

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: September 20, 2016

TO: Ralph M. Terrazas, Fire Chief
Los Angeles Fire Department

FROM: Georgia Mattera, Chief Deputy Controller
Office of the Controller



**SUBJECT: LIMITED SCOPE FINANCIAL REVIEW AT THE LOS ANGELES
FIRE DEPARTMENT**

The Controller's Office conducted surprise cash counts at Los Angeles Fire Department (LAFD), which included six petty cash/change funds and six cash receiving locations. The purpose of surprise cash counts is to ensure that authorized petty cash/change funds and collections are properly accounted for and that adequate controls are in place over these funds. We also completed a limited payroll review, which entailed verification of hours worked, overtime, and bonuses paid during pay periods 18 & 20, ensuring payments to sampled employees were properly supported.

Our audit was performed in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Overall Results

Petty cash, change funds, and collections were properly accounted for, but weaknesses surrounding reconciliations and the timely endorsement of checks and deposits of collections were identified. Regarding payroll, the hours worked, overtime and bonuses paid were properly supported; however, we noted weaknesses in the pre-approval of overtime worked by special duty employees and LAFD's manual time keeping system. These weaknesses are described in the Observations Section.

Department Response

A draft report was provided to your Department on August 23, 2013. Based upon the Action Plan submitted to our Office on September 13, 2016; included as an attachment to this Report, we now consider 7 of the 12 recommendations as Implemented, and the 5 remaining recommendations are considered In Progress.¹ Our Office will follow up with LAFD in the near future to obtain a status update on implementation efforts.

We appreciate the cooperation and assistance provided by LAFD management and staff during our review.

OBSERVATIONS

Cash Handling

It is the responsibility of each City Department to have effective controls to properly account for and safeguard cash and collections, depositing all collections in a timely manner. Departments must develop cash handling procedures for their specific operations that reduce the risk of errors and irregularities and incorporate good internal controls, including segregation of duties. Department management should monitor compliance with these procedures.

Cash is defined as coin, currency, checks, electronic fund transfers, and credit card transactions. All cash received by any employee of the City for, or in connection with, the business of the City, shall be deposited with the Office of Finance or a City bank account.

LAFD collects cash payments at several locations for various fees and billings (e.g., fire ambulance billings, code inspection fees, and permit fees). Individual divisions are responsible for remitting collections to the LAFD Billing and Accounts Receivable Unit in City Hall East. LAFD Billing and Accounts Receivable Unit deposits cash receipts and electronically deposits checks on a daily basis into the City's bank account.

LAFD has also been authorized to have \$20,000 in cash composed of one revolving petty cash fund of \$10,000, eleven petty cash funds totaling \$9,800, and two change funds totaling \$200. These funds are distributed among

¹ Recommendations 1, 2.1, 3.1, 3.2, 5.2, 6.1, and 8 are considered Implemented. Recommendations 2.2, 4, 5.1, 6.2, and 7 are considered In Progress.

divisions for their use in emergency situations such as catastrophic events, repairing equipment, brush fire responses, strike teams, etc.

Observation#1: LAFD's failure to identify all cash receiving and petty cash/change fund locations impairs the ability to periodically monitor fiscal internal controls.

The Controller's Office periodically requests City Departments to provide a list of their cash receiving locations. On July 16, 2015, and on prior occasions, LAFD reported having only one cash receiving location (i.e. Billing and Accounts Receivable Unit).

During our cash count at the LAFD Billing and Accounts Receivable Unit, we reviewed checks received from the prior day and noted a list of checks, totaling \$8,278, that came from Fire Prevention and Public Safety Bureau that had not previously been reported. Through inquiry, we found five additional cash receiving locations under Fire Prevention and Public Safety Bureau (i.e., Valley, West Los Angeles, Harbor, the Certified Unified Program Agency, and the Arson Section) and a \$109 change fund maintained by the Arson Section.

LAFD management indicated that they misinterpreted prior requests from the Controller's Office and only reported the cash receiving location that deposits all collections received throughout the Department. Regarding the change fund, LAFD's Accounting Division was not aware of this change fund. Through inquiry, Accounting Division discovered that the Arson Section had utilized this change fund for at least 10 years; but it was not officially recorded.

