

Department of Finance FY 2013 - 14 Performance Plan

I. Mission Statement

The mission of the Department of Finance (DOF) is to instill the public's trust and ensure the financial integrity of the County of Marin by safeguarding the County's funds and promoting the prudent utilization of resources.

II. Department Overview

The Department of Finance (DOF) provides the following services on behalf of the citizenry, to the school districts, special districts, towns and cities: accounting, treasury, property tax administration (e.g., collection, billing, apportionment), collection services, financial reporting, accounts payable, audits, estate administration and other financial services.

Effective September 30, 2012, the DOF was reorganized, with Board of Supervisors approval, into four main programs to further advance consolidation per Measure B and to optimize operational efficiency:

- Accounting /Payroll
- Administration
- Finance
- Property Taxes/Collection

IV. Accomplishments for FY 2012-13

- Received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its FY 2010-11 Comprehensive Annual Financial Report (CAFR), as well as receiving the California State Controller's Office Award for the County's FY 2010-11 Report of Financial Transactions
- Maintained a AAA rating of Marin County Treasurer's Investment Pool, which was the first publicly rated pool in the United States and have achieved the highest possible rating offered by rating agencies since its inception
- Implemented new pension reform in accordance with the California Public Employees' Pension Reform Act of 2013 (PEPRA) and AB 197 in collaboration with the Administrative Services departments and as advised by the Marin County Employees Retirement association
- Documented the current state of business resulting in over 100 process maps and issues as part of the Administrative Technologies of Marin (ATOM) project and in preparation for the implementation a new financial system
- The Department of Finance's nine previously existing business units were recently consolidated into three divisions, to be overseen by new DOF Division Chiefs. The goals of the organizational redesign are to improve customer service, promote work process efficiencies, and encourage teamwork and collaboration
- In response to employee survey data, established the Training and Professional Development and Communications Team comprised primarily of staff with management providing direction and serving as a resource. The teams have developed mission statements, goals, and action plans to improve employee morale
- The Tax collector's office upgraded their IVR (Interactive Voice Response) system to a more stable platform, allowing taxpayers to process credit card payments for tax bills over the phone

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V. Key Challenges and Outstanding Issues

- Numerous key staff members with long standing institutional knowledge are currently retiring and recruiting for and training new talent will be a challenge for the next few years
- Service demand has increased due to the downturn in the economy
- Citizens are less able to pay their taxes and fees, increasing workload of staff due to the need to manage more customer issues and establish payment plans, etc.
- Increased requests for financial information due to increased scrutiny regarding how public monies are spent both by the citizenry and the press
- The Administrative Technologies of Marin (ATOM) project will continue to provide both challenges and opportunities for years to come. The DOF will be challenged to maintain daily operations while using its key subject matter experts toward redesigning business policies, processes and procedures in preparation for the implementation of a new financial system, as well as identifying the requirements for a new system and participating in the procurement and selection process. Obtaining highly competent staff resources to support operations will be key to addressing this challenge.
- The need to increase training, knowledge and awareness of financial and accounting regulations and processes both internally (DOF staff) and externally (operating departmental staff) in a time of reduced resources and competing priorities
- Staying current with constantly changing state and federal regulations to ensure the County remains in compliance. This requires staff to:
 - Monitor regulatory and legal changes (e.g., General Accepted Accounting Principles (GAAP), Government Codes, etc.);
 - Understand the implications to County policy and procedures;
 - Educate and communicate business process changes with County departments and DOF staff in a timely manner; and implement new processes and policies as needed.

VI. Performance Plan

Recent reorganization of the department has necessitated significant revisions to the department's performance plan and associated measures. Many measures are new and, while valuable in the long term to the department, have not been tracked or monitored in the past which results in several targets having a "To Be Determined" (TBD) indicator for this first year.

Department Goal	Countywide Goal
Goal I: Increase Countywide fiscal leadership presence to improve fiscal management and reporting.	X. Financial Responsibility


Initiative Description	Program(s)
Develop and issue the annual Comprehensive Annual Financial Report (CAFR) and State Controller reports	Accounting/Payroll
Redesign the County's chart of accounts prior to implementing the County's new financial system for ease of data transfer and conversion	Accounting/Payroll
Revise the County's current policies and procedures,	Accounting/Payroll

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Initiative Description	Program(s)
specifically: 1) travel advances, 2) project carry-forwards, 3) general ledger coding for professional services, and 4) transient occupancy tax audits	
Communicate, collaborate, and train County departments and staff to standardize and promote best business practices and internal controls	Accounting/Payroll
Anticipate the needs of departments and provide instructional support to administrative staff and employees regarding the calculation and issuance of their paychecks	Accounting/Payroll
Implement a new payroll calendar to allow sufficient time for necessary reconciliation and corrections as needed correcting variances	Accounting/Payroll
Develop a comprehensive annual audit plan that adds value to County operations	Accounting/Payroll

Program: Accounting / Payroll

Objective: Improve the knowledge and understanding of County departments on accounting policies and procedures.

