



Audit of Cash Handling at the Code Compliance Consumer Health Division

September 11, 2020

Mark S. Swann, City Auditor

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Chad West



Executive Summary

Objective and Scope

The audit objective was to determine if consumer food safety inspection cash handling processes are working as management intended. The scope of the audit was limited to cash handling processes at the Department of Code Compliance Consumer Health Division between January 2019 and December 2019.

What We Recommend

No recommendations were identified.

Background

The Department of Code Compliance Consumer Health Division inspects compliance with the Texas State Food Establishment Rules at Dallas restaurants, schools, nursing homes, hospitals, and stores that sell food. Every year, the Consumer Health Division performs approximately 14,200 inspections at 7,100 food selling facilities in Dallas. In Fiscal Year 2019, the Department of Code Compliance Consumer Health Division collected \$2,920,588 in license and permit fees. The Division collects payments either through mail or at the front counter of its office at 7901 Goforth Road. It does not accept payments online or over the telephone. The Division only accepts checks, money orders, and credit card payments. According to the Division staff, in Fiscal Year 2019, they collected 77 percent of their revenue through checks and 23 percent by credit cards. The Division accounts for and reconciles payment receipts on a daily basis. Checks are deposited to Bank of America daily using a remote deposit system.

What We Found

Cash handling processes at Department of Code Compliance Consumer Health Division, during January – December 2019, worked as intended and the cash collected by the Division was safe and accounted for.

Appendix A: Methodology

Methodology

To accomplish our audit objectives, we interviewed key personnel, and reviewed applicable documentation. The risk of fraud, waste, and abuse was also considered.

This performance audit was conducted 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

Oladapo Juba – Auditor

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Appendix B: Management's Response

Memorandum



DATE: September 9, 2020
TO: Mark S. Swann, City Auditor
SUBJECT: Response to Audit of Cash Handling at the Code Compliance Consumer Health Division

This letter acknowledges the City Manager's Office received the *Audit of Cash Handling at the Code Compliance Consumer Health Division*.

We appreciate the professionalism and quality of work demonstrated by your staff throughout this engagement.

Sincerely,



T.C. Broadnax
City Manager

C: Kimberly Bizer Tolbert, Chief of Staff
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler-Hardy, Assistant City Manager
Carl Simpson, Director, Code Compliance Services

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