



OFFICE OF
CONTROLLER

200 N. MAIN STREET, RM 300
LOS ANGELES 90012
(213) 978-7200
www.lacity.org/ctr

October 2, 2009

John R. Lewis, General Manager
Los Angeles Zoo
5333 Zoo Drive
Los Angeles, CA 90027

Dear Mr. Lewis:

**SUBJECT: EVALUATION OF RESPONSE TO THE AUDIT OF
REVENUES AND EXPENDITURES AT THE LOS ANGELES ZOO**

My Audit Division has evaluated your July 16, 2009 response to the "Audit of Revenues and Expenditures at the Los Angeles Zoo" issued on June 16, 2009. I am pleased to see that the Department concurs overall with the findings and recommendations and has started to implement some of the recommendations.

I accept the Department's actions to address the report's recommendations, except for Recommendations #3, #5 and #7 discussed below.

Finding #1 (Recommendation #3)

This recommendation is for the Department to evaluate the cost effectiveness of each advertising event in accordance with the task order requirements. You indicated that based on the Zoo's experience and discussions with other comparable zoos and aquariums, overall attendance continues to be the guiding benchmark on measuring advertising effectiveness. You also indicated that the Department is in the process of developing task orders for each event which will cover goals, deliverables and timelines. While the measure of annual attendance could be used as a yardstick for the achievement of the overall goal, Zoo staff could use the soon to be developed task orders to formally evaluate or analyze each advertising event after completion in order to evaluate the contractor's effectiveness.

John R. Lewis
October 2, 2009
Page 2 of 2

Finding #2 (Recommendation #5)

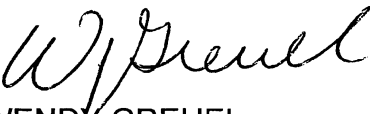
You indicated that the annual budget represents the Zoo's various funding sources, operating resources, attendance and revenue projections, etc., which establishes the annual marketing program. However, marketing and business plans should contain marketing and financial projections and include methods to attract new visitors and funds to the Zoo for a period longer than one year. We encourage you to consider implementing a marketing and business plan of a longer term to strategically guide the Department's operations.

Finding #3 (Recommendation #7)

This recommendation is for the Zoo to perform a cost benefit analysis to determine the feasibility of directly contracting for concession services. You indicated that the implementation of this requires the necessary staff and resources of which the Zoo currently does not have. Based on the current economic conditions and budget crisis, we accept the Zoo's response. However, implementation of this recommendation should be made whenever the budget situation improves.

As part of my office's follow-up program, we will be requesting a status report approximately six months after the report issuance date. The objective of the follow-up program is to ensure that the audit recommendations have been properly addressed.

Sincerely,



WENDY GREUEL
City Controller

cc: Reverend Jeff Carr, Chief of Staff, Office of the Mayor
Jimmy Blackman, Deputy Chief of Staff, Office of the Mayor
Benjamin Ceja, Deputy Mayor, Office of the Mayor
Shelby Kaplan Sloan, President, Board of Zoo Commissioners
Miguel A. Santana, City Administrative Officer
June A. Lagmay, City Clerk
Gerry F. Miller, Chief Legislative Analyst
Independent City Auditors