

Audit and Management Services Business Plan

Fiscal Years: 2020 and 2021
(10/1/2019 through 9/30/2021)

Approved by:

Cathy Jackson

Cathy Jackson, Department Director

Date

2/6/2020

Edward Marquez

Edward Marquez, Deputy Mayor

Date

2/18/20

Refresh*

Plan Date: February 6, 2020

*Updated for Associate Auditor position approved in the FY 20-21 Budget (see Page 2).

Delivering Excellence Every Day



TABLE OF CONTENTS

DEPARTMENT OVERVIEW	Pages 2-3
Department Mission	
Table of Organization	
Strategic Alignment Summary	
Our Customers	
KEY ISSUES	Page 3
PRIORITY INITIATIVES	Page 4
FUTURE OUTLOOK	Page 4
ATTACHMENT I	
BUSINESS PLAN REPORT	

Departmental Business Plan and Outlook
Department Name: Audit and Management Services
FY 2019-20 & FY 2020-21

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

<u>FY 19-20</u> FT - 34	<u>AUDIT SERVICES</u>	<u>FY 20-21</u> FT – 35 ¹
	<ul style="list-style-type: none">• 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	
	<small>1 Adjusted for one Associate Auditor position approved in the FY 20-21 Budget.</small>	

<u>FY 19-20</u> FT – 4	<u>ADMINISTRATIVE SUPPORT SERVICES</u>	<u>FY 20-21</u> FT - 4
	<ul style="list-style-type: none">• 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

- 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.

Departmental Business Plan and Outlook
Department Name: Audit and Management Services
FY 2019-20 & FY 2020-21

- Approximately 42% of the AMS Budget is funded by Proprietary Departments, as follows: WASD (10%), Aviation (9%), DTPW (8%), OCITT (5%), Seaport (4%), and Others (6%). The remaining audit emphasis is dedicated to non-proprietary departments. Our goal is to complete operational, performance, 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.
 - Follow-up audits are also performed to assure significant findings are appropriately and timely addressed.
- **GG5 - Goods, Services, and Assets that Support County Operations**
- 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**
- 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.



Departmental Business Plan and Outlook
Department Name: Audit and Management Services
FY 2019-20 & FY 2020-21

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	
1.0 Customer			
Objective	Description	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	Description	Owners
GG4: Effective leadership and management practices		Miami-Dade County	
Parent Objectives	Description	Description	Owners
GG4-1: Provide sound financial and risk management		Miami-Dade County	
Measures Linked to Objective	Period	Actual	Target
Complete planned follow-up audits.	'20 FQ1	9%	n/a
		Variance	
		n/a	
		n/a	
		n/a	
Objective	Description	Description	Owners
Communicate Audit Results Timely (AMS)		Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services	
Grandparent Objectives	Description	Description	Owners
GG4: Effective leadership and management practices		Miami-Dade County	
Parent Objectives	Description	Description	Owners
GG4-1: Provide sound financial and risk management		Miami-Dade County	

Business Plan Report - Audit and Management Services

Measures Linked to Objective

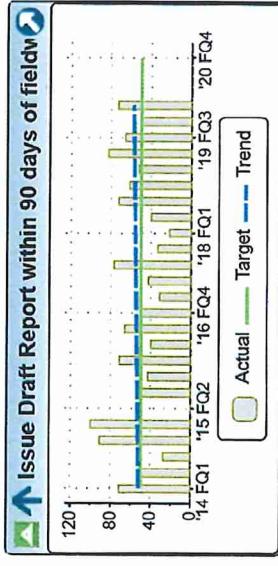
Period	Actual	Target	Variance	Owners
'20 FQ1	73% (11 / 15)	50%	23%	Jackson, Cathy (AM/S)

Issue Draft Report within 90 days of fieldwork completion (new)

Issue Draft Report within 90 days of fieldwork

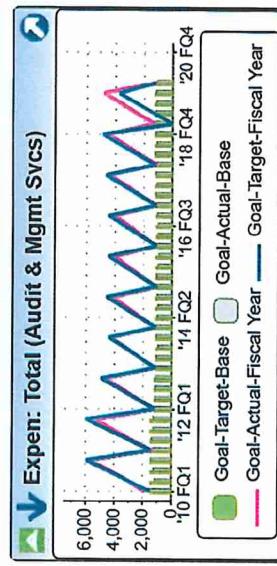
Actual: 73% (11/15) | Target: 50% | Trend: 73%

Period	Actual	Target	Trend
'14 FQ1	40	40	40
'15 FQ1	80	40	40
'16 FQ1	40	40	40
'17 FQ1	80	40	40
'18 FQ1	40	40	40
'19 FQ1	80	40	40
'20 FQ1	73% (11 / 15)	50%	73%



