



BETTY T. YEE
California State Controller

April 24, 2019

The Honorable Aja Brown
Mayor of the City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220

SUBJECT: April 11, 2019 Meeting with the City of Compton

Dear Mayor Brown:

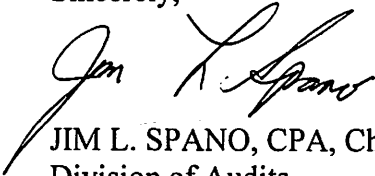
It was a pleasure meeting with the City Manager; Controller; representatives from Eadie + Payne LLP, the city's independent auditors; and you at our office in Sacramento on April 11, 2019. My staff and I appreciate your and your team's efforts to provide the State Controller's Office (SCO) with a comprehensive update on the city's corrective action plans (CAP) to improve its current financial position, which included:

- The city's planned use of \$12.4 million in Measure P funding over five years;
- The city's commitment to bring its financial statement and single audits current as of March 31, 2020;
- The significant staffing and structural changes made at the City Controller's Office to manage the fiscal transformation of the city;
- The city's formal timelines to implement its CAP for the 228 audit findings;
- The creation of a purchasing policies manual;
- Updates to city ordinance on purchasing policies, a financial policies and procedures manual for best practices, monthly closing of financials, and monitoring of budgets; and
- The City Controller's commitment to work closely with the City Manager and City Attorney to ensure codification of policies into the city's standard operation manual and/or city ordinances.

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The presentation demonstrated the serious commitment by the city to improving its financial conditions, recognizing that it will take time to fully address the prior findings and problems uncovered by the new administration. We appreciate the city's transparency in updating the SCO on its fiscal condition and CAP. This meeting was the second update meeting between the SCO and the city. We look forward to the next meeting.

Sincerely,



JIM L. SPANO, CPA, Chief
Division of Audits

JLS/ljs

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cc: Cecil Rhambo, City Manager
City of Compton
Rafaela King, Controller
City of Compton
Donald N. Ecker, Chairman
Eadie + Payne LLP
Hong Nguyen, Partner
Eadie + Payne LLP
Efren Lose, Bureau Chief, Division of Audits
State Controller's Office
Michael Cheng, Audit Manager, Division of Audits
State Controller's Office