The Controller's Office relies upon City Departments to accurately report all cash receiving and petty cash/change fund locations and maintain adequate controls at those locations. Failure to track and report these locations impairs the ability of both Department management and the Controller's Office to periodically monitor fiscal operations.

Recommendation

LAFD Management should:

- 1. Track and report all cash receiving and change fund locations.**

Observation#2: Poor cash handling controls at LAFD's Arson Section could result in the untimely identification of errors or thefts.

The surprise petty cash/change fund counts identified \$15,537 consisting of currency, coins, and unreimbursed petty cash vouchers. This amount represented change funds of \$200, four petty cash funds totaling \$5,300, one revolving fund of \$10,000, and an identified overage of \$37.

LAFD's Arson Section's petty cash fund had the cash overage of \$37, which had not been reported to the Controller's Office. The associated tracking log did not have the correct ending balance, and the custodian failed to log three petty cash reimbursements, totaling \$222, and one voucher of \$100 that had been paid over a year earlier.

The Arson Section also has a counter that receives payments for field incident reports, arson investigations, and subpoenas. However, we noted that the supervisor is not approving voided transactions, and reconciliations are not occurring on a daily basis, as required.

The timely reconciliation of petty cash/change funds and collections, as well as the approval of voided transactions, would assist with the identification of errors, including loss and/or theft.

Recommendations

LAFD Management should:

- 2.1 Ensure petty cash funds are appropriately tracked to ensure any shortages and overages are identified and reported in a timely manner.**
- 2.2 Ensure collections at all receiving locations are reconciled daily, and ensure a supervisor reviews and approves all voided transactions.**

Observation#3: LAFD's failure to monitor the continued need of petty cash funds unnecessarily places cash at-risk.

LAFD's In-Service Training Section has a petty cash fund of \$200, and our surprise cash count found the \$200 was intact. However, the Captain in-charge indicated the fund has not been utilized since July 2013 and attested that the fund is no longer needed. Therefore, the fund should be closed as it unnecessarily places the cash at-risk for loss or theft.

Recommendations

LAFD Management should:

- 3.1 Periodically assess whether all authorized petty cash fund amounts are appropriate and needed.**
- 3.2 Revert the In-Service Training Section's petty cash fund (\$200) to the City's General Fund.**

Observation#4: LAFD's failure to immediately endorse checks and forward collections for deposit increases risks of loss and theft.

During our cash count at LAFD's Billing and Accounts Receivable Unit, we found three checks totaling \$4,082 that were submitted the prior day from LAFD's Fire Prevention and Public Safety Bureau located at Van Nuys Civic Center. However, these checks had been held by the Bureau for months before they were submitted for deposit.

The Controller's Manual, Section 1.12.5, and LAFD's Cash Deposit Procedure, requires all cash in excess of \$1,000 to be deposited no later than the next business day after its receipt. The timely forwarding of collections reduces susceptibility to theft and ensures the City earns interest on collections. Moreover, when checks are held for too long, LAFD may bill customers that already paid for their services, increasing customer complaints and unnecessary administrative work for the LAFD Billing and Accounts Receivable Unit.

On April 21, 2016, we inspected the Fire Prevention and Public Safety Bureau's safe at the Van Nuys Civic Center and noted the following:

- Six un-deposited checks in the safe totaled \$4,090. Two of the checks (totaling \$1,068) were received between March 1 and 7, 2016, more than one month prior.
- A loose check (#066528) for advance payment of \$1,224 had no indication of an associated permit or official receipt being issued. LAFD indicated that some customers mail their permit fees in advance, and the clerk puts the checks in the safe.
- The checks were not immediately endorsed to the City of Los Angeles, as required by Controller's Internal Control Certification Program and LAFD's Cash Deposit Procedure.

During our cash count at LAFD's Arson Section, we also found issues with timely endorsement of checks and forwarding the collections to the Billing and Accounts Receivable Unit for timely deposit.

All checks received, regardless if it is for an advanced payment, should immediately be endorsed to the City of Los Angeles and forwarded to LAFD's Billing and Accounts Receivable Unit in a timely manner to reduce susceptibility of loss or theft.

Recommendation

LAFD Management should:

- 4. Ensure collections received at decentralized locations, including advance payments, are immediately endorsed and forwarded to LAFD's Billing and Account Receivable Unit in a timely manner.**

Observation#5: LAFD risks under collecting fees for Fire Safety Officer (FSO) services.

