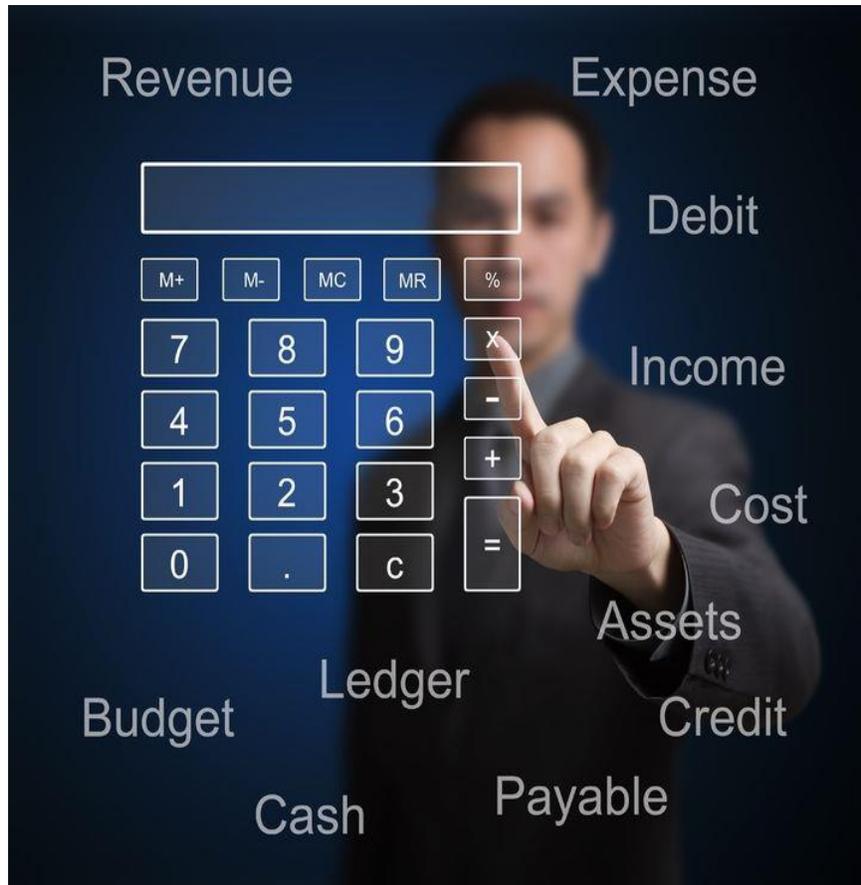
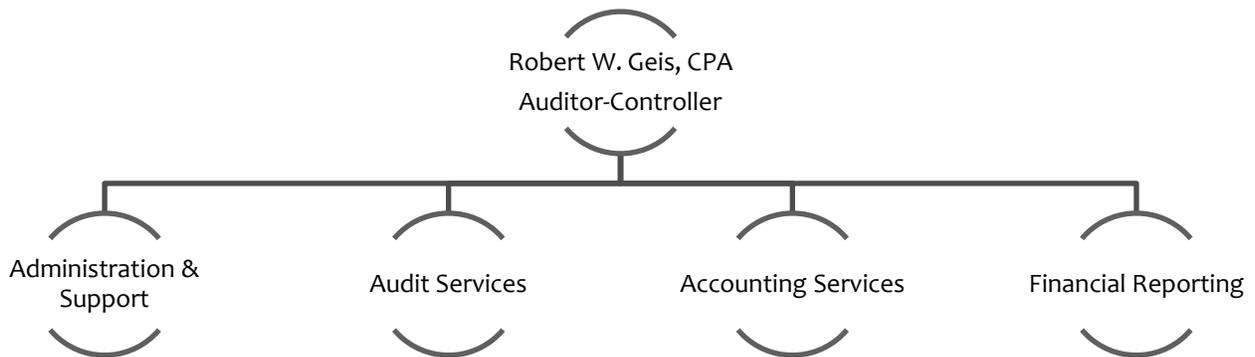


# Auditor-Controller



## **BUDGET & FULL-TIME EQUIVALENTS SUMMARY & BUDGET PROGRAMS CHART**

Operating	\$ 8,626,702
Capital	\$ 10,000
FTEs	49.2



# Auditor-Controller

## Department

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### **MISSION STATEMENT**

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To ensure the financial integrity of the County of Santa Barbara by providing superior financial services, maintaining the public trust, and promoting governmental efficiency, effectiveness, and accountability.

