

Memorandum



CITY OF DALLAS

Report #409

DATE: March 12, 2004

TO: Honorable Mayor and Members of the City Council

SUBJECT: Follow-up report of the November 1, 2002, *Compliance Review of the Neighborhood Renaissance Program Section 108 Loan Program--Report #371*

We conducted this follow-up audit under the authority of Chapter IX of the City Charter and according to applicable government auditing standards. We included tests of records and reviews of program guidelines and procedures that we considered necessary in the circumstances.

Our objective was to determine whether management had implemented the audit's recommendations or taken other acceptable actions to remedy the control weaknesses identified in the original audit report.

The original report contained three findings and six distinct recommendations. Management has implemented four of the recommendations and partially implemented two.

One partially implemented recommendation involves establishing criteria to ensure all program fund recipients are located within the designated geographical areas. Management searched for recipients, other than the one we had found, that were not in the designated areas and found none; however, management did not develop criteria to prevent future exceptions.

The other partially implemented recommendation involves the departments that are required to perform environmental reviews for some of their projects. We recommended that management work with GIS to develop a central database and related application that would permit departments to easily find and overlay the environmental information, including governing regulations, that may affect their projects in particular geographic areas. In December 2003, Council authorized the purchase of a land management system, which will interface with GIS environmental data relating to specific locations.

We appreciate management's cooperation in this follow-up.

Thomas M. Taylor, CPA
City Auditor

c: Teodoro J. Benavides, City Manager
Jerry Killingsworth, Director of Housing