The City requires a FSO on site for safety at events that have large groups; like graduations, carnivals, concerts, etc. For these types of events, the event sponsor must pay a minimum of 4 hours at \$64/hour for a fire Captain to patrol the event. Executive Directive No. 5 (2005), directs LAFD to require advance payment, or a substantial deposit as a condition of providing FSO services. LAFD's prepayment policy for FSO service requests mirrors this requirement; however, the Fire Prevention and Public Safety Bureau has provided services without requiring prepayment. Instead, LAFD may send customers an invoice subsequent to the services being provided.

According to the clerk handling the FSO billing, 90% of FSO services are prepaid and 10% are not. He further indicated that even when the services are prepaid, the FSO sometimes work additional hours, and the City has to bill for those additional hours.

Once the service is provided, the Fire Prevention and Public Safety Bureau submits the FSO's actual hours worked to LAFD's Billing and Account Receivable Unit. However, as LAFD does not always have the correct customer name, billing address, and/or phone numbers, the invoices may be returned undelivered and/or the revenue may not be collected.

Recommendations

LAFD Management should:

- 5.1 Improve collection practices for FSO services by ensuring FSO services are prepaid, as required by Executive Directive No. 5 (2005) and LAFD policy.**
- 5.2 Requiring complete information (i.e., name, billing address, contact phone number) from applicants for FSO services.**

Observation#6: Poor accountability over permits issued and lack of reconciliation to cash receipts increases risk of error, theft, and uncollected revenue.

LAFD's Fire Prevention and Public Safety Bureau utilizes a database to track Special Action Permits (i.e., permits for firework usage, carnivals, and other miscellaneous events); however, LAFD's Accounting Division staff did not have access to this database to reconcile against cash receipts.

Specifically, the Fire Prevention and Public Safety Bureau located at Van Nuys Civic Center collects cash payments from customers for Specific Action Permits and forwards these collections to LAFD's Billing and Accounts Receivable Unit for deposit. But comprehensive reconciliations of permits issued or canceled against cash receipts were not taking place.

On April 21, 2016, we inspected the Fire Prevention and Public Safety Bureau's safe at the Van Nuys Civic Center and noted the following:

- A permit (#360135241) for \$534 did not indicate if it was paid and an official receipt was not attached. According to LAFD, this permit was cancelled.
- Another permit (#60135318) for \$534 was stamped "paid"; however, the auditors found no proof of payment nor an official receipt issued. According to LAFD, this permit was cancelled.

We met with the Captain in-charge of Fire Prevention and Public Safety Bureau at Van Nuys Civic Center to discuss the permit tracking system. According to the Captain not all permit applications result in a permit number being issued. A permit number is only issued when both the service activity is known and the payment is received.

Once issued, a permit cannot be canceled in LAFD's tracking database. The Captain indicated that he was not aware of personnel in the Billing and Accounts Receivable Unit being responsible for tracking cancelled permit numbers or reconciling permits issued against cash receipts. During our audit, an LAFD inspector indicated that when a permit is canceled, he throws the permit in the trash as the database does not allow a permit to be cancelled.

We discussed this concern with LAFD management and as a result, LAFD Accounting Division staff were provided access to the permit database and completed a sample-based reconciliation in May 2016 of the Special Action Permits, determining that the issued permits were properly paid for by customers. LAFD's Accounting Division further indicated that the more comprehensive reconciliations will continue on a regular basis and that the Department has been working on upgrading the permit database, to include the tracking of cancelled permits.

According to the City's Financial Management System, non-continuing permits brought in \$1.5 million in City revenues in 2015. Given the large amount revenue collected for permits, these reconciliations appear warranted.

Recommendations

LAFD Management should:

- 6.1 Ensure that LAFD's Accounting Division continues to conduct reconciliations of the special action permits, ensuring all revenue for issued permits are collected and voided permits are properly documented.**
- 6.2 Pursue upgrading the special action permit database, ensuring the new system properly tracks and documents cancelled permits.**

Payroll

It is the responsibility of each City Department to ensure accurate timekeeping and timely processing of payroll for its employees.