### **DEPARTMENT DESCRIPTION**

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The Department is the leading financial management resource of the County and its long-term vision includes a well-run, financially sound County, an informed public, and a model County Department with a knowledgeable and effective staff. Governed by the overriding principles of fiscal integrity, objectivity, customer service, and continuous improvement, the Auditor-Controller's (A-C) Department:

- Maintains accounts and records of the financial transactions for all departments and agencies whose funds are kept in the County Treasury in accordance with California Statutes and Generally Accepted Accounting Principles (GAAP).
- Provides reports and systems necessary to manage the County's financial operations utilizing modern financial applications as part of the Controller function.
- Levies, apportions, and distributes property taxes to the County, Schools, Cities, Special Districts, and Redevelopment Successor Agencies as part of the Auditor function.
- Furnishes customer focused financial decision support to the Board of Supervisors, the County Executive Officer, and Department Directors to advance the strategic goals and principles of the organization.
- Provides independent, objective, and cost-effective audit services.
- Performs advanced and specialty accounting services to Departments, Schools, and Special Districts.

### **HIGHLIGHTS OF 2015-17 OBJECTIVES**

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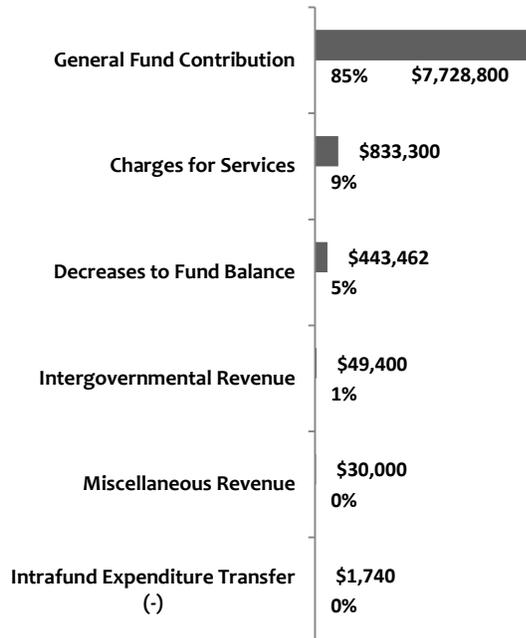
- Finishing the implementation of the Property Tax System will be the Department's top priority.
- Continue documentation for Office of Inspector General (OIG) audit of HCD to further reduce audit disallowance costs.
- Deploy a web-based Countywide time capture system.
- Enhance features of the new financial and budget public portal.
- Plan for the administration of the consolidated RDA Oversight Board and RDA dissolution process.
- Provide accounting support/training, grant compliance, and review of the Northern Branch Jail project and the STAR project.
- Maintain and enhance the 65 applications in the A-C that serve multiple departments and County agencies.
- Distribute an estimated \$800 million in property taxes to local agencies annually.
- Manage biweekly payroll process for approximately 4,500 employees.
- Validate and record 126,000 transactional documents, an average of almost 500 per day, which include claim payments, vendor changes, general ledger accounting transactions, budget entries, deposit entries, and journal entries.

