



# Audit and Management Services Business Plan

**Fiscal Years: 2017 and 2018**  
(10/1/2016 through 9/30/2018)

Approved by:

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*1/4/17*  
Date

*4/1/17*  
Date

Plan Date: February 13, 2017

*Delivering Excellence Every Day*



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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 efficiently. 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 16-17</u> FT - 34	<b><u>AUDIT SERVICES</u></b>	<u>FY 17-18</u> FT - 34
<ul style="list-style-type: none"> <li>• Conducts operational, compliance, performance, information technology, and financial audits of County operations and external companies, contractors, and grantees</li> <li>• Performs special examinations and reviews at the request of the Mayor, Board of County Commissioners, and Department Directors</li> <li>• Assesses the adequacy of internal controls, appraises resource management, and determines compliance with procedures, contract terms, laws, and regulations</li> <li>• Provides guidance to operating departments in selecting external auditors, establishing internal controls, and other audit-related matters</li> <li>• Furnishes staff support to law enforcement agencies and external auditors of the County</li> </ul>		
<u>FY 16-17</u> FT - 4	<b><u>ADMINISTRATIVE SUPPORT SERVICES</u></b>	<u>FY 17-18</u> FT - 4
<ul style="list-style-type: none"> <li>• 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</li> </ul>		

**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**

FY2016-17 & FY2017-18

- Approximately 52% of the AMS Budget is funded by Proprietary Departments. As such, audit efforts are directed accordingly: DTPW (12%), WASD (11%), Aviation (11%), OCITT (5%), Seaport (4%), and Others (9%). The remaining audit effort 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.
- 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 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, Deputy Mayors, and various County Departments. 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. The 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. Most 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**

- Reinstatement of Staff Positions
  - Restore staffing to historical levels to appropriately address County 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 electronic workpaper software to streamline the documentation process and enable 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 electronic workpaper 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**

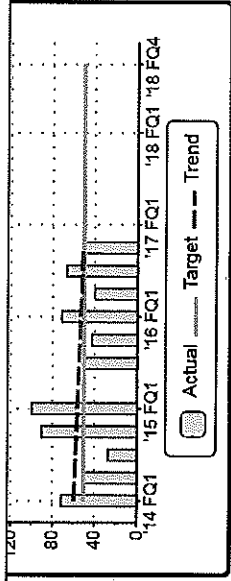
In order to meet County-wide needs for increased efficiencies and better accountability, AMS proposes the following actions for the next three-to-five years.

- Increase the number of audit staff to enhance AMS' ability to address significant audit and control risks throughout the County.
- Increase number of staff that are Certified Public Accountants, Certified Internal Auditors, Certified Information Systems Auditors, and Certified Fraud Examiners.
- Acquire advanced technology tools to improve audit efficiency and effectiveness.



Scorecard		Description		Owners
Audit and Management Services				
Initiatives Linked to Scorecard	Est. Start	Est. End	Type	As Of
Eliminate 6 positions in Audit Services (AMS-1)	10/1/2009	9/30/2010		10/31/2009
				100% Complete
<b>1.0 Customer</b>				
<b>Objective</b>	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
<b>Grandparent Objectives</b>	Description			Owners
GG4 Effective management practices				Miami-Dade County
<b>Parent Objectives</b>	Description			Owners
GG4-1 Provide sound financial and risk management				Miami-Dade County
<b>Measures Linked to Objective</b>	Actual	Target	Variance	Owners
Complete planned follow-up audits.	0%	10%	-10%	Jackson, Cathy (AMS); McKee, Nancy
<p>Complete planned follow-up audits</p>				
<b>Objective</b>	Description			Owners
Communicate Audit Results Timely (AMS)				Jackson, Cathy (AMS); McKee, Nancy; Audit Management Services
<b>Grandparent Objectives</b>	Description			Owners
GG4 Effective management practices				Miami-Dade County
<b>Parent Objectives</b>	Description			Owners
GG4-1 Provide sound financial and risk management				Miami-Dade County
<b>Measures Linked to Objective</b>	Actual	Target	Variance	Owners
Issue Draft Report within 90 days of fieldwork completion (new)	50% (5/10)	50%	0%	Jackson, Cathy (AMS)
<p>Issue Draft Report within 90 days of fieldwork completion</p>				

Business Plan Report - Audit and Management Services



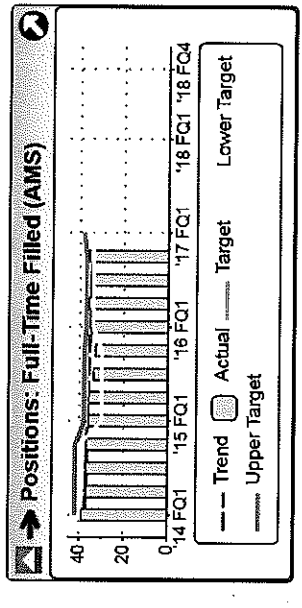
2.0 Financial

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 objective 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)	'16 FQ4	\$1,043K	\$1,117K	\$74K	Jackson, Cathy (AMS); McKee, Nancy
Child Measures	Period	Actual	Target	Variance	Owners
Expenditure: Personnel Costs (AMS)	'16 FQ4	\$961K	\$1,061K	\$100K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Court Costs (AMS)	'16 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Contractual Services (AMS)	'16 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Other Operating (AMS)	'16 FQ4	\$63K	\$48K	\$15K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Charges for County Services (AMS)	'16 FQ4	\$18K	\$4K	\$14K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Grants to Outside Organizations (AMS)	'16 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Capital (AMS)	'16 FQ4	\$1K	\$4K	\$3K	Jackson, Cathy (AMS); McKee, Nancy

