MIAMI-DADE COUNTY

Audit and Management Services Business Plan

Fiscal Years: 2019 and 2020
(10/1/2018 through 9/30/2020)

Approved by:

Cathy Jackson
Cathy Jackson, Department Director

Edward Marquez
Edward Marquez, Deputy Mayor

2/13/19
Date

2/13/19
Date

Plan Date: February 11, 2019

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DEPARTMENT OVERVIEW

Department Mission

The County's Audit and Management Services Department (AMS) performs audits to evaluate and encourage compliance with applicable rules and regulations, identify opportunities to improve performance, and foster accountability.

As part of the General Government strategic area, AMS examines the operations of County government and external companies, contractors, and grantees to ensure public funds are spent appropriately and effectively.   AMS regularly performs audits of high-risk functions and activities, and responds to special audit requests from the Mayor, the Board of County Commissioners, and Department Directors. Audits are conducted in accordance with professional 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.

Table of Organization

FY 18-19 FT - 34	AUDIT SERVICES	FY 19-20 FT - 34

- Conducts operational, compliance, performance, information technology, and financial audits of County operations and external companies, contractors, and grantees
- Performs special examinations and reviews at the request of the Mayor, Board of County Commissioners, and Department Directors
- Assesses the adequacy of internal controls, appraises resource management, and determines compliance with procedures, contract terms, laws, and regulations
- Provides guidance to operating departments in selecting external auditors, establishing internal controls, and other audit-related matters
- Furnishes staff support to law enforcement agencies and external auditors of the County

FY 18-19 FT – 3	ADMINISTRATIVE SUPPORT SERVICES	FY 19-20 FT - 3

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

Strategic Alignment Summary

- ➢ **GG4 – Effective Management Practices**
  - o GG4-1 – Provide Sound Financial and Risk Management – Continue to conduct audits of County Departments, external entities doing business with the County, and grantees to assure sound asset management and financial stewardship. Provide audit recommendations that improve internal controls through enhanced procedures, training, and technology.

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o Approximately 45% of the AMS Budget is funded by Proprietary Departments. As such, audit efforts are directed accordingly: WASD (10%), Aviation (10%), DTPW (7%), OCITT (4%), Seaport (4%), and Others (10%). The remaining audit emphasis is dedicated to non-proprietary departments, using a risk-based approach. Our goal is to complete operational, performance, and compliance audits that will have a high impact on improving internal controls and operational efficiencies, as well as monitoring ongoing compliance. Albeit difficult to achieve with limited resources, AMS strives to perform at least one audit for every department with a medium-to-high risk rating every other year.

o Follow-up audits are also performed to assure significant findings are appropriately and timely addressed.

- ➤ **GG5 - Goods, Services, and Assets that Support County Operations**
  o GG5-3 – Utilize Assets Efficiently – Provide audit recommendations that promote more efficient and effective operations, as well as proper stewardship of assets.

- ➤ **GG-7 – Free, Fair, and Accessible Elections**
  o GG7-2 – Maintain the Integrity and Availability of Election Results and Other Public Records – Continue to observe County election processes to help ensure the integrity of results.

Our Customers

AMS responds to special audit requests from the Mayor, the Board of County Commissioners, and various County Department Directors. The Department's ultimate customers are the citizens of Miami-Dade County, who rely on AMS to identify opportunities to improve performance and foster accountability in County government.

KEY ISSUES

Critical to AMS attaining its mission is the ability to attract, develop, and retain qualified professionals. Staffing reductions impede the ability to timely respond to special audit requests and complete planned audits. Any perceived threat of staffing reductions also affects the Department's ability to recruit and retain high-quality staff.

Best practices and standard-setting organizations, including the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, state that "internal auditors play a key role in evaluating the effectiveness of – and recommending improvements to – enterprise risk management." As such, it is essential that County resources be allocated to provide sufficient AMS staffing for risk management and control purposes. Many of our Staff are assigned to Proprietary Departments that have agreed to reimburse AMS for audit services, leaving fewer Staff to address County-wide concerns.

PRIORITY INITIATIVES

➢ Reinstate Staff Positions
- Restore staffing to historical levels to appropriately address Countywide control risks.
- Invest in sufficient AMS staffing to enhance County efficiency and identify waste.

➢ Staff Development and Certification
- Allocate time and funding for 40 hours of annual staff training.
- Motivate staff to obtain additional certifications that will enhance their contribution to Department objectives.

