

# Office of the City Auditor Fiscal Year 2022 Annual Report

March 17, 2023

Mark Swann, City Auditor

## What We Do

The Office of the City Auditor conducts audits, attestations and fraud investigations of City departments, offices, agencies, and processes. Also, advisory services can be agreed upon for City Council or City Administration specific requests.

## Our Mission

We collaborate with elected officials and employees to elevate public trust in government by providing objective assurance and advisory services.

## Performance Measures and Office Goals

### Fiscal Year 2022

In Fiscal Year 2022, the Office of the City Auditor was delayed in achieving three of four Office Performance Measures (see [Exhibit 1](#)) but completed or made significant progress towards Office Goals as shown in [Exhibit 2](#).

Exhibit 1:

Office of the City Auditor Fiscal Year 2022 Performance Measures  
(as of September 30, 2022)

Performance Measure	Target	Actual
Publish target number of audit or attestation reports	19 reports	14 reports
Attain agreement by management to report recommendations.	90 %	82 %
Refer or provide an initial response for Fraud, Waste, and Abuse alerts within three workdays.	95 %	98 %
Focus on our mission with available time.	82 %	80 %

Exhibit 2:

Office of the City Auditor Fiscal Year 2022 Goals  
(as of September 30, 2022)

Additional Goals	Target	Actual
<b>Migrate Wolters Kluwer TeamMate AM Software to Galvanize AuditBond software. Team-Mate AM will be at the end of support life in December 2024.</b>	2nd Quarter	Completed – Implementation of Diligent AuditBond Software in May, 2022
<b>Have target percentage of staff achieve professional certifications (CIA, CPA, CISA, or CFE)</b>	80 %	81 %
<b>Issue Office of the City Auditor's Administrative Guide</b>	1st Quarter	Completed – December, 2021
<b>Pursue Subject Matter Expert development</b>	2 Subject Matter Experts	In Progress: (1) Training completed in Workday Time Entry and PCI Internal Assessment Requirements; (2) Training in progress on Diligent AuditBond robotics tools.
<b>Identify other entities that provide assurance service coverage and consolidate their reports on the City Auditor's website</b>	4 <sup>th</sup> Quarter	Not Started

