

# 2013 Update to the 2010 Business Plan

Orange County Auditor-Controller

FOLLOWING THROUGH



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**Executive Summary**

It is the Orange County Auditor-Controller’s pleasure to present the Department’s 2013 Business Plan Update. The Auditor-Controller’s vision is to be the County’s trusted source of financial information to account for the past, direct the present and shape the future. Our mission is to promote public oversight, provide accountability, and support financial decision-making for the County.

As the Auditor-Controller’s Office carries out its vision and mission, it will conduct business with the highest ethical and due diligence standards and demonstrate commitment to the public, other County departments and agencies and its own employees.

The Office is proud of the achievements we’ve made in the last year and continues making progress in light of tight fiscal constraints and the ever-changing legislative landscape.

**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 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><b>What:</b> Quarterly and annual audits of the County treasury as well as daily monitoring of the County’s investment portfolios.</p> <p><b>Why:</b> Provide assurance to the public that the cash and investments on hand are equal to those reported by the Treasurer.</p>	<p>The legislatively-mandated quarterly reviews and annual audit of the Treasurer’s Statement of Assets were completed timely and submitted to the Board of Supervisors. One Treasury follow-up audit was also completed.</p> <p>Monthly compliance reports for the Treasury Investment Pool were completed for July, August, and September 2011. Quarterly reports were completed for the quarters ended Dec. 2011, March 2012, and June 2012.</p>	<p>Perform legislatively-mandated reviews of the Treasurer’s Statement of Assets for the quarters ended 6/30/12, 9/30/12, and 3/31/13 and perform an annual audit for the year ended 12/31/12 and submit the required reports timely.</p> <p>Prepare quarterly reports on Treasury Compliance with certain investment policy provisions based on sample testing of transactions. Submit the reports to the Treasury Oversight Committee timely.</p>	<p>We anticipate that the legislatively-mandated quarterly reviews of the Treasurer’s Statement of Assets and the annual audit of the Treasurer’s Statement of Assets will be completed and submitted timely.</p> <p>Quarterly Compliance Reports based on sample testing of the Treasurer’s investments are expected to be completed timely.</p>	<p>Perform the legislatively-mandated quarterly reviews and annual audit of the Treasurer’s Statement of Assets in a timely manner.</p> <p>Perform the legislatively-mandated biennial audit of the Probation Juvenile Books and Accounts timely.</p>	<p>We are currently in the process of performing the annual audit of the Treasurer’s Statement of Assets.</p>

**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, and Measure M Taxpayers Oversight Committee Chairman.**

Performance Measure	FY 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><u>What:</u> Auditor-Controller or staff will attend 100% of these committee meetings.  <u>Why:</u> Ensures the Auditor-Controller provides full support for these oversight committees.</p>	Nearly all meetings were attended by the Auditor-Controller with the balance being attended by senior AC staff.	Auditor-Controller or Senior Staff will attend all meetings.	100% of all meetings will be attended by the Auditor-Controller or Senior Staff.	The Auditor-Controller or Senior Staff will attend all meetings.	Continue to provide full support for these oversight committees.