# Auditor-Controller

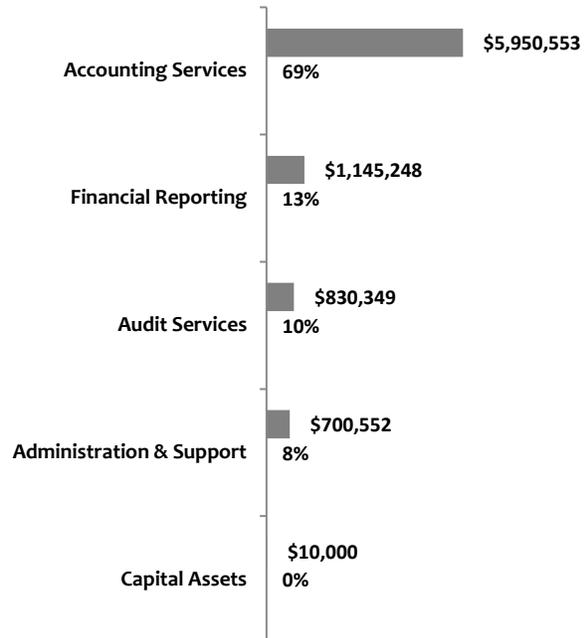
## Department

### RECOMMENDED SOURCES & USES OF FUNDS

#### Source of Funds - \$8,636,702

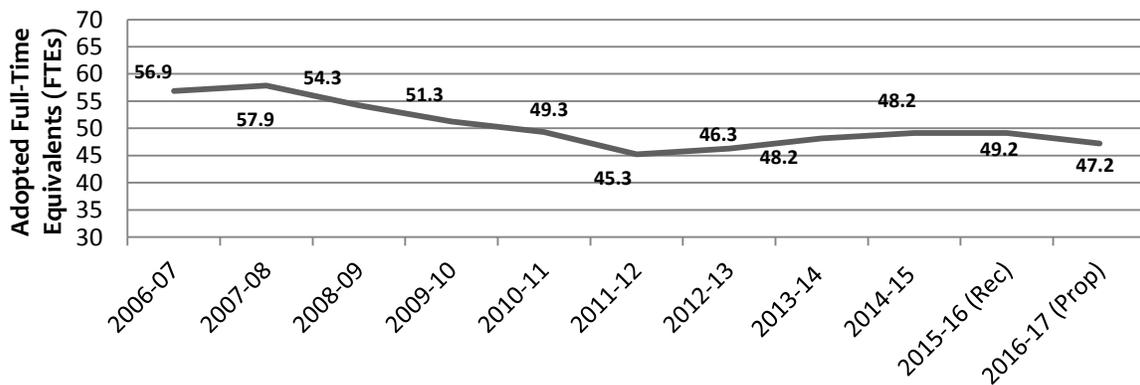


#### Use of Funds - \$8,636,702



### STAFFING TREND

The staffing trend values will differ from prior year budget books in order to show amounts without the impact of any vacancy factors.



# Auditor-Controller

## Department

### BUDGET OVERVIEW

Staffing Detail By Budget Program	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
Administration & Support	3.01	2.34	0.02	2.36	2.36
Audit Services	4.60	6.26	(1.25)	5.01	5.01
Accounting Services	34.32	34.98	0.64	35.62	35.62
Financial Reporting	6.47	5.57	0.64	6.21	6.21
Total	<u>48.41</u>	<u>49.15</u>	<u>0.05</u>	<u>49.20</u>	<u>49.20</u>
<hr/>					
<b>Budget By Budget Program</b>					
Administration & Support	\$ 659,760	\$ 660,957	\$ 39,595	\$ 700,552	\$ 706,953
Audit Services	702,575	915,059	(84,710)	830,349	850,100
Accounting Services	5,196,167	5,636,887	313,666	5,950,553	6,127,437
Financial Reporting	981,219	974,674	170,574	1,145,248	1,156,634
Unallocated	4,818	-	-	-	-
Total	<u>\$ 7,544,540</u>	<u>\$ 8,187,577</u>	<u>\$ 439,125</u>	<u>\$ 8,626,702</u>	<u>\$ 8,841,124</u>
<hr/>					
<b>Budget By Categories of Expenditures</b>					
Salaries and Employee Benefits	\$ 6,665,605	\$ 7,257,441	\$ 462,961	\$ 7,720,402	\$ 7,916,824
Services and Supplies	658,663	670,000	(24,000)	646,000	646,000
Other Charges	220,272	260,136	164	260,300	278,300
Total Operating Expenditures	<u>7,544,540</u>	<u>8,187,577</u>	<u>439,125</u>	<u>8,626,702</u>	<u>8,841,124</u>
Capital Assets	-	20,200	(10,200)	10,000	10,000
Intrafund Expenditure Transfers (+)	107,115	116,835	(116,835)	-	-
Increases to Fund Balances	20,525	-	-	-	-
Fund Balance Impact (+)	173,467	-	-	-	-
Total	<u>\$ 7,845,647</u>	<u>\$ 8,324,612</u>	<u>\$ 312,090</u>	<u>\$ 8,636,702</u>	<u>\$ 8,851,124</u>
<hr/>					
<b>Budget By Categories of Revenues</b>					
Intergovernmental Revenue	\$ 57,753	\$ 48,600	\$ 800	\$ 49,400	\$ 49,400
Charges for Services	863,520	858,600	(25,300)	833,300	844,300
Miscellaneous Revenue	61,834	30,000	-	30,000	30,000
Total Operating Revenues	<u>983,107</u>	<u>937,200</u>	<u>(24,500)</u>	<u>912,700</u>	<u>923,700</u>
Intrafund Expenditure Transfers (-)	5,240	1,740	-	1,740	1,740
Decreases to Fund Balances	-	333,872	109,590	443,462	244,000
General Fund Contribution	6,857,300	7,051,800	227,000	7,278,800	7,465,300
Fund Balance Impact (-)	-	-	-	-	216,384
Total	<u>\$ 7,845,647</u>	<u>\$ 8,324,612</u>	<u>\$ 312,090</u>	<u>\$ 8,636,702</u>	<u>\$ 8,851,124</u>

