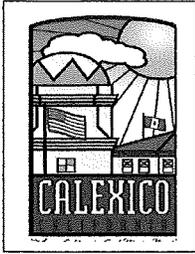


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AGENDA STAFF REPORT

DATE: January 19, 2016

TO: Mayor and City Council

APPROVED BY: Nick Fenley, Acting City Manager 

PREPARED BY: Nick Fenley, Interim City Attorney
Carlos Campos, Interim City Attorney

SUBJECT: Consideration for the City to Request an Audit of the City's Finances by the State Controller's Office for the Past 8-10 years (Requested by Mayor Kim).

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Consideration:

Consideration for the City of Calexico to Request an Audit of the City's Finances by the State Controller's Office for the Past 8-10 years.

Background/Discussion:

The California State Controller's Office accounts for and controls disbursement of all state funds, acts as the State's accountant and bookkeeper of all public funds. The Office also administers the State payroll system and unclaimed property laws. Moreover, the Office is responsible for auditing various state and local government programs

The State Controller's audit authority is provided for in the State Constitution and:

- Has resulted in more than \$2.3 Billion in audit findings.
- Is the *only one that is independent* of both the Administration and the Legislature;
- Is directed at ensuring that taxpayer dollars spent at the State and local level are free of fraud, waste and abuse;
- Has produced findings that have resulted in the denial of payment of unallowable claims, the return of incorrectly spent funds or additional revenues (Please see the tax dollars impact graphic at the right of this page.);

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- Ensures that independent auditors performing annual financial and compliance audits of school districts and local governments comply with professional audit standards and ensures that findings are addressed;
- Includes a team of expert auditors, many of whom are Certified Public Accountants.

At this time, the Mayor has requested that the City Council consider requesting an audit of the City's finances by the State Controller's Office for the Past 8-10 years, and to take all other necessary actions.

Fiscal Impact:

Uncertain.

Attachment:

None.