Auditor-Controller

2011 Update to the 2010 Business Plan

County of Orange • Auditor-Controller



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Action Plan

1. Strategic Goals and Strategies to Accomplish

Strategic priorities and outcome indicators for each of the office's goals were established for 2010. Although there are numerous strategic priorities, it is important to note that most of the office's resources will be expended on two of them: the successful daily operations of the County's central accounting systems under Goal #1, and the provision of ongoing accounting services to host County departments/agencies under Goal #3.

Goal #1 is to assist in controlling the financial risk faced by the County. Strategies to accomplish this goal include:

- Performing the audits of the County Treasury as required by law.
- Maintaining a leadership role on the County's financial management team for issues relating to financial oversight activities.
- Providing additional information to management allowing increased oversight.
- Reviewing the costing of collective bargaining strategies and contracts as directed by the Board of Supervisors.

A. The Outcome Indicator for this goal is to perform the required audits and to issue the required reports timely.

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Quarterly and annual audits of the County treasury as well as daily monitoring of the County's investment portfolios. Why: Provide assurance to the public that the cash and investments on hand are equal to those reported by the Treasurer.	The quarterly reviews and annual audit of the Treasury were performed timely. The daily monitoring of the County's investment portfolios was converted to a sample of 10-days per month based on direction from the Treasury Oversight Committee beginning with April 2010.	Perform audits of the Treasury for the quarters ending 6/30/10, 9/30/10 and 3/31/11 and perform the annual audit for the year ended 12/31/10 and submit the required reports timely.	The 6/30/10 Treasury Review was performed timely. The 9/30/10 Treasury Review is in process. The 12/31/10 annual audit and the 3/31/11 review have not been performed yet, since the audit periods have not concluded yet, but are scheduled as future assignments.	Perform audits of the Treasury for the quarters ending 6/30/11, 9/30/11 and 3/31/12 and perform the annual audit for the year ended 12/31/11 and submit the required reports timely. Prepare monthly reports on Treasury Compliance with certain investment policy provisions and submit reports to the Treasury Oversight Committee timely.	The quarterly reviews and one annual audit of the Treasury assets will be placed on the fiscal year 2011-12 audit plan. The Treasury Compliance Monitoring Reports will be included on the fiscal year 2011-12 audit plan.

B. The Outcome Indicator for this goal is to have the Auditor-Controller represented on the following oversight committees: Treasury Oversight Committee (TOC), Audit Oversight Committee (AOC), Public Financing Advisory Committee (PFAC), CAPS Steering Committee Chairman, Property Tax Management System (PTMS) Steering Committee, Measure M Taxpayers Oversight Committee Chairman, and Governmental Accounting Standards Board (GASB) Member.

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Auditor-Controller or staff will attend 100% of these committee meetings.	Nearly all meetings were attended by the Auditor- Controller with the balance being attended by senior AC staff.	Staff will attend all meetings.	100% of all meetings will be attended by A-C staff.	Staff will attend all meetings	Continue to provide full support for these oversight committees.

<u>Goal #2</u> is to promote accountability by developing and enforcing systems of accounting controls. Strategies to accomplish this goal include:

- Continuing to meet successfully the daily operations of the County's central accounting systems.
- Staying current with all critical recurring accounting operations.
- Assessing the risk and the adequacy of controls of the County's major transaction processing systems maintained by the Auditor-Controller's office.

The Outcome Indicator for this goal is to receive a certified opinion in a timely manner on compliance with laws, regulations, and provisions of contracts or grants that could have a material effect on each major Federal program administered by the County.

