Memorandum

CITY OF DALLAS
(Report No. A08-020)

Date: August 22, 2008

To: Honorable Mayor and Members of the City Council

Subject: Final Report – Follow-Up of Audit Recommendation, Convention and Event Services

The Department of Convention and Event Services (CES) did not implement the audit recommendation resulting from "Follow-up Report of the April 23, 2004, Performance Audit of Event Revenue Processing" dated December 23, 2005. *Attachment A* provides detailed information for the recommendation included in this audit[1] report.

Summary of Follow-up Audit Results			
Fiscal Year Audit Report Issued	**Number of Report Recommendations**	**Recommendations Implemented**	**Recommendations Not Implemented**
2006	1	0	1

Management has accepted the risks associated with not implementing the recommendation to more extensively use their management information software, ConCentRics (CCR), to enhance event scheduling and processing. The City Auditor's Office will not conduct any further follow-up on this recommendation, but will consider the risk in determining future audit coverage as part of the annual audit plan.

We appreciate Convention and Event Services' cooperation. This report was discussed with CES management, but a written response was not requested.

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[1] This audit was conducted under the authority of the City Charter, Chapter IX, Section 3 and in accordance with generally accepted government auditing standards. The audit objective was to verify that management has taken corrective action(s), the corrective action(s) are achieving the desired results or management has assumed the risk of not taking corrective action(s). We interviewed Convention and Event Services department personnel, reviewed "event" management information reports, and the Dallas Convention Center Fiscal Year 2008 budget.

"Dallas, The City That Works: Diverse, Vibrant, and Progressive."

If you have any questions or need additional information, please contact me at 214-670-3222 or Gary Lewis, Audit Manager, at 214-670-5347.

Sincerely,
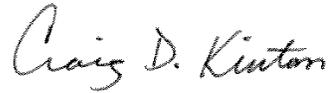
Craig D. Kinton
City Auditor

Attachment A

C: Mary K. Suhm, City Manager
     Ramon Miguez, Assistant City Manager
     Dave K. Cook, Chief Financial Officer
     Frank Poe, Director – Convention and Event Services

Attachment A

Audit Report	Audit Issues	Audit Recommendations	Audit Follow-Up Results
Follow-up Report of the April 23, 2004, Performance Audit of Event Revenue Processing by the Dallas Convention Center (December 23, 2005)	**Current software is not being utilized**	- The Director of Event Services ensures that software is tested, staff is trained, and software is utilized in all areas of possible benefit.	**Not Implemented**. CES does not use ConCentRics (CCR) software because it does not meet CES processing needs and CCR does not integrate with the City's accounting system. The Convention Center staff uses spreadsheets to record revenue and expense by event and to produce management reports. While lacking efficiency, the manual process is adequate for the workload of 107 events scheduled in 2008. CES realizes the manual process is not sufficient if the number of transactions increase. As a result, CES is exploring alternatives such as Event Business Management System software with a FY 2009 timeline for purchase and implementation. CES is currently involved in the ISO 9001 process**.** This should help establish revenue enhancing / cost saving criteria to align with software specifications to ensure the next software purchased is viable and will meet management expectations. "ISO 9001 is an internationally recognized quality management standard that is applied to several types of organizations designed to implement a closed-looped network of processes resulting in an effective, efficient, and customer oriented management system model", Dallas City Council Quality of Life Committee presentation, November 28, 2005.