# Auditor-Controller

## Department

### **CHANGES & OPERATIONAL IMPACT: 2014-15 ADOPTED TO 2015-16 RECOMMENDED**

#### Staffing

- There are no FTE changes from 2014-15 Adopted to 2015-16 Recommended; however we are requesting ongoing GFC funding to replace one-time funding for two additional positions that were approved as a budget restoration in FY 14-15, but limited term one-time funding was provided for FY14-15 and FY15-16 only.
- The Department has a current projected staff of 49.2 employees. The Department has centralized operations in Santa Barbara and one satellite office in Santa Maria.

As a result of the economic downturn, the Auditor-Controller has dropped its budgeted staffing level over the last seven years from 57.9 FTE in FY 07-08 to a recommended staffing level of 49.2 FTE in FY 15-16. During the economic recession for a period of seven years, the Department held positions vacant, returned funds to the General Fund at year end, and reduced positions in each budget cycle, to offset increases in salary, retirement, and benefit costs. This resulted in the reduction of 9.7 FTEs or a 17% decrease in positions since FY 07-08 until the Board restored partial one-time funding for two FTEs in FY 14-15.

The Department has submitted budget expansion requests to replace the temporary one-time funding from Committed Fund Balance for two Accountant-Auditors with ongoing General Fund Contribution to maintain our staffing level of 49.2. If this expansion is not approved, we would have to reduce FTEs down to 47.2 at the end of FY15-16.

Although not included in the Recommended or Proposed Budget, for optimal long-term staffing, the office requires at least 52.2 FTEs which includes the restoration of the following positions (not including the two requested above):

- Financial Accounting Analyst for the Advanced and Specialty Accounting Division.
- Senior Accountant for the Financial Accounting and Customer Support Division.
- Accountant-Auditor I for the New Auditor Training and Development Program (NATD).

#### Expenditures

- Net operating expenditure increase of \$439,100 due to:
  - +\$463,000 increase in Salaries and Employee Benefits due to increases in retirement costs, health insurance costs, workers compensation premiums, and employee salaries;
  - -\$24,000 decrease in Services and Supplies is primarily due to:
    - -\$25,000 decrease in Professional & Special Services for systems consulting services.
- Net non-operating expenditure decrease of \$127,000 due to:
  - -\$10,000 decrease in Capital Asset purchases;
  - -\$116,800 decrease in cost sharing with the Treasurer Tax Collector on the Aumentum project.

These changes result in recommended operating expenditures of \$8,626,700, non-operating expenditures of \$10,000 and total expenditures of \$8,636,700. Non-operating expenditures are for capital assets.

# Auditor-Controller

## Department

### ***CHANGES & OPERATIONAL IMPACT: 2014-15 ADOPTED TO 2015-16 RECOMMENDED (CONT'D)***

#### Revenues

- Net operating revenue decrease of \$24,500 due to:
  - -\$25,300 decrease in Charges for Services due to decreased Audit Fees and FIN usage.
- Net non-operating revenue increase of \$336,600 due to:
  - +\$109,600 increase in the release of AC Automation Committed Fund Balance to partially fund two Accountant-Auditors for the New Auditor Training & Development program;
  - +\$227,000 increase in General Fund Contribution for Salary and Benefit increases.

Although not reflected in the Auditor-Controller department budget, cost allocation for Auditor services, recorded as general revenues, are budgeted to increase \$675,000 to \$2,883,000 in FY 2015-16. This generally represents increased reimbursement from Federal and State programs. The Department has submitted a budget expansion to increase General Fund Contribution by \$184,100 due to the increase in these reimbursement revenues and to remove partial one-time funding of \$90,000 from the Program Restoration Committed Fund Balance, for a net increase of ongoing GFC of \$94,100.

These changes result in recommended operating revenues of \$912,700, non-operating revenues of \$7,724,000 and total revenues of \$8,636,700. Non-operating revenues primarily include General Fund Contribution, transfers, and decreases to fund balances.

### ***CHANGES & OPERATIONAL IMPACT: 2015-16 RECOMMENDED TO 2016-17 PROPOSED***

The FY 2015-16 proposed expenditures reflect a \$214,400 increase over the FY 2015-16 recommended budget that is primarily the result of:

- +\$196,400 increase in salaries, retirement contributions and other benefits;
- +\$18,000 increase in Other Charges.