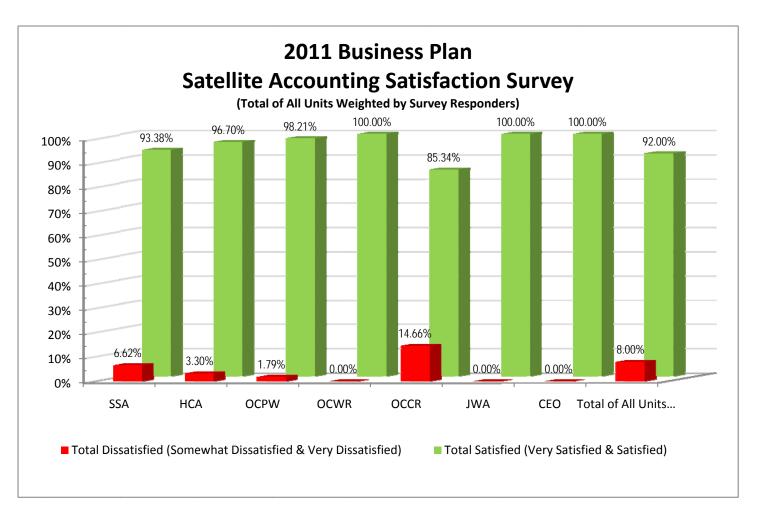
Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Measures compliance with requirements in administering Federal and State programs. Why: Provides assurance to Federal and State agencies that there are no material weaknesses in controls affecting compliance.	The County received an unqualified opinion in all areas covered by the Single Audit Reports for FY 2008-09	Continue to receive certified opinions in a timely manner for all accounting related areas for FY 2009-10, and continue to meet the requirements of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget (OMB) Circular A-133.	The office expects to obtain a certified opinion in a timely manner for FY 2009-10.	The office fully expects to receive certified opinions in a timely manner for all accounting related areas for FY 2010-11, and continue to meet the requirements of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget (OMB) Circular A-133.	The County has received unqualified opinions in all accounting related areas covered by the Single Audit Reports for the past several years.

Goal #3 is to anticipate and satisfy our stakeholders' and clients' needs for financial services and reliable information. Strategies to meet this goal consist of:

- Providing ongoing accounting services to departments/agencies.
- ♦ Assessing customer satisfaction.
- Supporting special projects requested by clients.
- Preparing fiscal analyses of County ballot initiatives as requested by the Board of Supervisors.
- Increasing the use of web-based information.

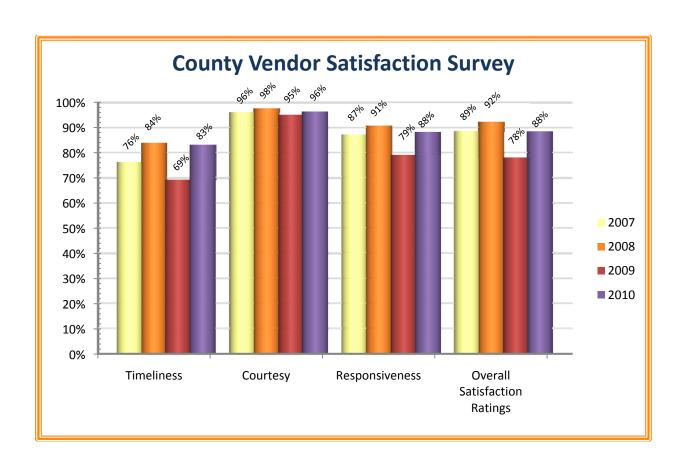
A. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the department's biennial countywide client surveys of the office's satellite accounting sections (judgmental sample). The target was reduced from 95% to be consistent with all Auditor-Controller satisfaction surveys.

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Measures client satisfaction with services of the Auditor-Controller Satellite accounting sections. Why: To meet and exceed expectations of County clients.	The office exceeded its rating goal in the survey of its satellite accounting sections, sent to County departments and agencies in 2010. 92% of these clients were "Very Satisfied" to "Satisfied" with the office's services. The results reflect a major reorganization at OCCR.	The office plans to continue conducting biennial surveys, alternating between central and satellite accounting divisions, and meet or exceed the rating goal.	The office plans to meet or exceed the rating goal.	We plan to continue conducting our biennial surveys, alternating between central and satellite accounting divisions, and meet or exceed the rating goal.	The office continues to receive high satisfaction ratings for its satellite accounting teams.



