

**Auditor-Controller
FY 2009-10 Performance Plan**

I. MISSION STATEMENT

The mission of the Auditor-Controller is to serve the community by providing excellent and responsive fiscal leadership, advocating financial integrity and accountability in County government through the monitoring and reporting of financial performance, promoting economy and efficiency, safeguarding of public funds, and fulfilling the many legal mandates of the office.

II. DEPARTMENT OVERVIEW

The Auditor-Controller (ACO) prescribes, and exercises general supervision, over the forms and methods of keeping the accounts of all offices, departments and institutions under the control of the Board of Supervisors and of all districts whose funds are kept in the County treasury, and directs a comprehensive program of internal auditing of these entities as needed. The Auditor-Controller is the chief accounting officer of the County, and as such also administers the County's major financial, budgetary, payroll, fixed asset, and tax apportionment systems.

The Auditor Controller includes the following programs:

- Administration
- Financial Services
- Audits

III. FY 2008-09 ACCOMPLISHMENTS

- Implemented substantial configuration changes to payroll programs resulting in improved payroll performance and results
- Prepared and submitted first financial statement from data provided by new system
- Completed the conversion of the old main frame property tax system to a server based system

IV. GOALS AND KEY INITIATIVES FOR FY 2009-10

Goal 1: Provide excellent customer service to County departments, cities, towns, special districts, schools, vendors, and taxpayers

Please indicate how goal reflects one of the department's highest priorities and aligns with Countywide Goals and Priorities

It is important to continue to expand understanding of MERIT financial data and associated systems for reliable decision-making for the benefit of the community we serve. It is critical that the ACO have accurate information that is obtained in an efficient manner.

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FY 2009-10 Key Initiatives

1. Work with Information Services and Technology (IST) to make improvements to the MERIT system and thereby improve the level of service provided for internal operations and all special districts
2. Determine best fit reporting systems for special districts and assist with their conversion to other systems
3. Provide sufficient focus with existing resources to get financial reporting caught up to current fiscal year for the benefit of all County departments and special districts that rely on our systems and staff

Goal 2: Provide excellent and responsive fiscal leadership, while maintaining financial integrity and accountability

Please indicate how goal reflects one of the department's highest priorities and aligns with Countywide Goals and Priorities

Expanding knowledge and use of the MERIT system for the benefit of all County departments and special districts is important to provide higher levels of services with shrinking revenue base.

FY 2009-10 Key Initiatives

1. Look at and review the cost benefits of implementing Governance Risk Compliance (GRC), which is a role and internal control-based monitoring system to assure the integrity of the data in the system
2. Re-review all roles in the MERIT system and realign internal controls once system has stabilized
3. Work with IST on reporting options in order to produce financial reports in a more timely fashion

V. KEY CHALLENGES AND ISSUES

- Staffing and skill levels in the ACO need to be reevaluated based on the requirements to run the MERIT system. The current workload in ACO (enhanced by the use of outside temporary accounting assistance) has not settled into a manageable nor reliable pattern.
- Conversion issues and keeping up with day-to-day business needs have prevented the department from establishing routine operational processes. Additionally the financially reporting continues to be a great challenge for the staff and enhancements to data structure is needed.
- Given that reconfiguration of the system is still required and clean up efforts have diverted resources from establishing a routine operation, the financial reporting provided by the system for County operations, special district analysis and external financial reporting is still a huge challenge. More customization of the system is needed in order to provide system benefits.

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- Cost accounting, including A-87 and inter/intra departmental and special district charge backs, are a continuing challenge in terms of staff time, but once analyzed and resolved it may provide additional financial resources to help address the County's budget shortfall.

VI. PERFORMANCE MEASURES

FINANCIAL SERVICES

Objective: Ensure staff skills continue to stay current by developing a formal accounting and technical training program for Auditor-Controller staff

Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Estimate	FY 09-10 Estimate
Workload Measures				
Number of trained accountants	2	6	8	8
Effectiveness Measures				
Percent increase in trained accountants	n/a	200%	33%	10%

Department Comments: Recruiting trained governmental accountants continues to be a significant challenge here based on location and salary. A trained accountant for our needs is someone who is a permanent position and either comes to Marin with past governmental accounting background or who develops the skill level needed while on the job through specialized governmental accounting or on the job training.

Objective: Provide excellent customer service by apportioning property tax revenues to taxing entities expediently

Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Estimate	FY 09-10 Estimate
Workload Measures				
Number of entities apportioned	320	320	320	320
Efficiency Measures				
Number of apportionments per FTE	7.75	10	10	10
Effectiveness Measures				

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Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Estimate	FY 09-10 Estimate
Percentage of Teeter property tax apportioned within five days of secured installment due date	95%	95%	95%	95%

Department Comments: Property tax apportionments in Marin County are more complicated than other counties because of the excess ERAF calculations that are only performed in 1 or 2 other counties in the state. Internally we have reassigned some property tax duties to a person from another division so that cross training of this function can benefit the ACO's future by spreading this unique knowledge.

Objective: Maximize the number of County employees, retirees and vendors using direct deposit or Automatic Clearing House (ACH) to reduce costs of handling money and improve efficiencies within the County

Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Estimate	FY 09-10 Estimate
Workload Measures				
Total number of payments made (payroll & vendor)	196,578	192,482	197,426	201,427
Number of payments made using direct deposit or ACH	113,804	119,382	127,286	140,849
Effectiveness Measures				
Percent of payments made using direct deposit	58%	62%	64%	70%

Department Comments: There is a continual push for employees to use direct deposit and all new employees are being asked to participate. Direct deposit is green, reliable and very efficient. The list of paper checks continue to shrink. Overall we expect our ratio of payroll, direct deposit to paper check to be 89% for FY 2009-10. There needs to be an emphasis from the organization to promote electronic means of dispersing funds. The process has presented its challenges but departments and vendors generally seem to be cooperative. We are hoping to raise the percent of vendor payments made with ACH's to 70%.

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Objective: Improve and shorten the year-end closing process

Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Estimate	FY 09-10 Estimate
Workload Measures				
Number of year-end closing instructional and informational sessions conducted	1	1	1	1
Effectiveness Measures				
Number of months to close year-end	21	12	9	6
Percentage reduction in months	n/a	43%	25%	33%

Department Comments: Organization-wide training on year-end close has helped to reduce the time involved to complete the close. The various departments have a much better understanding of the required entries and how all of this affects their budgets and departmental operations.

Objective: Reduce the frequency of and complexity of processing travel advances

Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Estimate	FY 09-10 Estimate
Workload Measures				
Number of travel advances processed	661	403	549	575
Number of staff hours spent processing travel advances	2,080	1,664	936	936
Effectiveness Measures				
Change in the number of travel advances processed	n/a	-258	146	26
Average number of hours to process a travel advance	3.15	4.13	1.70	1.63

Department Comments: Marin has a fairly complex system for processing travel advances. We hope to be able to streamline the process and significantly reduce workload.

AUDITS

Objective: Increase the number of non-mandated audits performed in order to ensure County assets are safeguarded and to demonstrate fiscal responsibility.

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Measures	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Estimate	FY 09-10 Estimate
Workload Measures				
Number of mandated audits conducted	8	8	8	8
Number of non-mandated audits conducted	1	1	5	7
Efficiency Measures				
Number of staff hours per mandated audit	800	706	725	725
Number of staff hours per non-mandated audit	20	200	400	150

Department Comments: Non-mandated auditable areas include: county assets, Cal-card, contracts, SB90 claims, federal expenditures for single audit and other best practice audits. While staff is becoming accustomed to using information in the new financial system, staffing constraints may limit success.