



PRESS RELEASE

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Long Beach City Auditor Doud Releases First Report on Results Departments Implemented Majority of Office's Recommendations Resulting in \$80 Million of City Revenue Being More Secure

Long Beach, CA – Long Beach City Auditor Laura Doud today released the first [City Auditor's Report on Results](#). The Office's mission is to create real, positive change within the City of Long Beach by making reasonable and useful recommendations. These recommendations focus on increasing and protecting the City's revenues, safeguarding the City's assets and reducing the potential for fraud. This report visually summarizes the status of 256 active recommendations from 53 reports issued over a 5-year period from 2010 to 2014. Due to the extensive number of recommendations, implementation status was provided by the departments, and therefore not verified, but could be subject to follow-up audit procedures.

Of the 256 total active recommendations, departments reported that 182 (71%) were fully implemented. These changes resulted in improved oversight, access, and safeguarding of \$80 million in City revenue annually. For example, more money is protected for parks, public pools and recreation classes since the department implemented recommendations to better train employees in cash handling and to use an automated process for collection of more than \$6.6 million in annual revenue. Since the Parking Citations Collection Process Audit, the department implemented the recommendation of using a new software that now monitors billing and collection of more than \$13 million in annual revenue. In addition, other implemented recommendations have resulted in City expenses - such as fuel which costs the City \$5.7 million per year - being more closely monitored, City assets being safeguarded, and improved program compliance. The report shows that with City Management implementing a majority of recommendations, the City is better, more efficient and more transparent.

However, the report also highlights that there is still room for improvement Citywide. Audits have indicated reoccurring systemic issues in essential operations which expose the City to a high risk of fraud, waste and potentially uncollected revenue. Over the 5-year period, the Office found that strategic plans were lacking creating problems throughout departments whose operations bring in more than \$40 million in annual revenue. A substantial amount of recommendations, 45% across 12 departments, addressed the need for sufficient policy and defined processes over a particular operation. Also, numerous audits noted issues with procurement and contracts that bring in \$29 million in annual revenue as well as significant security issues with City software systems.

"I am very pleased with this report that shows City departments are implementing a majority of our recommendations which are creating positive changes for the City of Long Beach," said City Auditor Laura Doud. "We will continue to actively monitor the areas of high risk and do everything we can to protect the City's assets."

The complete visual City Auditor's Report on Results can be viewed [here](#). Printed copies can be requested by e-mail Auditor@longbeach.gov or by phone 562-570-6751.

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