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## A12 OPINION

Editorial

### *Tough audit makes better government*

There aren't many public officials who like having an audit or probe the inner workings of their departments, looking for inefficiencies and other possible shortcomings.

But when Laura Doud, Long Beach's tough-minded city auditor, and her staff get through with an audit, there's not much room for a department head to argue about it.

In fact, in the case of Kelly Colopy, director of the city's Health & Human Services, she actually thanked Doud for her professional and thorough audit of her department's Clinical Services and Vital Records Division revenue collection.

Colopy said she concurred with every recommendation made by Doud to strengthen oversight of the division.

Doud did not pull any punches in her audit of the division which administers free or low-cost health care services to the public through the operation of various clinics.

The division also administers the issuance of vital records. The combined revenue of these services totaled \$1.7 million in fiscal year 2013.

Doud said there were two key findings in the audit:

- The Clinical Services Division lacked trained financial managers to oversee payment processing and collections and, instead, used health care professionals for that function.
- The division's software system "was not operating in an optimal manner." And that was putting it mildly.

The audit said the lack of financial expertise in the division has contributed to significant internal control weaknesses over the collection and processing of revenue, "leaving the division vulnerable to fraud and misappropriation."

Division staff, the audit found, are focused on providing services to the community and are not aware of the risks in safeguarding and managing revenue.

In her response, Colopy said

it was important to note that no fraud or misappropriation was identified in the audit, but she agreed that improved systems were necessary to ensure none occurs in the future.

However, the audit said that overlapping job duties, inconsistent handling of transactions and minimal documentation and oversight "left virtually no audit trail" to verify financial data.

"This problem was compounded by a poorly designed and implemented software system, with an investment by the department of nearly 10 years and over \$1 million with unsuccessful results," the audit said.

The audit outlined a history of software vendors who have failed to make the system work properly.

Colopy agreed, saying the system had experienced "many starts and stops" based on limited resources during budget cuts. She said her department is working with the city's Technology and Innovation Department to fix this nettlesome and costly problem.

In an understatement, Mayor Robert Garcia said the city "has many technology challenges ahead of us."

Garcia commended Doud and Colopy for their collaborative effort in not only identifying problems but offering solutions for them.

Doud thanked Colopy for her cooperative and open manner during and after the audit.

That's the way the city's business should be conducted, even though the news may not always be positive.

Audits like this one, and the positive response, lead to more efficient and effective government.