#### ***RELATED LINKS***

For more information on the Auditor-Controller's Office, refer to the Web site at <http://www.countyofsb.org/auditor/default.aspx>.

# Auditor-Controller

## Department

### **PERFORMANCE MEASURES**

Description	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Estimated Actual	FY 2015-16 Recommend	FY 2016-17 Proposed
<b>A Well-Run County: with goals of maintaining independence and objectivity, and constantly improving processes</b>					
Percentage of A-C mandatory audits completed by legal due date	91% 10/11	85% 11/13	100% 5/5	100% 5/5	100% 5/5
Number of revenue allocations made legally, accurately, and timely - Distribution of Property Taxes to all taxing entities	36	36	24	36	36
Number of revenue allocations made legally, accurately, and timely - Specialty & Advanced Accounting	267	239	333	333	333
<b>A Financially Sound County: with goals of providing high-quality financial services and support of the County's financial infrastructure</b>					
Complete the County's Comprehensive Annual Financial Report within 60 days and receive the GFOA Certificate of Excellence in Financial Reporting	Yes	Yes	Yes	Yes	Yes
Percentage of annual disbursements to County vendors through direct deposit (ACH)	54% 64K/119K	55% 65K/119K	57% 68K/119K	58% 70K/120K	60% 72K/120K

# Auditor-Controller

## Department

### PERFORMANCE MEASURES (CONT'D)

Description	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Estimated Actual	FY 2015-16 Recommend	FY 2016-17 Proposed
<b>An Informed Public: with goals of providing useful and timely information and increase access and awareness</b>					
The number of financial reports viewable by interested parties (Public/County employees) that will increase transparency of the County's fiscal position and availability of financial information.	64	65	68	68	68
Number of popular annual financial highlight reports produced timely.	5	5	5	5	5
<b>Knowledgeable and Effective Staff: with the goal of investing in our employees</b>					
Percentage of department budget expended on training	1% 75K/7.5M	1% 83K/8.3M	1% 83K/8.3M	1% 86K/8.6M	1% 88K/8.8M
Percentage of staff with one or more professional licenses or designations	Not used in prior years	49% 22/45	57% 28/49	57% 28/49	60% 28/47
<b>Model County Department: with the goal of managing the Auditor-Controller's office effectively</b>					
Percentage of internal Computer Service Requests (CSR's) completed within the FY requested	94% 521/554	92% 510/554	86% 476/554	90% 499/554	90% 499/554
Percent of departmental Employee Performance Reviews (EPRs) completed by the due date	100% 46/46	100% 48/48	100% 49/49	100% 49/49	100% 47/47
Percentage of technical disaster recovery plans for mission critical systems updated per year	100% 1/1	100% 1/1	100% 1/1	100% 1/1	100% 1/1

# Auditor-Controller



# Auditor-Controller

## Program

### ADMINISTRATION & SUPPORT

Advise the Board of Supervisors and County management regarding financial matters. Provide leadership and direction to the Department. Provide department employees with support, training, equipment and facilities.

#### Staffing

Staffing Detail By Budget Program	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
AUDITOR-CONTROLLER	1.00	1.00	-	1.00	1.00
ASST DIRECTOR	0.33	0.34	0.02	0.36	0.36
CHIEF DEPUTY CONTROLLER	0.01	-	-	-	-
FINANCIAL SYS ANALYST	0.02	-	-	-	-
FINANCIAL OFFICE PRO	1.00	1.00	-	1.00	1.00
EXTRA HELP	0.65	-	-	-	-
Total	3.01	2.34	0.02	2.36	2.36

#### Revenue & Expenditures

Budget By Categories of Expenditures	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
Salaries and Employee Benefits	\$ 573,521	\$ 536,909	\$ 33,524	\$ 570,433	\$ 572,155
Services and Supplies	30,436	45,551	(202)	45,349	45,350
Other Charges	55,803	78,497	6,273	84,770	89,448
Total Operating Expenditures	659,760	660,957	39,595	700,552	706,953
Capital Assets	-	10,200	(10,200)	-	-
Increases to Fund Balances	10,200	-	-	-	-
Total Expenditures	\$ 669,960	\$ 671,157	\$ 29,395	\$ 700,552	\$ 706,953
<b>Budget By Categories of Revenues</b>					
Miscellaneous Revenue	46,298	24,457	(1,994)	22,463	22,463
Total Operating Revenues	46,298	24,457	(1,994)	22,463	22,463
Decreases to Fund Balances	-	10,200	(10,200)	-	-
General Fund Contribution	689,140	788,018	(109,929)	678,089	684,490
Total Revenues	\$ 735,438	\$ 822,675	\$ (122,123)	\$ 700,552	\$ 706,953

\* Please note that departments are not required to balance their budget at the program level.

