

CITY AUDITOR

The mission of the City Auditor's Office is to:

- *Promote excellence in government;*
- *Protect the public's interests and assets;*
- *Ensure that City resources are used efficiently and appropriately; and*
- *Provide stewardship and transparency in the use of City funds in order to improve the quality of, and confidence in, City decision-making.*

Department Goals

Goal 1 Protect the public's interests and promote excellence in government.

Program

Apply professional audit services, financial and operational, to the City and its departments in order to enhance revenues, ensure compliance with all applicable laws and regulations and to identify appropriate efficiency improvements. Program services may include the following:

- Economic Analysis of significant transactions and business deals
- Financial Auditing
- Fraud Investigations
- Internal Control Reviews
- Operational Audits
- Revenue Audits
- Lease Reviews
- Contract Reviews
- Strategic Planning
- General oversight and stewardship in conjunction with City financial decisions

Goal 2 Audit all disbursements as required by the City Charter.

Program

Audit all pending payment vouchers for compliance with applicable statutes, City policies and regulations, lease agreements and any and all applicable contractual provisions.

Provide independent lease and contract reviews to maximize collection and recovery of all monies due to the City.

Strive to provide next day approval on all payment vouchers submitted.

Goal 3 Audit cash and investments as required by the City Charter.

Program

Audit the City Treasury once each quarter, as required by the City Charter, in a timely manner.

Ensure all invested assets are in compliance with the City's current Investment Strategy and other applicable Government Code restrictions.

Goal 4 Perform the Annual Financial Audits as required by the City Charter.

Program

Perform the annual financial audit of the City and its financial component units in a timely manner by utilizing all necessary professional resources available to the Office.

Department Goals

Goal 5 Report all findings of the Office to the residents of Long Beach and other stakeholders in a timely manner.

Program

To communicate the findings of each audit and other significant projects of the Office in a clear, concise and understandable format for distribution to the residents of the City and other stakeholders.

To ensure mechanisms within the Office whereby resident complaints and issues can be handled appropriately and in a timely manner.

To actively promote a fraud hotline, allowing residents and others to anonymously provide tips and other information to assist in detecting and preventing fraud, abuse and government waste.

Fiscal Year 2006 Accomplishments

Business Growth and Workforce Development

- For the first nine months of Fiscal Year 2006:
 - Published 21 audit reports
 - Provided professional advisory and consulting services to the City Council and management
 - Contributed hundreds of hours in professional staff time to participate on optimization committees.
- For the first nine months of FY 06, audited 62,676 payment vouchers totaling \$378 million and issued 559 audit exceptions totaling \$4.5 million.
- Audited the City's \$1.3 billion treasury each quarter to ensure the City's investments were in compliance with the State Government Code and City investment policy to ensure they were properly safeguarded with no exceptions noted.
- Audited the City's Comprehensive Annual Financial Report and 13 component unit financial statements and found no material misstatements of financial information presented by management.

Challenges and Opportunities

Opportunities

- The City Auditor's office is charged by the public with being an independent steward over City finances, functions and operations. This charge provides a unique opportunity to conduct auditing services that will be the impetus for a better, stronger and more efficient local government. Increasing both the numbers and types of professionals on the Auditor's staff has traditionally increased revenue recoveries and has promoted better and more identifiable efficiencies. The Office will continue to assess staffing needs in order to optimize efficiency and maintain excellence in performance. Annually, the City Auditor's recommendations result in sound financial practices and increased revenue for Long Beach, helping to foster a sense of confidence in our City's government.

Challenges

- To provide responsive and efficient auditing services to a broad array of City departments and related organizations and to communicate the findings of the Office to the residents of Long Beach and other stakeholders in a straightforward and transparent manner. The Office will strive to maintain our independence in order to ensure fair, appropriate and necessary findings and recommendations.

