

C-1 PRG
City of Austin



**A Report to the
Austin City Council**

Mayor
Lee Leffingwell

Mayor Pro Tem
Sheryl Cole

Council Members
Chris Riley
Mike Martinez
Kathie Tovo
Laura Morrison
Bill Spelman

**Office of the
City Auditor**

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CIA, CGAP

AUDIT REPORT

Community Development Commission Audit

January 2012



REPORT SUMMARY

We found that the Community Development Commission generally complies with City Code, bylaws, and other applicable requirements. Additionally, staff and executive liaisons are providing support on a timely basis and as prescribed by City Code. We did not identify any ongoing risks and, as a result, we did not issue any recommendations.

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GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT TEAM

Niki Raggi, Assistant City Auditor, CGAP, CICA
Rebecca Takahashi, Auditor-in-Charge, CGAP
Karl Stephenson, CGAP

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January 2012



Audit Report Highlights

Why We Did This Audit

This audit was conducted as part of the Office of City Auditor's FY 2012 Strategic Audit Plan.

This Commission was identified for audit by the FY 2011 Boards and Commission Risk Assessment.

What We Recommend

Since we did not identify any ongoing risks, we did not issue any recommendations.



For more information on this or any of our reports, email oca_auditor@austintexas.gov

Mayor and Council,

I am pleased to present this audit on Community Development Commission (CDC).

BACKGROUND

The mission of the CDC is to advise the Council in the development and implementation of programs designed to serve the poor and the community at-large with an emphasis on federally funded programs.

OBJECTIVE AND SCOPE

The objectives of this audit were to:

- Evaluate whether the CDC is operating in compliance with City Code, CDC Bylaws, and other applicable policies; and
- Determine if staff liaisons are providing support services to the CDC on a timely basis and as prescribed by applicable City Code.

This audit focused on the Commission's activities during FY 2011.

WHAT WE FOUND

Risks related to this Commission reviewed in this audit included:

- Possible non-compliance with City Code
- Mission creep
- Conflict of interest
- Level of support provided by staff

We found that the risks identified in our audit work had already been mitigated or did not have any significant exceptions.

We appreciate the cooperation and assistance we received from staff in the Neighborhood Housing and Community Development Department and in the Office of the City Clerk during this audit.

Kenneth J. Mory, City Auditor

BACKGROUND

The mission of the Community Development Commission (CDC) is to advise the Council in the development and implementation of programs designed to serve the poor and the community at-large with an emphasis on federally funded programs. The CDC is comprised of 15 members appointed by City Council, including eight at-large representatives and seven representatives from each of the geographic areas of the City with either a Health and Human Services Department neighborhood center or a Parks and Recreation Department recreation center.

OBJECTIVES, SCOPE, AND METHODOLOGY

The CDC Audit was conducted as part of the Office of City Auditor's FY 2012 Strategic Audit Plan, as presented to the City Council Audit and Finance Committee.

Objectives

The objectives of this audit were to:

- Evaluate whether the CDC is operating in compliance with City Code, CDC Bylaws, and other applicable policies; and
- Determine if staff liaisons are providing support services to the CDC on a timely basis and as prescribed by City Code.

Scope

This audit focused on the CDC activities during FY 2011.

Methodology

To accomplish our audit objectives, we performed the following steps:

- Reviewed and analyzed documentation for compliance with applicable requirements
- Interviewed the CDC Chair and City staff supporting the CDC
- Obtained and analyzed data related to CDC and staff support activities
- Administered a survey to all CDC members active during the scope period

AUDIT RESULTS

The Community Development Commission (CDC) generally complies with City Code, CDC Bylaws, and other applicable requirements. The staff and executive liaisons are providing support on a timely basis and as prescribed by City Code.

Finding 1: The risks identified in our audit work had already been mitigated or did not have significant exceptions.

Risks related to this Commission reviewed in this audit included:

- Possible non-compliance with City Code
- Mission creep
- Conflict of interest
- Level of support provided by staff

During our audit, we found that most of these risks had already been mitigated. We found CDC agendas and minutes were posted in accordance with City Code and also reflected that quorum requirements were met. Items on the agenda were properly reflected in the minutes and also noted the actions taken by the CDC during the meetings. Additionally, there were no instances during our scope period in which the CDC performed work outside of its mission.

We identified one instance of a potential conflict of interest within the CDC and found that City staff had identified this potential conflict of interest, and properly addressed the issue with the Integrity Officer.

In our review of staff support, we found that the CDC liaisons were providing support in accordance with City Code and on a timely basis. Further, CDC members reported that they were highly satisfied with the support provided by City staff. Examples of their comments include "excellent," "have shown an ability to obtain information in a timely manner," and "the confidence level in them is pretty high."

Since we did not identify any ongoing risks, we did not issue recommendations.