#### 2014-15 Anticipated Accomplishments

- Provided comprehensive Deming Management training for 45 department employees which encourages Better Thinking, Extraordinary Results, and a system where Everybody Wins. Although the office has been practicing Deming's techniques for the last 25 years, this was a great introductory and refresher course for the office staff.
- The Auditor-Controller's (A-C) Department successfully recruited and hired two Accountant Auditors for the New Auditor Training program. In addition, we were able to replace our Office Administrator; we promoted within for a new Payroll Division Chief and Payroll Supervisor. These employees replaced well trained employees, after two retirements, the loss of one Accountant-Auditor, and our Office Administrator.

# Auditor-Controller

## Program

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### **ADMINISTRATION & SUPPORT (CONT'D)**

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#### **2014-15 Anticipated Accomplishments (cont'd)**

- Authored a report for the Board of Supervisors on Isla Vista governance options and a second report for options to finance enhanced services and infrastructure in Isla Vista.
- Wrote independent fiscal analyses for three ballot measures.

#### **2015-17 Objectives**

- Manage the A-C office effectively by submission of timely budgets that include the resources necessary to carry out the duties of the office
- Recruit and hire well-qualified staff
- Conduct a recruitment for a new class of Accountant-Auditors for the new Auditor Training and Development Program
- Encourage staff performance
- Support staff training
- Provide modern technology
- Promote employee health, wellness, and quality of life

# Auditor-Controller

## Program

### AUDIT SERVICES

Assist the management of the County and Special Districts in carrying out their responsibilities by providing professional audit services such as: attestation services (financial, grant & compliance audits), internal control reviews, performance reviews (effectiveness/efficiency), fraud/loss investigations, consulting, and special projects.

#### Staffing

Staffing Detail By Budget Program	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
ASST DIRECTOR	0.02	0.01	-	0.01	0.01
AUDIT MANAGER	1.00	1.00	-	1.00	1.00
AUDIT SUPERVISOR	1.08	1.00	-	1.00	1.00
FINANCIAL SYS ANALYST	0.56	-	-	-	-
COST ANALYST	-	-	1.00	1.00	1.00
ACCOUNTANT-AUDITOR	1.76	4.25	(2.25)	2.00	2.00
EXTRA HELP	0.19	-	-	-	-
Total	4.60	6.26	(1.25)	5.01	5.01

#### Revenue & Expenditures

Budget By Categories of Expenditures	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
Salaries and Employee Benefits	\$ 636,783	\$ 824,343	\$ (69,042)	\$ 755,301	\$ 774,392
Services and Supplies	59,112	82,631	(15,458)	67,173	67,173
Other Charges	6,681	8,085	(210)	7,875	8,535
Total Operating Expenditures	702,575	915,059	(84,710)	830,349	850,100
Total Expenditures	\$ 702,575	\$ 915,059	\$ (84,710)	\$ 830,349	\$ 850,100
<b>Budget By Categories of Revenues</b>					
Charges for Services	31,400	37,500	(10,000)	27,500	27,500
Total Operating Revenues	31,400	37,500	(10,000)	27,500	27,500
Intrafund Expenditure Transfers (-)	5,240	1,740	-	1,740	1,740
Decreases to Fund Balances	-	90,000	-	90,000	-
General Fund Contribution	794,640	887,221	(176,112)	711,109	820,860
Total Revenues	\$ 831,280	\$ 1,016,461	\$ (186,112)	\$ 830,349	\$ 850,100

\* Please note that departments are not required to balance their budget at the program level.

#### 2014-15 Anticipated Accomplishments

- Completed mandated audits of Special Districts, the County Treasury, and assisted the external auditors in completing the Federal Single Audit.
- Performed internal control investigations of departments reporting lost or stolen property to the Auditor-Controller's Office as required under the Fraud Policy.

