FORM GEN. 160 (Rev. 6-80)

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: February 20, 2013

TO: Claire Bartels, Chief Deputy Controller
Office of the Controller

FROM: Farid Saffar, Director of Auditing
Office of the Controller

SUBJECT: EVALUATION OF STATUS OF RECOMMENDATIONS FOR THE AUDIT OF EARLY PAYMENTS TO VENDORS

In connection with our December 10, 2009 "Audit of Early Payments to Vendors", we have reviewed your most recent implementation plan, in which you reported all three recommendations (#5, #6, and #8), directed to the Controller's Office, as Implemented. We accept these reported statuses.

Our evaluation was solely based on a review of the implementation plan. The results may have been different if we had applied more extensive procedures, such as detailed audit tests.

If you have any questions, please let me know.

WENDY GREUEL
CONTROLLER

July 16, 2012

Mr. Tony M. Royster, General Manager
Department of General Services
111 East First Street
Los Angeles, CA 90012

Dear Mr. Royster:

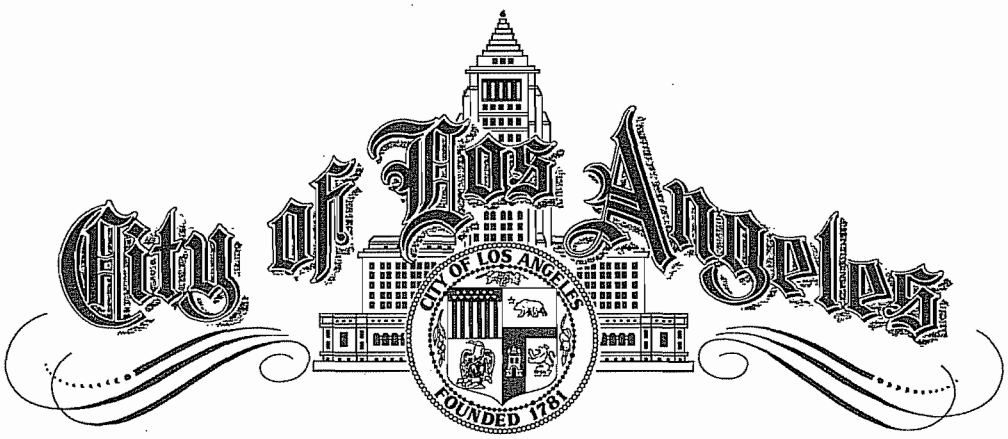
SUBJECT: EVALUATION OF STATUS OF RECOMMENDATIONS – AUDIT OF EARLY PAYMENTS TO VENDORS

In connection with the report entitled, "Audit of Early Payments to Vendors" issued on December 10, 2009, my Audit Division received your June 20, 2012 status report indicating that the remaining recommendation (#4) is Partially Implemented. Since the status report indicates that a Scheduled Payment Date feature will be implemented in August 2012, my office may conduct subsequent follow-up to ensure the recommendation is properly addressed.

Our evaluation was solely based on assertions made by your Department. Our evaluation may have been different if we had applied more extensive procedures, such as detailed audit tests. If you have any questions, please contact Farid Saffar, Director of Auditing, at (213) 978-7392.

Sincerely,

WENDY GREUEL
City Controller



WENDY GREUEL
CONTROLLER

February 2, 2012

Janelle Erickson, Deputy Chief of Staff
Office of the Mayor
200 North Spring Street
Los Angeles, CA 90012

Dear Ms. Erickson:

SUBJECT: EVALUATION OF STATUS OF RECOMMENDATIONS – AUDIT OF EARLY PAYMENTS TO VENDORS

In connection with the report entitled, "Audit of Early Payments to Vendors," my Audit Division has reviewed your November 9, 2011 status report indicating that the three recommendations (#1, #2, and #7) directed to the Mayor's Office are in progress. I accept your reported statuses and planned actions. We will also consider recommendation #3 to be in progress. This recommendation was directed to all departments and is closely linked to recommendation #1.

The Controller's Office will continue to follow up with your Office on the four recommendations. If you have any questions, please contact Farid Saffar, Director of Auditing, at (213) 978-7392.

Sincerely,

WENDY GREUEL
City Controller

OFFICE OF
CONTROLLER

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

January 25, 2010

Tony M. Royster, General Manager
Department of General Services
Room 701 City Hall South
Los Angeles, CA 90012

Dear ~~Mr.~~ Royster:

My Auditing Division has evaluated your January 11, 2010 response to the "Audit of Early Payments to Vendors" issued on December 10, 2009. I am pleased to see that the Department concurs with the findings and recommendations and will work with the Information Technology Agency (ITA) to look into the feasibility of activating the scheduled payment date feature in the Supply Management System (SMS).

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 audit recommendations have been properly addressed.

If you have any questions, please contact Farid Saffar, Director of Auditing, at (213) 978-7392.

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
Eileen Decker, Deputy Mayor, Office of the Mayor
Deborah J. Ramos, Assistant General Manager, GSD
Miguel A. Santana, City Administrative Officer
June Lagmay, City Clerk
Gerry F. Miller, Chief Legislative Analyst
Independent City Auditors