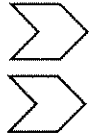


**AUDITOR - CONTROLLER**

Marcia Salter, Auditor-Controller



Accounting, Audit & Tax (10202) \$ 1,487,422

**Total** \$ 1,487,422





## Accounting, Audit & Tax Summary

	<u>07/08</u> <u>Actual</u>	<u>08/09</u> <u>Adopted</u>	<u>08/09</u> <u>Estimated</u>	<u>09/10</u> <u>Proposed</u>	<u>09/10</u> <u>Adopted</u>	<u>% Change</u> <u>From Prior</u> <u>Adopted</u>
<b>Revenues</b>						
Taxes	-	-	-	-	-	NA
Licenses, Permits & Franchises	-	-	-	-	-	NA
Fines, Forfeitures, & Penalties	-	-	-	-	-	NA
Use of Money & Property	-	-	-	-	-	NA
Federal/State Intergovernmental	1,744	-	-	-	-	NA
Charges for Services	21,511	18,827	18,843	23,170	23,170	23.1%
Miscellaneous Revenues	1,218	3,000	2,092	2,000	2,000	-33.3%
Other Financing Sources	-	-	-	-	-	NA
General Fund Transfers	-	-	-	-	-	NA
General Fund Allocation	1,278,571	1,489,790	1,425,420	1,462,252	1,462,252	-1.8%
<b>Total Revenues</b>	<b>1,303,044</b>	<b>1,511,617</b>	<b>1,446,355</b>	<b>1,487,422</b>	<b>1,487,422</b>	<b>-2%</b>
<b>Expenses</b>						
Salaries & Benefits	1,181,089	1,401,823	1,331,531	1,378,415	1,378,415	-1.7%
Services & Supplies	123,856	117,748	122,778	112,342	112,342	-4.6%
Other Charges	-	-	-	-	-	NA
Overhead Cost Allocation (A87)	-	-	-	-	-	NA
Capital Assets	-	-	-	-	-	NA
Other Financing Uses	-	-	-	-	-	NA
Interfund Activity	(1,901)	(7,954)	(7,954)	(3,335)	(3,335)	-58.1%
Contingency	-	-	-	-	-	NA
<b>Total Expenses</b>	<b>1,303,044</b>	<b>1,511,617</b>	<b>1,446,355</b>	<b>1,487,422</b>	<b>1,487,422</b>	<b>-2%</b>
<b>Fund Balance Added (Used)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Staffing:</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>15.00</b>	<b>15.00</b>	

	June 30, 2009 Projected Fund Balance	FY 09/10 Revenue	FY 09/10 Expense	FY 09/10 Net Change	June 30, 2010 Projected Fund Balance
General Fund	Fund # 0101	*	1,487,422	1,487,422	*
			<u>1,487,422</u>	<u>1,487,422</u>	<u>-</u>

\* See General Fund Balance and Reserves in Section 1 for the FY 2009-10 General Fund analysis.



# Accounting, Audit & Tax

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## Mission Statement:

The mission of the Auditor-Controller's Office is to provide independent accounting, reporting and auditing services to County departments, Special Districts and Schools in accordance with federal, state and local law in an efficient and cost-effective manner, thus maximizing their value to the people of Nevada County.

## Service Description:

All the services performed by the Auditor-Controller's Office are mandated by Federal, State, or local law. They include, but are not limited to: prescribing accounting policy and procedures, accounting and reporting, budget oversight, audit, property tax administration and regular maintenance of the county general ledger, payroll, property tax and capital asset systems.

This office establishes the county property tax rates, prepares the county property tax rolls, apportions property taxes collected, audits claims and generates payments to vendors for goods and services, processes 26 bi-weekly payrolls, processes transactions to over 500 funds, 8,000 accounts and prepares annual financial reports. The office prepares the annual Cost Allocation Plan as required by the Code of Federal Regulations - 2 CFR 225. (Formerly OMB A87).

The office operates with a staff of fifteen under the direction of the Auditor-Controller. Staff serves on the Risk Management Committee, Nevada County Budget Subcommittee, Nevada County Finance Authority, the Information Services Steering Board and the associated technology focused Community of Interest committees. Staff actively participates in the State Association of County Auditors with the Accounting Standards and Procedures Committee, the Legislative Committee and various manager subcommittees in their respective areas.

## Major Accomplishments in 2008-09:

- Received, for the first time, the GFOA – Award for Excellence in Financial Reporting for the 2006-07 CAFR.
- Received the California State Controller's Award for Achieving Excellence in Financial Reporting for the seventh consecutive year.
- Prepared the County's Comprehensive Annual Financial Report (CAFR) for fiscal year 2007-08 which provides additional information to the users of the report beyond a general purpose financial report and submitted to the GFOA for consideration for the Award for Excellence in Financial Reporting. CAFR published on website by February 10.
- Audited and processed 4,668 journals of varying complexity equating to 123,458 transactions; audited and processed 10,933 accounts payable batches equating to 74,743 transactions and 36,095 warrants/e-vouchers in Fiscal Year 07-08. Increased direct deposit payments to vendors by 3.59% since FY 06-07. Audited and processed 26 bi-weekly payrolls for an average of 1,147 permanent and temporary employees. Increased direct deposit paychecks to 83.58%.
- Calculated and apportioned the secured tax roll charges totaling \$189,767,932 including assessments for twelve Voter Approved Debt issuance and one hundred thirty-two Special Assessments for 58,608 tax bills in Fiscal Year 08-09. Issued 1,060 property tax refunds and 5,157 supplemental bills in FY07/08 and processed 836 secured roll corrections.
- Provided 10 training opportunities to County fiscal staff through the Auditor's Forums and hands-on trainings for journal, deposit, payment request procedures and reports.
- Completed forty-seven site reviews of cash controls and ninety-five audits of contract management within the County departments.
- Upgraded credit card reporting system and trained department credit card custodians on the system. Completed 52 audits of credit cards within County departments.
- Completed online access for 18 independent and 11 school districts to greatly reduce the number of trips to the government center and County staff time providing service. Online access allows districts to input deposits online to the Treasurer, enter their payment requests online to the Auditor's office, and have direct access to their



## Accounting, Audit & Tax

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account information maintained in the County financial system through online query and reports.