**Business Plan Report - Audit and Management Services**

Expenditure: Transfers Out (AMS)	'16 FQ4	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Distribution of Funds in Trust (AMS)	'16 FQ4	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Debt Service (AMS)	'16 FQ4	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Depreciation, Amortization, Depletion (AMS)	'16 FQ4	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Reserves (AMS)	'16 FQ4	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Intradepartmental Transfers (AMS)	'16 FQ4	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Expenditure: Other Non-Operating (AMS)	'16 FQ4	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Total (Audit & Mgmt Svcs)	'16 FQ4	\$4,315K	\$1,117K	\$3,198K	\$3,198K	\$3,198K	\$3,198K	\$3,198K	\$3,198K	Jackson, Cathy (AMS); McKee, Nancy

Child Measures	Period	Actual	Target	Variance	Owners
Revenue: Carryover (AMS)	'16 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Interagency/Intradepartmental (AMS)	'16 FQ4	\$2,110K	\$575K	\$1,535K	Jackson, Cathy (AMS); McKee, Nancy
Revenue: General Fund (AMS)	'16 FQ4	\$2,166K	\$542K	\$1,624K	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Proprietary (AMS)	'16 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Revenue: State (AMS)	'16 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Revenue: Federal (AMS)	'16 FQ4	\$0K	\$0K	\$0K	Jackson, Cathy (AMS); McKee, Nancy
Positions: Full-Time Filled (AMS)	'16 FQ4	36	37	-1	Jackson, Cathy (AMS); McKee, Nancy



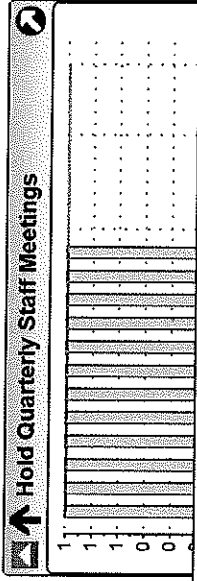
Objective	Description	Type	As Of	%	Status	Owners
Budget Implementation: FY 10-11 (AMS)						Jackson, Cathy (AMS)
Initiatives Linked to Objective						Owners
Eliminate 2 vacant Audit Supervisor positions, and 3 vacant Associate Auditor positions. (AMS-1)	n/a				n/a	Jackson, Cathy (AMS)

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



**Business Plan Report - Audit and Management Services**

Grandparent Objectives		Description		Owners	
GG4 Effective management practices		Miami-Dade County		Owners	
<b>Parent Objectives</b>					
GG4-1 Provide sound financial and risk management		Miami-Dade County		Owners	
<b>Measures Linked to Objective</b>					
Net Audit Assessment	'16 FQ4		Actual	Target	Variance
Audit Assessments Collected	'16 FQ4		\$1,270,592	\$750,000	\$520,592 Jackson, Cathy (AMS); McKee, Nancy
Audit Reports or Deliverables	'16 FQ4		\$730,807	\$375,000	\$355,807 Jackson, Cathy (AMS); McKee, Nancy
Complete Risk Assessment Analysis and Develop Audit Plan	2016 FY		10	8	2 Jackson, Cathy (AMS); McKee, Nancy
			100%	100%	0% Jackson, Cathy (AMS); McKee, Nancy
<b>Objective</b>					
Budget Implementation FY 09-10 (AMS)					
<b>Initiatives Linked to Objective</b>					
Eliminate 6 positions in Audit Services (AMS-1)	Est. Start	Est. End	Type	As Of	Status
	10/1/2009	9/30/2010		10/31/2009	100% Complete
Eliminate 1 position in Administration (AMS-2)	10/1/2009	9/30/2010		10/31/2009	100% Complete
<b>3.0 Internal</b>					
<b>4.0 Learning and Growth</b>					
<b>Objective</b>					
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.					
<b>Grandparent Objectives</b>					
GG2 Excellent, engaged workforce		Miami-Dade County		Owners	
<b>Parent Objectives</b>					
GG2-1 Attract and hire new talent		Miami-Dade County		Owners	
GG2-2 Develop and retain excellent employees and leaders		Miami-Dade County		Owners	
<b>Measures Linked to Objective</b>					
Audit Staff Professionally Certified	'16 FQ4		Actual	Target	Variance
Hold Quarterly Staff Meetings	'16 FQ4		70%	55%	15% Jackson, Cathy (AMS); McKee, Nancy
			1	1	0 Jackson, Cathy (AMS); McKee, Nancy



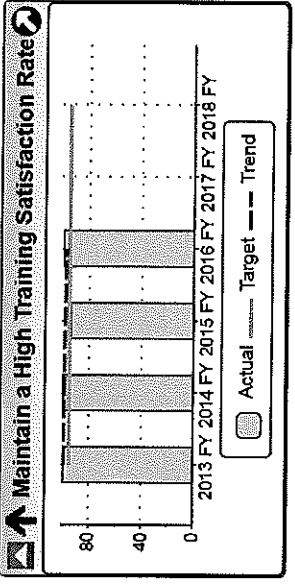
**Business Plan Report - Audit and Management Services**

'14 FQ1 '15 FQ1 '16 FQ1 '17 FQ1 '18 FQ1 '18 FQ4

Actual Target Trend

Complete Evaluations Within 30 Days After Due Date. '16 FQ4 90% -7% Jackson, Cathy (AMS); McKee, Nancy

Maintain a High Training Satisfaction Rate. 2016 FY 100% 83% 95% 5% Jackson, Cathy (AMS); McKee, Nancy



Continuing education hours 2016 FY 40 40 0 Jackson, Cathy (AMS); McKee, Nancy

