

Office of the City Auditor

FISCAL YEAR 2020 – QUARTER 2 UPDATE: JANUARY 1 – MARCH 31, 2020

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REPORTS ISSUED

During Quarter 2 the Office of the City Auditor released the following reports (click on the hyperlinks below for the full report):

- [Audit of TexasCityServices, LLC Contract](#)
- [Memorandum - Confidential Report: Audit of Payment Card Security Standard Compliance](#)
- [Independent Report on Agreed-Upon Procedures for the Notice of Funding Availability – Single Family Housing Development – BUZ1900010338](#)
- [Audit of the City's Open Record Request Process – Dallas Police Department](#)
- [Audit of the City's Open Record Request Process – City Secretary's Office](#)
- [Audit of the Office of Fair Housing and Human Rights' Complaint Process](#)
- [Audit of City Park Maintenance and Safety](#)
- [Audit of Library Facility Planning](#)

AUDIT NOTIFICATIONS

The Vendor Master File Maintenance audit is canceled. In addition, the following audits are on hold until further notice: Consumer Health Division – Food Safety Services and Collaboration with Non-Profit Entities. See [Appendix A](#) for a full projects overview.

INVESTIGATIVE SERVICES

Exhibit 1:

Fraud, Waste, and Abuse Hotline Alerts		
Quarter	Received	Closed
1	31	38*
2	34	25

In Quarter 2, Investigative Services closed 25 complaints. Of those closed, three were substantiated. Of the substantiated complaints, three resulted in disciplinary action, including termination of employment for two of the three substantiated complaints.

***Note:** Pending cases from prior fiscal year(s) were also closed during Quarter 1.

PROJECTS IN PROGRESS

The 19 projects in progress include three carry-over audits from the Fiscal Year 2019 Audit Plan, and 16 projects from the Fiscal Year 2020 Audit Plan. Audits on the horizon for release in Quarter 3 include:

- Audit of Department of Dallas Fire-Rescue's Hydrant Inspection, Flow-Testing, and Maintenance Process
- Audit of the Office of Community Care Community Centers
- Audit of Taxicab and Transportation Network
- Audit of the Department of Aviation's Noise Management Program

8

Reports Issued

87%

Management Agreement
to Recommendations

19

Projects In Progress

Office of the City Auditor

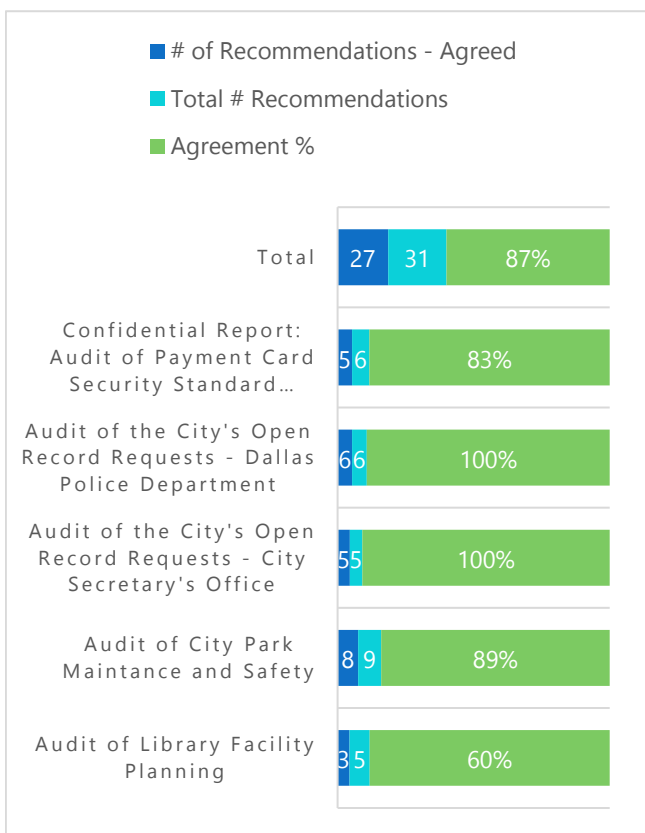
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MANAGEMENT AGREEMENT

Refer to [Exhibit 2](#) below for a summary of the percentage of recommendations management agreed to implement per audit.

Exhibit 2:



Note: Three of eight reports were not included in [Exhibit 2](#) as there were no recommendations associated with these reports:

- [Audit of TexasCityServices, LLC](#)
- [Independent Report on Agreed-Upon Procedures...](#)
- [Audit of the Office of Fair Housing and Human Rights' Complaint Process](#)

ACCOMPLISHMENTS - WORK FROM HOME

Five reports were issued between March and May, and on-going audit and investigation engagements are progressing (see [Appendix A](#)).

In addition, the Office is accommodating City Management when our requests for information interfere with COVID-19 response efforts. Auditors are assisting other groups through non-audit services as follows:

- ✓ Piloting and reviewing Workday implementation job aids. The Workday human resource information system is scheduled to replace the City's legacy Lawson system this summer.
- ✓ Processing applications for the COVID-19 Mortgage and Rental Assistance Program.
- ✓ Assisting Information and Technology Services in mapping of NIST information security and privacy controls.
- ✓ Assisting Information and Technology Services in Payment Card Data Security Standard (PCI) internal assessment.
- ✓ Information request for Council Member Arnold.
- ✓ Information request for Honorable Mayor Johnson.

