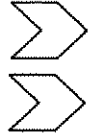


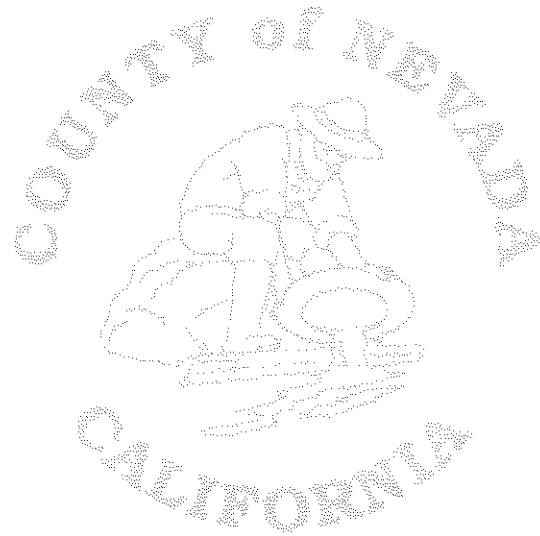
AUDITOR-CONTROLLER
Marcia Salter, Auditor-Controller



Accounting, Audit & Tax (10202) \$ 1,299,391

Total \$ 1,299,391





Auditor-Controller Summary

	<u>05/06</u> <u>Actual</u>	<u>06/07</u> <u>Adopted</u>	<u>06/07</u> <u>Estimated</u>	<u>07/08</u> <u>Proposed</u>	<u>07/08</u> <u>Adopted</u>	<u>% Change</u> <u>From Prior</u> <u>Adopted</u>																												
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* See General Fund Balance and Reserves in Section I for the FY 2007-08 General Fund analysis.



Accounting, Audit & Tax

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 generates payment to vendors for goods and services, establishes the county property tax rates, prepares the county property tax rolls, apportions property taxes collected and processes transactions to over 500 funds, 8,000 accounts. 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 fourteen under the direction of the Auditor-Controller. Staff serves as a liaison to County User Fee Committee, Roll Correction Review Committee, Risk Management Committee, Nevada County Budget Sub Committee, Nevada County Finance Authority and the Treasury Oversight Committee 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 2006-07:

- Performed a vital lead role in the planning and implementation of the County's new time tracking system. Phase I, which was the e-time sheet portion of this project was completed July 2006 and Phase II, which is the first wave of departments time tracking to various cost centers, will be completed by June 30, 2007.

- 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, for the first time, submitted report to the GFOA for consideration of the Award for Excellence in Financial Reporting.
- Expanded the use of the electronic payments to vendors by promoting vendor participation. Number of payments using the electronic payment process increased by 102% to 9,047 from 4,479.
- Audited and processed 4,860 journals of varying complexity equating to 106,786 transactions; audited and processed 11,535 accounts payable batches equating to 74,685 transactions and 37,596 warrants/e-vouchers in Fiscal Year 05-06. Audited and processed 32 payrolls (6 Monthly Elected & 26 Bi-weekly) for 11 elected officials and 1,042 employees; calculated the secured tax roll charges totaling \$166,744,752, Voter Approved Debt and Special Assessments for 57,954 parcels.
- Reduced the total number of payrolls processed from 38 to 26 by converting the monthly elected officials payroll to coincide with the biweekly payroll process starting in January 2007.
- Expanded on-line access to our external customers to include districts. The Higgins Fire Protection District, located in the south county, has worked with the Treasurer and Auditor-Controller to greatly reduce the number of trips to the government center. They deposit directly with their local bank and input deposits online to the Treasurer, enter their payment requests online to the Auditor's office, and have direct access to their account information.
- Developed a countywide electronic inventory of grants and a repository for related documents. Worked with CEO to establish grant application and awards procedures.

Objectives & Performance Measures for 2007-08:

Objective:

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



Accounting, Audit & Tax

Performance Measures:

- Audit and process 6,000 journals, equating to 110,000 transactions; audit and process 11,000 accounts payable batches equating to 71,000 transactions and 37,000 warrants/e-vouchers; audit and process a total of 26 payrolls, for 1,000 employees.
- 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.
- Implement on-line access to the Pentamation system for 6 more districts, which may include School Districts, Fire Districts and Commissions.
- Purchase and implement the Employee Service Center, in cooperation with Human Resources and Information Services—reduce W4 and benefit change processing time by 25%; 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 conducting 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 75% of the 11 department contract audits as scheduled.

Objective:

Develop and implement an internal control self-assessment program for departments in partnership with the CEO and with the authorization of the Board of Supervisors. (dependent on funding)

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 9 monthly Internal Services Communities of Interest group meetings, and 2 Pentamation Users Group meetings, to bring forward department needs and recommend system enhancements and improvements.
- 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.

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:

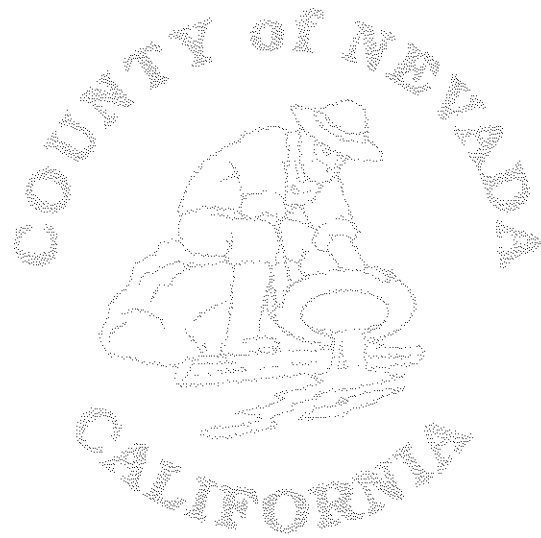
Enhance the tracking and monitoring of County allocations from Federal, State and Grantor sources and related expenditures for financial reporting.

Performance Measures:

- Replace the current data collection form with an electronic version using Eworks or other software tool.
- Continue to advise and train County departments to use the Project accounting module of the financial system to improve current tracking processes, data compilation, and track time to specific projects and cost centers.
- Continue the improvement efforts to the Federal, State and Grantor database to provide a complete inventory and to make this information available to others.

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





Accounting, Audit & Tax (10202)

	<u>05/06</u>	<u>06/07</u>	<u>06/07</u>	<u>07/08</u>	<u>07/08</u>	<u>% Change</u>
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Revenues						
Taxes	-	-	-	-	-	NA
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2007-08 Fund Analysis:						
					Fund Balance	
					Added (Used)	
General Fund	Fund #0101	1,299,391	1,299,391		-	
		1,299,391	1,299,391		-	

Comments/Analysis of Differences:

Increased training by \$5,000, Temp Help for scanning \$5,625 and temporary Acct Aud I/II time for special projects by \$11,215.

Public Hearing Comments:

Approved as proposed.