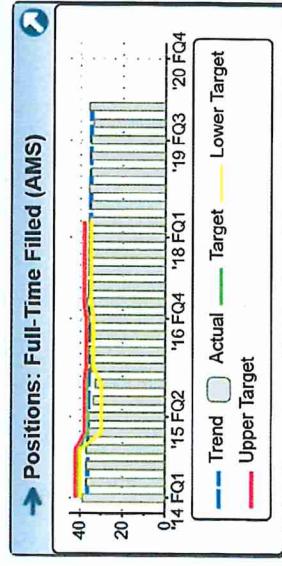
2.0 Financial

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 and utilize 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)	20 FQ1	\$1,100K	\$1,236K	\$136K	Jackson, Cathy (AMS); McKee, Nancy



Business Plan Report - Audit and Management Services

Child Measures	Period	Actual	Target	Variance	Owners	
					Expenditure: Personnel Costs (AMS)	Expenditure: Court Costs (AMS)
Expenditure: Personnel Costs (AMS)	'20 FQ1	\$1,052K	\$1,181K	\$-129K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Court Costs (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Contractual Services (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Other Operating (AMS)	'20 FQ1	\$22K	\$36K	\$-14K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Charges for County Services (AMS)	'20 FQ1	\$26K	\$17K	\$9K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Grants to Outside Organizations (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Capital (AMS)	'20 FQ1	\$0K	\$2K	\$-2K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Transfers Out (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Distribution of Funds in Trust (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Debt Service (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Depreciation, Amortization, Depletion (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Reserves (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Intradepartmental Transfers (AMS)	'19 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Expenditure: Other Non-Operating (AMS)	'20 FQ1	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Revenue: Total (Audit & Mgmt Svcs)	'20 FQ1	\$0K	\$1,236K	\$-1,236K	Jackson, Cathy (AMS); McKee, Nancy	
Child Measures	Period	Actual	Target	Variance	Owners	
					Revenue: Carryover (AMS)	Revenue: Interagency/Intradepartmental (AMS)
Revenue: Carryover (AMS)	'19 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Revenue: Interagency/Intradepartmental (AMS)	'19 FQ4	\$2,132K	\$562K	\$1,570K	Jackson, Cathy (AMS); McKee, Nancy	
Revenue: General Fund (AMS)	'19 FQ4	\$2,764K	\$691K	\$2,073K	Jackson, Cathy (AMS); McKee, Nancy	
Revenue: Proprietary (AMS)	'19 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Revenue: State (AMS)	'19 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Revenue: Federal (AMS)	'19 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy	
Positions: Full-Time Filled (AMS)	'20 FQ1	36	n/a	n/a	Jackson, Cathy (AMS); McKee, Nancy	



