



Office of the City Auditor

Laura L. Doud, CPA, CFE

FY 2008 Proposed Budget

Presented to the
Budget Oversight Committee

August 13, 2007

Overview

- Mission Statement
- Accomplishments for FY07
- Goals and Priorities for FY08
- FY 08 Proposed Budget

Mission Statement

- Promote excellence in government
- Protect the public's interest and assets
- Ensure that all City revenues are collected and used efficiently and effectively
- Provide stewardship and transparency in the use of City funds in order to improve the quality of, and confidence in, City decision making

Accomplishments for FY07

- Charter Mandates
- City Auditor Initiated Projects
- Requests from Other Departments
- Requests from Citizens

Accomplishments for FY07

- **Charter Mandates Fulfilled:**
- “Examine and audit the books, records, accounts, funds, and securities of all departments, commissions, and offices of the City.”
 - Actively participated with FM and KPMG to complete FY07 Annual Financial Audits
- “Review all systems and procedures for the disbursement of City funds.”
 - The City Auditor’s Office reviews and processes approximately 117,000 vendor payments annually to ensure payments are accurate, compliant & timely
- Garnishments – New State requirements

Accomplishments for FY07

Charter Mandates Fulfilled: (con't).

- “Verify cash in the City Treasury at least once per quarter.”
 - Completed two past-due Quarterly Cash Audits verifying cash in the City treasury Quarters ending
 - March 31, 2006
 - June 30, 2006
 - Completed one other quarter
 - September 30, 2006
 - Working to bring the City current in its reporting requirements

Accomplishments FY07

City Auditor Initiated Projects:

Projects Completed

- Review of City's Oil Production Tax
- Creation of Proposition H (\$3.6-4.0 million for Public Safety)
- Efficiency Study of Long Beach Police Department
- Audit of City Auditor's Office
 - Preparing for First City Auditor Peer Review
- Revitalized City Auditor Fraud Hotline
- Monitored QSDI bankruptcy proceedings
- Revised City's Reimbursement Policy for Non-City Manager Departments
- Analysis of Officeholder Account and made recommendation for change

Projects Completed con't.

- Purchasing Card Audit
- RFP's for Audits of:
 - **FY08, FY09, FY10 CAFR**
 - **Long Beach Transit**
 - **Article 9 Oil Audit**

Audits in Progress

- Long Beach Museum of Art
 - Art Inventory Audit
 - Capital Campaign Audit
 - Follow-Up Audit
- Public Works—Streets/ CIP
- City's Wire Transfer Payment Dates
- American Golf
- Duplicate Payment Audit

Accomplishments FY07

Requests from City Departments:

- Being Alive Contract Audit
- Marina Shipyard
- Audit of Martin & Chapman
- Sea Festival
- Planning & Building Cashiering
- TOPKO
- Audit of Atlantic Recovery Services

Requests from City Departments cont.

- Catalina Landing
- Society for Prevention of Cruelty to Animals – Los Angeles Review of Water Conjunctive Use Project
- Pike Parking



Requests form City Departments cont.

Ongoing Participation

- **City optimization studies:**
 - Workers' Compensation
 - Health Care
 - Employee Retention
- **City's Investment Committee**

Accomplishments FY07

Requests from Residents:

- To date, our office has received over 80 individual requests from citizens which we have investigated
- These items are tracked with follow-up reports to residents;
- Items range from concerns over retiree healthcare costs to the UUT and the Housing Trust Fund.

Goals and Priorities for FY08

1. Fulfill Charter mandates;
2. Initiate projects internally;
3. Continue to respond to Department Requests;
4. Respond to public requests.

Goals and Priorities For FY08

(continued)

-Continue to Fulfill Charter Mandates:

- FY 08 CAFR will be more complex and costly
New Accounting and Auditing Standards (GASB 45 and SAS 112) create higher standards & increased audit procedures;
- Vendor payments and garnishments will increase.

Goals and Priorities For FY08

(continued)

- Initiate projects internally:
 - Office is underway with audits of Long Beach Museum of Art, Public Works, Sea Festival, and Wire Transfers;
 - Numerous audits in current audit planning stages
 - Actively perform audits to ensure City is collecting all revenue due and audits that will increase efficiencies and eliminate fraud, abuse and waste.

Goals and Priorities for FY08

(continued)

- Continue to service requests from other Departments:

-Planning and Building cashiering point;

-TOT audits, Article 9 Oil Audits, Other oil audits, Pike parking, Catalina Landing, and others.

Goals and Priorities For FY08

(continued)

- Continue to make our office accessible to public requests:

-Fraud Hotline: Receiving numerous calls which require staff investigation and follow-up;

-Requests for continued audit of Queen Mary bankruptcy.

FY 2008 Proposed Budget

(in thousands)

	A	B	C	D	C - B = E	D - B = F
	Adopted 2006	Adopted 2007	Proposed 2008	Requested 2008	08 vs. 07 Variance	08 req. vs. 07 Variance
Salaries	\$1,654	\$1,569	\$1,622	\$1,819	\$53	\$250
Employee Benefits	\$618	\$731	\$676	\$821	(\$55)	\$90
Subtotal	\$2,272	\$2,300	\$2,298	\$2,640	(\$2)	\$340
Materials, Supplies, & Svcs.	\$340	\$340	\$340	\$340	\$0	\$0
Internal Support	\$100	\$148	\$164	\$164	\$16	\$16
TOTAL	\$2,712	\$2,788	\$2,802	\$3,144	\$14	\$356
Staffing - FTE	22.0	18.6	18.6	22.0	0.0	3.4



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