

FY 2009 - 10 Adopted Budget and Multi-Year Capital Plan

Audit and Management Services

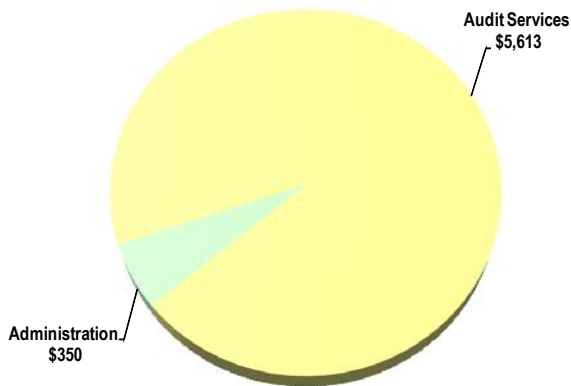
Audit and Management Services (AMS) performs audits to validate compliance with applicable rules and regulations and identifies opportunities to improve performance and foster accountability while promoting a more efficient and effective County government.

As part of the Enabling Strategies strategic area, AMS examines the operation of County government and external companies, contractors, and grantees to ensure that public funding is being spent appropriately and efficiently. AMS regularly performs audits of high-risk functions and activities, as well as responds to special audit requests from the Mayor, the Board of County Commissioners, and County Manager. Audits are conducted in accordance with professional internal auditing standards, which require assessing risks, planning, and performing work to achieve desired objectives, and communicating results that are accurate, constructive, timely, and adequately supported.

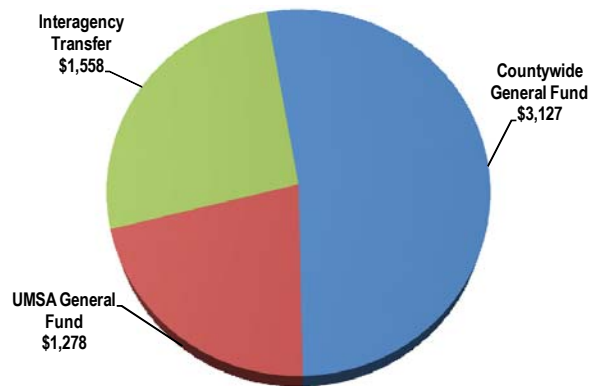
AMS serves the public's interest by providing accurate information, unbiased analyses, and objective recommendations regarding public resources. In addition to audit services, AMS provides management advisory, consulting, and other services to County departments.

FY 2009-10 Adopted Budget

Expenditures by Activity
(dollars in thousands)



Revenues by Source
(dollars in thousands)



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TABLE OF ORGANIZATION

AUDIT SERVICES

- Audit and Management Services (AMS) performs audits to identify opportunities to improve performance and foster accountability, while promoting a more efficient, effective, and ethical County government

FY 08-09
54

FY 09-10
48

ADMINISTRATIVE SUPPORT SERVICES

- Provides departmental support primarily in the areas of budget preparation and fiscal management, procurement, personnel administration, audit report processing, inventory/file management, and information technology assistance

FY 08-09
7

FY 09-10
6

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FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10
Revenue Summary			
General Fund Countywide	3,141	3,958	3,127
General Fund UMSA	1,347	1,696	1,278
Fees for Services	1,492	1,558	1,558
Total Revenues	5,980	7,212	5,963
Operating Expenditures Summary			
Salary	4,303	5,131	4,160
Fringe Benefits	1,167	1,367	1,157
Other Operating	484	667	624
Capital	26	47	22
Total Operating Expenditures	5,980	7,212	5,963

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 08-09	Adopted FY 09-10	Budget FY 08-09	Adopted FY 09-10
Strategic Area: Enabling Strategies				
Administration	451	350	7	6
Audit Services	6,761	5,613	54	48
Total Operating Expenditures	7,212	5,963	61	54

CAPITAL BUDGET SUMMARY

(dollars in thousands)	PRIOR	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FUTURE	TOTAL
Revenue									
Capital Outlay Reserve	38	0	0	0	0	0	0	0	38
Total:	38	0	0	0	0	0	0	0	38
Expenditures									
Strategic Area: Enabling Strategies									
Telecommunications Equipment	11	27	0	0	0	0	0	0	38
Total:	11	27	0	0	0	0	0	0	38

SELECTED ITEM HIGHLIGHTS AND DETAILS

Line Item Highlights	(dollars in thousands)				
	Actual	Actual	Budget	Actual	Budget
	FY 06-07	FY 07-08	FY 08-09	FY 08-09	FY 09-10
Rent	264	298	335	282	350
Employee Overtime	0	0	2	0	0
Travel	7	0	13	6	9
In-Service Training	31	51	72	56	26

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DIVISION: AUDIT SERVICES

Audit and Management Services (AMS) performs audits to identify opportunities to improve performance and foster accountability, while promoting a more efficient, effective, and ethical County government.

- Issues audit reports aimed at improving efficiency and effectiveness of County operations
- Assists in developing more effective approaches and tools for County departments responsible for monitoring grantees to assure consistency, efficiency, and effectiveness
- Develops in-house training curriculum commensurate with planned audits to ensure continued staff proficiency
- Consults with departments to ensure maximum collection of outstanding audit assessment fees
- Uses automated analytical tools to conduct operational analyses that yield cost savings and/or cost-avoidance, and identify significant and/or unusual variances that, if timely detected, can avert or identify fraud, waste, or abuse
- Conducts follow-up audits to ensure appropriate actions have been taken to address significant audit findings

Strategic Plan Outcome - Measures

- ES8-1: Sound asset management and financial investment strategies

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Conduct audits aimed at operational efficiency and effectiveness	Percentage of audit reports drafted and issued within 90 days of fieldwork completion*	EF	↑	50%	52%	60%	37%	55%
	Amount collected from assessments (in thousands)	OC	↑	\$1,500	\$1,784	\$1,500	\$292	\$3,000
	Amount assessed from audits (in thousands)	OC	↑	\$4,000	\$13,359	\$4,000	\$2,738	\$1,500
	Audit reports issued*	OP	↔	45	25	50	34	40
	Completion of planned follow-up audits	OP	↔	65%	40%	65%	33%	65%

* The FY 2009-10 target has been decreased due to the elimination of six audit positions

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2009-10, the Department will conduct planned audits and follow-up resolutions to assure key audit findings are appropriately and timely addressed; assure timely communication of audit results

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BUDGET ENHANCEMENTS OR REDUCTIONS AND ADDITIONAL COMMENTS

- The FY 2009-10 Adopted Budget includes \$1.558 million for direct services from the following County departments: Aviation (\$440,000), Housing Agency (\$110,000), Office of Citizens' Independent Transportation Trust (\$100,000), Seaport (\$110,000), Solid Waste Management (\$110,000), Transit (\$248,000), and Water and Sewer (\$440,000)
- In FY 2009-10, the Department plans to develop a departmental procedures manual to guide staff efforts and improve productivity
- *Due to the economic downturn, the Department eliminated six positions from the Audit Services Division (\$612,000) and one position (\$76,000) from the Administrative Support Services Division; these reductions may lead to fewer audits being conducted*

Department Operational Unmet Needs

Description	(dollars in thousands)		Positions
	Startup Costs/ Non Recurring Costs	Recurring Costs	
Hire six auditors to conduct audits due to demand for auditing services	\$0	\$496	6
Total	\$0	\$496	6