

City of Los Angeles

CALIFORNIA

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October 10, 2025

Honorable Members of the
Government Operations Committee
c/o Office of the City Clerk
Room 395, City Hall
Los Angeles, CA 90012

**SUBJECT: FISCAL YEAR 2025-26 BUDGET SPECIAL STUDY – REDUCING THE
ADMINISTRATIVE BURDEN OF ISSUING CONTRACTS AND PROCESSING
PAYMENT REQUESTS (COUNCIL FILE: 25-0600-S74)**

Honorable Members:

Pursuant to instruction from the Budget, Finance and Innovation Committee, the Office of the City Clerk (City Clerk) submits the following report regarding the City Clerk's role in issuing contracts and processing payment requests. This report includes the scope of support provided to City departments and elected offices, an overview of the current workload, and areas identified for improving the processes for issuing contracts and payments.

City Clerk's Administrative Services Division (ASD)

The City Clerk supports 23 departments and offices, including: Council Offices 1-15, Office of the Mayor, Office of the Chief Legislative Analyst, Department of Cannabis Regulation, Charter Reform Commission, Civil and Human Rights Department, El Pueblo de Los Angeles Historical Monument, Office of Public Accountability, and the Youth Development Department.

Depending on the department or office, ASD provides critical support in the areas of contracts, human resources, payroll, and payments. ASD functions as a centralized administrative unit that ensures fiscal accountability, compliance with City policies, and the timely processing of requests.

ASD is comprised of two sections: Fiscal Services and Accounting.

- A. Fiscal Services Section – This unit, comprised of three full-time Fiscal Analysts and one 120-day part-time Analyst, is dedicated to processing Council motions and managing the contracting needs of all elected offices, and some small departments as allowed.
 - a. Council Motion Processing - In Fiscal Year 2024-25, the Fiscal Services Section processed approximately 300 Council motions, or about 25 motions per month. A single motion may result in multiple transactions for allocations, fund transfers, and contract executions—each requiring significant staff coordination and system entries.
 - b. Contract Execution – On average, Fiscal Services staff execute 120 contracts annually, or about 10 contracts monthly. Key responsibilities include:

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- i. Contract Drafting: Preparing and processing agreements for various professional services.
 - ii. Vendor Verification and Onboarding: Securing and verifying all required vendor information, including W-9 forms, Business Tax Registration Certificates, and proof of insurance. Receiving and reviewing the vendor's detailed budget for the contract services.
 - iii. Interdepartmental Coordination: Liaising directly with the City Attorney's Office, the Office of the City Administrative Officer's (CAO's) Office of Procurement and Risk Management, and Bureau of Contract Administration to ensure all contracts fully comply with City policies and procedures.
 - c. Once all information has been reviewed for completion and accuracy, Fiscal Services staff forwards the requests to the Accounting Section for processing in the City's Financial Management System (FMS).
- B. Accounting Services Section – This unit is comprised of three teams, each consisting of an Accounting Records Supervisor and four Accounting Clerks. Each team is assigned a portfolio of departments and offices, with assignments determined by a Senior Management Analyst I.
 - a. On average, the accounting staff processes approximately 1,500 accounting transactions per month in FMS. These transactions include payments, transfers of funds, contract executions, encumbrances, and reimbursements.
 - b. The time required to process a payment request varies significantly. Processing times are dependent on several factors, including the duration of compliance reviews by the City Attorney's Office, Risk Management, the Bureau of Contract Administration, and the Controller's Office, as well as the responsiveness of both the requesting department and its vendors in providing necessary documentation.

Contract Review and Processing

The contract process can take three to four months, depending on the complexity and the vendor's status in City systems. If the vendor already provides services to the City, execution may be relatively streamlined. However, for new vendors, additional time is needed to obtain W-9 documents, Business Tax Registration Certificates, banking information, and other compliance materials before a contract can be executed and payment can be disbursed. Furthermore, staff coordinate closely with the City Attorney's Office and the CAO's Risk Management unit to ensure all contracts:

- Protect the City from liability,
- Ensure performance of work under the specified budget, and
- Confirm that all City policies are followed by the vendor.

This comprehensive review process, while detailed, is necessary to protect the City's financial and legal interests.

Process Review and System Centralization

Funding requests are currently submitted through different portals depending on the source of funds and the requesting office, with some requests made informally via email or phone. This decentralized intake process has created challenges in tracking and communicating the status of all requests. As a result, we initiated process mapping to analyze and redesign workflows.

The aim of this effort is to centralize all existing system portals into one location to reduce inefficiencies and shorten processing times.

Through these process mapping discussions, we have identified existing tools that may help streamline our intake process in the short-term, while we develop and implement more robust, long-term solutions.

The intended outcomes of this initiative are to allow ASD to:

- Standardize how contracts and payment requests are received and executed,
- Provide a single point for request submission and status tracking,
- Report on key performance metrics, and
- Improve communication with supported offices and departments.

Discussion

The City Clerk's role in issuing contracts and processing payments is expanding as support is extended to more City entities, such as the Charter Reform Commission. However, the decentralized nature of current processes combined with limited staffing capacity has created inefficiencies that impact both workload and communication.

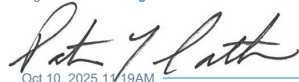
Through process mapping, system centralization, and additional staffing support, ASD is actively working to implement a more efficient, accountable, and transparent process that will better serve the City's elected offices and departments.

Recommendations for Council Action:

1. Authorize the addition of one Management Analyst in the City Clerk's Fiscal Services Section to assume the duties of two departing 120-day staff members and ensure continuity of critical operations and contract support for the City Council offices;
2. Request the Controller's Office to provide robust training to City Clerk staff on processing documents in the Financial Management System to help reduce errors and expedite the disbursement of payments;
3. Instruct the Bureau of Contract Administration and the City Clerk, in consultation with other relevant departments, to identify efficiencies to streamline the City's contracting process with nonprofit organizations. This review should include, but not be limited to, an evaluation of the processes of the City's standard contracting forms.

Sincerely,

Signed with ClerkSign



Oct 10, 2025 11:19AM
Patrice Y. Lattimore
City Clerk



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