**Goal #2** 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.

**A. 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.**

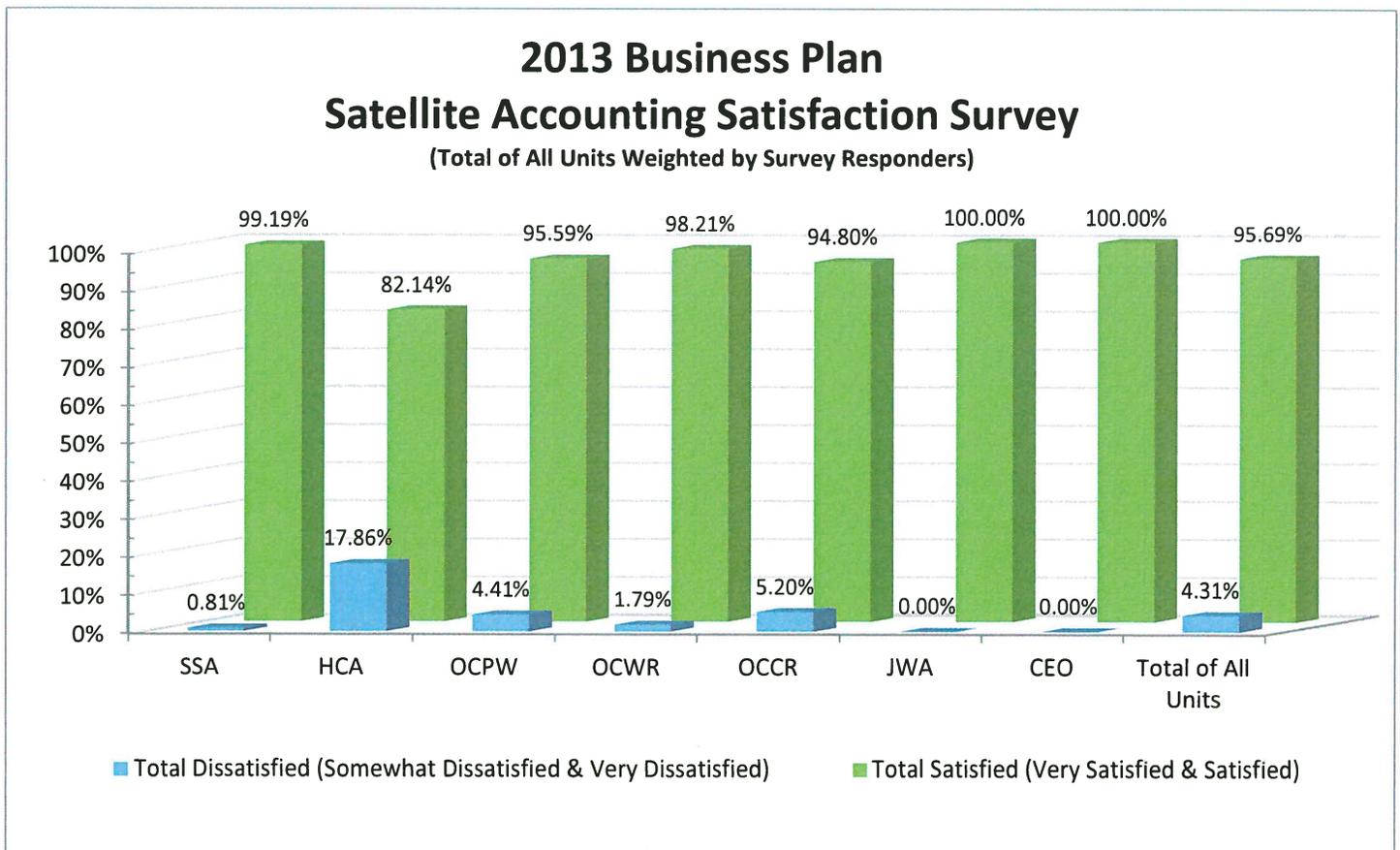
Performance Measure	FY 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><u>What:</u> Measures compliance with requirements in administering Federal and State programs.  <u>Why:</u> Provides assurance to Federal and State agencies that there are no material weaknesses in controls affecting compliance.</p>	The County received an opinion that the County complied, in all material respects, with the requirements that could have a direct and material effect on each of its major federal programs reported in the Single Audit for the year ended June 30, 2011.	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 obtained a certified opinion in a timely manner for the year ended June 30, 2012.	The office fully expects to receive certified opinions in a timely manner for all accounting related areas for FY 2012-13, 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 received an opinion that the County complied, in all accounting related areas covered by the Single Audit Report.

**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 services to departments/agencies (Accounting, Procurement, Human Resources & Payroll).
- ◆ 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.

