

Presentation to Finance, Audit and Accountability Committee

**City of Dallas
Office of the City Auditor
October 23, 2006**





OVERVIEW

- Results Review FY 2006
 - Initial Observations
 - Moving Forward
 - Salary Schedule
 - Closed Session – Personnel Matter
-
-



Results Review FY 2006

- Understaffed 5 audit FTE's (18%)
 - 12 new staff members (30%)
 - Met established output goals
-
-

Performance Statistics

	<u>Goal</u>	<u>Issued</u>
Number of Reports Issued -	31	34
Audit Work Performed, No Report Issued		2
Bid Reviews – Sole Source / Single Bid	0	54
Grant Monitoring Reviews	342	386
Fraud, Waste and Abuse Calls	1101	328

(Cases Opened – 40)



RESULTS

FY 2006 Work

- Staff Accountability
 - Neighborhood Quality of Life
-
-



RESULTS

Staff Accountability

- Improved financial accounting and reporting
 - Improved controls over city operations
 - Improved third-party vendors accountability
-
-



RESULTS

Neighborhood / Quality of Life

- Identified opportunities to improve risk assessment of health issues facing the City
 - Identified deficiencies in registration and inspection of multi-tenant facilities
-
-

Cost Savings / Revenue Enhancements

Department of Aviation Fees (Off-Airport Concession / Commercial Vehicle)	\$556,000
EMS Treatment / No Transport Fees	\$732,250
McCommas Bluff Landfill Fees	\$1,133,501
Armored Car Services Cost-Savings	\$66,821
Third-Party Vendors Revenue	\$300,000
TOTALS	\$2,788,572



Initial Observations

- Staffing
 - Internal Processes
 - External Relations
-

Staffing

- Levels
 - Qualifications
 - Experience
-
-

Staffing Levels FY 2006

	<u>Funded</u>	<u>Actual</u>	<u>Difference</u>
Audit	27	21	(6)
Grants Compliance	12	11	(1)
TOTAL	39	32	(7)

City Auditor Office Staff Qualifications

- Education
 - Certification
-
-

Staff Education

Degrees

Bachelors	28
------------------	-----------

Masters	12
----------------	-----------

TOTAL	40
--------------	-----------

Staff Certification

CPA	- Certified Public Accountant	8
CIA	- Certified Internal Auditor	5
CISA	- Certified Information System Auditor	2
CFE	- Certified Fraud Examiner	2
Other	- Other Certifications	14
TOTAL CERTIFICATIONS		31

Experience –

Current Average Staff Tenure

			Cumulative
0 to 6 months	7	21%	21%
7 months to 1 year	4	12%	33%
1 to 2 years	9	26%	59%
2 to 5 years	1	3%	62%
Over 5 years	13	38%	100%
TOTAL	34	100%	



Internal Processes

- Project Management Systems
 - Personnel Management Systems
 - Work Paper Documentation
-
-



