

Inside the Controller's Office

AUDITING DIVISION

Audits are conducted to determine if existing controls are adequate, departments operate efficiently and effectively, ensure that revenues and expenditures are properly recorded in conformance with applicable laws and regulations. Auditors recommend improvements that promote efficiency and effectiveness and save General Fund dollars.

Financial and Compliance Audit Section - Responsible for performing financial-related audits which include determining whether (1) financial information is presented in accordance with established or stated criteria, and (2) the internal control structure over financial reporting and/or safeguarding of assets is suitably designed and implemented to achieve control objectives. This section also performs routine payroll observations and reviews of departmental bank accounts.

Performance Audit Section - Conducts performance and operational audits of City departments and programs. Mandated by the City Charter, performance audits assess whether government programs or functions are efficiently and effectively achieving their goals.

Vendor Services Section – Conducts reviews of selected contracts to ensure vendor compliance with contract terms, whether acceptable services and/or goods were received, and that charges and corresponding payments were reasonable.

Fraud, Waste & Abuse Unit – Manages the Controller's Fraud Hotline, which receives allegations of fraud and other improprieties committed by City employees, contractors or others in connection with City programs that impact City resources. Issues may be referred to another City agency in accordance with established protocols, or investigated by Controller staff.

Special Analysis and Reviews – Conducts other reviews and analysis, such as tracking the implementation status of audit recommendations as asserted by Management, Follow-Up audits to independently ensure implementation status, and other special assignments as directed. On an as-needed basis, the Division also performs information systems audits such as general control reviews, application reviews, and post-implementation systems reviews to ensure system functionality and data integrity.

ACCOUNTING & DEMAND AUDIT

Responsible for budgetary control of all City funds as authorized by Ordinance, pre and post-audit approval and release of City funds, and reconciliation against City checks issued and paid.

Funds and Appropriations Section – Responsible for budgetary control of all City funds authorized by Ordinance, the Mayor and City Council. The section verifies the availability of funds before releasing expenditures for all City departments. This section also sets up the Budget appropriations within the City's General Ledger in accordance with the approved budget. The group also reviews, analyzes and audits

all journal entries to ensure compliance with the City Charter, Administrative Code and Generally Accepted Accounting Principles (GAAP).

Compliance Audit Section – Responsible for pre-audit, post-audit, approval and release of all payments to vendors including revenue and employee travel advances, reimbursements and workers' compensation claims, except those that have been delegated to departments. This section reviews and monitors the accounting practices of all City departments and administers the Citywide Purchasing Card Program.

Check Reconciliation Section – Reconciles all warrants issued against warrants paid taking into account all adjustments. This section is responsible for processing remakes of checks, issuance of duplicate and emergency checks and the processing of returned checks.

SYSTEMS

Responsible for the following citywide financial and fiscal systems: (1) Financial Management Information System (FMIS), (2) Citywide Cost Accounting (CCAS), (3) Advanced Receivable (ARS), (4) Consolidated Asset Management (CAMS), (5) Payroll System Replacement Project (PaySR) and (6) the Check Reconciliation System.

Financial Management Information System Section (FMIS) – Provides functional support for the Financial, Cost Accounting and Advanced Receivable Systems.

Fiscal Systems Section – Provides functional support to the City's legacy payroll system to ensure changes related to Memorandums of Understanding (MOUs), ordinances, management requests and tax tables. This section also provides support to the Pension and the Check Reconciliation system and the new Payroll Replacement System (PaySR) Project.

Procurement – Responsible for monitoring and reconciling the interfaces between the Supply Management System (SMS) and FMIS.

Technical Support Section – Provides purchasing, installation, training and support for personal computers, printers, scanners, local area network, email system, web sites and specialized computer software in the Controller's Office.

FINANCIAL REPORTING

Produce federal state and local financial compliance reports.

Cost Allocation Plan (CAP) Section - Produces the City's \$20 million Federal CAP each year.

General Accounting Section - Tracks and forecasts City receipts, cash flows, debt levels and the status of the Reserve Fund.

Single Audit Section – Produces the Federal Single Audit in support of \$426 million in grants awarded to the City each year.

GAAP Section – Produces the City's Annual Financial Statements in compliance with GASB and GAAP accounting standards.

This division also manages the work of the City's external auditor and coordinates the City's Management Representation Letters and their review.

DISBURSEMENT DIVISION

Responsible for disbursing all payments made by the City.

Payroll Section – Central payroll-processing unit for the City of Los Angeles. Responsible for processing updates and raises per MOUs with employee associations, and the processing of payroll and pension checks. Payroll Control also contains an accounting unit to reconcile and balance all payroll funds and perform all personal income tax transactions. Payroll Deductions address payments to benefits vendors and employee associations that are directly deducted from employees' pay.

Paymaster – Responsible for the security, control and disbursement of all warrants for City vendors, workers' compensation, pensions and payroll. Also responsible for enforcing legal wage attachments against City employees and vendors and disbursing funds collected through the voluntary child and spousal support payroll deduction program.

FREQUENTLY ASKED QUESTIONS

I would like to obtain a copy of an audit—where can I get this?

All audits from July 13, 1998 are online and available at

http://www.lacity.org/ctr/audit_reports.htm

I'm interested in having Controller Chick speak to my organization. Whom should I contact?

Contact Miriam Jaffe, Director of Government & Community Affairs, at

miriam.jaffe@lacity.org.

How can I learn more about Neighborhood Councils?

Controller Chick works closely with the Neighborhood Councils through her Neighborhood Council Liaison Commission. The Commission was created to ensure that all Councils are kept up to date on the Controller's activities. In turn, this Commission keeps the Controller plugged in to the Councils' concerns, issues and opinions. For more information, contact Deputy Controller Rayna Gabin at rayna.gabin@lacity.org.

Who handles the Controller's media requests?

All media requests are handled by Rob Wilcox, Director of Communications.

robert.wilcox@lacity.org.

If you have any other questions, please email us or simply click here to fill out [the form](#).

http://www.lacity.org/ctr/controllers_office.htm