

**AUDITOR - CONTROLLER**

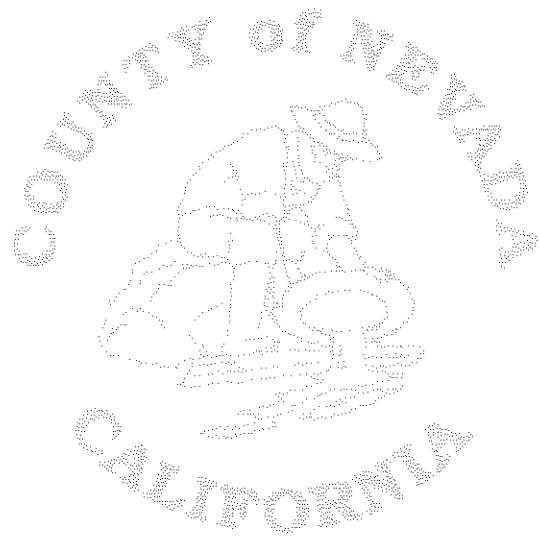
Marcia Salter, Auditor-Controller



Accounting, Audit & Tax (10202) \$ 1,511,617

**Total** \$ 1,511,617





## Accounting, Audit & Tax Summary

	<u>06/07</u> <u>Actual</u>	<u>07/08</u> <u>Adopted</u>	<u>07/08</u> <u>Estimated</u>	<u>08/09</u> <u>Proposed</u>	<u>08/09</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	5,602	-	626	-	-	NA
Charges for Services	112,037	18,682	31,984	18,827	18,827	0.8%
Miscellaneous Revenues	3,393	3,000	3,000	3,000	3,000	NA
Other Financing Sources	-	-	-	-	-	NA
General Fund Transfers	-	-	-	-	-	NA
General Fund Allocation	1,121,099	1,277,709	1,291,067	1,489,790	1,489,790	16.6%
<b>Total Revenues</b>	<b>1,242,131</b>	<b>1,299,391</b>	<b>1,326,677</b>	<b>1,511,617</b>	<b>1,511,617</b>	<b>16%</b>
<b>Expenses</b>						
Salaries & Benefits	1,121,016	1,168,434	1,190,333	1,401,823	1,401,823	20.0%
Services & Supplies	137,789	133,210	138,344	117,748	117,748	-11.6%
Other Charges	-	-	-	-	-	NA
Overhead Cost Allocation (A87)	-	-	-	-	-	NA
Capital Assets	-	-	-	-	-	NA
Other Financing Uses	-	-	-	-	-	NA
Interfund Activity	(16,674)	(2,253)	(2,000)	(7,954)	(7,954)	253.0%
Contingency	-	-	-	-	-	NA
<b>Total Expenses</b>	<b>1,242,131</b>	<b>1,299,391</b>	<b>1,326,677</b>	<b>1,511,617</b>	<b>1,511,617</b>	<b>16%</b>
<b>Fund Balance Added (Used)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Staffing:</b>	<b>15.00</b>	<b>15.00</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	

		June 30, 2008 Projected Fund Balance	FY 08/09 Revenue	FY 08/09 Expense	FY 08/09 Net Change	June 30, 2009 Projected Fund Balance
General Fund	Fund # 0101	*	1,511,617	1,511,617		*
		<b>1,511,617</b>		<b>1,511,617</b>		<b>-</b>

\* See General Fund Balance and Reserves in Section 1 for the FY 2008-09 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, and regular maintenance of the county general ledger system, payroll system and capital asset systems.

This office establishes the county property tax rates, prepares the county property tax rolls, apportions property taxes collected, generates payment to vendors for goods and services, 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 Roll Correction Review Committee, Risk Management Committee, Nevada County Budget Sub Committee, Nevada County Finance Authority and the Information Services Steering Board and actively participates in the State Association of County Auditors Accounting Standards and Procedures Committee, Legislative Committee, and the Policy and Interpretations Committee.

