



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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WENDY L. WATANABE
AUDITOR-CONTROLLER

February 26, 2014

TO: William T Fujioka
Chief Executive Officer

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **SHERIFF'S DEPARTMENT – PROVISIONAL FINANCING USES
FUNDING CLAIM REVIEW (OCTOBER AND NOVEMBER 2013)**

On October 8, 2013, as part of the approved supplemental budget for Fiscal Year 2013-14, the Chief Executive Office (CEO) recommended that the Sheriff's Department (Sheriff's or Department) set aside approximately \$33.6 million in a Provisional Financing Uses (PFU) budget for the following future specified purchases:

- \$29.3 million to address recommendations made by the Citizens' Commission on Jail Violence (CCJV),
- \$2.1 million for an information technology (IT) purchase,
- \$1.6 million for the Sheriff's mobile data computers/console switch interface (MDC/CSI), and
- \$578,000 for shooting simulators.

The CEO further recommended that after the purchases were made, the Sheriff's submit supporting documentation for the expenditures to the Auditor-Controller (A-C) for fiscal review and validation. Once the A-C validates the expenditures, the CEO and the Sheriff's will submit recommendations to the Board of Supervisors for their consideration to transfer the funding from PFU to the Sheriff's budget.

A-C Review and Validation of Sheriff's Claim

For October and November 2013, the Sheriff's claimed a total of \$5,028,432 in expenditure reimbursements from PFU (Attachment). However, based on our review, we recommend reimbursement from PFU in the amount of \$4,939,831, which is \$88,601 lower than the Sheriff's claim. Specifically:

Project	Amount Requested by Sheriff's	Amount Validated by the A-C	Amt Overclaimed / (Underclaimed)
CCJV project	\$ 1,984,134	\$ 1,895,533	\$ 88,601
IT-related expenditures	2,100,000	2,100,000	-
MDC/CSI Project	944,298	944,298	-
Shooting Simulators	-	-	-
Total	\$ 5,028,432	\$ 4,939,831	\$ 88,601

The \$88,601 over-claim is due to the Department incorrectly calculating the Salaries and Employee Benefits (S&EB) for full-time staff dedicated to the CCJV project. Sheriff's management agreed with the revised amount.

A-C Review and Validation Process

Our recommendation is based on our review of the supporting documentation for each project/expenditure. Specifically, we verified and concurred the following:

- Services and Supplies expenditures were appropriately approved, and were supported by receiving documents and invoices.
- CCJV S&EB expenditures were correctly calculated for full-time dedicated staff.
- A sample of CCJV overtime expenditures were supported by approved overtime slips.
- All expenditures were attributable to the specified purpose of the applicable project.

Please call me if you have any questions, or your staff may contact Robert Smythe at (213) 253-0101.

WLW:AB:RS:MP

c: John L. Scott, Sheriff
Audit Committee
Georgia Mattera, Deputy CEO



LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169



December 30, 2013

Connie Yee, Chief
Department of Auditor-Controller
Accounting Division
500 West Temple Street, Room 603
Los Angeles, California 90012

Dear Ms. Yee:

**REQUEST FOR REIMBURSEMENT OF ONE-TIME FUNDING
GENERAL SUPPORT BUDGET UNIT
OCTOBER – NOVEMBER 2013**

In compliance with the Board action of October 8, 2013, the Sheriff's Department (Department) is seeking your fiscal review and validation of expenses incurred during the period October and November 2013 for the Mobile Data Computer (MDC) upgrade project and to replenish funding used to complete the Sheriff's Communication Data Center project.

The following two purchase orders (P.O.) are related to the \$1.6 million in one-time funding for the MDC project that will be transferred from the Sheriff's Budget to the Chief Executive Office's (CEO) Provisional Financing Uses (PFU) budget in an upcoming Board action.

<u>Vendor</u>	<u>P.O. Number</u>	<u>Invoice Paid Date</u>	<u>Invoice Amount</u>
PCM SARCOM (MDC project)	14321057-1	10-03-13	653,398.42
GeoSpatial Technologies (MDC project)	14321420-1	09-26-13	290,900.00
TOTAL			<u>\$ 944,298.42</u>

The remaining balance of \$655,701.58 should be spent and claimed by June 30, 2014.

