

Memorandum



DATE: May 31, 2012

TO: Honorable Members of the Budget, Finance & Audit Committee –
Jerry R. Allen, Chair; Tennell Atkins, Vice-Chair;
Monica Alonzo; Scott Griggs; Ann Margolin

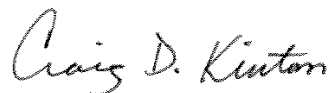
SUBJECT: Presentation to the Budget, Finance & Audit Committee:
Nomination and Appointment of the City Auditor

I will provide a briefing to the members of the Budget, Finance & Audit Committee on Monday, June 4, 2012 regarding:

- Nomination and Appointment of the City Auditor

My current term as the City Auditor expires on September 5, 2012. Section 2-17.2 of the Dallas City Code allows the Budget, Finance & Audit Committee to nominate (for consideration of the full City Council) the incumbent City Auditor for an additional two year term. If the Committee motions to act as the nominating committee for the re-appointment of the City Auditor, the Council Agenda item (scheduled for August 22, 2012) will allow for full City Council approval.

Sincerely,



Craig D. Kinton
City Auditor

Attachment

**Presentation to
Budget, Finance & Audit Committee –**

Nomination and Appointment of the City Auditor

**City of Dallas
Office of the City Auditor
June 4, 2012**





Nomination and Appointment of the City Auditor

The current term of the City Auditor, Craig D. Kinton, CPA will expire on September 5, 2012.

The purpose of this presentation is to brief the Budget, Finance & Audit Committee on the process for reappointment of Mr. Kinton or the requirements for nomination of a new City Auditor.



City Charter

Chapter IX. City Auditor

Chapter IX of the City Charter creates the Office of City Auditor.

The chapter includes four sections:


- Section 1 – Selection of City Auditor
- Section 2 – Assistants and Employees
- Section 3 – Duties of the City Auditor
- Section 4 – Special Audit

CITY CHARTER – CHAPTER IX. CITY AUDITOR

SEC.1 – SELECTION OF CITY AUDITOR

Section 1:

- Creates Office of City Auditor
- Establishes Two-Year Term
(and until a successor is chosen and qualifies)
- Defines Qualifications:
 - Knowledgeable in public administration, public financial and fiscal theory, municipal accounting, and auditing
 - Licensed CPA
 - Resident of City of Dallas
(or move into the city within time period required by the City Council)
- Stipulates Appointment by City Council
(after being nominated in accordance with a nominating procedure established by ordinance)




City Code

Chapter 2 – Administration

Sec. 2-17.2 Selection of City Auditor; Nominating Commission

The nominating procedure established by ordinance is codified in the City Code in Chapter 2, Section 2-17.2




City Code

Chapter 2 – Administration

Sec. 2-17.2 Selection of City Auditor; Nominating Commission

Section 2-17.2 stipulates that:

- City Council shall appoint a nominating commission before the end of each term of the City Auditor
- **The finance and audit committee may act as a nominating commission to nominate incumbent City Auditor for reappointment by full City Council (requires majority vote)**
- If majority of finance and audit committee does not vote to nominate the incumbent City Auditor (or a majority of the Council does not vote to reappoint) the Council must follow the process outlined in Sec. 2-17.2 subsections (a) through (e)




City Code

Chapter 2 – Administration

Sec. 2-17.2 Selection of City Auditor; Nominating Commission

Section (a) requires the city council to appoint a five member nominating commission meeting the following qualifications:

- One member selected by Dallas Chapter / TXCPA board of directors
- One member who is the regional director of USGAO (or highest ranking member of Dallas division)
- Three members meeting one of following qualifications:
 - Managing partner in multi-national public accounting firm with office in Dallas
 - CEO/CFO/CAE - publicly-traded company headquartered in Dallas County (\$1 billion annual revenue)
 - Former Dallas Mayor or Council Member
 - Current or former Dallas City Auditor




City Code

Chapter 2 – Administration

Sec. 2-17.2 Selection of City Auditor; Nominating Commission

Additional requirements pertaining to the nominating committee include:

- Meet within 15 days of appointment
- Nominate one or more candidates to City Council within 180 days of first meeting
- Serve until the City Council accepts a candidate



City Code

Chapter 2 – Administration

Sec. 2-17.2 Selection of City Auditor; Nominating Commission

Additional requirements pertaining to the city council include:

- Accept one candidate or reject all within 30 days of receipt of nomination
- Immediately notify commission if candidates are rejected



Nomination and Appointment of the City Auditor

Questions?