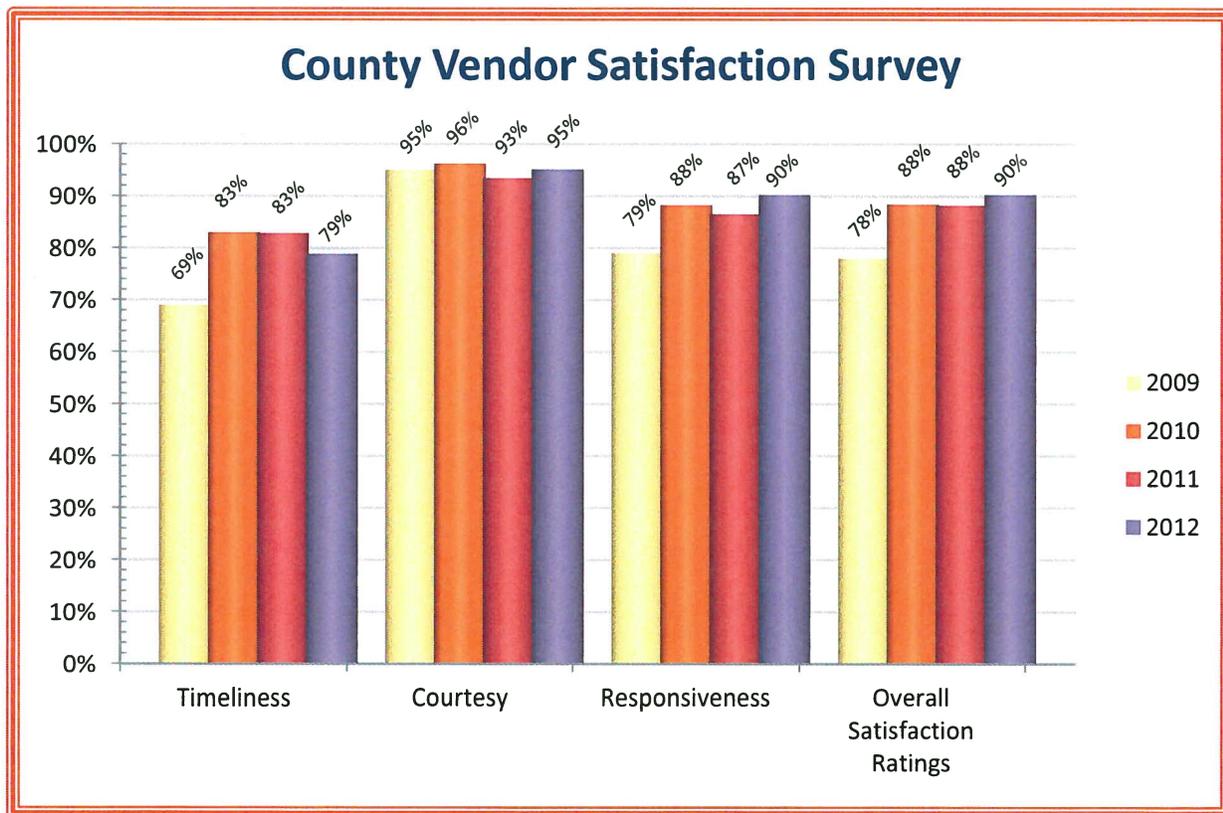
**A. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the department's biennial countywide client surveys of the office's satellite accounting sections (judgmental sample).**

Performance Measure	FY 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><u>What:</u> Measures client satisfaction with services of the Auditor-Controller Satellite accounting sections.</p> <p><u>Why:</u> To meet and exceed expectations of County clients.</p>	The office exceeded its rating goal in the survey of its satellite accounting sections, sent to County departments and agencies in 2012. 95.69% of these clients were "Very Satisfied" to "Satisfied" with the office's services.	We plan to continue conducting our biennial surveys, alternating between Central and Satellite Accounting Divisions, and meet or exceed the rating goal.	We plan 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.



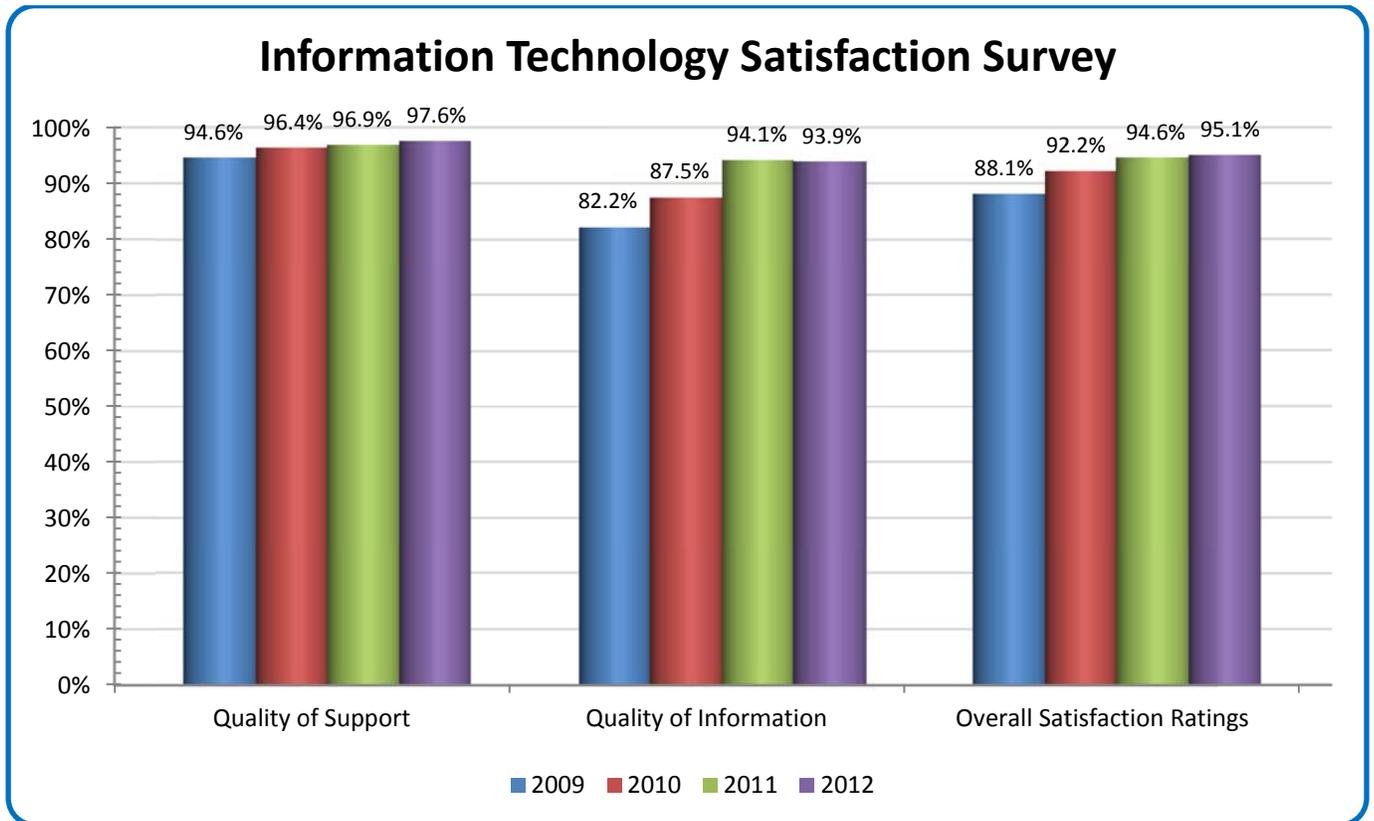
**B. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the office’s annual survey of County vendors (judgmental sample).**