LAFD's timekeeping practices for City payroll purposes are unique, as firefighters assigned to platoon duty work 24-hour shifts. A firefighter in platoons A, B, or C may work 96, 144, or 120 hours in any pay period, respectively. As a result, the City does not pay firefighters the actual hours worked during the pay period. Instead, the City uses a smoothing process and pays 112 hours every pay period regardless of the hours worked, and adjustments are manually input by LAFD. LAFD management implemented the smoothing method to avoid salary fluctuations. According to the Controller's Payroll staff, this practice began many years ago.

To support the payroll payments to sworn personnel, the LAFD maintains manual time records, including Daily Journals; Annual Time Records (Form 351); and Daily Time Record Worksheets (Form 351A). Fire captains are responsible for maintaining manual records and inputting time into the Network Staffing System (NSS). The data in NSS is uploaded into PaySR, and should match the data on the manual records. Then, the exceptions/overtime data (NNS Form 5054) interfaces with PaySR. LAFD payroll staff manually review and correct each employee's time sheet in PaySR to ensure proper payment of regular hours, overtime and holidays.

The smoothing process requires extensive manual involvement and is highly susceptible to human error. LAFD sends the Controller's Payroll Division a smoothing table indicating how many hours will be borrowed and repaid each pay period. The Controller's Payroll staff will then manually input the adjustments each pay period during the fiscal year. Every pay period, the Controller's Payroll staff also preloads the firefighters' regular working hours.

We conducted a payroll observation and evaluated supporting payroll documents for 21 firefighters assigned to LAFD Station #64. We reviewed time records for the 21 firefighters; including manual time sheets (Forms 351 & 351A), and NSS Form 5054, and compared them to the Controller's PaySR timesheets. All hours worked, overtime, and bonuses (e.g., continuing education bonuses) were properly supported. However, we found that LAFD's manual tracking of 5 employees' allowable holiday hours (Form 351) failed to include a 2 hour holiday deduction. Based upon further review and verification, we confirmed that NSS has a built-in control which prevented an overpayment of holiday hours to employees on platoon (24-hour) duty.

As LAFD's manual time keeping system is antiquated and prone to error, we expanded our payroll testing to special duty employees, focusing on unscheduled overtime pre-authorization and the tracking of holiday hours. This expanded testwork identified two weaknesses, as noted below.

Observation#7: LAFD's manual time records may result in special duty employees being paid for hours not worked.

LAFD utilizes nearly 400 sworn firefighters to perform special duties outside of fire stations or direct fire rescue activities that are associated with platoon assignment (24-hour duties). Special duty assignments may include conducting inspections, providing academy training, strategic planning, workers compensation administration or risk management. A special duty

assignment is often a two-year rotation, and upon completion, the member returns to his or her former assignment. While a special duty position can be assigned to sworn members of any level, the majority of these positions are at the rank of captain and inspector. Special duty employees are assigned a typical 40 hour-workweek, generally on a 4/10 schedule (i.e., four workdays at 10 hours per day with one regular day off [RDO] per week).

We sampled 10 special duty employees to review how LAFD tracks the use of holiday hours from January 1st through May 31st, 2016.

Every holiday, special duty employees have to use a variation code (e.g., banked overtime or vacation hours) of 2 hours to get paid for their 10 hour workday, as only 8 hours of paid holiday time is allotted. Two of the 10 sampled special duty employees did not document a 2 hour variation code (deduction from banked overtime or vacation hours) in their manual time sheet, Form 351.

We met with LAFD management to review these anomalies and verified that NSS did deduct 2 hours of benefit time for one employee; however, it appears that the remaining employee was overpaid 2 hours. LAFD management acknowledged this internal control weakness and indicated that as of June 2016, LAFD began monitoring the 2 hour variation code in NSS to ensure proper deductions from the employees' banked hours.

Recommendation

LAFD Management should:

- 7. Accelerate the implementation of its payroll automation system (F-time) to eliminate the manual time keeping process that is prone to error.**

Observation#8: LAFD special duty employees may work unauthorized or unnecessary overtime.

Per LAFD's Operation Manual, employees must obtain prior approval from a supervisor to work overtime on their RDO and no employees shall work unauthorized overtime. Failure to secure prior approval may result in discipline.

When evaluating the time records for the 10 special duty employees, we identified certain employees who worked overtime on their RDO without prior written approval from their supervisor.

