

OFFICE OF THE CITY CONTROLLER



**PLANNING AND DEVELOPMENT DEPARTMENT
PAYROLL VERIFICATION AUDIT
FOR PAY PERIOD ENDED APRIL 21, 2000**

Sylvia R. Garcia, City Controller

Judy Gray Johnson, Chief Deputy City Controller

Steve Schoonover, City Auditor



SYLVIA R. GARCIA

OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS

July 27, 2000

The Honorable Lee P. Brown, Mayor
City of Houston, Texas

SUBJECT: Planning and Development Department
Payroll Verification Audit (Report No. 00-13)

Dear Mayor Brown:

The City Controller's Office Audit Division has completed a Payroll Verification Audit of the Planning and Development Department for the pay period ended April 21, 2000. The objective of this audit was to verify that check recipients existed and were employees of the City during the pay period ended April 21, 2000.

Based on the results of our audit, the auditors concluded that check recipients sampled in the Planning and Development Department existed and were City employees during the pay period ended April 21, 2000. Draft copies of the report were provided to department officials.

We appreciate the cooperation extended to our auditors by Department personnel during the audit.

Respectfully submitted.


Sylvia R. Garcia
City Controller

xc: City Council Members
Albert Haines, Chief Administrative Officer
Cheryl Dotson, Chief of Staff, Mayor's Office
Robert Litke, Director, Planning and Development Department
Sara Culbreth, Acting Director, Finance and Administration Department

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SCOPE AND PURPOSE

We have completed a surprise Payroll Verification Audit in the Planning and Development Department (Department) to determine that check recipients, in our sample, existed and were employees of the City of Houston (City) during the pay period ended April 21, 2000.

The scope of this audit consisted of distributing the paychecks or check advices for the pay period ended April 21, 2000 to a sample of employees in the Department.

The scope of our work did not constitute an evaluation of the overall internal control structure of the Department. We designed our examination to ensure that all of the selected check recipients were current, bonafide employees of the City for the pay period ended April 21, 2000. This was a financial related audit executed in accordance with generally accepted governmental auditing standards.

Departmental management is responsible for establishing and maintaining a system of internal controls related to payroll processing. The objectives of this system are to provide assurance that the City's assets are safeguarded against loss from unauthorized use or disposition, and that all payroll related transactions are executed in accordance with management's authorization and all applicable Department and city-wide procedures.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may occur and not be detected. In addition, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with procedures may deteriorate.

CONCLUSION

On the basis of our testing, we conclude that check recipients sampled in the Planning and Development Department existed and were City of Houston employees during the pay period ended April 21, 2000.

Camille Jones
Auditor-in-charge

Rudy Garcia
Audit Manager

Steve Schoonover
City Auditor