

NEWS RELEASE
City of Oakland
Office of the City Auditor



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**City Auditor Ruby Finds City Exceeded Required Funding for
Children and Youth Services**

Oakland, CA – Funding for the City of Oakland's Measure K, approved by Oakland voters in 1996 for children and youth services, has exceeded requirements, according to the latest City Auditor's report.

While the City funded children and youth services at the required level, the City lacks a system for monitoring funding levels, reported Oakland City Auditor Courtney Ruby. "City staff administering Measure K funds told auditors they were uncertain if Measure K's appropriation requirements were being met because systems for monitoring the funding were absent," Ruby said.

The audit found the City exceeded required funding by \$1.2 million and \$4.5 million in fiscal years 2006 and 2007, respectively and is expected to exceed required funding by more than \$5.1 million in 2008.

In response to audit findings, City officials have agreed to implement internal controls including policies and procedures to address the problem, Ruby said

"This is good news. The City has met - indeed exceeded - minimum funding levels required by Measure K. But it is troubling that while voters set a clear policy by passing the measure ten years ago, the City has not yet implemented policies and procedures to ensure compliance...but I am encouraged by the Administration's responsiveness to address the problem," Ruby commented.

Measure K requires the City Auditor to determine each year that prescribed funding levels are reserved for children and youth services.

Because Ruby's predecessor, Roland Smith, neglected to audit Measure K during his eight years in office, the current audit is the first conducted since 1998. "My office will continue auditing these funding levels annually to verify requirements are met and necessary controls have been implemented by the City Administration to ensure funding levels are met."

This is the third audit completed since Ruby took office in January 2007. Earlier audits reviewed the City's payroll practices and public campaign financing. Auditor Ruby plans to issue audits of Measure M (Emergency Medical Services)

and Measure N (Special Tax to Fund Paramedic Services) in June, and an audit of Measure Q (Library Services Retention and Enhancement Act) in July. Audits of the City's Public Works Agency and Measure Y Violence Prevention Services are also in progress.

A copy of the audit report can be found at:
<http://www.oaklandauditor.com/reports.html>

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