For the 10 sampled employees, the City paid \$18,179 in overtime or 38% above the employees' basic pay for the pay period. This amount included 56 hours of scheduled overtime totaling \$4,786, which is pre-authorized and worked by special duty employees to supplement constant staffing needs for platoon assignments. Scheduled overtime is generated by and recorded within NSS. However, unscheduled overtime, accounted for 74% (\$13,393) of the overtime paid to these employee, and there was no documentation indicating the unscheduled overtime was pre-authorized.

According to LAFD management, special duty employees verbally request, and receive verbal authorization to work the unscheduled overtime. Upon discussing this process further, LAFD management acknowledged the need to document such pre-approvals, to ensure unscheduled overtime is based on need and is formally approved by an appropriate manager. As a result, on May 16, 2016, LAFD issued Bulletin No. 16-07, indicating that all uniform members below the rank of Assistant Chief who are not assigned to a platoon duty schedule are not authorized to work overtime on their RDO without prior documented approval of a supervisor. The Bulletin requires members to verbally request their direct supervisor to work overtime and if the overtime is warranted, the request is entered onto NSS. Then, NSS generates an automatic email for commander approval. Commander approval must be obtained prior to a member working overtime on their RDO.

Recommendation

LAFD Management should:

- 8. Monitor compliance with Bulletin No. 16-07 to ensure all paid overtime is deemed necessary and pre-approved by management.**

ATTACHMENT A

| Report Title: Fire Department's Response to the Limited Scope Financial Review | | | | | |
|--|---|----------|---|--|---|
| | | | | As of 9/12/2016 | |
| Observation No. | Summary Description of Observation | Rec. No. | Recommendation | Department Actions Taken and/or Planned to Implement the Recommendation | Target Date for Implementation |
| Section I Cash Handling | | | | | |
| 1 | LAFD's failure to identify all cash receiving and petty cash/change fund locations impairs the ability to periodically monitor fiscal internal controls | 1 | Track and report all cash receiving and change fund locations. | The Department has updated its Cash Deposits Procedure to include all direct cash receiving locations, aside from the Room 1620 CHE Public Counter cashiering location that collects and deposits all Fire receipts from all its off site decentralized cash receiving locations. The Department has submitted to the Controller's Office its updated List of Cash Handling Locations to include all cash receiving, petty cash, and change fund locations. | Resolved and Implemented |
| 2 | Poor cash handling controls at LAFD's Arson Section could result in the untimely identification of errors or thefts. | 2.1 | Ensure petty cash funds are appropriately tracked to ensure any shortages and overages are identified and reported in a timely manner | Senior level Accounting staff will provide training to Arson Section to ensure proper handling and tracking of petty cash funds. The Audit Unit will conduct quarterly petty cash counts. | Arson petty cash overage is being reconciled and corrected by September 2016. Ongoing implementation. |
| | | 2.2 | Ensure collections at all receiving locations are reconciled daily, and ensure a supervisor reviews and approves all voided transactions. | The Department is starting to implement the use of remote deposit capture (RDC) equipment at all of its cash receiving locations. The Accounting Services Section Receipts Unit will receive daily reports for reconciliation of deposits. The Cash Deposits Procedure for all the Cash Receiving Locations has been updated to include the review and approval of all voided transactions by a supervisor. The Department's auditors will ensure that this is followed and implemented on an ongoing basis. | Partially implemented; full implementation by December 2016. The Department has received from Wells Fargo Bank, through Office of Finance, the five RDC machines for all its off site cash receiving locations and is in the process of setting up user accounts and training users on the new process. |

