



# City of Denton

City Hall  
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## AGENDA INFORMATION SHEET

**DEPARTMENT:** City Auditor's Office

**CITY AUDITOR:** Madison Rorschach

**DATE:** December 3, 2024

### **SUBJECT**

Receive a report, hold a discussion, and give staff direction regarding Audit Project 028 – Warehouse Inventory Management: Follow-Up Review.

### **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 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 follow-up review is intended to provide a progress update on recommendations from the Audit of Warehouse Inventory Management originally issued in August 2022. This audit was intended to evaluate the effectiveness of the City's warehouse inventory management processes and to provide assurance that the City has implemented adequate controls to safeguard and manage inventory.

### **RECOMMENDATION**

Staff recommends Audit Project 028 – Warehouse Inventory Management be closed until an informal follow-up review can be completed, likely in Fiscal Year 2025-26.

### **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

Aug. 2, 2022: Original Audit Presented During Work Session  
Sep. 17, 2024: Fiscal Year 2024-25 Annual Internal Audit Plan Adopted

**EXHIBITS**

1. Agenda Information Sheet
2. Follow-Up Review of the Audit of Warehouse Inventory Management
3. Presentation

Respectfully submitted:  
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City Auditor