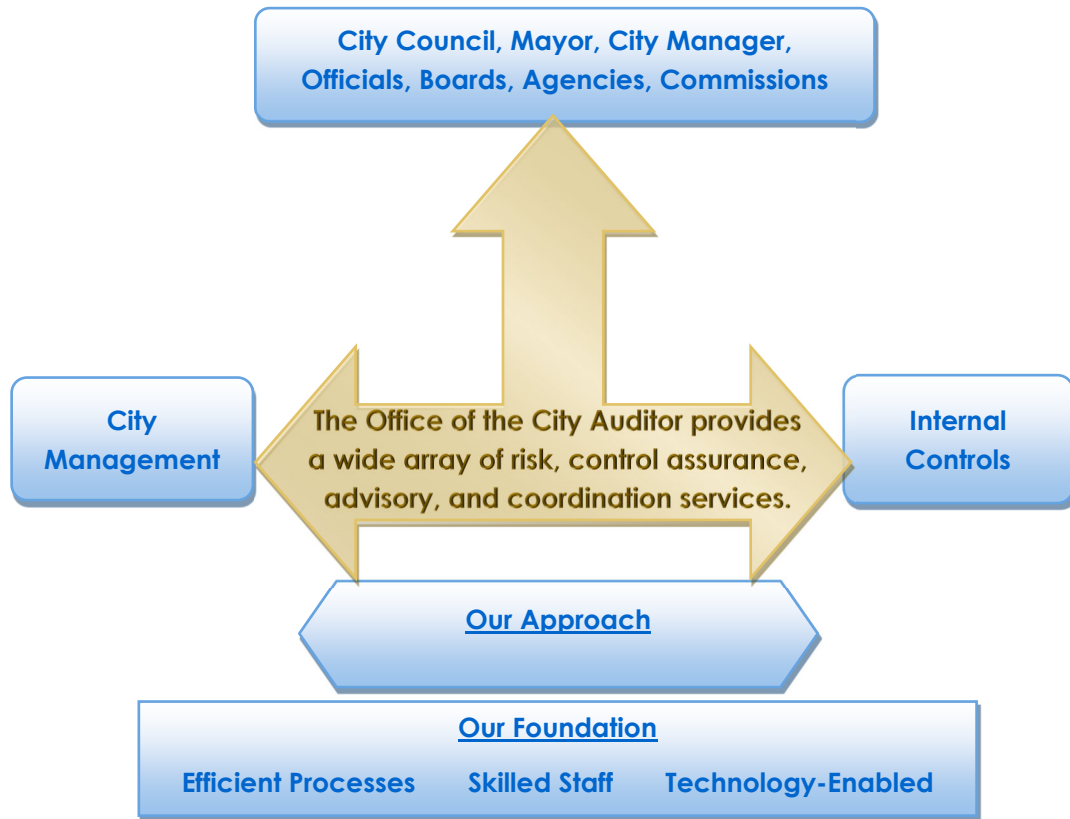
Looking Ahead to Fiscal Year 2023

Going forward into Fiscal Year 2023, the Office goals are updated as follows:

- ◆ Produce 19 audit or attestation reports
- ◆ Add value with over 90 percent of audit report recommendations accepted, with 60 percent implemented within 18 months of report issue date.
- ◆ Have 80 percent of staff achieve a professional certification (CIA, CPA, CISA, or CFE).
- ◆ Focus on our mission by spending 82 percent of available time on assurance, and advisory projects.
- ◆ Develop two government or assurance services subject matter experts within the Office of the City Auditor.
- ◆ Identify other entities (external auditors, grant reviewers, federal and state auditors, etc.) that provide assurance service coverage and consolidate their reports on the Office of the City Auditor website.

# Accountability and the Reporting Process

Exhibit 3:

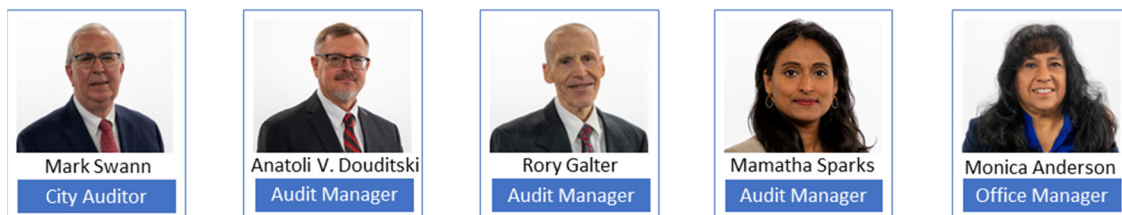


## Get to Know Our Office

The Office of the City Auditor is comprised of a diverse and accomplished group of people (see [Exhibit 4](#)). The Management Team includes the City Auditor, three Audit Managers, and our Office Supervisor. As of September 30, 2022, eleven auditors work under the direction of the Management Team to complete various audit and non-audit services for the Office.

### Office Composition Overview

Exhibit 4:



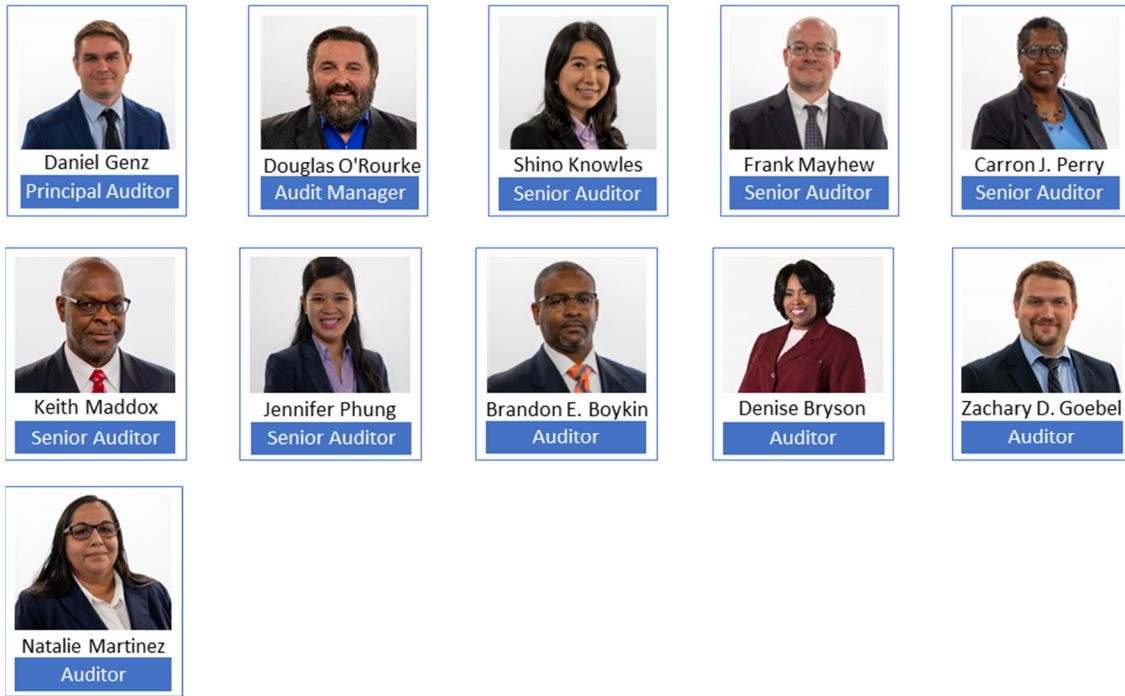


Exhibit 5:

### Office Demographics

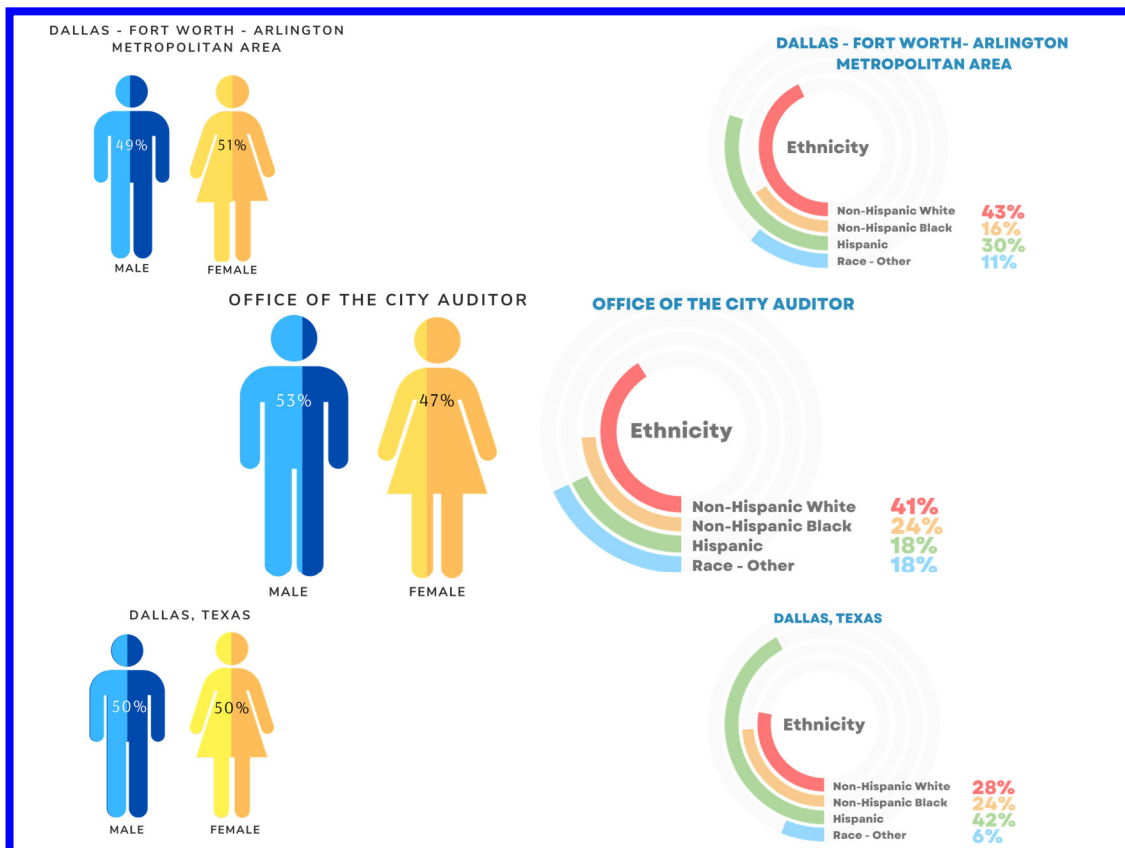
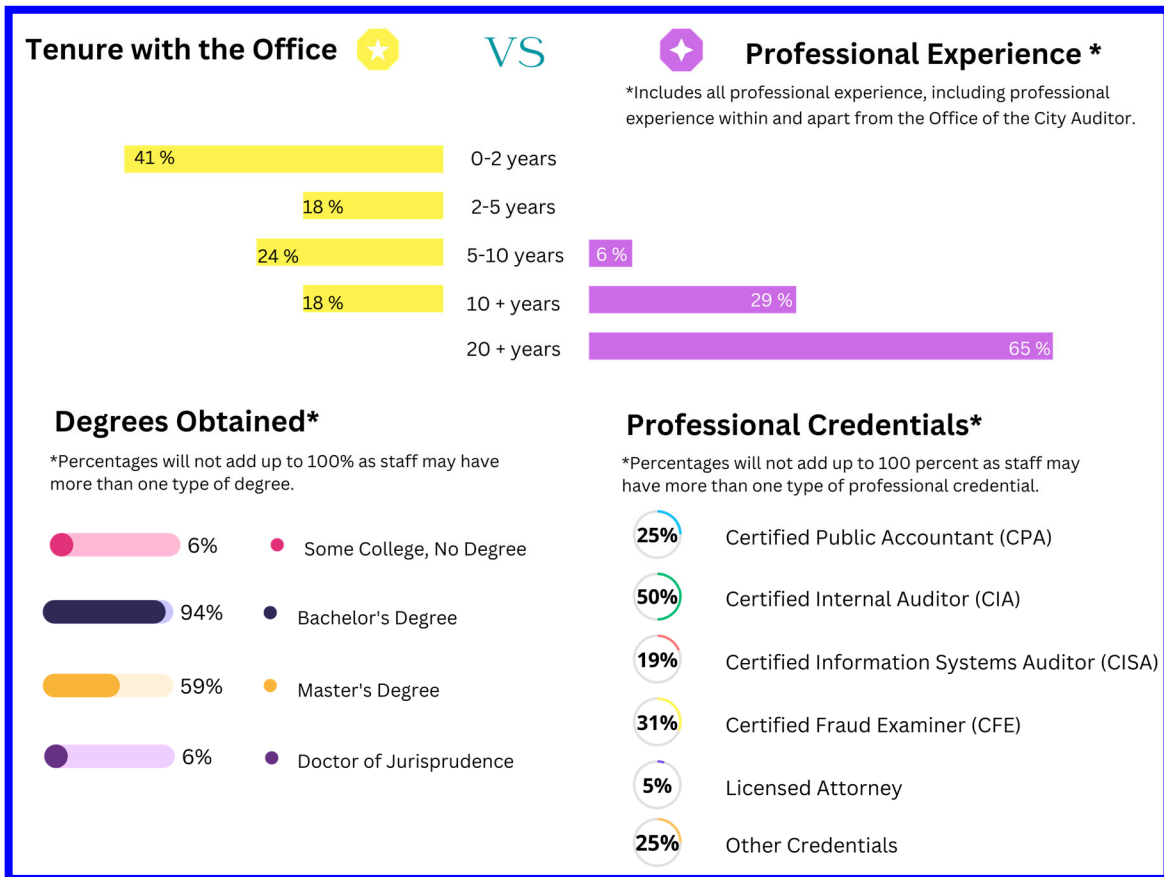