Performance Measure	FY 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><u>What:</u> Measures vendors’ satisfaction with services provided. The performance measure includes 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.</p> <p><u>Why:</u> To meet and exceed the expectations of County vendors.</p>	The vendor survey resulted in an overall rating of 90% being “Very Satisfied” or “Satisfied” with the County’s payment processing services.	The office will conduct this survey again in FY 2012-2013	We plan to continue to meet or exceed a 90% overall satisfaction rating.	The office will conduct this survey again in FY 2013-2014	In FY 2011-2012, overall satisfaction increased from 88% to 90%; timeliness decreased from 83% to 79%; while courtesy increased from 93% to 95%; and responsiveness also increased from 87% to 90%. 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.



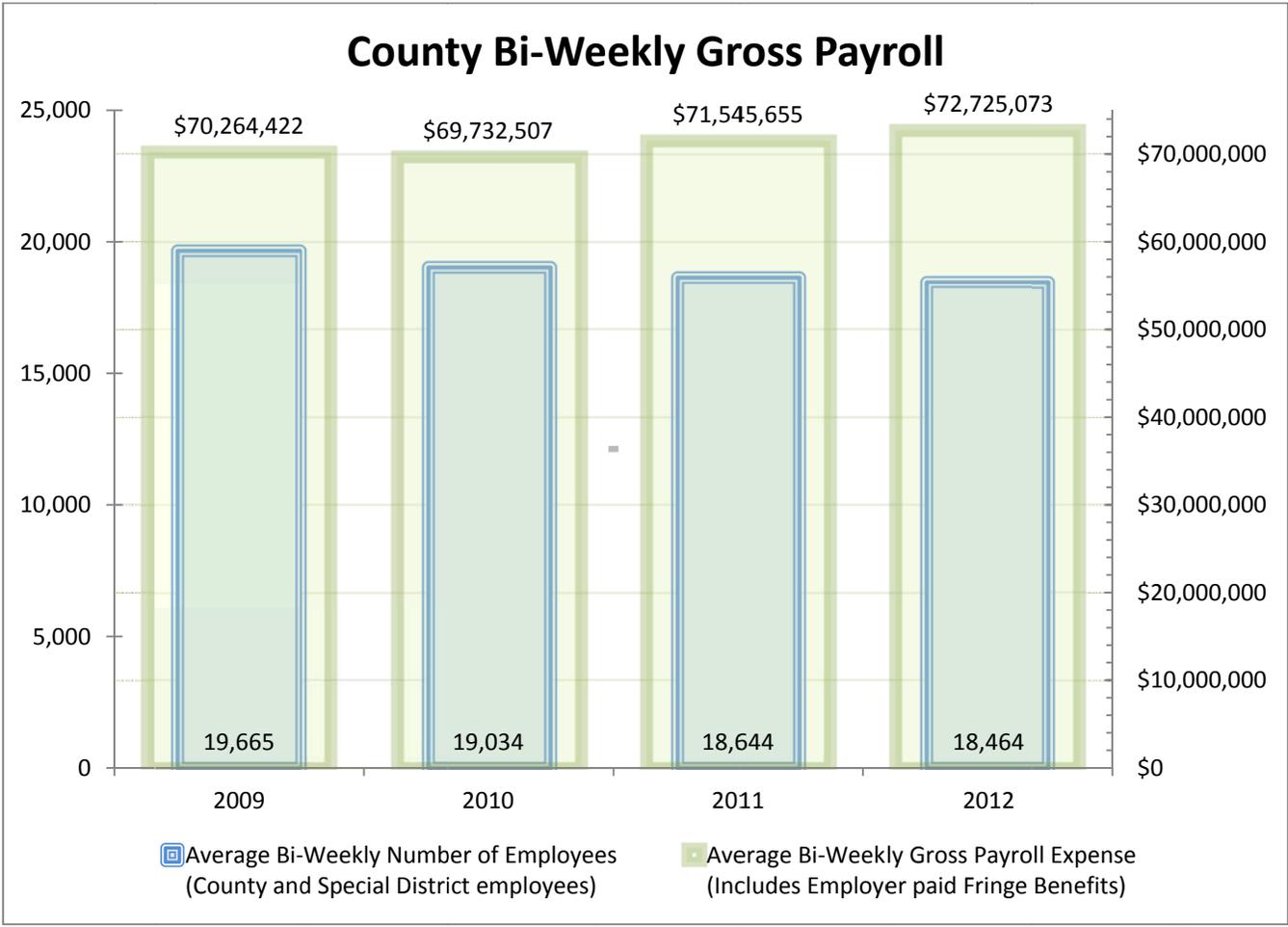
**C. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the annual client survey of the office’s Information Technology division (judgmental sample).**

