



OFFICE OF THE CITY CONTROLLER

Houston's City Controller, Sylvia R. Garcia, is the second highest elected official in Houston City government and its chief financial officer, as dictated by the City charter. The Office of the City Controller superintends the fiscal affairs of the City, which includes conducting audits, managing its investment and debt, preparing financial statements and providing leadership on issues pertaining to the City's financial health. She thus serves as an independently elected "financial voice" on issues of importance to the City.

During her first term, Controller Garcia emphasized the reorganization of the office for more effective, efficient financial leadership. Now in her second two-year term, Controller Garcia continues to build upon the improvements she established in the Office's audit services, customer services, financial reporting, investment management and technology.

Technological upgrades bring office operations a step closer to "paperless" transactions. Innovations this year include the use of Muni-Auction, an Internet-based auction site for municipal bond sales. Meanwhile, the "positive pay" check security system continues to capture phony and altered checks, saving the City, in some cases, hundreds of thousands of dollars.

Enhanced audit functions, including more audit personnel on staff, enabled the Office of the City Controller to complete 52 audits in FY2000. By promoting more efficient and effective governmental operations, the Office of the City Controller has identified tens of millions of dollars in potential savings to City government. In a single City department, audits identified revenue enhancements totaling \$9.5 million over five years and identified overpayments and savings totaling \$1.5 million.

In fiscal year 2001, the Office of the City Controller will begin preparation for the implementation of the new reporting model required by the Governmental Accounting Standards Board, effective for the year ending June 30, 2002. The image of the Office of the City Controller as a credible, fiscally prudent operation continues to strengthen, and the view of the City Controller as the city's "financial voice" is now well established.

The preparation of the Comprehensive Annual Financial Report (CAFR) requires a concentrated effort by every division of the City Controller's office. The Financial Reporting Division is ultimately responsible for the final product. The CAFR will be available on the City Controller's website, www.ci.houston.tx.us/citygovt/controller.