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City's Finance Department Eliminates More Than 60 Material Weaknesses and Clears Nearly 90% of Audit Findings through Improved Internal Controls and Efficiencies

OXNARD, Calif. – Oxnard continues to overhaul the City's financial management systems, with its new leadership team and staff resolving nearly every major audit issue in just under three years.

"This validates the fact that Oxnard is being a responsible steward of taxpayer dollars and that the days of financial mismanagement are behind us," said City Manager Alex Nguyen.

Over the past five years, the City's annual audits identified a total of 158 different findings concerning its internal controls over financial reporting and accounting policies and procedures. Of these 158 findings, 65 were material weaknesses, which represents the most serious type of finding.

Last year, the City received its first audit since 2014 with no new material weakness findings. Based on feedback received this month from the City's independent external auditors, Eadie+Payne, the City has fully remediated all but one material weakness, and the City expects that one to be resolved by the end of this year. Overall, staff has cleared more than 90 percent of all the audit findings.

This is a turning point for the organization as it has now corrected well over 100 audit findings from prior years. In 2018, the City was required to produce a Corrective Action Plan (CAP) and submit it to the State Controller's Office for review and approval. In January of 2019, Chief Financial Officer Kevin Riper and Assistant Chief Financial Officer Donna Ventura joined the organization and continued work on fixing all of the past deficiencies.

The new leadership team transformed the Finance Department to address the audit findings and improve staff technical competencies through greater investment in training. The comprehensive Internal Control-Integrated Framework recently adopted by the City Council will continue to strengthen internal processes and oversight of the City's finances. Last year the City received a "[Letter of Encouragement](#)" from its external auditor, which reaffirmed the City's significant progress in resolving prior financial issues in such a short period.

Staff provides the City Council with an update on the CAP every six months. The latest report will go to the City Council on Nov. 17, 2020. To view the in-depth topic discussion by the City's Finance and Governance Committee on Oct. 27, visit <https://youtu.be/gFc7Lo7Qnvk>.

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