

Press Releases

12/31/2008 | Long Beach City Auditor Recaps Top 10 Audits & Accomplishments Of 2008

Challenges Lead To Opportunities

City Auditor Laura Doud released a recap today of the 2008 top ten audits and accomplishments of the City Auditor's Office.

In 2008, the Office celebrated its centennial anniversary of service to the City of Long Beach. For over 100 years the residents of Long Beach have entrusted the City Auditor to provide independent assurance that City funds are well managed, spent prudently, and reported accurately. In addition, City Auditor Laura Doud and her staff have been focused on identifying revenue due to the City, finding efficiencies throughout City departments, and preventing fraud, waste, and abuse of City resources.

Looking forward to 2009 City Auditor Doud said, "The current economic climate is extremely challenging for all government entities. However, the nature of challenge is that it leads to opportunities. Perhaps one of the long-term benefits of this economic crisis is a re-evaluation and reprioritization of how each tax dollar is spent. As we plan for the future, we must sustain Long Beach as a world-class city while decreasing its vulnerability to radical swings in the market."

Listed below are the top ten audits and accomplishments of 2008:

10. Comprehensive Annual Financial Audit

Coordinated the Charter-mandated annual financial audit to ensure the accuracy and completeness of the City's books, records, and accounts.

9. Quarterly Cash Audits

Conducted quarterly analyses of cash and investments and verified the correctness of the dollar amounts in each account with outside depositories.

8. Cash Disbursements Audit

Reviewed each disbursement to ensure payments are appropriate, timely, authorized, and documented.

The following FY 08 information illustrates the scope of this work:

Number of checks reviewed: 50,213

Value of checks reviewed: \$701,060,050

Number of checks withheld: 883

Value of checks withheld: \$16,828,939

Number of wire transfers authorized: 1,083

Value of wire transfers authorized: \$2,886,236,195

7. Transient Occupancy Tax Audits

Performed Transient Occupancy Tax audits of all hotels in Long Beach for calendar years 2005, 2006 and 2007. As part of these audits, the City Auditor's Office explained the City's reporting requirements to each individual hotel to induce greater compliance in future years and to maximize city revenues. As a result, \$236,295 of additional under-reported tax was assessed.

6. Audit of Proposition H Revenues and Expenditures

Completed first annual audit of Proposition H revenues and expenditures to ensure revenue from the oil producers was properly calculated spent appropriately. The City collected \$3.5 million in the first year (Fiscal Year 2007), and the funds purchased a fire truck and hired 14 police officers and 12 firefighters.

5. Website

Updated City Auditor's website to provide easily accessible information to the public. Received national recognition from the Association of Local Government Auditors, winning the Silver 2008 Website Award based on peer-determined criteria.

4. Fraud Hotline

Revitalized City Auditor's Fraud Hotline for City employees, citizens, and vendors to report fraud against the City easily and confidentially.

City Auditor Doud testified in Sacramento in support of new legislation passed and signed into law in 2008, which makes whistleblower protection explicit so that residents of all cities in California can be assured that their identities are confidential when reporting fraud.

3. Museum of Art Capital Campaign Audit and Inventory Audit

Completed audit of the Long Beach Museum of Art Foundation's Capital Campaign to determine the Foundation's ability to satisfy a required bond principal payment or the reasons for its inability to do so.

The audit raised the awareness of the Foundation's lack of funds and lack of formal plan to repay the \$3,000,000 revenue bond principal that is due to the City in September 2009.

Performed audit of the Long Beach Museum of Art Inventory to assess controls over inventory to ensure all City-owned artwork was fully accounted for and safeguarded.

The audit revealed several weaknesses including missing artwork, discrepancies between records of artwork and artwork observed, the lack of regular inventories of artwork, and the need for current appraisals.

2. Long Beach Police Efficiency Study

Monitored the implementation of the City Auditor's recommendations of the 2007 Police Study. As a result of the recommendations with action by City Management and the Police Department, overtime was reduced in fiscal year 2008 by \$4 million.

1. Wheel Clamping

Conducted a cost/benefit analysis on wheel clamping automobiles and identified \$11.7 million in unpaid parking tickets for serial offenders with five or more unpaid tickets.

"In the coming year the City Auditor's Office will continue to work toward ensuring that taxpayer dollars are carefully spent to best serve the citizens of Long Beach," said City Auditor Doud,

“We have appreciated the support of the Mayor and City Council and the cooperation of City staff and look forward to the opportunities ahead of us in 2009.”