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of instructional sessions conducted	N/A	N/A	N/A	TBD	TBD
 Number of countywide accounting staff trained	N/A	N/A	N/A	TBD	TBD
Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number/percent of training participants reporting an increase in knowledge and understanding in accounting policies and procedures	N/A	N/A	N/A	TBD	TBD

Story Behind Performance:

The County currently has no formal policy that specifically addresses 1) travel advances, 2) project carry-forwards, 3) general ledger coding for professional services, and 4) transient occupancy tax audits. In an effort to standardize business policies and processes in alignment with best practices, the Accounting, Payroll, and Internal Audit Divisions will be creating and implementing policy narratives and providing training to County staff. Its implementation and compliance will strengthen internal controls and provide a comprehensive and consistent policy standard for County Departments.

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Program: Accounting / Payroll


Objective: Improve and shorten the year-end closing process

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of staff trained on year-end closing requirements	N/A	N/A	N/A	TBD	TBD

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of internal charges billed after June 30	20%	23%	7%	8%	8%
Number of months to issue financial reports	14	8	7	4	4
Number of months to issue state regulatory reports	12	13	4	5	5

Program: Accounting / Payroll

Objective: Allocate shared costs (A-87) efficiently to optimize cost recovery from state and federal programs

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
 Number of days from fiscal year to create County's cost allocation plan	700	700	180	180	180

Story Behind Performance:

The federal Office of Management and Budget (OMB) circular A-87 governs the cost accounting principles and process by which government agencies recover the portion of their central support costs that indirectly benefit a federal or State program. This measure provides an indication on the effectiveness of the County's indirect cost rates.

Program: Accounting / Payroll

Objective: Improve the timeliness of resolving payroll issues/questions from departments, administrative staff and County employees.

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of instructional consultations conducted	N/A	N/A	N/A	TBD	TBD
Number of FAQs published on the	N/A	N/A	N/A	TBD	TBD

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Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
payroll website					
Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of payroll issues/questions resolved within two business days	N/A	N/A	N/A	TBD	TBD
Number/percent of training participants reporting an increase in knowledge and understanding in Payroll	N/A	N/A	N/A	TBD	TBD

Program: Accounting / Payroll

Objective: Reduce the number of retroactive payroll adjustments processed

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of retroactive payroll adjustments processed	N/A	N/A	N/A	1,400	1,375
Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of total payroll transactions that are retroactive adjustments	N/A	N/A	N/A	2.6%	2.5%
Percent of change in the number of payroll adjustments processed	N/A	N/A	N/A	TBD	TBD

Story Behind Performance:

The County's Payroll division processes bi-weekly, high volume payroll. Effective in July 2013, the County will implement a revised payroll calendar that will allow for 1 extra week in payroll processing. This will provide for sufficient payroll processing, which will, in turn, lead to greater completeness and accuracy for both time entry input and corresponding pay, as well as decrease the likelihood of required retroactive processing.

Program: Accounting / Payroll

Objective: Strengthen county operations and financial compliance.

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of audit engagements completed	N/A	N/A	N/A	1	1

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Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of non-mandated audits conducted	N/A	N/A	N/A	1	1

Efficiency Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of staff hours assigned to conduct non-mandated audits	N/A	N/A	N/A	10%	10%


Department Goal	Countywide Goal
Goal II: To safeguard the County's assets and ensure timely, accurate, auditable and secure processing for the receipt and disbursement of County fiduciary funds	X. Financial Responsibility

Initiative Description	Program(s)
Design, implement and train staff on County policy to streamline purchase order and non-purchase order invoice processing to strengthen internal controls, minimize risk exposure and as part of an organizational readiness plan for the new system implementation	Finance
Revise and update the weekly check-run schedule to decrease banking and administrative costs. Decreasing the number of check runs per week will entice vendors to move from manual checks to electronic payments (which process daily) while helping to reduce the processing involved with stale dated checks.	Finance
Communicate the advantages of direct deposit and use of the automated clearing-house (ACH) to County employees, retirees and vendors to use to reduce costs and improve efficiencies	Finance
Promote increased cash availability and security of funds by establishing a pilot program for offsite county depositors to process checks electronically	Finance
Conduct informational workshops and continue outreach presentations to increase the community's awareness of services provided by the Public Administrator's Office	Finance