# Auditor-Controller

## Program

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### **AUDIT SERVICES (CONT'D)**

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- Ensured that legally mandated audits of Special Districts and the County Treasury were completed.
- Assisted the external auditors in completing the Federal Single Audit.
- Performed internal control investigations of departments reporting lost or stolen property to the AC office as required by the County Fraud Policy.
- Performed departmental cash counts to increase Auditor presence and to test internal controls as theft deterrence measures.
- Continued enhanced reporting to the Board of Supervisors with reports on External Monitoring of County Departments, Lost Property, and Vendors Paid Amounts Greater than \$100,000.
- Participated in the Contracts Improvement Group to enhance contracting policies and collaboration between departments. Completed a compliance audit of an external contractor to increase contract monitoring.
- Completed an audit of Sheriff take-home vehicles as recommended by a Grand Jury report.
- Completed an organization review of the Fire Department's finance section.
- Performed a review of the County's capital assets including whether the County's assets are properly reported in the Auditor's underlying records.
- Completed documentation for Office of Inspector General (OIG) audit of HCD that should reduce disallowed costs significantly from \$3.1 million. If not successful, repayment by the General Fund will be required.

### **2015-17 Objectives**

- Focus on completing mandated audits, training staff, and continue to provide enhanced reporting to the Board of Supervisors.
- Complete projects to assist departments in improving processes.
- As resources exist, perform audits to increase contractor monitoring.

# Auditor-Controller

## Program

### ACCOUNTING SERVICES

Prepare accurate, complete, and timely financial records; operate, maintain and enhance County-wide financial and payroll systems, pay all employees in a timely manner, control disbursements to vendors, timely record the deposit of funds; manage the county's cash position; provide revenue distribution services, continuously improve customer service to County Departments and other agencies by utilizing new technologies to enhance processes, improve accuracy, and timeliness; allocate and distribute property taxes to all County tax agencies within established timelines, provide professional service assistance for general accounting, disaster accounting, budgeting, systems, and fiscal advisory services. Train employees on proper accounting throughout the organization.

### Staffing

Staffing Detail By Budget Program	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
ASST DIRECTOR	0.58	0.58	(0.04)	0.54	0.54
CHIEF DEPUTY CONTROLLER	0.74	0.75	-	0.75	0.75
DIVISION CHIEF	5.31	6.75	(0.18)	6.57	5.57
ENTERPRISE LDR-GEN	0.23	-	-	-	-
FINANCIAL SYS ANALYST SR-R	5.58	6.00	-	6.00	6.00
FINANCIAL SYS ANALYST	1.55	1.00	1.00	2.00	2.00
FINANCIAL SYS ANALYST	1.86	2.90	(0.15)	2.75	2.75
FINANCIAL ACCT ANALYST	2.39	3.00	-	3.00	3.00
COST ANALYST	1.40	2.00	-	2.00	2.00
FINANCIAL OFFICE PRO	5.00	5.00	(4.00)	1.00	1.00
EDP OFFICE AUTO COORD SR	1.00	1.00	-	1.00	1.00
ACCOUNTANT-AUDITOR	6.31	6.00	-	6.00	7.00
FINANCIAL ACCT ANALYST-R	0.08	-	-	-	-
FINANCIAL OFFICE PRO SR	-	-	2.00	2.00	2.00
FINANCIAL OFFICE PRO SR-RES	-	-	2.00	2.00	2.00
EXTRA HELP	2.30	-	-	-	-
Total	<u>34.32</u>	<u>34.98</u>	<u>0.64</u>	<u>35.62</u>	<u>35.62</u>

# Auditor-Controller

## Program

### ACCOUNTING SERVICES (CONT'D)

#### Revenue & Expenditures

Budget By Categories of Expenditures	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
Salaries and Employee Benefits	\$ 4,574,517	\$ 5,027,651	\$ 345,848	\$ 5,373,499	\$ 5,538,532
Services and Supplies	470,812	442,396	(26,198)	416,198	416,197
Other Charges	150,838	166,840	(5,984)	160,856	172,708
Total Operating Expenditures	5,196,167	5,636,887	313,666	5,950,553	6,127,437
Capital Assets	-	10,000	-	10,000	10,000
Intrafund Expenditure Transfers (+)	107,115	116,835	(116,835)	-	-
Increases to Fund Balances	10,325	-	-	-	-
Total Expenditures	\$ 5,313,607	\$ 5,763,722	\$ 196,831	\$ 5,960,553	\$ 6,137,437
<b>Budget By Categories of Revenues</b>					
Intergovernmental Revenue	57,753	48,600	800	49,400	49,400
Charges for Services	832,120	821,100	(15,300)	805,800	816,800
Miscellaneous Revenue	15,535	5,543	1,994	7,537	7,537
Total Operating Revenues	905,408	875,243	(12,506)	862,737	873,737
Decreases to Fund Balances	-	233,672	119,790	353,462	244,000
General Fund Contribution	3,418,900	4,194,597	549,757	4,744,354	4,803,316
Total Revenues	\$ 4,324,308	\$ 5,303,512	\$ 657,041	\$ 5,960,553	\$ 5,921,053

\* Please note that departments are not required to balance their budget at the program level.

