locking and blocking exit doors and windows) are typical of what is found during re-inspections of buildings. Other violations may not have been present at the time of the original inspection or may have been inadvertently missed by the original inspector.

### **Theft of Water Services – Department of Dallas Water Utilities (October 26, 2016)**

- This investigative report provided results of an administrative investigation of an allegation involving the theft of Department of Dallas Water Utilities (DWU) water services by Ms. Virjeania Biggers, DWU Laborer II.
- In March 2016, DWU Management reported to the Office of the City Auditor (Office) that Ms. Biggers, a DWU employee, was suspected of illegally having her water service reconnected at her home after the service was disconnected for non-payment of her City of Dallas (City) water bill. The Dallas Police Department – Public Integrity Unit (DPD-PIU) conducted a criminal investigation of the allegation.
- The DPD-PIU conducted surveillance and observed an unauthorized reconnection of Ms. Biggers' water service by a fellow DWU employee (Water Field Representative). Ms. Biggers admitted to DPD-PIU that she had the water illegally reconnected, but also stated that she had mislead the Water Field Representative into reconnecting her service. The estimated illegal consumption of water was valued at \$585.45.
- On August 12, 2016, DPD-PIU reported to the Office that their investigation was completed, and there was sufficient evidence to file charges against Ms. Biggers for a Class B Misdemeanor theft. Ms. Biggers was arrested on September 12, 2016. The DPD-PIU did not seek criminal charges against the Water Field Representative.
- On October 12, 2016, DWU Management stated that Ms. Biggers had received a suspension without pay for a period of ten working days for her participation in the unauthorized theft of services. The DWU Management further stated that the Water Field Representative had also received a suspension without pay for a period of eight working days for his participation in the unauthorized theft of services.

### **Theft – Department of Park and Recreation (November 7, 2016)**

- This investigative report provided results of an administrative investigation of an allegation involving the theft of cash by a Department of Park and Recreation (PKR) employee, Ms. Angela Clemons, Program Specialist.
- On January 6, 2016, PKR Management reported the potential theft by Ms. Clemons and provided supporting documentation to the Office of the City Auditor (Office). On January 8, 2016, the Office referred this matter to the Dallas Police Department – Public Integrity Unit (DPD-PIU), and they conducted a criminal investigation of the allegation.
- On August 9, 2016, the Office received a memo from DPD-PIU reporting the criminal investigation was completed and that there was sufficient evidence to determine Ms. Clemons did commit the criminal offense of Theft, a Class A Misdemeanor.
- Ms. Clemons' employment with the City of Dallas was terminated on March 30, 2016; she was arrested for Theft by a Public Servant on June 2, 2016.

### **Abuse of Position – Office of Cultural Affairs (December 16, 2016)**

- This investigative report provided results of an investigation of an allegation involving an Office of Cultural Affairs (OCA) employee that abused her position as a City of Dallas (City) employee to unfairly advance her private interests.
- The employee, who worked at the South Dallas Cultural Center (SDCC), was alleged to have required a dry cleaning business to provide free cleaning services in return for the business' employees parking for free at the SDCC facility. On August 15, 2016, the Office referred the matter to the Dallas Police Department – Public Integrity Unit (DPD-PIU) for a criminal investigation. The DPD-PIU found "*insufficient evidence to prove or disprove a criminal offense was committed*" by the employee. The DPD-PIU forwarded the complaint to the Office for administrative review.
- The Office reviewed the evidence gathered by DPD-PIU and obtained further evidence. The evidence obtained was sufficient to support the finding that the OCA employee's actions violated the City's Personnel Rules and Code of Ethics, specifically: indifference towards work, dishonesty, disturbance and disregard of public trust, along with unfair advancement of private interests.
- The OCA Management reviewed the Office's administrative investigation and concluded the OCA employee's actions were in violation of the City's Personnel Rules and Code of Ethics. On November 15, 2016, OCA Management terminated the employment of the OCA employee.

**Audit and Attestation Services  
Anticipated Report Releases  
Fiscal Year 2017 – Second Quarter  
January 1, 2017 to March 31, 2017**

**Audit Services**

**Special Audit of the Accounts of Former Chief Financial Officer – Jeanne Chipperfield**

- Anticipated Report Date: January 2017
- Project Objective(s): To conduct audits in accordance with Chapter IX, Section 4 of the City Charter of officers who vacate their offices due to death, resignation, removal, or expiration of term

**Prior Audit Recommendations Follow-Up (Fiscal Year 2015)**

- Anticipated Report Date: February 2017
- Project Objective(s): To evaluate management's implementation of prior audit report recommendations

**Construction Related Procurements**

- Anticipated Report Date: March 2017
- Project Objective(s): To determine the effectiveness of internal controls for construction related procurements

**Cash Management / Collections Processes – Courts Information System**

- Anticipated Report Date: March 2017
- Project Objective(s): To evaluate internal controls over cash management / collections processes for fines and fees which may include cash bond forfeitures and reinstatement on Class C misdemeanors

### **Neighborhood Code Enforcement Services**

- Anticipated Report Date: March 2017
- Project Objective(s): To evaluate neighborhood code enforcement effectiveness which may include whether: (1) Department of Code Compliance Services' (CCS) actions in response to complaints and/or to bring properties into compliance with City code were timely, and in accordance with policies and procedures; and, (2) abatements, by the City, consistently resulting in liens on affected properties