A Tradition of Service

Ms. Yee

- 2 -

December 30, 2013

Additionally, \$2.1 million in one-time monies will also be moved from the Department's Budget to PFU in the same forthcoming Board action. This was funding that the Department initially transferred to the Communications Data Center Capital Project from its operating budget in Fiscal Year (FY) 2013-14, which was a result of carryover savings from FY 2012-13 and allocated back to the Department during the FY 2013-14 Supplemental Budget phase. After discussions with the CEO, it was agreed that the Department could receive reimbursement of Information Technology (IT)-related expenses because the savings from FY 2012-13 were a result of deferred IT equipment purchases. Therefore, the Department is seeking reimbursement of the \$2.1 million by submitting documentation for your review of an IT project in which P.O. 14322239-1 was issued on November 27, 2013, to Raytheon Corporation in the amount of \$3,966,644.16.

Upon your fiscal review and validation of the attached relevant supporting documents and approval of the expenditures, the Department ultimately would like reimbursement of the appropriation in the amount of \$3,044,298.42 (\$944,298.42 MDC and \$2,100,000 IT purchases) previously transferred to PFU from the Sheriff's General Support Budget Unit. Below are the necessary accounting details:

Fund A01
Department SH-770
15687 (General Support Budget Unit)
Organization 15757 (Communications and Fleet Management Bureau)
Services and Supplies account code 2000

If you have any questions, please contact Assistant Director Rick Cavataio, at (323) 526-5144.

Thank you for your cooperation.

Sincerely,



GLEN DRAGOVICH, DIVISION DIRECTOR
ADMINISTRATIVE AND TRAINING DIVISION

GD:CM:RC:DC:yc

Attachments



LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169



January 21, 2014

Mike Pirolo, Chief
Department of Auditor
Audit Division
World Trade Center
350 South Figueroa Street, 8th Floor
Los Angeles, California 90071

Dear Mr. Pirolo:

**REQUEST FOR REIMBURSEMENT OF EXPENDITURES INCURRED
ON BEHALF OF THE CITIZENS' COMMISSION ON JAIL VIOLENCE
OCTOBER - NOVEMBER 2013 (REVISED)**

In compliance with the Board of Supervisors action of October 8, 2013, the Los Angeles County Sheriff's Department (Department) is seeking your fiscal review and validation of the Salary and Employee Benefit (S&EB) and overtime costs incurred during the period of October through November 2013 by Department personnel assigned to the several programs recommended by the Citizens' Commission on Jail Violence (CCJV).

Our prior submission, dated January 6, 2014, did not contain overtime costs. In that request, we indicated another submission would follow when overtime costs were determined.

To assist your review of the costs, the following documents are attached:

- Summary worksheet listing the names, monthly S&EBs, and Overtime costs for employees assigned to CCJV positions;
- Employee rosters and assignments for each CCJV program;
- eHR Time History report for personnel assigned to CCJV positions for a partial month;
- Report for overtime control number 909 V0647-9 for personnel who worked overtime in CCJV supervisory positions; and
- Copy of Fiscal Year 2013-14 Employee Benefits approved by the Auditor-Controller.

A Tradition of Service

Mr. Pirola

- 2 -

January 21, 2014

Upon concluding your review and approval of the expenditures shown on the attached documents, we request that you authorize reimbursement of \$1,984,134 (\$1,525,747 for S&EB plus \$458,387 for overtime) incurred during October and November 2013. The appropriation currently resides in the Chief Executive Office's Provisional Financing Uses budget unit.

If you have any questions, please contact Rick Cavataio, Assistant Director, at (323) 526-5144.

Thank you for your cooperation.

Sincerely,

LEROY D. BACA, SHERIFF



GLEN DRAGOVICH, DIVISION DIRECTOR
ADMINISTRATIVE AND TRAINING DIVISION

Mr. Pirolo

- 3 -

January 21, 2014

GD;CM:RC:DC:yc
(Financial Programs Bureau – Special Accounts Unit)

Attachments

**C: Conrad Meredith, Asst. Div. Dir., Administrative and Training Division
Rick Cavataio, Assistant Director, Financial Programs Bureau
Dave Culver, Manager, Special Accounts Unit
Chrono**