

**Auditor-Controller  
Final Performance Plan  
FY 2008-09**

---

**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. ACCOMPLISHMENTS FY 2007-08**

- Successfully transitioned MERIT team from ACO to Information Services and Technology to provide a broader organizational perspective on the project
- Created a dedicated accounts payable division to handle vendor payments
- Successfully recruited and hired highly qualified, key management staff
- Assisted in the resolution on excess ERAF which resulted in one-time windfall of distribution to spread \$25 million to 71 locals entities
- Initiated project PISMO (Property Information Systems Modernization) to convert the complex TAPIS program (Tax And Property Information System) from a main frame computer environment to a SQL server environment
- Successfully and accurately distributed \$630 million in various taxes using the MERIT system

**IV. GOALS AND INITIATIVES FY 2008-09**

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

**Auditor-Controller  
Final Performance Plan  
FY 2008-09**

---

**FY 2008-09 Initiatives**

1. Work with Information Services and Technology (IST) to make improvements to the MERIT system and thereby improve the level of service provided
2. Work with IST, the Assessor-Recorder, and Tax Collector to convert property tax system from a main frame application to a SQL server environment
3. Work with Information Services and Technology to prepare remittance advices for vendors paid by the County with Automated Clearing House
4. Complete property tax apportionments in a timely fashion
5. Increase the number of County employees, retirees and vendors using direct deposit to reduce costs and improve efficiencies

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

**FY 2008-09 Initiatives**

1. Complete the A-87 Indirect Cost Plan in a more timely manner to better meet the needs of departments that are eligible for cost reimbursement
2. Guide the implementation of GASB Statement No. 45 (Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions)
3. Initiate development of a statistical section for the County to prepare a Comprehensive Annual Financial Report (CAFR)
4. Increase the number of internal audits performed to provide better fiscal oversight

**V. KEY CHALLENGES AND OUTSTANDING ISSUES**

- Increased demand for staff hours to perform mandatory functions and implement key initiatives within the current budget
- Significant increase in the need for staff to have a higher degree of technical skill in order to utilize MERIT
- Ability to attract and retain qualified staff
- Significant number of current and upcoming retirements of long time staff members may create functional knowledge gaps in certain areas

**Auditor-Controller  
Final Performance Plan  
FY 2008-09**

---

**VI. PERFORMANCE MEASURES**

**AUDITS**

**PROGRAM DESCRIPTION**

One of the activities within the Audit program is conducting mandated audits that are required by statute. The purpose of these mandated audits is to ensure that public funds are properly safeguarded, internal controls are adequate to mitigate risks of fraud, and possibilities of errors and irregularities, and the County is in compliance with the requirements of the California Government Code.

**OBJECTIVE: Increase the number of staff hours dedicated to audit activities other than mandated audits by 5%**

| Measures                                     | FY 2006-07<br>Actual | FY 2007-08<br>Estimate | FY 2008-09<br>Estimate |
|--|----------------------|------------------------|------------------------|
| <b>Workload Measures</b>                     |                      |                        |                        |
| Number of mandated audits                    | 8                    | 8                      | 8                      |
| Number of non-mandated audits                | 1                    | 1                      | 1                      |
| <b>Efficiency Measures</b>                   |                      |                        |                        |
| Number of staff hours per mandated audit     | 800                  | 750                    | 725                    |
| Number of staff hours per non-mandated audit | 20                   | 200                    | 400                    |

**Department Comments:**

One of the core responsibilities of the Auditor-Controller's Office (ACO) is safeguarding public funds. Performing the mandated audits gives assurance that the County is in compliance with regulations.

**ACCOUNTING**

**PROGRAM DESCRIPTION**

This program processes and approves payments to vendors, County and retirement payrolls, and distributes property tax collections, special assessments, subventions and bond revenues to schools, cities, special districts, and county and redevelopment agencies.

**OBJECTIVE: Develop a formal accounting and technical training program for Auditor-Controller staff**

| Measures                      | FY 2006-07<br>Actual | FY 2007-08<br>Estimate | FY 2008-09<br>Estimate |
|-------------------------------|----------------------|------------------------|------------------------|
| <b>Efficiency Measures</b>    |                      |                        |                        |
| Number of trained accountants | n/a                  | 0                      | 3                      |

**Auditor-Controller  
Final Performance Plan  
FY 2008-09**

| Measures                                | FY 2006-07<br>Actual | FY 2007-08<br>Estimate | FY 2008-09<br>Estimate |
|---|----------------------|------------------------|------------------------|
| <b>Effectiveness Measures</b>           |                      |                        |                        |
| Percent increase in trained accountants | n/a                  | 0%                     | 50%                    |

**Department Comments:**

The mission of the office can not be sufficiently met without ensuring that accountants are properly trained. This training ensures that entry-level accountants are trained properly before they promote to professional level accounting positions.

**OBJECTIVE: Provide excellent customer service by apportioning property tax revenues to taxing entities expeditiously**

| Measures   | FY 2006-07<br>Actual | FY 2007-08<br>Estimate | FY 2008-09<br>Estimate |
|--|----------------------|------------------------|------------------------|
| <b>Workload Measures</b>   |                      |                        |                        |
| Number of entities apportioned   | 320                  | 320                    | 320                    |
| <b>Efficiency Measures</b>   |                      |                        |                        |
| Number of apportionments per FTE   | 7.75                 | 10                     | 10                     |
| <b>Effectiveness Measures</b>  |                      |                        |                        |
| Percentage of Teeter property tax apportioned within five days of secured installment due date | 95%                  | 95%                    | 95%                    |

**Department Comments:**

Local taxing jurisdictions such as cities, towns, schools, and special districts depend upon the Auditor Controller's Office to apportion this significant amount of their budgeted revenue in a timely manner.

**OBJECTIVE: Maximize the number of County employees, retirees and vendors using direct deposit to reduce costs and improve efficiencies**

| Measures                                      | FY 2006-07<br>Actual | FY 2007-08<br>Estimate | FY 2008-09<br>Estimate |
|---|----------------------|------------------------|------------------------|
| <b>Workload Measures</b>                      |                      |                        |                        |
| Total number of payments made                 | 196,578              | 206,000                | 197,000                |
| Number of payments made using direct deposit  | 113,804              | 119,000                | 114,000                |
| <b>Effectiveness Measures</b>                 |                      |                        |                        |
| Percent of payments made using direct deposit | 58%                  | 58%                    | 58%                    |

**Department Comments:**

In the interest of providing excellent customer service, direct deposit is the most expedient means to pay County employees. These performance measures will help us to track the effectiveness of maximizing usage of direct deposit.