

RESPONSE TO GRAND JURY REPORT FORM

Report Title: "Looking Between the Lines" A Review of the County's Budgeting Processes

Report Date: May 23, 2005

Response by: MICHAEL J. SMITH

TREASURER-TAX COLLECTOR
PUBLIC ADMINISTRATOR
COUNTY CLERK-REGISTRAR OF VOTERS

FINDINGS

- I (we) agree with the findings numbered: F1, F2, F3, F6
 - I (we) disagree wholly or partially with the findings numbered: F4, F5
- (Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered R6 have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered R4 have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered R1, R2, R3, R5 will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 7/19/05

Signed: 

Number of pages attached 3



**TREASURER - TAX COLLECTOR
PUBLIC ADMINISTRATOR
COUNTY CLERK - REGISTRAR OF VOTERS**

Michael J. Smith
Treasurer-Tax Collector
Public Administrator
County Clerk-Registrar of Voters

Roy Given
Assistant Treasurer-Tax Collector
Madelyn DeJusto
Assistant County Clerk-Registrar

July 20, 2005

Honorable Terrence R. Boren
Marin County Superior Court
P. O. Box 4988
San Rafael CA 94913-4988

Re: Marin County Civil Grand Jury Report of May 23, 2005
"Looking Between the Lines": A Review of the County's Budgeting Process

Dear Judge Boren:

As requested by the Grand Jury, the following response to the May 23, 2005 report's findings and recommendations is provided.

First, I would like to thank the Grand Jury for their time and work in service to our community. While I found their report somewhat premature and guarded in its observation of the county's new strategic approach to Managing for Results (MFR), I believe their report provides valuable feedback and raises questions which will be of assistance as the County Administrator and Board of Supervisors work with departments in providing a more meaningful approach to evaluating county expenditures against agreed-upon goals. This is the first year the department budgets were submitted in an MFR format. I see it as an evolving budget process that can be improved upon with the rollout of the county auditor's Enterprise Resource Planning System (ERPS). Admittedly, it is a new direction and somewhat expected that the commitment levels will vary by department. Even I struggled with the new budget process. Still, it is an approach put forth by the Board of Supervisors and a worthwhile effort to align the county's mission with organizational (departmental) goals and community goals within the budget process.

Responses to the Grand Jury's Findings and Recommendations:

Findings

F1. Commitment to the "Managing for Results" program is inconsistent.

Response: I agree. The overall benefit is a worthwhile undertaking and its benefit to the community we serve will depend on the direction provided by the County Administrator's office.

County Clerk
P.O. Box E, San Rafael, CA 94913
(415) 499-6415 - FAX (415) 499-7184
<http://marin.org/mc/clerk>

Treasurer - Tax Collector
Public Administrator
P.O. Box 4220, San Rafael, CA 94913
(415) 499-6133 - FAX (415) 507-4011
<http://marin.org/mc/taxes>

Registrar of Voters
P.O. Box E, San Rafael, CA 94913
(415) 499-6456 - FAX (415) 499-6447
<http://marin.org/mc/clerk/elections>

F2. Timelines for Implementation of "Managing for Results" are either non-existent or not spelled out.

Response: I agree. I do not recall a specific timeline.

F3. Performance measurements that would provide a yardstick for goal achievement are non-existent.

Response: I agree. Performance measurements and indicators are not within Phase I of Managing for Results. I understand they will be included once the county auditor's accounting/reporting system is replaced with an Enterprise Resource Planning System.

F4. The County Administrator generally is not held accountable for program outcomes, even though he is responsible for budget preparation and control.

Response: I disagree, partially. The County Administrator is not responsible for the program outcome of the Treasurer's Department. I cannot speak for other departments or to other duties assigned to the administrator by the Board of Supervisors.

F5. Establishing clear lines of authority and accountability is difficult.

Response: I disagree. Irrespective of the County Administrator's supervisory responsibilities, lines of authority and accountability can be and are achieved.

F6. The "Pay for Performance" goal may not be achievable.

Response: I agree. I am supportive of setting department outcomes to meet community service goals. However, I don't believe the MFR program was intended to "usher" in a Pay for Performance Program. The decision to introduce such will be with the Board of Supervisors. Pay for Performance, if undertaken, should be pursued with caution.

Recommendations

R1. The Board of Supervisors defines accountability for program outcomes.

Response: Recommendation R1 will not be implemented by the County Treasurer. The Board of Supervisors approves the budget to include defining the accountability for program outcomes given input from the County Administrator and department heads.

R2. The "Managing for Results" program has definite timelines for its implementation.

Response: Recommendation R2 will not be implemented by the County Treasurer. The MFR timetable is a decision for the County Administrator.

R3. The Maximizing Program be mandatory.

Response: Recommendation R3 will not be implemented by the County Treasurer. The decision to set mandatory requirements would need to come from the County Administrator with the Board of Supervisors approval.

R4. Performance indicators be outcome based.

Response: Recommendation R4 has not yet been implemented, but will be implemented in the future. With the auditor's new financial accounting system and identified indicators by the administrator, it is our intent to have outcome-based indicators within our budget process.

R5. The performance measures be compared to other counties and the private sector to find the best practices so the county can ensure "We are doing the right things well".

Response: Recommendation R5 will not be implemented by the County Treasurer. Although I support the recommendation, the decision to compare would need to come from the County Administrator.

R6. Mechanism be put in place so, when opportunities for improvement are identified, the improvements can be made in a timely manner.

Response: Recommendation R6 has been implemented. It has always been our department's practice to regularly review our operations for improvements. This practice will continue, even within the new budget approach.

In closing, our department is supportive of the Grand Jury recommendations, though the decision to implement them rests with the County Administrator and the Board of Supervisors. I appreciate the Grand Jury's work believe it will be a positive influence as the county continues to imbed Managing for Results within the budget process.

Respectfully submitted,



Michael J. Smith
Treasurer-Tax Collector
Public Administrator
County Clerk-Registrar of Voters

cc: J. Patrick Burke, Civil Grand Jury Foreperson