External Relations

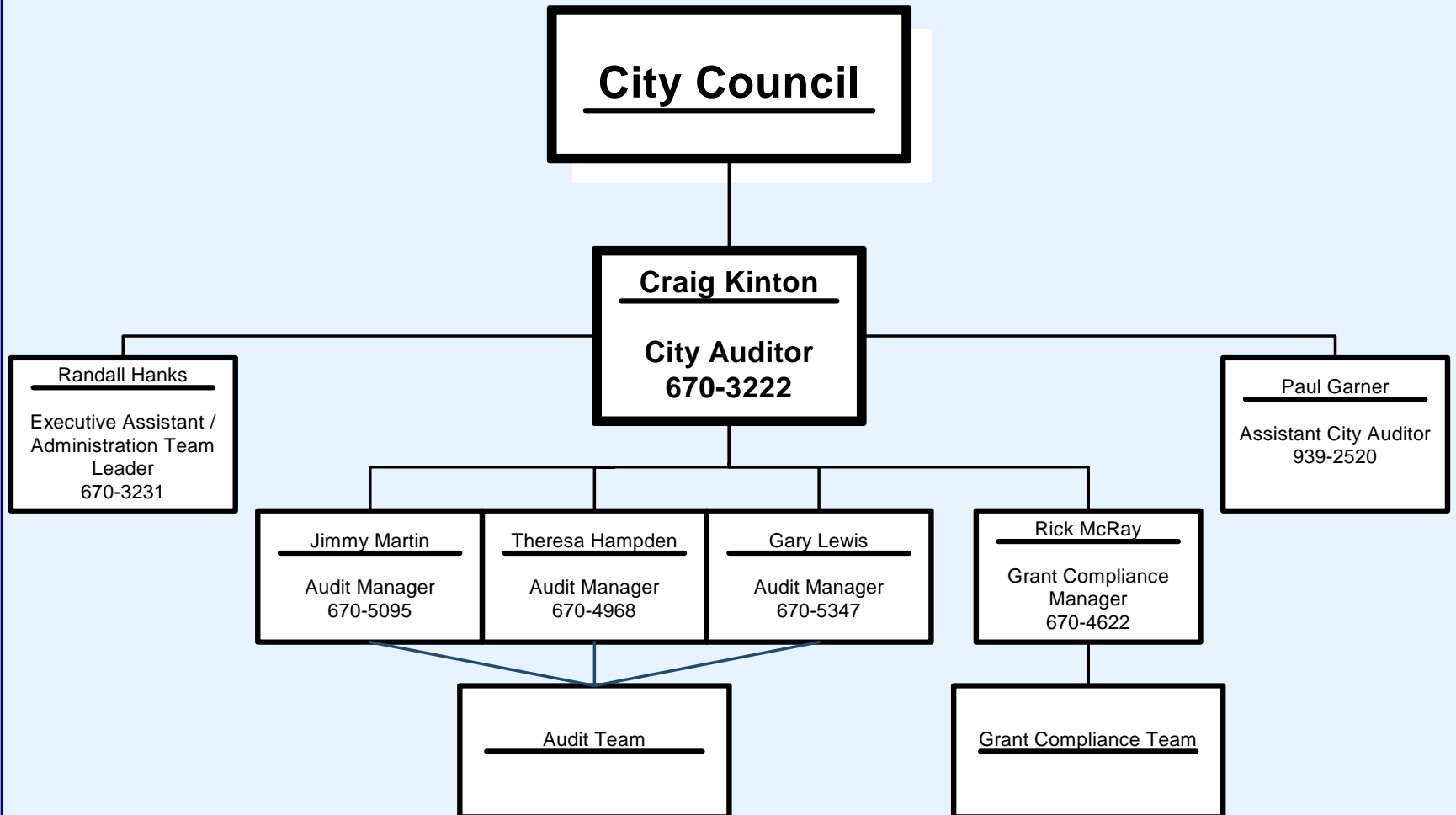
- City Council
 - City Management
-



**MOVING
FORWARD**

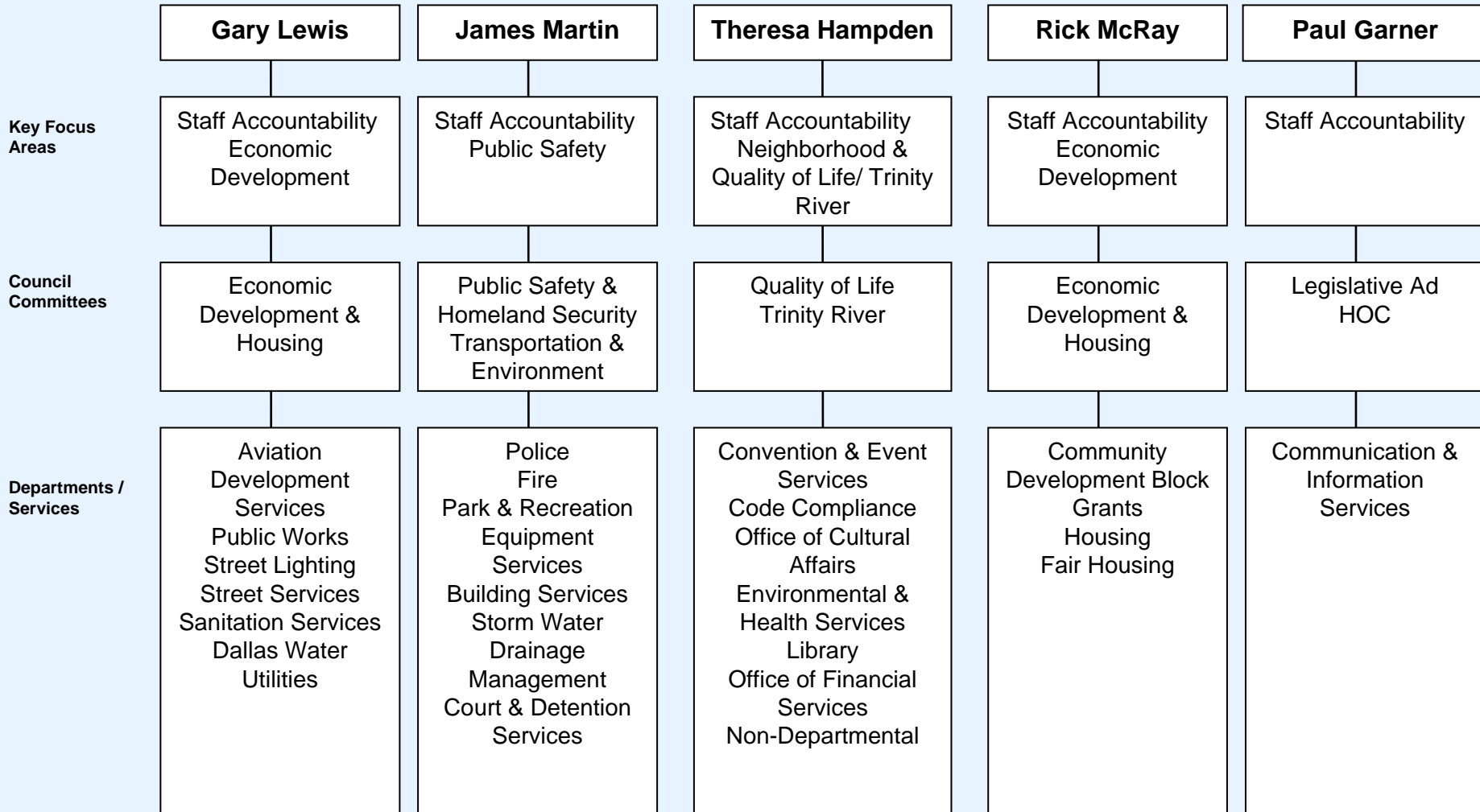
Office of the City Auditor

October 23, 2006



Office of the City Auditor

Management Team Assignments



Projects in Progress

■ Follow-Up Audits

- Mainframe Operating System
 - Citizen Request Management System (311)
 - Worker's Compensation
 - WRR-FM
 - Department of Development Services
Management Controls
-
-

Projects in Progress

- Payroll Audit – Phase I
 - Procurement Card Audit
 - Dallas Central Appraisal District (DCAD) Audit
 - Mainframe Utilization Audit
 - SBC Contract Audit
 - Comcast Franchise Fees Audit
-
-

FY 2006 Carry-Forward Projects

- County Tax Collection Audit
- Energy Franchise Fees (TXU/ATMOS) Audit
- Code Enforcement Audit
- Fleet Maintenance Audit
- Payroll Audit – Phase II (Uniform)
- Construction Contract Reviews Audit
- Humana Health Claims Processing Audit
- HIPPA Audit

FY 2006 Projects for Reconsideration

- Traffic Signals / Sensors Audit
 - AMS Implementation Audit
