

# LONG BEACH POST

CITY AUDITOR LAURA DOUD

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## Long Beach City Auditor's Work On City BIDs Honored By National Auditor Association

by Jason Ruiz in News



*The audit was praised for its use of visuals and its concise delivery of issues and feasible recommendations.*

Long Beach City Auditor Laura Doud will be honored for her office's work on its most recent audit that revealed internal issues surrounding the city's oversight of business improvement districts that it released in December.

The Association of Local Government Auditors (ALGA) will present Doud and her team with the 2017 Distinguished Knighton Award at its May 7 national conference in Colorado Springs where the team has also been invited to [present its BID audit](#), according to a release from Doud's office.

Knighton Award recipients are graded on five criteria including the scope of the audit, the conclusions of the audit, feasibility of the recommendations made, how clear and concise the report is and the innovation and methodology of the audit. The BID audit was commended for its effective use of visuals that made it engaging and understandable for readers and its ability to break down a complex issue like BIDs and the rules governing them.

"The audit aimed to improve government efficiency and effectiveness through findings that matter to policymakers and citizens," judges commented. "The report's use of a succinct highlights page, effective visual aids, layout and dynamic use of color provided the reader an informative and engaging experience."

BIDs are the non-profit entities that help improve business and tourist districts in part by charging fees to properties and businesses in the area and then using that money to fund beautification and marketing efforts.

The audit found that the city and its BIDs had a variety of issues including the city not paying out assessed fees on time, city departments accidentally paying double due to confusion over the process, BIDs not reporting surplus funds, not having measurable metrics in its annual reports and the city not reviewing those annual reports.

Doud's office compared the city's BID system to others and found that one city staffer is in charge of reviewing all 10 of the city's BIDs which received nearly \$17 million in 2016, one of the fiscal years reviewed in the audit. On average, other cities had one person assigned to review the activities of about five BIDs.

The audit, among other things, recommended the city improve its oversight by clarifying and enforcing the terms of the contracts it has with its BIDs, enhancing communication and information sharing and making the assessment process more efficient.

"I am pleased the City has taken steps to address our recommendations by planning workshop trainings with the BIDs to improve communication and understanding of agreement terms, reporting requirements and management and transfer of fees," Doud said in a statement. "We want to thank the BIDs for being receptive to our recommendations. We are fortunate to have BIDs that are dedicated to providing valuable services to Long Beach. With better oversight, the City can help BIDs maximize the impact on business corridors, and improve the City's overall economic vitality."

This is the fifth time that Doud's office has received a Knighton Award since 2008 with previous work dealing with the Long Beach Museum of Art, the cash handling of towing operations, parking citation collections and police and fire dispatcher overtime audits also being recognized.

Audits from Doud's office have resulted in action in the past with a [2016 audit on Long Beach parks and trees](#) leading to the council exploring a tree management plan to ensure the city's valuable tree stock was preserved and have shed light on the city's agreements with outside contractors which in some cases overcharged the city by bidding for jobs at lower prices than they could actually complete the job at, and how the city's lack of an effective monitoring system had put the city at risk of being overcharged for certain contracted services.

ALGA recognized 15 auditors' offices this year with its Knighton Award and Long Beach was among three in the "large" category—those with 11-15 auditors—along with the city of Portland, Oregon and King County, Washington. Three other California offices were recognized with awards including San Diego City, Sacramento and Palo Alto.