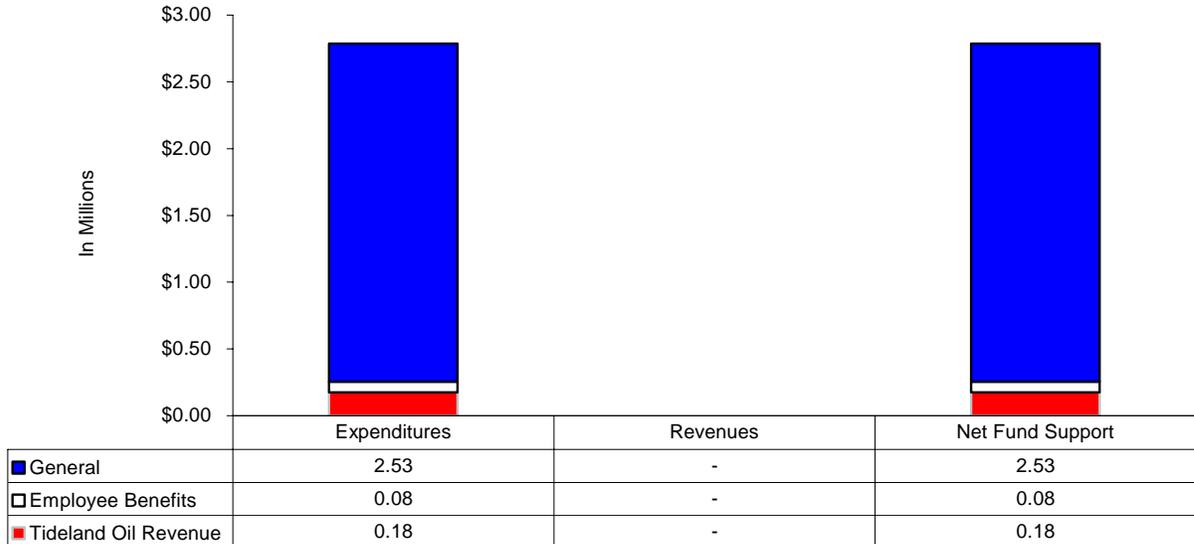
Notes

- The City Auditor is independently elected and is, by City Charter, not under the authority of the City Manager or City Council. All audits are conducted based on the professional judgment of the City Auditor and her professional staff in accordance with Generally Accepted Auditing Standards, other applicable statutes and industry regulations.

Please visit the City Auditor's website for updates and further information at:
www.longbeach.gov/auditor.

Summary by Character of Expense

Adopted* FY 07 Budget by Fund



	Actual FY 05	Adopted* FY 06	Adjusted FY 06	Year End ** FY 06	Adopted* FY 07
Expenditures:					
Salaries, Wages and Benefits	1,980,209	2,271,624	2,271,624	1,910,962	2,299,678
Materials, Supplies and Services	257,573	340,294	483,647	244,389	340,304
Internal Support	110,096	99,537	99,537	134,481	147,851
Capital Purchases	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-
Prior Year Encumbrance	-	-	-	-	-
Total Expenditures	2,347,878	2,711,455	2,854,808	2,289,833	2,787,833
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money & Property	-	-	-	-	-
Revenue from Other Agencies	-	-	-	-	-
Charges for Services	(381)	-	-	234	-
Other Revenues	-	-	-	10,735	-
Interfund Services - Charges	-	-	-	-	-
Intrafund Services - GP Charges	-	-	-	-	-
Harbor P/R Revenue Transfers	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Operating Transfers	-	-	-	-	-
Total Revenues	(381)	-	-	10,969	-
Personnel (Full-time Equivalents)	22.00	22.00	22.00	22.00	18.60

* Amounts exclude all-years carryover. See budget ordinance in the front sections of this document.

**Unaudited

Key Contacts

Laura Doud, CPA, City Auditor

Alex Cherin, JD, Assistant City Auditor

Janet Day-Anselmo, CPA, Deputy City Auditor

333 West Ocean Boulevard, 8th Floor

Long Beach, CA 90802

Phone: (562) 570-6767

Fax: (562) 570-6167

Fraud Hotline: (562) 570-6019

www.longbeach.gov/auditor