### Objectives & Performance Measures for 2009-10:

#### Objective:

Maintain high quality customer service for both internal and external customers by utilizing new technologies to enhance process efficiencies, accuracy and timeliness of financial transactions.

#### Performance Measures:

- Process department authorized vendor claims within 5 working days of receipt in Auditor-Controller's office 95% of the time.
- Process authorized journal entry requests within 10 working days of receipt in Auditor-Controller's office 80% of the time.
- Process 26 bi-weekly payrolls to meet the Thursday payday deadline 100% of the time.
- Complete Phase II implementation of the enhanced HR/PR system with the Employee Service Center in cooperation with Human Resources and Information Services—reduce by 50% the number of direct employee payroll inquiries about salary deductions, benefits, and paychecks (from approx. 120/yr to 60/yr).

#### Objective:

Assist management in carrying out their responsibilities by providing periodic audits and reviews of internal controls.

#### Performance Measures:

- Complete 100% of the 33 department cash handling audits as scheduled.
- Complete 90% of the 104 credit card transaction audits within planned timeframe.
- Complete 100% of the 11 department contract audits as scheduled.
- Provide one training session on internal control framework and self assessment process to 30 department heads and 75 members of the leadership team.
- Complete internal-control self-assessment process with 2 departments.
- Establish a Transient Occupancy Tax audit program.

#### Objective:

Continually maintain and improve the financial management system used by County departments in accordance with sound principles of internal controls assuring the integrity of data used by the public and County management and to promote efficiencies and reduce redundancies.

#### Performance Measures:

- Continue to enhance the Auditor-Controller's financial system hotline and helpdesk to serve as the bridge to departments, IS and the software vendor—to increase response time and add efficiencies to Auditor staff workflow.
- Participate in the 11 monthly Internal Services COI group meetings and Pentamation Users Group meetings to bring forward department needs and recommend system enhancements and improvements.
- Continue training of County departments by Auditor-Controller staff on financial processes: instruct 300 users through bi-monthly forums, and 72 users through quarterly hands on trainings.
- Complete the implementation of the Miscellaneous Billing module of the financial accounting system to provide more efficient tracking of accounts to departments.

#### Objective:

Provide timely, accurate and accessible financial information of the County organization.

#### Performance Measures:

- Obtain an unqualified opinion and the GFOA award for excellence on the County's Comprehensive Annual Financial Report.
- Publish the audited comprehensive annual financial statements on the County Auditor-Controller's web page by February 28th.

#### Objective:

Comply with statutory and regulatory requirements related to property tax and contribute to efficient, timely and accurate property tax billings.

#### Performance Measures:

- Prepare and calculate secured tax bills and deliver to the Tax Collector by the 4<sup>th</sup> Monday of September or sooner.



## Accounting, Audit & Tax

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- Expand the general obligation bonds secured tax rate table in the tax system to enable tax records and general ledger to clearly identify and accommodate current as well as future bond issuances.
- Apportion property taxes to schools, districts and cities by the December 10, April 10 and June 30 established deadlines.
- Process roll corrections within one month of receipt.

### **Objective:**

Enhance the tracking and monitoring of County allocations from Federal, State and Grantor sources and related expenditures for financial reporting.

### **Performance Measures:**

- Replacement of the current data collection form with an electronic version using Eworks or other software tool for completion by departments.
- Continue to advise and train County departments to use the project accounting module of the financial system to improve current tracking process and data compilation and track time to specific projects and cost centers.

Service Budget Unit Code	- 10202
Office/Department	- Auditor-Controller
Major Service Area	- General Government/Finance



## Accounting, Audit and Tax (10202)

	07/08 <u>Actual</u>	08/09 <u>Adopted</u>	08/09 <u>Estimated</u>	09/10 <u>Proposed</u>	09/10 <u>Adopted</u>	% Change From Prior <u>Adopted</u>
<b>Revenues</b>						
Taxes	-	-	-	-	-	NA
Licenses, Permits & Franchises	-	-	-	-	-	NA
Fines, Forfeitures, & Penalties	-	-	-	-	-	NA
Use of Money & Property	-	-	-	-	-	NA
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<b>Expenses</b>						
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Capital Assets	-	-	-	-	-	NA
Other Financing Uses	-	-	-	-	-	NA
Interfund Activity	(1,901)	(7,954)	(7,954)	(3,335)	(3,335)	NA
Contingency	-	-	-	-	-	NA
<b>Total Expenses</b>	<b>1,303,044</b>	<b>1,511,617</b>	<b>1,446,355</b>	<b>1,487,422</b>	<b>1,487,422</b>	<b>-2%</b>
<b>Fund Balance Added (Used)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Staffing:</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>15.00</b>	<b>15.00</b>	
<b>2009/10 Fund Analysis:</b>						
					Fund Balance Added (Used)	
General Fund	Fund # 0101	Revenues	Expenses			
		1,487,422	1,487,422		-	
		<b>1,487,422</b>	<b>1,487,422</b>		<b>-</b>	

### Comments/Analysis of Differences:

There is an elimination of 1 Sr. Accountant Auditor proposed in FY 09-10.

### Public Hearing Comments:

Adopted as proposed.