➢ Monitor Corrective Actions and Communicate Audit Results Timely
- Acquire audit management software to improve efficiency, reduce costs, and streamline the documentation process, enabling AMS to communicate results in a timelier manner.

➢ Complete Procedures Manual
- Allocate time to complete the Manual in order to enhance Department quality control.

➢ Meet Budget Targets and Sound Asset Management
- Obtain approval of audit management software expense during the budget process.

➢ Engage Staff in Business Plan Implementation
- Hold quarterly meetings to remind staff of priority initiatives and motivate performance.

FUTURE OUTLOOK

In order to meet County-wide needs for increased efficiencies and better accountability, AMS proposes the following actions for the next three-to-five years.
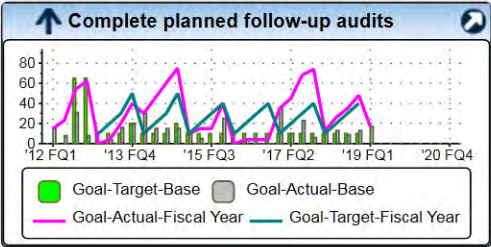
- Increase the number of audit staff to enhance AMS' ability to address significant audit and control risks throughout the County.

- Acquire advanced technology tools to improve audit efficiency and effectiveness.

- Increase number of staff that are Certified Public Accountants, Certified Internal Auditors, Certified Information Systems Auditors, and Certified Fraud Examiners.

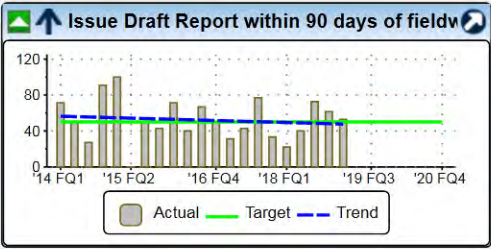# Business Plan Report - Audit and Management Services

Scorecard	Description	Owners
Audit and Management Services		Jackson, Cathy (AMS); McKee, Nancy

Initiatives Linked to Scorecard	Est. Start	Est. End	Type	As Of	🧹	🎁	✔	❗	⏺	%	Status	Owners
Eliminate 6 positions in Audit Services (AMS-1)	10/1/2009	9/30/2010		10/31/2009	▲	▲				100%	Complete	Jackson, Cathy (AMS)

1.0 Customer

Objective	Description	Owners
Monitor Auditee Corrective Actions (AMS)	Conduct follow-up audits to assure key audit findings are appropriately and timely addressed.	Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services

Grandparent Objectives	Description	Owners
GG4 Effective management practices		Miami-Dade County

Parent Objectives	Description	Owners
GG4-1 Provide sound financial and risk management		Miami-Dade County

Measures Linked to Objective	Period	Actual	Target	Variance	Owners
Complete planned follow-up audits.	'19 FQ1	17%	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy

↑ Complete planned follow-up audits

Legend: Goal-Target-Base, Goal-Actual-Base, Goal-Actual-Fiscal Year, Goal-Target-Fiscal Year

Objective	Description	Owners
Communicate Audit Results Timely (AMS)		Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services

Grandparent Objectives	Description	Owners
GG4 Effective management practices		Miami-Dade County

Parent Objectives	Description	Owners
GG4-1 Provide sound financial and risk management		Miami-Dade County

Measures Linked to Objective		Period	Actual	Target	Variance	Owners
Issue Draft Report within 90 days of fieldwork completion (new)	▲	'19 FQ1	53% (9 / 17)	50%	3%	Jackson, Cathy (AMS)

↑ Issue Draft Report within 90 days of fieldw

Legend: Actual, Target, Trend

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Business Plan Report - Audit and Management Services

2.0 Financial

Objective	Description	Owners
Meet Budget Targets (Audit and Management Services)		Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services

Grandparent Objectives	Description	Owners
GG4-2 Effectively allocate resources to meet current and future operating and capital needs		Miami-Dade County

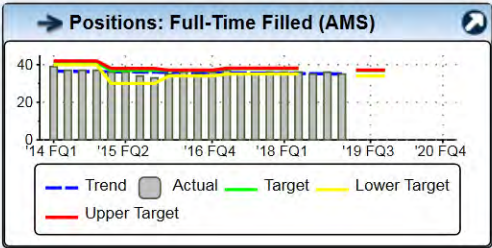| Parent Objectives	Description	Owners
Meet Budget Targets (All Miami-Dade County)	This is the parent objectives to all departmental "Meet Budget Targets" objective. This is the child objective to the County's Strategic Plan Objective, "GG4-2: Effectively allocate and utilize resources to meet current and future operating and capital needs."	Moon, Jennifer (OMB)