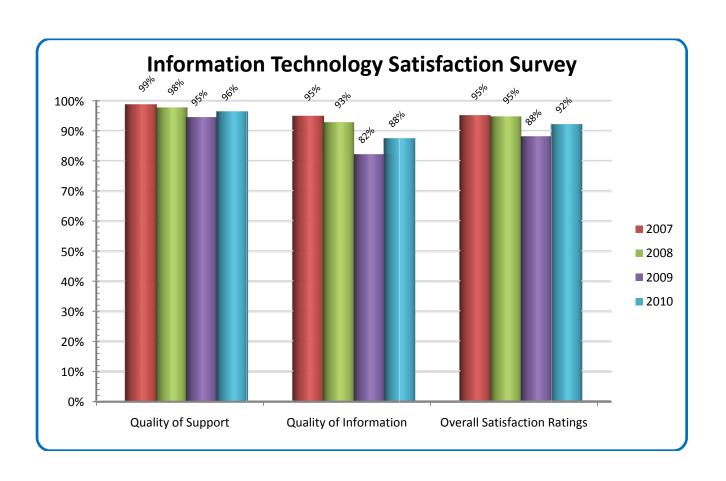
B. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the office's annual survey of County vendors (judgmental sample).

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Measures vendors' satisfaction with services provided. Why: To meet and exceed the expectations of County vendors.	The vendor survey resulted in an overall rating of 88% being "Very Satisfied" or "Satisfied" with the County's payment processing services, which is an increase of 10% over FY 2008-09.	The office will conduct this survey again in FY 2010-11.	The office will continue to strive to achieve a 90% overall satisfaction rating. Potential changes to business processes may assist to achieve this rating.	The office will conduct this survey again in FY 2011-12	In FY 09-10 staff adapted to using the new CAPS+ financial system, which is reflected in an increase in all ratings. Overall satisfaction increased to 88% from 78%; Courtesy increased to 96% from 95%; Responsiveness increased to 88% from 79%; Timeliness increased to 83% from 69%. The vendor rating responses include County services provided from inception of the contract/order at the department, approval of invoice for payment, and the final payment processed by the Auditor-Controller Central Claims Unit.



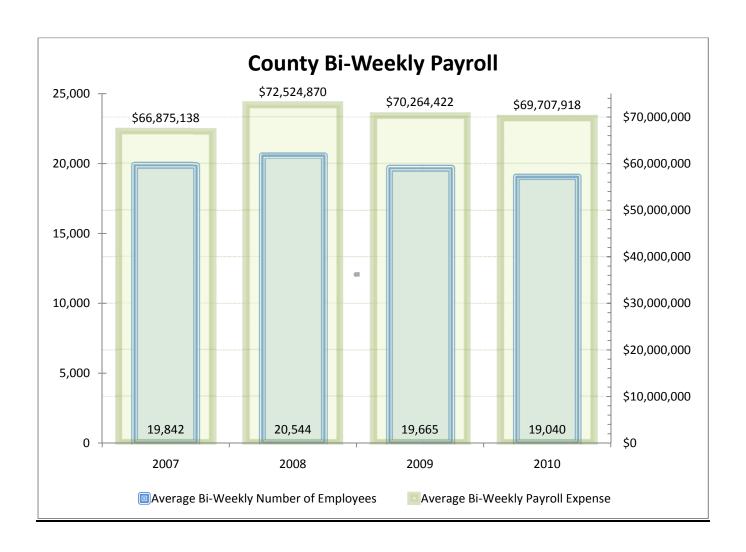
C. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the annual client survey of the office's Information Technology division (judgmental sample).

