

Memorandum



CITY OF DALLAS

DATE: July 29, 2016

TO: Honorable Members of the Budget, Finance & Audit Committee –
Jennifer S. Gates (Chair); Philip T. Kingston (Vice Chair);
Deputy Mayor Pro Tem Erik Wilson; Rickey D. Callahan;
Scott Griggs; Lee M. Kleinman

SUBJECT: Nomination and Appointment of the City Auditor

I will provide a briefing to the members of the Budget, Finance & Audit Committee on Monday, August 1, 2016 regarding:

- Nomination and Appointment of the City Auditor

My current term as the City Auditor expires on September 5, 2016. The Dallas City Code (Section 2-17.2) stipulates that the City Council shall appoint a nominating commission before the end of each term of the City Auditor. It further specifies that the Budget, Finance & Audit Committee may act as a nominating commission to nominate the incumbent City Auditor for reappointment by the full City Council. If the Committee chooses to serve as the nominating commission to recommend reappointment, the item is scheduled for placement on the August 24, 2016 Council Agenda.

Respectfully,

Craig D. Kinton
City Auditor

C: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Christopher D. Bowers, Interim City Attorney
Rosa A. Rios, City Secretary
Jeanne Chipperfield, Chief Financial Officer
Daniel F. Solis, Administrative Judge
Jack Ireland, Director – Office of Financial Services
Elsa Cantu, Assistant to the City Manager – Mayor & Council

Ryan S. Evans, First Assistant City Manager
Eric D. Campbell, City Manager
Jill A. Jordan, P.E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Sana Syed, Public Information Officer

Nomination and Appointment of the City Auditor



City of Dallas
Office of the City Auditor
August 1, 2016



Budget, Finance and Audit Committee

Nomination and Appointment of the City Auditor

The current term of the City Auditor, Craig D. Kinton, CPA will expire on September 5, 2016.

The purpose of this presentation is to brief the Budget, Finance & Audit Committee on the process for reappointment of Mr. Kinton or the requirements for nomination of a new City Auditor.

City Charter

Chapter IX. City Auditor

Chapter IX of the City Charter creates the Office of City Auditor.

The chapter includes four sections:

- Section 1 – Selection of City Auditor
- Section 2 – Assistants and Employees
- Section 3 – Duties of the City Auditor
- Section 4 – Special Audit

CITY CHARTER – CHAPTER IX. CITY AUDITOR

SEC.1 – SELECTION OF CITY AUDITOR

Section 1:

- Creates Office of City Auditor
- Establishes Two-Year Term
(and until a successor is chosen and qualifies)
- Defines Qualifications:
 - Knowledgeable in public administration, public financial and fiscal theory, municipal accounting, and auditing
 - Licensed CPA
 - Resident of City of Dallas
(or move into the city within time period required by the City Council)
- Stipulates Appointment by City Council
(after being nominated in accordance with a nominating procedure established by ordinance)

City Code
Chapter 2 – Administration
Sec. 2-17.2 Selection of City Auditor;
Nominating Commission

The nominating procedure established by ordinance is codified in the City Code in Chapter 2, Section 2-17.2

City Code

Chapter 2 – Administration

Sec. 2-17.2 Selection of City Auditor; Nominating Commission

Section 2-17.2 stipulates that:

- City Council shall appoint a nominating commission before the end of each term of the City Auditor
- **The finance and audit committee may act as a nominating commission to nominate the incumbent City Auditor for reappointment by full City Council (requires majority vote)**
- If majority of finance and audit committee does not vote to nominate the incumbent City Auditor (or a majority of the Council does not vote to reappoint) the Council must follow the process outlined in Sec. 2-17.2 subsections (a) through (e)

City Code

Chapter 2 – Administration

Sec. 2-17.2 Selection of City Auditor; Nominating Commission

Section (a) requires the city council to appoint a five member nominating commission meeting the following qualifications:

- One member selected by Dallas Chapter / TXCPA board of directors
- One member who is the regional director of USGAO (or highest ranking member of Dallas division)
- Three members meeting one of following qualifications:
 - Managing partner in multi-national public accounting firm with office in Dallas
 - CEO/CFO/CAE - publicly-traded company headquartered in Dallas County (\$1 billion annual revenue)
 - Former Dallas Mayor or Council Member
 - Current or former Dallas City Auditor

City Code
Chapter 2 – Administration
Sec. 2-17.2 Selection of City Auditor;
Nominating Commission

Additional requirements pertaining to the nominating committee include:

- Meet within 15 days of appointment
- Nominate one or more candidates to City Council within 180 days of first meeting
- Serve until the City Council accepts a candidate

City Code
Chapter 2 – Administration
Sec. 2-17.2 Selection of City Auditor;
Nominating Commission

Additional requirements pertaining to the city council include:

- Accept one candidate or reject all within 30 days of receipt of nomination
- Immediately notify commission if candidates are rejected

QUESTIONS?

**City of Dallas
Office of the City Auditor
August 1, 2016**