Performance Measure	FY 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><u>What:</u> Measures client satisfaction with the quality of information provided by the CAPS systems and the level of service provided by staff.  <u>Why:</u> To meet and exceed expectations of County clients.</p>	<p>The CAPS+ Human Resources / Payroll system was implemented on time and within budget. The implementation included continued support of the associated Data Warehouse at the request of end users.</p>	<p>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.</p>	<p>We continue to monitor the growth of the CAPS+ Human Resource / Payroll processes for areas of improvement. We will also be testing the first processing of W2s in the new system.</p>	<p>Continue with revisions to the CAPS+ applications including possible upgrade, enhanced job aids and provide customer services. Due to the needs we will also investigate the possibility of an EProcurement solution.</p>	<p>Overall satisfaction ratings increased from 94.6% to 95.1%. With the implementation of the new application on a new platform, we have met all operational requirements on time. Agencies understand the complexity of implementing a new system and have worked together to meet the user’s needs.</p>



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

Performance Measure	FY 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><u>What:</u> Measures ability to meet biweekly County payroll deadlines.</p> <p><u>Why:</u> To ensure the delivery of County services by County employees, and to maintain the financial well-being of the employees themselves.</p>	The bi-weekly payroll deadlines were met for all pay periods in FY 2011-12	The office expects to meet all bi-weekly payroll cycles during FY 2012-13.	That all bi-weekly payroll deadlines will be met during the year.	The office expects to meet all bi-weekly payroll cycles during FY 2013-14.	During the fiscal year the payroll cycle continued to be completed timely with an average of 18,464 County and Special District employees being paid.



**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, procurement, human resources and payroll 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, Mileage Claims and workflow.
- ◆ Establish a ATS / PTMS operations and maintenance plan with the Treasurer-Tax Collector and Clerk of the Board.
- ◆ Support the 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 11-12 Results	FY 12-13 Plan	FY 12-13 Anticipated Results	FY 13-14 Plan	How are we doing?
<p><u>What:</u> Measures departments/agencies that have requested to use VTI and the ability to roll out VTI to those organizations.</p> <p><u>Why:</u> Manual payroll processing is labor intensive, time consuming and prone to errors. Payroll adjustments resulting from errors are even more costly.</p>	<p>VTI was upgraded to .Net versions and Microsoft 2008 which was the latest release level.</p>	<p>Full implementation of VTI to all County departments.</p>	<p>With reestablished discussion with the Sheriff, and a decision made to engage with VTI, we expect the project to start by fiscal year end.</p>	<p>Full implementation of VTI at the Sheriff and initiate roll out of the new feature 'Leave Request' to the Agencies.</p>	<p>Currently all departments with the exception of Sheriff are fully operational and supported on VTI. This continues to be the best solution.</p>