## Major Accomplishments in 2007-08:

- Completed the implementation of Phase II of the County's new time tracking system, which allows departments to time track to various cost centers.
- Developed reporting capabilities of the time tracking data in conjunction with Information

Services to meet the reporting needs of the County.

- Provided 10 training opportunities to County fiscal staff through the Auditor's Forums and hands-on training.
- Prepared the County's Comprehensive Annual Financial Report (CAFR) which provides additional information to the users of the report beyond a general purpose financial report and submitted report to the GFOA for consideration of the Award for Excellence in Financial Reporting.
- Received the California State Controller's Award for Achieving Excellence in Financial Reporting for the sixth consecutive year.
- Audited and processed 4,634 journals of varying complexity equating to 114,567 transactions; audited and processed 11,668 accounts payable batches equating to 71,881 transactions and 36,095 warrants/e-vouchers in Fiscal Year 06-07. Audited and processed 26 bi-weekly payrolls; calculated the secured tax roll charges totaling \$180,771,156, Voter Approved Debt and Special Assessments for 58,311 parcels in Fiscal Year 07-08.
- Expanded on-line access for 15 district customers to greatly reduce the number of trips to the government center. This allows the districts to input deposits online to the Treasurer, enter their payment requests online to the Auditor's office, and have direct access to their account information.

## Objectives & Performance Measures for 2008-09:

### 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:

- Audit and process 5,000 journals, equating to 110,000 transactions; audit and process 11,000 accounts payable batches equating to 71,000 transactions and 36,000 warrants/e-vouchers; audit and process a total of 26 payrolls for 1,000 employees.



# Accounting, Audit & Tax

- 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 7 working days of receipt in Auditor-Controller's office 85% of the time.
- Convert child support payments to electronic funds transfer.
- Implement on-line access to the Pentamation system for 20 additional districts, which will include School Districts, Fire Districts and Commissions.
- Complete Phase II implementation of 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).
- Move all internal forms, accounting policies and guidance to the Auditor-Controller infonet portal.

**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.
- Establish a Transient Occupancy Tax audit program.

**Objective:**

Establish an internal control self-assessment program for departments in partnership with the CEO and with the authorization of the Board of Supervisors.

**Performance Measures:**

- Provide training to 30 department heads and 75 members of the leadership team.
- Complete internal-control self-assessment process with 2 departments.

**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.
- Implement the Accounts Receivable 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:**

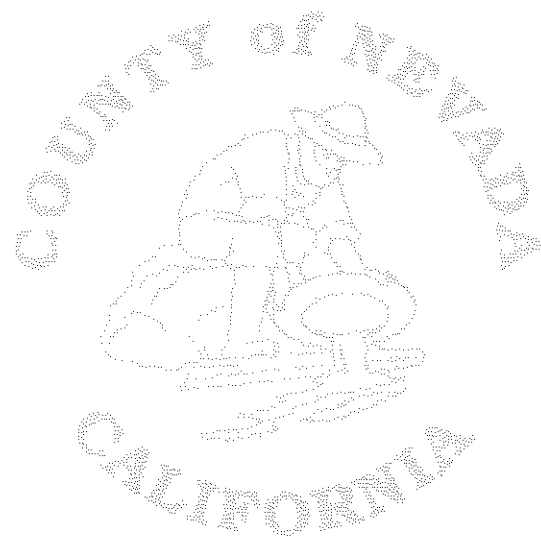
Enhance the tracking and monitoring of County allocations from Federal, State and Grantor sources and related expenditures for financial reporting.

**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 & Tax (10202)

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<b>2008-09 Fund Analysis:</b>						
					Fund Balance	
		Revenues	Expenses		Added (Used)	
General Fund	Fund # 0101	1,511,617	1,511,617		-	
		<b>1,511,617</b>	<b>1,511,617</b>		<b>-</b>	

### Comments/Analysis of Differences:

During 2007-08 the Auditor-Controller added 1 FTE Sr. Accountant Auditor. In FY 2008-09 one Accounting Technician was reclassified to an Accountant Auditor I.

### Public Hearing Comments:

Adopted as proposed.