 - Automation of Courts Audit
 - Dallas Water Utilities Special Collection Division Audit
 - Internal Controls over Financial Reporting Audit
 - Recreation Center Funds Audit
-
-

FY 2007 Salary Schedule

GRADE	Minimum				Midpoint				Maximum			
	Annual	Monthly	Biweekly	Hourly	Annual	Monthly	Biweekly	Hourly	Annual	Monthly	Biweekly	Hourly
A5	\$79,000	\$6583.33	\$3038.46	\$37.98	\$112,000	\$9,333.33	\$4,307.69	\$53.85	\$145,000	\$12,083.33	\$5,576.92	\$69.71
A4	\$68,000	\$5,666.67	\$2,615.38	\$32.69	\$94,000	\$7,833.33	\$3,615.38	\$45.19	\$120,000	\$10,000.00	\$4,615.38	\$57.69
A3	\$52,000	\$4,333.33	\$2,000.00	\$25.00	\$71,000	\$5,916.67	\$2,730.77	\$34.13	\$90,000	\$7,500.00	\$3,461.54	\$43.27
A2	\$44,000	\$3,666.67	\$1,692.31	\$21.15	\$57,200	\$4,766.67	\$2,200.00	\$27.50	\$70,400	\$5,866.67	\$2,707.69	\$33.85
A1	\$37,000	\$3,083.33	\$1,423.08	\$17.79	\$47,500	\$3,958.33	\$1,826.92	\$22.84	\$58,000	\$4,833.33	\$2,230.77	\$27.88



Personnel Matters

Private Session –

Deliberations regarding duties and responsibilities of the City Auditor and the Audit Manager