



CITY AUDITOR'S YEAR IN REVIEW

CITY AUDITOR - MATTHEW GRADY

AUDIT INTERN - DANIELLE WOODWARD

DS-24-007

January 24, 2024

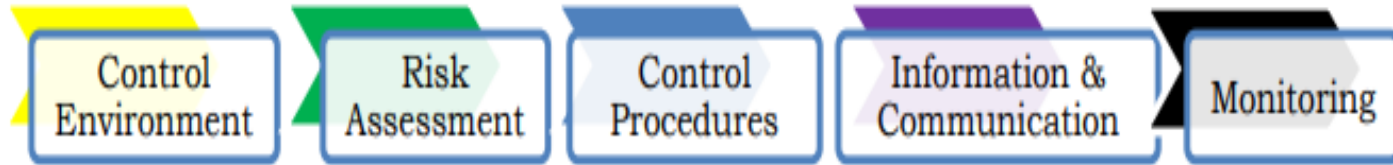
MISSION STATEMENT

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- The City Auditor Department's mission is to provide independent analyses of City programs and activities to ensure a properly functioning system of internal controls, promote efficiency and effectiveness in City operations, and enhance transparency of the City government.

Internal Controls

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The Fraud Triangle

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- Pressure
- Opportunity
- Rationalization



Reports Issued

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- ☐ Developer Fees Collections Process
- ☐ Animal Services
- ☐ Accounts Payable
- ☐ Street Maintenance Fee

Developer Fees Collections - The Perfect Storm

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Objectives

- ❑ Assess the internal controls over Development Services' developer fees collections process.
- ❑ Determine to the extent possible total developer fees not collected for the period under review.



Recommendations

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- Ensure internal controls over the collection and recording of developer fees are monitored to evaluate their effectiveness and make changes accordingly.
- Consider commissioning an independent cost recovery study to determine the recovery rate of the current fee structure.

Animal Services - A Tail of Two Shelters

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Objectives

- ❑ Assess the performance of the City's Intergovernmental Support Agreement with the United States to operate the Fort Cavazos Stray Animal Intake Facility;
- ❑ Conduct follow-up on the City Auditor's prior audit of Animal Services.



Recommendations

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- ❑ Implement plan to launch a dedicated Facebook.
- ❑ Implement a social media campaign for outreach and education on TNR.
- ❑ Revise Chapter 6 of the Code of Ordinances to align with best practices for TNR.
- ❑ Develop long-term goal for low-cost spay/neuter for free roaming cats.

Accounts Payable: I Will Gladly Pay You Tuesday

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Objectives

- ❑ Assess the adequacy of internal controls over the accounts payable process;
- ❑ Review the process for managing vendor files;
- ❑ Review a sample of payments for support and authorization.



Recommendations

- ❑ Develop clear, comprehensive written policies and procedures to document the accounts payable process.
- ❑ Consider requirement to justify purchase requests from foreign vendors.
- ❑ Establish procedures to review the database every 12 to 18 months for inactive vendor files.

Street Maintenance Fee: Mill and Overlay

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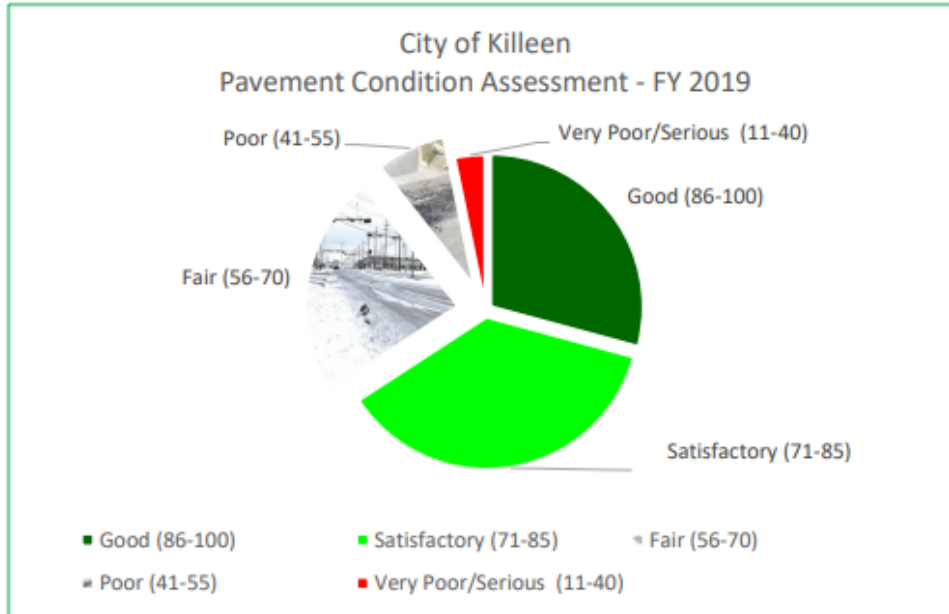
Objectives

- Review Street Maintenance Fee Special Revenue Fund revenues and expenditures for FY 2021 and FY 2022;
- Review street maintenance activities funded by the Special Revenue Fund.



Street Maintenance Fee: Mill and Overlay

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Source: Transmap FY 2019 Pavement Condition Assessment

Recommendation

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Work with the Transportation Division to identify Uri-affected streets at risk of failure, and if warranted and funds are available, request additional resources for the Mill and Overlay program.