8

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Projects In Progress

APPENDIX A: PROJECTS OVERVIEW

While the report only shows information pertaining to Quarter 2, this appendix provides an overview of all projects in Fiscal Year 2020 to date (October 2019 through May 2020). [Exhibit 3](#) (below) provides an overview of management's agreement to recommendations for reports released to date, and [Exhibit 4](#) (on page 5) shows the current project status for pending and upcoming audit engagements.

Exhibit 3:

City Management's Agreement to Implement Audit Recommendations

Quarter Issued	#	Audit Plan Year October 2019 to September 2020	Release Date	No. Recommendations	No. Management Agreed to Implement	Agreement %
1	1	 Audit of City of Dallas' Purchasing and Travel Cards	November 11, 2019	10	9	90%
	2	 Audit of the Dallas Police Department's Complaint Process	November 25, 2019	20	16	80%
2	3	 Audit of the TexasCityServices LLC Contract	January 13, 2020	0	N/A	--
	4	 Memorandum – Confidential Report: Audit of Payment Card Industry Data Security Compliance	January 27, 2020	6	5	83%
	5	 Independent Report on Agreed-Upon Procedures for the Notice of Funding Availability – Single Family Housing Development BUZ19-0010338	February 24, 2020	0	N/A	--








Quarter Issued	#	Audit Plan Year October 2019 to September 2020		Release Date	No. Recommendations	No. Management Agreed to Implement	Agreement %
2	6		Audit of the City's Open Records Request Process – Dallas Police Department	February 26, 2020	6	6	100%
	7		Audit of the City's Open Records Request Process – City Secretary's Office	February 26, 2020	5	5	100%
	8		Audit of the Office of Fair Housing and Human Rights' Complaint Process	March 6, 2020	0	N/A	--
	9		Audit of City Park Maintenance and Safety	March 6, 2020	9	8	89%
	10		Audit of Library Facility Planning	March 26, 2020	5	3	60%
3	11		Special Audit of Former Mayor and City Council Members	April 15, 2020	15	15	100
	12		Independent Report on Agreed-Upon Procedures for the Department of Aviation Construction Project Procurement – Reconstruction Runway 13R-31L/Taxiway C Phase 1 at Dallas Love Field, Solicitation No. CIZ 1891	May 8, 2020	0	N/A	--
Running Total (Q1 – Q3 To Date):					76	67	88%

Exhibit 4:

Audit Reporting Updates

#	Audit Plan Year October 2019 to September 2020	Planning	Field-work	Report	Report Phase		
					Draft	City Official	Final
Engagements In-Progress							
13	Office of Community Care – Community Centers (Carry-over - FY 19 Audit Plan)			✓		Mar-20	
14	Dallas Police Department – Property and Evidence (Carry-over - FY 19 Audit Plan)		✓				
15	Department of Aviation – Taxicab and Transportation Network (Carry-over - FY 19 Audit Plan)			✓		Apr-20	
16	Building Services Department – City-Owned Elevator Safety		✓				
17	Department of Dallas Fire-Rescue – Fire Hydrant Inspection, Flow-Testing, and Maintenance Process			✓	Apr-20		
18	Department of Aviation – Noise Management Program			✓	Mar-20		
19	Department of Information and Technology Services – AT&T Datacomm LLC Contract Monitoring	✓					
20	Court & Detention Services – Dallas County Motor Vehicle Child Safety Fee		✓				
21	Multiple Departments – Follow-Up of Prior Recommendations - Continuity of Operations Basic Plan	✓					
22	Department of Dallas Water Utilities – Stormwater Billing Calculations	✓					

#	Audit Plan Year October 2019 to September 2020	Planning	Field-work	Report	Report Phase		
					Draft	City Official	Final
Engagements In-Progress							
23	Mayor and City Council Office – City Advisory Boards and Commissions	✓					
24	City Controller's Office – Investment Pool Management	✓					
25	Department of Economic Development – Economic Development Incentive Programs	✓					
26	Department of Equipment and Fleet Maintenance – Fuel Services	✓					
27	Office of Community Care – Senior Services	✓					
28	Department of Public Works – Road Paving	✓					
29	Department of Transportation – Traffic Signals, Signs, Pavement Marking, Traffic Control, and Streetlight Maintenance	✓					
30	Franchise Fees Reviews (Ongoing)		✓				
31	Sales and Use Tax Compliance Review (Ongoing)		✓				

AUDIT PLAN CHANGES

Approved Audit Plans allow the City Auditor to make additions to, deletions from, or other changes to the plan(s) when deemed necessary upon written notification to the City Council (see [Exhibit 5](#)). Accordingly, the Office of the City Auditor is providing notification of the deletion status for the Vendor Master File Maintenance audit. The risks associated with this audit will be re-evaluated and may be re-considered for inclusion in future audit plans. In addition, the following audits included in the Fiscal Year 2020 Audit Plan are on-hold until further notice: (1) Consumer Health Division – Food Safety Services; and, (2) Collaboration with Non-Profit Entities.

Exhibit 5:

Status of Projects – Audit Plan Changes

Original Assigned Audit Plan Year*	Quarter Status-Change Notification Issued	Project	Status:	Moved to Another Audit Plan Year? Y/N
2020	Q2, 2020	Multiple Departments – Vendor Master File Maintenance	Canceled	N
2020	Q2, 2020	Consumer Health Division – Food Safety Services	On-Hold	N
2020	Q2, 2020	Multiple Departments - Collaboration with Non-Profit Entities	On-Hold	N

***Note:** The Audit Plan Year corresponds to a Fiscal Year, not a Calendar Year. Dates for Audit Plan Year 2020 are October 2019 through September 2020.