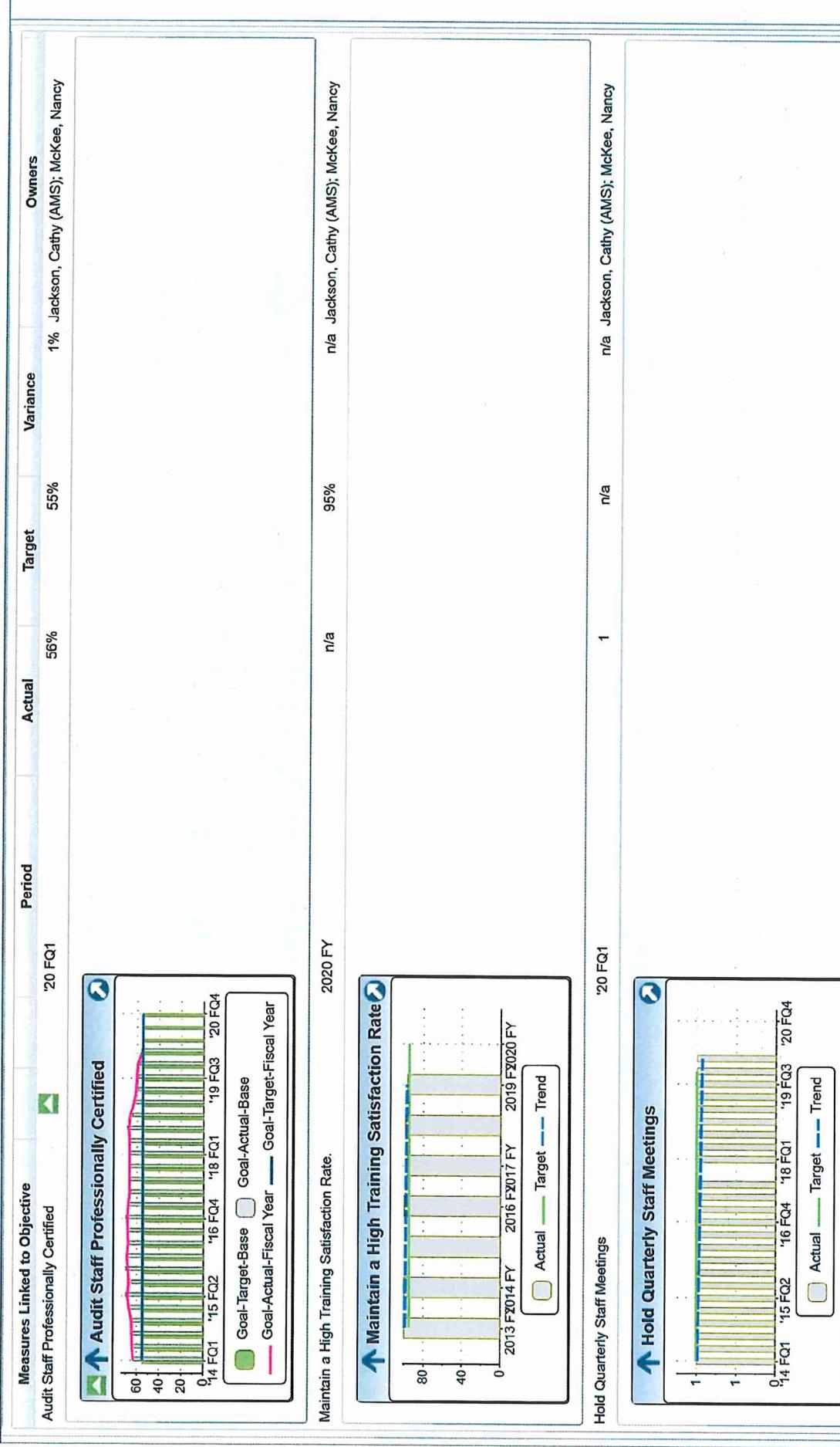
Business Plan Report - Audit and Management Services

Objective	Description										
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.										
Grandparent Objectives											
GG4: Effective leadership and management practices	Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services										
Parent Objectives											
GG4-1: Provide sound financial and risk management	Miami-Dade County										
Measures Linked to Objective											
Net Audit Assessment	<table border="1"> <thead> <tr> <th>Period</th> <th>Actual</th> <th>Target</th> <th>Variance</th> <th>Owners</th> </tr> </thead> <tbody> <tr> <td>'20 FQ1</td> <td>\$367,711</td> <td>\$500,000</td> <td>\$-132,289</td> <td>Jackson, Cathy (AMS); McKee, Nancy</td> </tr> </tbody> </table> <p>Net Audit Assessment</p> <p>Goal-Target-Base Goal-Actual-Base Goal-Actual-Fiscal Year</p>	Period	Actual	Target	Variance	Owners	'20 FQ1	\$367,711	\$500,000	\$-132,289	Jackson, Cathy (AMS); McKee, Nancy
Period	Actual	Target	Variance	Owners							
'20 FQ1	\$367,711	\$500,000	\$-132,289	Jackson, Cathy (AMS); McKee, Nancy							
Audit Assessments Collected	<table border="1"> <thead> <tr> <th>Period</th> <th>Actual</th> <th>Target</th> <th>Variance</th> <th>Owners</th> </tr> </thead> <tbody> <tr> <td>'20 FQ1</td> <td>\$140,571</td> <td>\$1,000,000</td> <td>\$-859,429</td> <td>Jackson, Cathy (AMS); McKee, Nancy</td> </tr> </tbody> </table> <p>Audit Assessments Collected</p> <p>Goal-Target-Base Goal-Actual-Base Goal-Actual-Fiscal Year</p>	Period	Actual	Target	Variance	Owners	'20 FQ1	\$140,571	\$1,000,000	\$-859,429	Jackson, Cathy (AMS); McKee, Nancy
Period	Actual	Target	Variance	Owners							
'20 FQ1	\$140,571	\$1,000,000	\$-859,429	Jackson, Cathy (AMS); McKee, Nancy							

