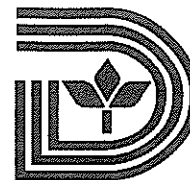


Memorandum



CITY OF DALLAS

Date October 10, 2008

To Members of the Finance, Audit & Accountability Committee
Chair Mitchell Rasansky, Vice Chair Jerry R. Allen, Mayor Pro Tem Dr. Elba Garcia,
Vonciel Jones Hill, Angela Hunt, Ron Natinsky and David Neumann

Subject **Communications Related to the Single Audit**

The Committee's October 13th agenda includes the Subject briefing. Grant Thornton's Ben Kohnle will brief the Committee and his briefing materials are attached.

Should you require additional information, please let me know.


Edward Scott
City Controller

Attachment

C: Honorable Mayor & Members of the City Council
Mary K. Suhm, City Manager
Tom Perkins, Jr., City Attorney
Deborah Watkins, City Secretary
Craig Kinton, City Auditor
Ryan S. Evans, First Assistant City Manager
David O. Brown, Interim Assistant City Manager
Ramon Miguez, P.E., Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Dave Cook, Chief Financial Officer



Meeting with the Finance, Audit and Accountability Committee

City of Dallas, Texas

Communications Related to the Single Audit

October 13, 2008



Communications Related to the Single Audit

à Summary of Single Audit Results

- I Summary of Federal and State Expenditures by Major Program
- I Summary of Single Audit Findings – Current and Prior Years
- I Questions and Answers

Summary of Single Audit Results

- Reports Issued:
 - Federal: Qualified
 - State: Unqualified
- Various compliance findings noted for Federal and State programs
- No scope limitations
- No unresolved audit issues
- Continued open and effective communication with management

Communications Related to the Single Audit

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Summary of Federal and State Expenditures by Major Program

	<u>2007</u>	<u>2006</u>
Federal:		
10.557 – Women, Infants, and Children Nutrition Program	11,488,173	10,187,105
14.218 – Community Development Block Grant	24,204,685	24,434,785
14.239 – HOME Investment Partnership	8,311,387	9,862,237
14.241 – Housing Opportunities for Persons with AIDS	3,857,904	4,135,312
20.106 – Airport Improvement Program	9,612,057	7,795,844
97.008 – Urban Area Security Initiative	3,501,217	4,449,252
Other	15,145,502	18,066,681
Total Federal	76,120,925	78,931,216
State:		
Air Pollution Control Inspection and Enforcement	530,420	532,694
Commercial Auto Theft Interdiction Squad	531,620	484,235
Confiscated Monies	779,821	497,264
Other	576,541	985,587
Total State	2,418,402	2,499,780

Communications Related to the Single Audit

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Summary of Single Audit Findings

Current Year Federal Findings:

<u>Program</u>	<u>Finding</u>
Material weaknesses:	
<ul style="list-style-type: none"> Financial Statement Findings 	2007-01, 02, 03 – Material weaknesses as reported in 9/22/08 meeting
<ul style="list-style-type: none"> Urban Area Security Initiative 	2007-06, Cash advance not spent within timeframe
Significant deficiencies:	
<ul style="list-style-type: none"> Financial Statement Findings 	2007-04, 05 – Significant deficiencies as reported in 9/22/08 meeting
<ul style="list-style-type: none"> Community Development Block Grant and HOME Program 	2007-07, Debarment search not performed for owners/principals of vendors
<ul style="list-style-type: none"> Community Development Block Grant and HOME Program 	2007-08, Documentation of debarment search not retained
<ul style="list-style-type: none"> Community Development Block Grant 	2007-09, Debarment search not performed on certain vendors
<ul style="list-style-type: none"> Community Development Block Grant 	2007-10, Periodic certifications of payroll time charged to grant not completed
<ul style="list-style-type: none"> All HUD Grants 	2007-11, Policies and Procedures not adopted under Section 3 of the HUD Act of 1968
<ul style="list-style-type: none"> HOME Investment Partnership Program 	2007-12, Federal cash drawn before all program income was expended

Summary of Single Audit Findings

Status of Prior Year Federal Findings:

<u>Finding</u>	<u>Status</u>
06-01FS – Material weakness in the financial reporting process	In Process
06-01 – Women, Infants, and Children	Implemented
06-02 – Women, Infants, and Children	Implemented
06-03 – Women, Infants, and Children	Implemented
06-04 – HOME Investment Partnership Program	In Process
06-05 – HOME Investment Partnership Program	Implemented
06-06 – HOME Investment Partnership Program	Implemented
06-07 – Community Development Block Grant	Implemented
06-08 – Urban Area Security Initiative	Implemented
06-09 – Urban Area Security Initiative	Implemented
06-10 – Public Assistance Grant	Implemented
06-11 – Public Assistance Grant	Implemented
06-12 – Public Assistance Grant	Implemented
06-13 – Airport Improvement Program	Implemented
06-14 – Airport Improvement Program	Implemented

Summary of Single Audit Findings

Current Year State Findings:

<u>Program</u>	<u>Finding</u>
Material weaknesses:	
<ul style="list-style-type: none">Financial Statement Findings	2007-01, 02, 03 – Material weaknesses as reported in 9/22/08 meeting
Significant deficiencies:	
<ul style="list-style-type: none">Financial Statement Findings	2007-04, 05 – Significant deficiencies as reported in 9/22/08 meeting
<ul style="list-style-type: none">Air Pollution Control Inspection and Enforcement	2007-06, Debarment search not performed for vendors

Summary of Single Audit Findings

Status of Prior Year State Findings:

<u>Finding</u>	<u>Status</u>
06-01 – Material weakness in the financial reporting process	In Process
06-02 – Defense Economic Adjustment Assistance Grant (State)	Implemented

Communications Related to the Single Audit

- I Summary of Single Audit Results
- I Summary of Federal and State Expenditures by Major Program
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- à Questions and Answers

Questions and Answers