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Program: Finance

Objective: Demonstrate the County's commitment to the primary objectives of safety, liquidity and investment return within the guidelines of prudent risk management by maintaining the County Investment Pool rating of AAA/V1 from Fitch Rating Services

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
 Marin County Investment Pool ratings from Fitch Ratings	AAA/V1+	AAA/V1+	AAA/V1	AAA/V1	AAA/V1

Story Behind Performance:

The County pool has been rated since 1994 by Fitch Ratings since 1994 and has maintained the highest rating of AAA since inception. The pool's AAA rating reflects the high credit quality of portfolios assets, appropriate management oversight, and operational capabilities. In addition, Fitch ratings rate the pool V1 for volatility. (In 2010 the Fund Volatility Rating was revised to V1 from V1+ solely as a result of Fitch eliminating the V1+ rating from its Fund Volatility Rating scale.) This rating reflects low market risk and a capacity to return stable principal value to participants, as well as to meet anticipated cash flow needs, even in adverse interest rate environments.

Program: Finance

Objective: Improve the accuracy of invoice processing

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of invoice processing workshops held	N/A	N/A	N/A	TBD	TBD
Number of A/P invoices processors and approvers trained	N/A	N/A	N/A	TBD	TBD

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of payments that process correctly at first submission	N/A	N/A	N/A	TBD	TBD
Percent of training participants reporting increased knowledge and understanding of purchase order requirements	N/A	N/A	N/A	TBD	TBD

Story Behind Performance:

The County currently has no formal purchasing policy that specifically addresses the criteria

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for purchase order and non-purchase order invoice processing. In line with best practices and as recommended during the County's new system preliminary assessment, the Accounts Payable Division will be creating and implementing policy, and providing training to County staff. The implementation and compliance with policy will strengthen internal controls and provide a consistent guideline for invoice processors and new County staff to follow.

Program: Finance

Objective: Maximize the number of County employees, retirees and vendors using direct deposit or automated clearing-house (ACH) to reduce costs and improve efficiencies.

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Total number of payroll payments made	98,794	92,818	78,435	69,300	72,000
Number of payroll payments made using direct deposit	89,666	84,881	70,746	63,750	66,000
Total number of vendor payments made	70,266	70,609	60,862	60,000	61,000
Number of vendor payments made using ACH	8,811	9,637	9,881	11,000	11,500

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of payroll payments made using direct deposit	91%	91%	90%	92%	92%
Percent of vendor payments made using ACH	12%	14%	16%	18%	18%

Program: Finance

Objective: Promote increased cash availability and security of funds by depositing checks electronically

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Total number of checks deposited	310,813	294,722	294,287	296,000	296,000
Number of checks deposited electronically	0	234,835	259,602	263,440	268,200

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Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of checks deposited electronically	0%	79.7%	88.2%	89%	90%

Story Behind Performance:

The County began using check image technology to ensure secure deposit processing, reduce banking costs, increase cash availability and overall process improvement. The use of check image technology not only provides operational efficiencies, it allows deposit data be sent through a secure banking transmission, thereby reducing the liabilities of taking live checks to the bank for deposit. The County should also see a favorable impact to overall bottom line costs with a decrease in bank charges along with an increase in available cash.

Program: Finance

Objective: Increase community awareness about the services provided by the Public Administrator's Office

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
 Number of community workshops conducted	2	4	8	8	8
Number of workshop participants served	N/A	N/A	N/A	TBD	TBD

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of workshop participants reporting an increase in understanding about the role and services provided by the Public Administrator's Office	N/A	N/A	N/A	75%	90%

Program: Finance

Objective: Provide timely and responsive Public Administrator services

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of open Public Administrator cases handled	90	103	127	140	130

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Efficiency Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of cases handled per Full-Time Equivalent (FTE)	22.5	25.75	42.3	46.7	43.3

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of cases closed within 12 months	9%	3%	1.6%	3%	3%

Department Goal	Countywide Goal
Goal III: Ensure the accurate calculation, billing, collection, and distribution of all property tax revenues and other outstanding debt	X. Financial Responsibility

Initiative Description	Program(s)
Identify and implement process improvements that integrate and streamline tax collection and apportionment activities	Property Tax/Collection
Emphasize customer service, including the cross-training of staff to improve response time on public inquiries	Property Tax/Collection
Increase total transient occupancy tax (TOT) and business license revenue collections	Property Tax/Collection
Improve transparency to the public by posting tax exemption information on the County's website	Property Tax/Collection

Program: Property Tax/Collection

Objective: Provide excellent public service through the timely and accurate issuance of property tax bills.

