City Hall
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Denton, Texas
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City of Denton

AGENDA INFORMATION SHEET

DEPARTMENT: **City Auditor's Office**

CITY AUDITOR: **Madison Rorschach**

DATE: **August 18, 2026**

SUBJECT
Receive a report, hold a discussion, and give staff direction regarding Audit Project 049—Vehicle Management.

STRATEGIC ALIGNMENT
This action supports Key Focus Area: Pursue Organizational Excellence and Collaborative and Respectful Leadership.

BACKGROUND
City of Denton Charter Article VI, Section 6.04 states, the City Internal Auditor is responsible for providing an independent appraisal of City operations as directed that the City's vendors are managed efficiently, effectively, equitably, and in compliance with applicable regulations throughout the procurement lifecycle by the City Council. These audits are conducted in accordance with *Generally Accepted Government Auditing Standards* promulgated by the US Government Accountability Office.

Per *Government Auditing Standards*, internal auditors should make audit reports available to the public and should communicate results to the parties who can ensure that the results are given due consideration. In order to meet these *Government Auditing Standards*, the City of Denton's Internal Audit Procedures Manual requires finalized audit reports to be presented to the City Council. Once presented, all published reports can be found on the City of Denton's Internal Audit Webpage.

DISCUSSION
This audit project is intended to provide assurance that the City's vehicle management program ensures the City has a fleet adequate to achieve its objectives while minimizing the total cost of vehicle ownership. The City maintains a fleet of almost 1,100 vehicles that must be regularly maintained and replaced to meet its goals. Since FY2022, the City has issued almost $20 million in debt to fund vehicle acquisitions. Initial, detailed findings from this audit project are presented in the attached Audit of Vehicle Management report.

RECOMMENDATION
Staff recommends closing Audit Project 049—Vehicle Management until a follow-up review is conducted to assess the implementation of the 10 issued recommendations, likely in Fiscal Year 2027-28.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)
Sep. 30, 2025: Fiscal Year 2025-26 Annual Internal Audit Plan Adopted

EXHIBITS

1. Agenda Information Sheet
2. Audit of Vehicle Management
3. Presentation

Respectfully submitted:
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City Auditor