

# Agenda Report

DATE: September 24, 2001

**TO:** CITY COUNCIL  
**THROUGH:** AUDIT COMMITTEE  
**FROM:** CITY MANAGER  
**SUBJECT:** 3<sup>RD</sup> QTR FY 2001 INTERNAL AUDIT REPORTS  
(Information Only)

**RECOMMENDATION:**

It is recommended that the following reports for the third quarter of fiscal year ending June 30, 2001 be received by the City Council:

- Accounts Payable Review
- Utility Accounting Accounts Payable Review

**BACKGROUND:**

Chapter 2.05.160 of the Pasadena Municipal Code requires the Finance Committee of the City Council to perform the functions of an audit committee and convene as such at least three times each year. As stipulated in the Internal Audit Policy, audit reports completed by the City's Internal Auditor will be distributed to the Audit Committee members.

**Accounts Payable Review**

A review has been completed of the Accounts Payable Section's operating policies and procedures. This review is considered part of the Citywide risk assessment process and has been classified as a high priority. The review involved an evaluation of internal controls and an assessment of process efficiencies.

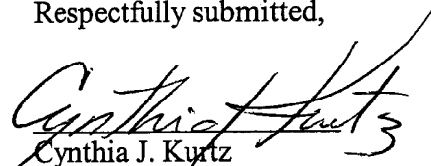
**Utility Accounting Accounts Payable Review**

An additional review was completed of the Utility Accounting Section's accounts payable operating procedures. This review is also considered to be part of the Citywide risk assessment process and has been classified as a high priority. The review involved a further examination of process efficiencies related to interaction with the Department of Water & Power.


**FISCAL IMPACT:**

There is no fiscal impact as result of this report.

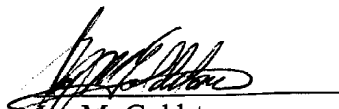
Respectfully submitted,

  
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