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Total dollars distributed	N/A	N/A	N/A	\$810,202,937	\$826,406,997
Number of agencies served	N/A	N/A	N/A	102	104
Number of bills recalculated/reissued	N/A	N/A	N/A	TBD	TBD
Number of refunds issues	N/A	N/A	N/A	TBD	TBD

Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of days to issue a refund	N/A	N/A	N/A	TBD	TBD

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Program: Property Tax/Collection

Objective: Increase Countywide revenue through centralized collections services

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of departments served	N/A	N/A	N/A	19	23
Number of accounts assigned to Central Collections by fiscal year end	N/A	N/A	N/A	3,926	3,533
Number of accounts paid	N/A	N/A	N/A	3,007	3,150
Number of accounts closed	N/A	N/A	N/A	10,949	11,496
Efficiency Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of accounts resolved (paid, cancelled/closed)	79%	80%	85%	80%	80%
Dollars collected on all accounts	N/A	N/A	N/A	\$10,591,575	\$10,572,339
Average number of days accounts are delinquent from date of assignment	N/A	N/A	N/A	TBD	TBD
Percent of departments rating satisfaction with central collections as good or better	N/A	N/A	N/A	TBD	TBD
Average dollar amount collected per department	N/A	N/A	N/A	\$1,055	\$1,055
Average dollar amount collected per account type	N/A	N/A	N/A	\$974	\$974
Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of accounts worked per Full-Time Equivalent (FTE)	N/A	N/A	N/A	982	1,031
Dollars collected per FTE	N/A	N/A	N/A	\$2,647,893	\$2,780,288

Program: Property Tax/Collection

Objective: Provide excellent customer service to taxpayers through timely response to public inquiry

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of calls received by major type	N/A	N/A	N/A	TBD	TBD

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Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of staff cross-trained to support public inquiries	N/A	N/A	N/A	TBD	TBD
Average wait time to have a call answered	N/A	N/A	N/A	TBD	TBD
Percent of change in the number of calls received	N/A	N/A	N/A	TBD	TBD

Story Behind Performance:

The Property Tax/Central Collection team’s mission is to provide excellent customer service both internally and externally. Our department recognizes that every aspect of our responsibility to serve our customers has an impact on customer service, not just those aspects that involve face-to-face customer contact. As such, our efficiency and workload measures focus on maintaining high standards and allow us to better understand our successes and opportunities to reduce processing times and improve overall customer satisfaction. Customer service can be defined in many ways. We focus on customer satisfaction and we define excellent customer service as the ability of an organization to constantly and consistently exceed our customer’s expectations.

Department Goal	Countywide Goal
Goal IV: Provide leadership that cultivates a high performance organization with well-trained staff and the application of best practices	VII. Employer of Choice

Initiative Description	Program(s)
Provide leadership and staff support to technical projects such as the Administrative Technologies of Marin (ATOM) to ensure the successful implementation of business/ financial systems countywide	Administration
Conceptually redesign key business process areas in preparation for procurement, selection, and implementation	Administration
Increase the community’s awareness of the services provided by the Department of Finance via updated content and functionality to the website	Administration
Cultivate a positive, productive and responsive work environment by communicating feedback to all employees and being responsive and receptive to employee concerns including identifying and responding to important issues identified by staff, increasing performance planning and evaluation completion rate, and analyzing internal administrative policies for effectiveness and efficiency.	Administration
Establish internal communication practices that encourage the free flow of information in order to increase trust between	Administration

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Initiative Description	Program(s)
management and staff, maximize the sharing of ideas, encourage the generation of solutions, and increase employee engagement	
Promote professional development and training opportunities for all staff to enhance career development and the skills and competencies of the department	Administration
Through continuing efforts to consolidate and reorganize the department, enhance internal and external customer service with improved communications, business processes, and systems	Administration

Program: Administration

Objective: Encourage career development to enhance the skills and competencies of department staff

Workload Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Number of staff attending training	N/A	N/A	N/A	TBD	TBD
Effectiveness Measures	2009/10	2010/11	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Target	Target
Percent of department staff taking advantage of professional development opportunities	N/A	N/A	N/A	TBD	TBD
Percent of training participants reporting an increase in knowledge and understanding	N/A	N/A	N/A	TBD	TBD
Percent of staff reporting increased satisfaction related to internal communications.	N/A	N/A	N/A	TBD	TBD

Story Behind Performance:

Significant efforts are underway toward improving communications and providing greater professional development and training opportunities for staff. The department will begin measuring not only the number of individuals trained, and will attempt to capture the value and quality of such training and communication events by consistently using survey instruments to capture this data.