### **Sole Source / Single Bid Procurements – Business Development and Procurement Services**

- Anticipated Report Date: March 2017
- Project Objective(s): To determine the adequacy of controls for sole source / single bid procurements

**Audit and Attestation Services  
Projects in Progress  
Fiscal Year 2017 – Second Quarter  
January 1, 2017 to March 31, 2017**

**Audit Services**

**Franchise Fees Review through Third-Party Vendor (*Ongoing*)**

- Anticipated Report Date: Periodic, as warranted
- Project Objective(s): To verify that franchise fees (which may include utilities, cable, and telephone) identified by a third-party vendor are received by the City

**Sales / Use Tax Compliance Review through Third-Party Vendor (*Ongoing*)**

- Anticipated Report Date: Periodic, as warranted
- Project Objective(s): To identify and collect new and misreported tax revenue identified through a third-party vendor which will conduct Sales and Use Tax Compliance Review and Recovery Services

**Business Partner Oversight – Arts District**

- Anticipated Report Date: Third Quarter Fiscal Year 2017
- Project Objective(s): To evaluate controls related to oversight / monitoring of entities operating City-owned facilities which may include the Dallas Zoo, Dallas Arboretum, Dallas Omni Hotel, and Dallas arts and park facilities

**Environmental Compliance – Multiple Departments**

- Anticipated Report Date: Third Quarter Fiscal Year 2017
- Project Objective(s): To determine if the City is in compliance with Environmental Protection Agency regulations which may include the Clean Water Act, and / or other Federal / State environmental requirements regarding handling / disposing of hazardous waste

### **Special Collections Operations – Dallas Water Utilities**

- Anticipated Report Date: Third Quarter Fiscal Year 2017
- Project Objective(s): To determine whether internal controls are adequate to ensure cash receipts are timely deposited and accounted for properly

### **Trinity Watershed Management**

- Anticipated Report Date: Third Quarter Fiscal Year 2017
- Project Objective(s): To evaluate management controls related to Trinity Watershed Management

### **City Attorney's Office Operations**

- Anticipated Report Date: Fourth Quarter Fiscal Year 2017
- Project Objective(s): To evaluate the effectiveness and efficiency of the City Attorney's Office intake, tracking, and monitoring processes for legal support, such as case management / requests for legal assistance

### **Continuity of Operations Audit Follow-Up**

- Anticipated Report Date: Fourth Quarter Fiscal Year 2017
- Project Objective(s): Conduct audit follow-up of recommendations included in *Audit of the Design of the City of Dallas' Pandemic Influenza Continuity of Operations Basic Plan Report*, issued September 13, 2013

### **Homeless Response System Effectiveness**

- Anticipated Report Date: Fourth Quarter Fiscal Year 2017
- Project Objective(s): To assess the effectiveness and / or efficiency of the City's homeless response system which may include an evaluation of the contracting procedures for homeless services, including how contracted services meet assessed needs and are monitored for quality performance

## **Records Management System – Dallas Police Department**

- Anticipated Report Date: First Quarter Fiscal Year 2018
- Project Objective(s): To determine whether the City's goals for implementing the Records Management System achieved anticipated results (specifically cost, project schedule, functions implemented, and shadow systems eliminated) and includes the appropriate controls

## **Information Technology Processes – Communication and Information Services**

- Anticipated Report Date: Second Quarter Fiscal Year 2018
- Project Objective(s): To determine the effectiveness of selected Communication and Information Services processes which may include: (1) back-up and recovery; (2) governance process; and, (3) vendor contract monitoring

**Audit and Attestation Services  
Anticipated Project Starts  
Fiscal Year 2017 – Second Quarter  
January 1, 2017 to March 31, 2017**

**Audit Services**

**Special Audit of the Accounts of the Former City Manager – A.C. Gonzalez**

- Anticipated Report Date: Third Quarter Fiscal Year 2017
- Project Objective(s): Conduct audits, in accordance with Chapter IX, Section 4 of the City Charter, of officers who vacate their offices due to death, resignation, removal, or expiration of term

**Line-of-Duty Death Report Recommendations – Dallas Fire-Rescue**

- Anticipated Report Date: Fourth Quarter Fiscal Year 2017
- Project Objective(s): To determine whether the Department of Dallas Fire-Rescue implemented the Line-of-Duty Death Report recommendations

**Miscellaneous Permit Fee Revenues**

- Anticipated Report Date: Fourth Quarter Fiscal Year 2017
- Project Objective(s): To determine whether controls are adequate / effective to ensure permit fee revenues are collected from business entities required to obtain a permit to operate a business in the City

**Off-Duty Employment Administration – Dallas Police Department**

- Anticipated Report Date: Fourth Quarter Fiscal Year 2017
- Project Objective(s): To evaluate (1) the Dallas Police Department's (DPD) internal controls over off-duty employment; and, (2) whether DPD officers adhere to DPD policies related to off-duty employment



### **Prior Audit Recommendations Follow-Up (Fiscal Year 2016)**

- Anticipated Report Date: Second Quarter Fiscal Year 2018
- Project Objective(s): To evaluate management's implementation of prior audit report recommendations