



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

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June 27, 2025

TO: Each Supervisor

FROM: Oscar Valdez
Auditor-Controller

Robert G. Campbell
Assistant Auditor-Controller / Chief Audit Executive

SUBJECT: **OFFICE OF COUNTY COUNSEL – PAYROLL AND PERSONNEL
REVIEW (REPORT #K23EP) - SECOND AND FINAL FOLLOW-UP
REVIEW**

We completed a second and final follow-up review of the Office of County Counsel (County Counsel or Department) Purchasing, Supplies and Assets Review dated November 15, 2023 (Report #K23EP). We reviewed the status of the two Priority 2 recommendations that had not been fully implemented in our first follow-up report issued December 11, 2024.

As summarized in Table 1, County Counsel fully implemented the two recommendations.

Table 1 - Results of Second and Final Follow-up Review

RECOMMENDATION IMPLEMENTATION STATUS					
PRIORITY RANKINGS	TOTAL RECOS OUTSTANDING	EXEMPT FROM REVIEW	FULLY IMPLEMENTED	FINAL OUTSTANDING RECOMMENDATIONS	
				PARTIALLY IMPLEMENTED	NOT IMPLEMENTED
PRIORITY 1	0	0	0	0	0
PRIORITY 2	2	0	2	0	0
PRIORITY 3	0	0	0	0	0
TOTAL	2	0	2	0	0
					0

For details of our review and the Department's corrective actions, see Attachment.

Each Supervisor
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We thank County Counsel management and staff for their cooperation and assistance during our review. If you have any questions please call us, or your staff may contact Jesse Urbano at jurbano@auditor.lacounty.gov.

OV:CY:RGC:JU:jd

Attachment

c: Fesia A. Davenport, Chief Executive Officer
Edward Yen, Executive Officer, Board of Supervisors
Dawyn R. Harrison, County Counsel

LOS ANGELES COUNTY AUDITOR-CONTROLLER

Attachment
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Robert G. Campbell
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Jesse Urbano
CHIEF ACCOUNTANT-AUDITOR

AUDIT DIVISION

Report #K25EP

OFFICE OF COUNTY COUNSEL PAYROLL AND PERSONNEL REVIEW (REPORT #K23EP) SECOND AND FINAL FOLLOW-UP REVIEW

RECOMMENDATION		A-C COMMENTS
2	<p>Management Monitoring of Controls (Priority 2) - Office of County Counsel (County Counsel or Department) management develop ongoing self-monitoring processes that include:</p> <ul style="list-style-type: none"> a) Examining process/control activities, such as review of an adequate number of transactions on a regular basis to ensure adherence to established procedures and internal controls, County rules, and best practices. b) Documenting the monitoring activity and retaining evidence so it can be subsequently validated. c) Elevating material exceptions timely so management is aware of control risks and can take appropriate action. <p>Original Issue/Impact: County Counsel needs to develop ongoing self-monitoring processes to regularly evaluate and document that payroll and personnel related internal controls are working as intended, as required by County Fiscal Manual Section 1.0.2. Examples of areas that should be monitored are:</p> <ul style="list-style-type: none"> • Security and workflow assignments review (Issue No. 1) • Processing personnel transactions • Personnel records maintenance 	<p>Recommendation Status: Implemented</p> <p>During our first follow-up review, we confirmed that County Counsel management developed ongoing self-monitoring processes over processing personnel transactions. However, County Counsel management had not developed self-monitoring processes to regularly evaluate and document that processes and controls are working as intended over security and workflow assignment reviews, and personnel records maintenance.</p> <p>During this second follow-up review, we confirmed that County Counsel developed self-monitoring processes over all payroll and personnel areas and conducted monitoring in June 2025. We reviewed the monitoring documents.</p>
3	<p>Written Standards and Procedures (Priority 2) - County Counsel management develop and/or finalize written standards and procedures to guide supervisors and staff in performing their payroll and personnel duties, including those noted in our review.</p> <p>Original Issue/Impact: County Counsel management needs to ensure that detailed written standards and procedures adequately guide supervisors and staff in the performance of their duties for all key payroll and personnel processes</p>	<p>Recommendation Status: Implemented</p> <p>During our first follow-up review, we confirmed that County Counsel management drafted written standards and procedures to guide supervisors and staff in the areas noted in our review (i.e., security and workflow assignments review, management monitoring, processing personnel transactions, and personnel records maintenance). However, County Counsel had not yet finalized the standards and procedures.</p>

Priority Ranking: Recommendations are ranked from Priority 1 to 3 based on the potential seriousness and likelihood of negative impact on the Agency's operations if corrective action is not taken.

RECOMMENDATION	A-C COMMENTS
<p>and controls. County Counsel has some policies over their payroll processes (i.e., Mileage Reimbursement and Time Reporting in the County's electronic Countywide Accounting and Purchasing System). However, the Department needs to develop additional detailed written standards and procedures to adequately guide supervisors and staff in the performance of their payroll and personnel duties. Specifically, written standards and procedures should be developed in the following areas:</p> <ul style="list-style-type: none"> • Security and workflow assignments review (Issue No. 1) • Management monitoring (Issue No. 2) • Processing personnel transactions • Personnel records maintenance <p>In addition, County Counsel has some draft policies over their personnel processes that need to be finalized. Specifically:</p> <ul style="list-style-type: none"> • Incoming employee processing • Outgoing employee processing • Internal promotions 	<p>During this second follow-up review, we confirmed that County Counsel management finalized their standards and procedures. We reviewed the final standards and procedures.</p>

We conducted our review in conformance with the International Standards for the Professional Practice of Internal Auditing. For more information on our auditing process, including recommendation priority rankings, the follow-up process, and management's responsibility for internal controls, visit auditor.lacounty.gov/audit-process-information.