ATTACHMENT A

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| Observation No. | Summary Description of Observation | Rec. No. | Recommendation | Department Actions Taken and/or Planned to Implement the Recommendation | Target Date for Implementation |
| 3 | LAFD's failure to monitor the continued need of petty cash funds unnecessarily places cash at-risk. | 3.1 | Periodically assess whether all authorized petty cash fund amounts are appropriate and needed. | The Department's Audit Unit will periodically verify that all petty cash fund amounts are appropriate and needed. | Updated List of Petty Cash Authorized Locations submitted to Controller's Office. Ongoing implementation. |
| | | 3.2 | Revert the In-Service Training Section's petty cash fund (\$200) to the City's General Fund | In Service Training Section confirmed the \$200 petty cash fund is no longer needed; the \$200 petty cash has been deposited and is in the process of being reverted to the Reserve Fund. | The \$200 petty cash fund has been deposited and is in the process of being reverted to the Reserve Fund. |
| 4 | LAFD's failure to immediately endorse checks and forward collections for deposit increases risks of loss and theft. | 4 | Ensure collections received at decentralized locations, including advance payments, are immediately endorsed and forwarded to LAFD's Billing and Accounts Receivable Unit in a timely manner. | The Department is implementing the use of remote deposit capture (RDC) equipment at all of its cash receiving locations. Checks will be endorsed immediately per the Department's Cash Deposits Procedure. The Accounting Services Section Receipts Unit will receive daily reports for reconciliation of deposits. The Cash Deposits Procedure for all the Cash Receiving Locations has been updated to include the review and approval of all voided transactions by a supervisor. The Department's auditors will ensure that this is followed and implemented on an ongoing basis. | Target Date for Full Implementation by December 2016. Partially implemented: Department has received from Wells Fargo Bank, through Office of Finance, the five RDC machines for all off site cash receiving locations and is in the process of setting up user accounts and providing training on the new process. |
| 5 | LAFD risks under collecting fees for Fire Safety Officer (FSO) services. | 5.1 | Improve collection practices for FSO services by ensuring FSO services are prepaid, as required by Executive Directive No.5 (2005) and LAFD policy. | Mayor's Executive Directive 5 requires advance payment, or a substantial deposit, as a condition of providing Fire Safety Officer services. The Department will require all companies to comply with this Executive Directive. | Implementation by 1/17. The large companies currently not on pre-paid basis will be notified of the requirement to comply with E.D. 5 as a condition of obtaining future FSO services. |

Source: The Department submitted this Response to the Controller's Office on September 13, 2016, detailing the actions taken to implement the Limited Scope Financial Review's recommendations.

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| | | | | As of 9/12/2016 | |
| Observation No. | Summary Description of Observation | Rec. No. | Recommendation | Department Actions Taken and/or Planned to Implement the Recommendation | Target Date for Implementation |
| | | 5.2 | Requiring complete information (i.e., name, billing address, contact phone number) from applicants for FSO services. | FPB and Accounting will verify and ensure complete billing information on Prepayment Application Forms for FSO services. The Form has been revised requiring Accounting Services staff to verify the billing information when pre-payment is made. | Implemented. |
| 6 | Poor accountability over permits issued and lack of reconciliation to cash receipts increases risk of error, theft, and uncollected revenue | 6.1 | Ensure that LAFD's Accounting Division continues to conduct reconciliations of the special action permits, ensuring all revenue for issued permits are collected and voided permits are properly documented. | Accounting has completed reconciliation for the month of May and will continue reconciliations on a monthly basis. | Implemented, ongoing. |
| | | 6.2 | Pursue upgrading the special action permit database, ensuring the new system properly tracks and documents cancelled permits. | FPB will be developing a Fire Management System to integrate and update all Bureau permitting functions, including the special action permit database. In the meantime, the Access database for special action permits will be modified to enable proper documentation and tracking of cancelled permits. | Current data base to be modified by 12/16 to enable proper documentation and tracking of cancelled permits. Implementation of Fire Management System requires funding in FY 17-18. |
| Section II Payroll | | | | | |
| 7 | LAFD's manual time records may result in special duty employees being paid for hours not worked. | 7 | Accelerate the implementation of its payroll automation system (F-time) to eliminate the manual time keeping process that is prone to error. | Department is working with Controller and ITA to implement FD-Time for sworn personnel. Process is very complex, and requires staff time of PAYSR contractor, who is also involved with other PAYSR projects. | Unknown at this time. |
| 8 | LAFD special duty employees may work unauthorized or unnecessary overtime. | 8 | Monitor compliance with Bulletin No. 16-07 to ensure all paid overtime is deemed necessary and pre-approved by management. | Bulletin No. 16-07 has been implemented and will be monitored for compliance. | Implemented. |

Source: The Department submitted this Response to the Controller's Office on September 13, 2016, detailing the actions taken to implement the Limited Scope Financial Review's recommendations.