Exhibit 6

Experience and Education



Staff Changes

In Fiscal Year 2022, the Office welcomed six new staff, and said farewell to seven others.

Exhibit 7:

Staff Additions	Date	Position	Staff Resignations	Date	Position
Abraham Cato	01/22	Sr. Auditor	Li-wen Chiang	01/22	Sr. Auditor
Zachary Goebel	02/22	Auditor	Kimberly Bensen	02/22	Sr. Auditor
Natalie Martinez	02/22	Auditor	Laura Miller	02/22	Technical Writer/
Jennifer Phung	02/22	Sr. Auditor	Kimberly Robertaccio	02/22	Investigations
Keith Maddox	07/22	Sr. Auditor	Matthew Cheadle	03/22	Sr. Auditor
Denise Bryson	09/22	Auditor	Enrique Fuentes	05/22	Investigations
			Abraham Cato	09/22	Sr. Auditor

## Summary of Investigation Services

The Assurance Investigation Unit of the Office of the City Auditor previously monitored the Speak Up Line, the City’s Fraud, Waste and Abuse hotline, and reviewed all alerts received to determine the appropriate method of resolution.

In December 2021, the City Council established the Inspector General Division as an independent investigative authority that assumed the primary responsibility for identifying, investigating and resolving ethical issues within the City (including those related to fraud, waste, abuse, public corruption and official misconduct).

The Assurance Investigation Unit was transferred to the City Attorney’s Office, Division of the Inspector General on May 4, 2022. At that time, the Office of the City Auditor had successfully closed out the backlog of open Fraud, Waste and Abuse alerts from 76 open alerts to 14 open alerts.

In Fiscal Year 2022, the Audit Investigative Services Unit received 69 alerts from the Speak Up Line (the City of Dallas' fraud, waste, and abuse hotline) and closed 137 alerts. See [Exhibit 8](#).

Exhibit 8:

Fraud, Waste, and Abuse Hotline Alerts			
Quarter	Received	Closed*	Transferred
1	31	64	
2	27	53	
3	11	20	
4	-	-	
<b>Total:</b>	<b>69</b>	<b>137</b>	<b>14</b>

\*Note: Pending cases from prior quarters may also be closed in excess of complaints received.

## Summary of Non-Audit Services

The Office of the City Auditor provided administrative support for the City Council Ad Hoc Committee on General Investigating and Ethics. Support for this Committee involved scheduling meetings, hosting the WEBEX virtual meeting, and maintaining the meeting minutes.