Measures Linked to Objective		Period	Actual	Target	Variance	Owners
Expen: Total (Audit & Mgmt Svcs)	▼	'19 FQ1	$1,289K	$0K	$-1,289K	Jackson, Cathy (AMS); McKee, Nancy

Expen: Total (Audit & Mgmt Svcs)

Legend:
- Goal-Target-Base
- Goal-Actual-Base
- Goal-Actual-Fiscal Year
- Goal-Target-Fiscal Year
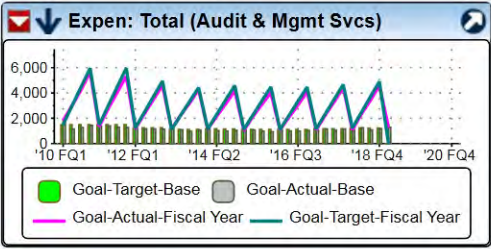
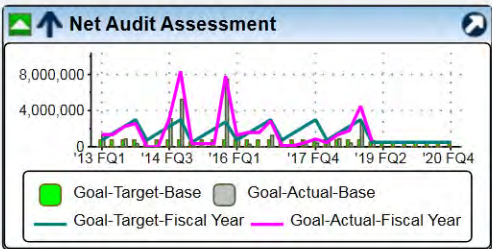| Child Measures		Period	Actual	Target	Variance	Owners
Expenditure: Personnel Costs (AMS)		'19 FQ1	$1,248K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Court Costs (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Contractual Services (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Other Operating (AMS)		'19 FQ1	$30K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Charges for County Services (AMS)		'19 FQ1	$9K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Grants to Outside Organizations (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Capital (AMS)		'19 FQ1	$1K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Transfers Out (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Distribution of Funds in Trust (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Debt Service (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Depreciation, Amortization, Depletion (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Reserves (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Intradepartmental Transfers (AMS)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Other Non-Operating (AMS)	▲	'19 FQ1	$0K	$0K	$0K	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Total (Audit & Mgmt Svcs)		'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy

Business Plan Report - Audit and Management Services

Child Measures			Period	Actual	Target	Variance	Owners
Revenue: Carryover (AMS)			'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Interagency/Intradepartmental (AMS)			'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Revenue: General Fund (AMS)			'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Proprietary (AMS)			'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Revenue: State (AMS)			'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Federal (AMS)			'19 FQ1	$0K	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy
Positions: Full-Time Filled (AMS)			'19 FQ1	35	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy

Positions: Full-Time Filled (AMS)

Legend: Trend, Actual, Target, Lower Target, Upper Target

Objective	Description	Owners
Budget Implementation: FY 10-11 (AMS)		Jackson, Cathy (AMS)

Initiatives Linked to Objective	Est. Start	Est. End	Type	As Of						%	Status	Owners
Eliminate 2 vacant Audit Supervisor positions , and 3 vacant Associate Auditor positions. (AMS-1)	10/1/2010	9/30/2011		n/a							n/a	Jackson, Cathy (AMS)

Objective	Description	Owners
Sound asset management and financial investment strategies (AMS)	Use risk-based techniques to identify high risk/high-impact audit subjects in developing the audit plan. Produce constructive recommendations that promote high-impact, specific dollar savings, process improvements, or cost avoidance. Use computerized audit technology to conduct high-impact audits.	Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services

Grandparent Objectives	Description	Owners
GG4 Effective management practices		Miami-Dade County

Parent Objectives	Description	Owners
GG4-1 Provide sound financial and risk management		Miami-Dade County

Measures Linked to Objective			Period	Actual	Target	Variance	Owners
Net Audit Assessment			'19 FQ1	$662,484	$500,000	$162,484	Jackson, Cathy (AMS); McKee, Nancy

Net Audit Assessment

Legend: Goal-Target-Base, Goal-Actual-Base, Goal-Target-Fiscal Year, Goal-Actual-Fiscal Year

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Business Plan Report - Audit and Management Services

Audit Assessments Collected	🔻	'19 FQ1	$733,440	$1,000,000	$-266,560	Jackson, Cathy (AMS); McKee, Nancy