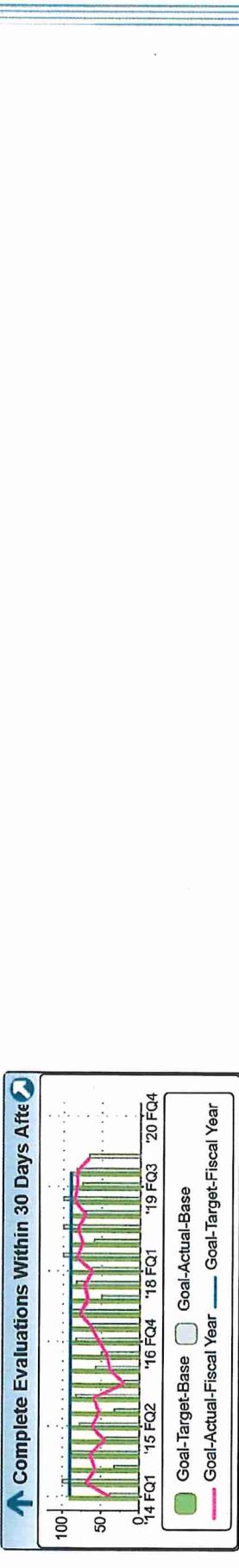
Business Plan Report - Audit and Management Services

Audit Reports or Deliverables		'20 FQ1	15	10	5 Jackson, Cathy (AMS); McKee, Nancy			
Audit Reports or Deliverables								
		'14 FQ1	60	40	0% Jackson, Cathy (AMS); McKee, Nancy			
Complete Risk Assessment Analysis and Develop Audit Plan		2020 FY	100%	100%	0% Jackson, Cathy (AMS); McKee, Nancy			
Complete Risk Assessment Analysis and Develop Audit Plan								
		2013 F2014 FY	80	40	0% Jackson, Cathy (AMS); McKee, Nancy			
3.0 Internal								
4.0 Learning and Growth								
Staff Development and Certification (AMS)	Objective	Description	Owners					
		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	Objective	Description	Owners					
GG2: Excellent, engaged and resilient workforce			Miami-Dade County					
Parent Objectives	Description	Owners						
GG2-1: Attract and hire new talent GG2-2: Promote employee development and leadership		Miami-Dade County Miami-Dade County						

Business Plan Report - Audit and Management Services



Business Plan Report - Audit and Management Services

Complete Evaluations Within 30 Days After Due Date.	'20 FQ1	67%	n/a	n/a Jackson, Cathy (AMS); McKee, Nancy																																																
 <p>Complete Evaluations Within 30 Days After Due Date</p> <p>Goal-Target-Base Goal-Actual-Base Goal-Actual-Fiscal Year Goal-Target-Fiscal Year</p> <table border="1"><thead><tr><th>Fiscal Year</th><th>Actual</th><th>Target</th><th>Trend</th></tr></thead><tbody><tr><td>'14 FQ1</td><td>~50</td><td>~50</td><td>~50</td></tr><tr><td>'15 FQ2</td><td>~60</td><td>~60</td><td>~60</td></tr><tr><td>'15 FQ3</td><td>~70</td><td>~70</td><td>~70</td></tr><tr><td>'15 FQ4</td><td>~65</td><td>~65</td><td>~65</td></tr><tr><td>'16 FQ1</td><td>~75</td><td>~75</td><td>~75</td></tr><tr><td>'16 FQ2</td><td>~80</td><td>~80</td><td>~80</td></tr><tr><td>'16 FQ3</td><td>~85</td><td>~85</td><td>~85</td></tr><tr><td>'16 FQ4</td><td>~80</td><td>~80</td><td>~80</td></tr><tr><td>'18 FQ1</td><td>~85</td><td>~85</td><td>~85</td></tr><tr><td>'19 FQ3</td><td>~90</td><td>~90</td><td>~90</td></tr><tr><td>'20 FQ4</td><td>~95</td><td>~95</td><td>~95</td></tr></tbody></table>	Fiscal Year	Actual	Target	Trend	'14 FQ1	~50	~50	~50	'15 FQ2	~60	~60	~60	'15 FQ3	~70	~70	~70	'15 FQ4	~65	~65	~65	'16 FQ1	~75	~75	~75	'16 FQ2	~80	~80	~80	'16 FQ3	~85	~85	~85	'16 FQ4	~80	~80	~80	'18 FQ1	~85	~85	~85	'19 FQ3	~90	~90	~90	'20 FQ4	~95	~95	~95	'20 FQ1	67%	n/a	n/a Jackson, Cathy (AMS); McKee, Nancy
Fiscal Year	Actual	Target	Trend																																																	
'14 FQ1	~50	~50	~50																																																	
'15 FQ2	~60	~60	~60																																																	
'15 FQ3	~70	~70	~70																																																	
'15 FQ4	~65	~65	~65																																																	
'16 FQ1	~75	~75	~75																																																	
'16 FQ2	~80	~80	~80																																																	
'16 FQ3	~85	~85	~85																																																	
'16 FQ4	~80	~80	~80																																																	
'18 FQ1	~85	~85	~85																																																	
'19 FQ3	~90	~90	~90																																																	
'20 FQ4	~95	~95	~95																																																	