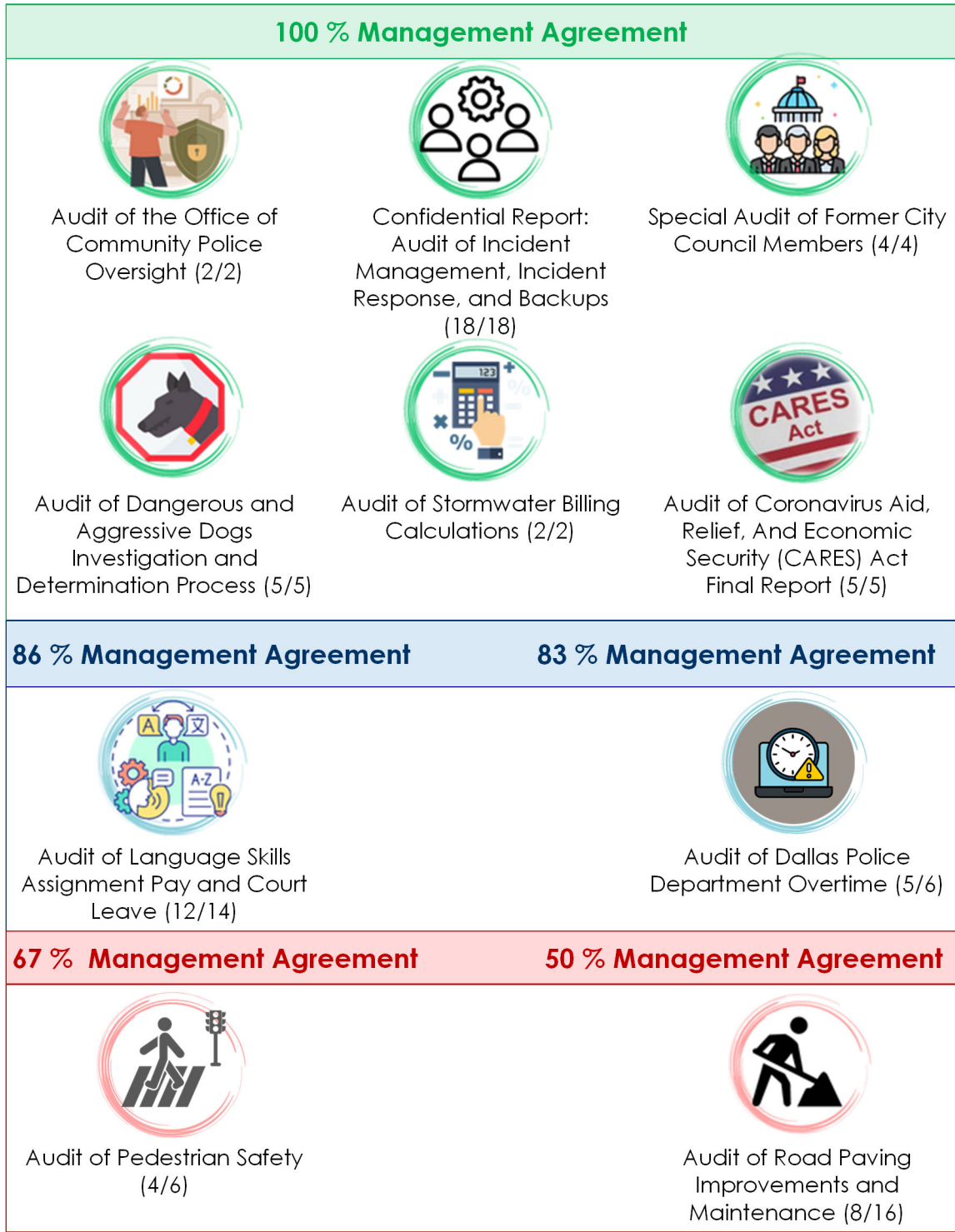
## Summary of Performance Audit Projects

The Office completed 14 performance audit projects in Fiscal Year 2022 (October 2021 – September 2022). Refer to [Exhibit 9](#) for an overview of management’s agreement to recommendations for reports released during the fiscal year.



Exhibit 9:

Management Agreement to Report Recommendations



**N/A — No Associated Recommendations**



Audit of the TexasCityServices LLC Contract



Agreed-Upon Procedures — Crossfield Taxiways at Dallas Love Field

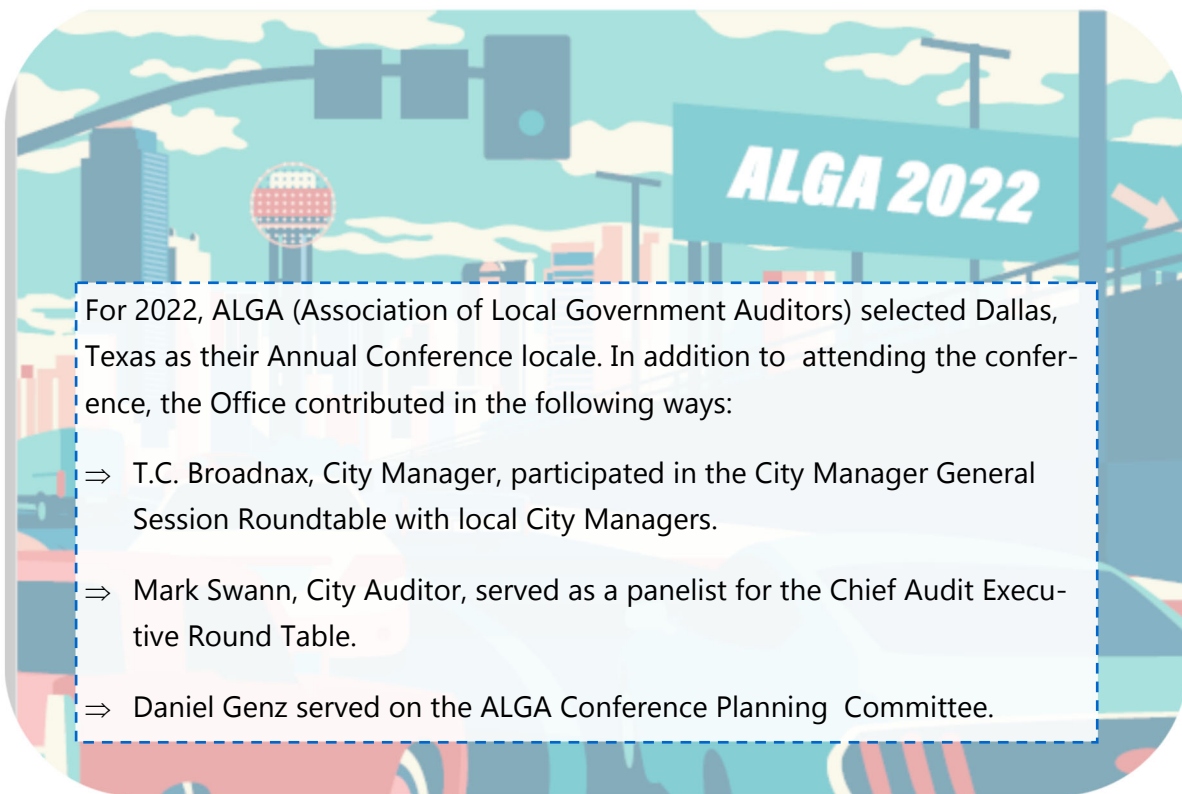


Audit of Proposed Budget Revenue Included in the Fiscal Year 2022-2023 Proposed Annual Budget



Agreed-Upon Procedures — Elm Fork Water Treatment Plant Filter Complex, Phase 1

**2022 ALGA Conference, Dallas Texas**



For 2022, ALGA (Association of Local Government Auditors) selected Dallas, Texas as their Annual Conference locale. In addition to attending the conference, the Office contributed in the following ways:

- ⇒ T.C. Broadnax, City Manager, participated in the City Manager General Session Roundtable with local City Managers.
- ⇒ Mark Swann, City Auditor, served as a panelist for the Chief Audit Executive Round Table.
- ⇒ Daniel Genz served on the ALGA Conference Planning Committee.





# Office of the City Auditor Fiscal Year 2022 Annual Report

March 17, 2023

Mark Swann, City Auditor

## Office Location

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Dallas, TX 75201

## Telephone

214-670-3223

## Email

[mark.swann@dallas.gov](mailto:mark.swann@dallas.gov)

## Speak Up Line

To report fraud, waste, or abuse call the toll-free hotline at 877-860-1061 or submit through a [confidential web-based report](#).

## Annual Report Notification

The *Fiscal Year 2022 Annual Report* is not an audit report and does not adhere to generally accepted government auditing standards.