Audit Assessments Collected

Legend: Goal-Target-Base, Goal-Actual-Base, Goal-Actual-Fiscal Year, Goal-Target-Fiscal Year

Audit Reports or Deliverables	🔻	'19 FQ1	17	40	-23	Jackson, Cathy (AMS); McKee, Nancy

Audit Reports or Deliverables

Legend: Goal-Target-Base, Goal-Actual-Base, Goal-Actual-Fiscal Year, Goal-Target-Fiscal Year

Complete Risk Assessment Analysis and Develop Audit Plan	🔺	2019 FY	100%	100%	0%	Jackson, Cathy (AMS); McKee, Nancy
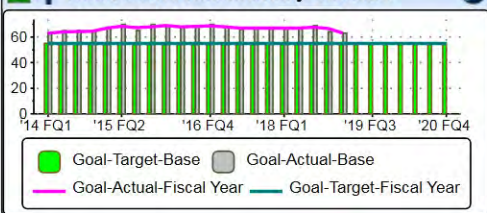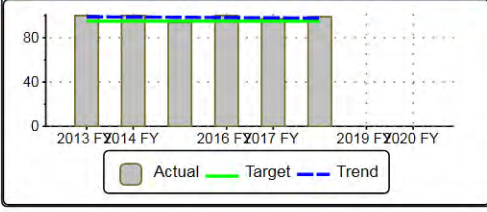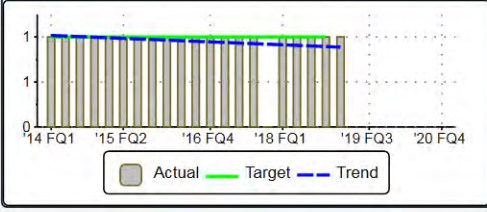
Complete Risk Assessment Analysis and

Legend: Goal-Target-Base, Goal-Actual-Base, Goal-Actual-Fiscal Year, Goal-Target-Fiscal Year

Objective	Description											Owners
Budget Implementation FY 09-10 (AMS)												Jackson, Cathy (AMS)

Initiatives Linked to Objective	Est. Start	Est. End	Type	As Of	🟢	⏰	✔	❗	◎	%	Status	Owners
Eliminate 6 positions in Audit Services (AMS-1)	10/1/2009	9/30/2010		10/31/2009	🔺	🔺				100%	Complete	Jackson, Cathy (AMS)
Eliminate 1 position in Administration (AMS-2)	10/1/2009	9/30/2010		10/31/2009	🔺	🔺				100%	Complete	Jackson, Cathy (AMS)

3.0 Internal

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Business Plan Report - Audit and Management Services

4.0 Learning and Growth

Objective	Description	Owners
Staff Development and Certification (AMS)	Identify staff needs and provide training. Maintain open communication with employees to promote healthy exchange of ideas. Complete annual reviews timely. Give hiring and promotional preference to certified individuals.	Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services

Grandparent Objectives	Description	Owners
GG2 Excellent, engaged workforce		Miami-Dade County

Parent Objectives	Description	Owners
GG2-1 Attract and hire new talent		Miami-Dade County
GG2-2 Develop and retain excellent employees and leaders		Miami-Dade County

Measures Linked to Objective			Period	Actual	Target	Variance	Owners
Audit Staff Professionally Certified	▲		'19 FQ1	63%	55%	8%	Jackson, Cathy (AMS); McKee, Nancy

| Maintain a High Training Satisfaction Rate. | ▲ | | 2018 FY | 99% | 95% | 4% | Jackson, Cathy (AMS); McKee, Nancy |

| Hold Quarterly Staff Meetings | | | '19 FQ1 | 1 | n/a | n/a | Jackson, Cathy (AMS); McKee, Nancy |

Complete Evaluations Within 30 Days After Due Date.		'19 FQ1	71%	n/a	n/a Jackson, Cathy (AMS); McKee, Nancy
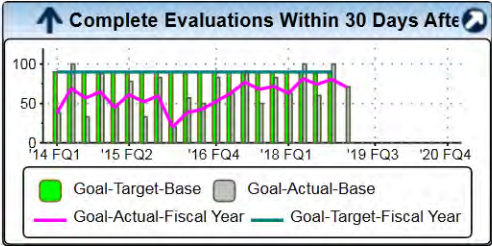
Continuing education hours	▲	2018 FY	44	40	4 Jackson, Cathy (AMS); McKee, Nancy

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