



OFFICE OF
CONTROLLER

LAURA N. CHICK
CONTROLLER

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December 5, 2008

Geraldine Knatz, Ph.D., Executive Director
Los Angeles Harbor Department
425 S. Palos Verdes
San Pedro, CA 90731

Dear Ms. Knatz:

**SUBJECT: EVALUATION OF RESPONSE TO THE PERFORMANCE AUDIT OF
THE HARBOR'S CONTRACTING PRACTICES**

My Audit Division has evaluated your October 30, 2008 response to the "Performance Audit of the Harbor Department's Contracting Practices." I appreciate your commitment to strengthen internal processes that promote transparent and efficient contracting practices.

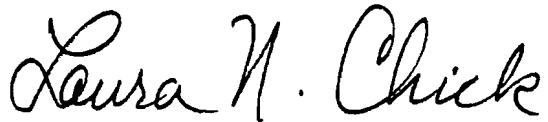
I am pleased to learn that you have already completed some of the recommendations and that you plan to take swift action to address most others. However, the expected due dates for Recommendations 14 and 15 are listed as "pending." These recommendations relate to developing a comprehensive and integrated contracting information system. Your response indicates that the Information Technology Division will coordinate and implement an integrated system for contract monitoring and reporting. I understand creating an integrated system requires significant planning and, at the time of your response, an expected timeframe might not have been known. However, internal deadlines should be established as soon as possible to ensure proper project management.

With regard to the planned implementation date for Recommendation 13, my staff learned that the date should be noted as December 2008. The reported due date of November 2009 was an error.

Geraldine Knatz, Executive Director
December 5, 2008
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As part of my Office's follow-up program, we will request a status report in approximately six months. The objective of the follow-up program is to ensure that the audit recommendations have been properly addressed.

Sincerely,

A handwritten signature in black ink that reads "Laura N. Chick". The signature is written in a cursive, flowing style.

LAURA N. CHICK
City Controller

cc: Robin Kramer, Chief of Staff, Office of the Mayor
Jimmy Blackman, Deputy Chief of Staff, Office of the Mayor
Helmi Hisserich, Deputy Mayor
S. David Freeman, President, Board of Harbor Commissioners