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Measures client satisfaction with the quality of information provided by the CAPS systems and the level of service provided by staff. Why: To meet and exceed expectations of County clients.	The office held Admin briefings with the agencies and logged issues being reported. The issues with regards to reports and information access were addressed with the restoration of CAPS+Data Warehouse and reports in ERMI. The survey resulted in an Overall Satisfaction rating of 92% being "Very Satisfied" or "Satisfied", which is an increase of 4% over FY 2008-09.	Address and correct issues related to the upgrade of the CAPS+ HR/Payroll system. Continue to correct issues related the CAPS+ Financial system and apply the lessons learned, to ensure not to replicate these in the CAPS+ HR/Payroll system.	We plan to continue the Admin briefings with the agencies and log the issues being reported. We plan to provide additional enhancements to CAPS+ Data Warehouse to address concerns related to reports.	Address and correct any issues related to the upgrade of the CAPS+ HR/Payroll system and apply lessons learned, to ensure quick resolutions during the CAPS+ Upgrade.	The office has improved ratings in all areas as the issues are addressed and resolved with the CAPS+ Financial implementation. Overall Satisfaction increased to 92% from 88%; Quality of Information increased to 88% from 82%; Quality of Support increased to 96% from 95%. Agencies understand and appreciate the efforts being taken to correct issues.



D. The Outcome Indicator for this goal is to meet all biweekly payroll deadlines for all 26 pay periods.

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Measures ability to meet biweekly County payroll deadlines. Why: To ensure the delivery of County services by County employees, and to maintain the financial well-being of the employees themselves.	All bi-weekly payroll deadlines were met for payroll in FY 2009-10.	The office expects to meet all bi-weekly payroll cycles during FY 2010-11, even with the challenge of the implementation of a new HR/Payroll system in 2011.	The office expects to meet all bi-weekly payroll deadlines during the year.	The office expects to meet all bi-weekly payroll cycles during FY 2011-12.	The computation and issuance of payroll for over 19,000 employees was successfully completed for each payroll cycle during the year.



Goal #4 is to increase countywide organizational effectiveness by making the appropriate investments in our staff and technology. Strategies to meet this goal include:

- Continuing to stay current with CGI financial and human resources software product releases.
- Maximizing the usability of existing accounting systems by expanding the use of existing assets such as ERMI, the Data Warehouse, functional user groups, VTI, Business Objects and workflow.
- Continue to lead the development, implementation and maintenance of the Auditor-Controller, Treasurer-Tax Collector and Clerk of the Board Property Tax Management System (PTMS).
- Establish a PTMS operations and maintenance plan with the Treasurer-Tax Collector and Clerk of the Board.
- Implementing Online Training Management software to allow for easy enrollment in classes to County employees while allowing supervisors and managers to easily track progress of their staff.
- Encouraging decentralized, secure, web-based transaction processing as a means to increase productivity and reduce processing time.
- Enhancing work area efficiency and effectiveness.
- Improving staff well-being through employee training, recognition and other programs.
- Continuing to fulfill the requirements of the County-wide performance management plans.
- Developing leadership skills of staff to meet future requirements for succession to leadership positions.

The Outcome Indicators for this goal is as follows:

A. To meet all department/agency requests to rollout VTI.

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Measures departments/agencies that have requested to use VTI and the ability to roll out VTI to those organizations. Why: Manual payroll processing is labor intensive, time consuming and prone to errors. Payroll adjustments resulting from errors are even more costly.	The rollout of VTI to all Probation employees was completed. Probation VTI scheduling module was demonstrated to Sheriff.	Provide the Sheriff with information on the VTI system and its vendor to allow an informed decision during the Sheriff's evaluation of timesheet systems.	During this fiscal year, provide the Sheriff all information and support to make an informed decision on the upgrade of its timesheet system.	Pending the Sheriff's decision, we plan to initiate the roll-out of the VTI system to their department.	Currently all departments with the exception of Sheriff is operational on VTI. This has proven to be a cost savings in the reduction of Payroll Adjustment clerks required at the department level.

B. To develop, implement, and maintain the Property Tax Management System (PTMS).

Performance Measure	FY 09-10 Results	FY 10-11 Plan	FY 10-11 Anticipated Results	FY 11-12 Plan	How are we doing?
What: Measures the ability to develop, implement and maintain PTMS. Why: The computer programming language used to code the existing PTMS is obsolete and in-house support skills are few and diminishing.	New performance measure for FY 2010-11.	Continue to develop the PTMS.	During this fiscal year, we expect that an operations and maintenance agreement among the participating Departments is in place.	Full implementation of PTMS.	The PTMS application is currently in development with the final phase of implementation the first half of FY 2011-12.