#### 2014-15 Anticipated Accomplishments

##### Applications Development and Systems

- Continued the development of a replacement for the aging time capture system along with upgrades to web based technology for the Employee Self-Service application and Department Employee Network system.
- Maintained 65 departmental and Countywide financial applications and related support hardware.
  - Completed User Acceptance Testing for the new Property Tax System;
  - Deployed and supported the hardware infrastructure required for the Property Tax System mitigating the risks associated with a 35 year old mainframe system;
  - Upgraded the Auditor Controller's office to Windows 7;
  - Provided additional budget development and reporting functionality to the Financial Information Network (FIN) Web allowing for an advanced process to load and analyze the County budget.
- Initiated the development of a public portal for the County Recommended and Adopted budgets.

##### Property Tax Administration

- Administered the distribution of \$785 million in taxes to 8 cities, the County, 24 schools, 49 special districts, and 7 RDA successor agencies.
- Continued the long-term implementation of the Redevelopment Dissolution Act that dissolves Redevelopment Agencies (RDA), pays down their outstanding debt obligations, and reallocates property tax dollars to other local tax agencies.

# Auditor-Controller

## Program

### ***ACCOUNTING SERVICES (CONT'D)***

- Continued the implementation of the multi-year tax exchange agreement between the County and the Fire Protection District
- Worked jointly with the Treasurer-Tax Collector to complete the last phases of implementation of a new vendor purchased property tax system (Aumentum) that went live in early FY 2014-15. Five FTE systems development staff are dedicated to this effort. The A-C applications within this vendor system will have to be supplemented with additional subsystem components or require further development within Aumentum outside the scope of the current project.

#### Payroll Operations

- Successfully processed all scheduled County payrolls on time and accurately, and implemented all Federal and State mandatory changes in payroll related laws.
- Continued to work on the review of Countywide compliance of the Fair Labor Standards Act overtime laws.
- Implemented the Affordable Care Act payroll reporting requirements.
- Implemented legislation mandating a minimum 3 days of sick leave for all employees, including extra help employees.
- Processed an inordinate amount of payroll adjustments due to retroactive Memorandums of Understanding provisions.

#### Financial Accounting and Customer Support

- Validated and recorded 126,000 transactional documents, which included claim payments, vendor changes, general ledger accounting transactions, budget entries, deposit entries, and journal entries.
- Provided full time customer support to both internal and external customers through the Auditor Help Desk, assisting with a wide range of system, claim, and reporting related questions.
- Worked with the Applications Development & Systems Division to test and implement a new state-of-the-art ACH payment application that replaced a 14-year old ahead-of-its-time VendorLink system.
- Provided multiple trainings to FIN users, including Introduction to FIN, Travel Claim reimbursement training, and many department-specific trainings.

#### Advanced and Specialty Accounting

- Managed a variety of complex revenue and tax distributions throughout the year including Public Safety Realignment 2011 and continued changes to realignment distributions.
- Continued the implementation of new workflow and internal control enhancements and processes for reviewing Board Letters, Grants, Contracts, and Leases for A-C concurrence prior to submission for Board action.
- Continued with the complex accounting and reporting for the dissolution of the County's Isla Vista Redevelopment Agency and transferred assets to the Successor Agency and County Housing Successor Agency.
- Continued to assist with the design and implementation of accounting policies and reporting structure for the North County Jail capital grants.

# Auditor-Controller

## Program

### **ACCOUNTING SERVICES (CONT'D)**

#### 2015-17 Objectives

##### Applications Development and Systems

- Finishing the implementation of the Property Tax System will be the Department's top priority.
- Deploy a web-based Countywide time capture system and enhance the system with overtime and leave management capabilities.
- Build an interactive public website that features County financial related information including a public portal for the County Budget.
- Extend our current strategic plan for application maintenance and development to 5 and 10 year periods.
- Maintain and enhance the 65 applications in the A-C that serve multiple departments and County agencies.

##### Property Tax Administration

- Distribute an estimated \$800 million in property taxes to local agencies annually.
- Plan for the administration of the consolidated RDA Oversight Board and RDA dissolution process.
- Implement necessary subsystems to better interface with the new core Aumentum property tax system and create more efficient processing.

##### Payroll Operations

- Manage biweekly payroll process for approximately 4,500 employees.
- Continue to work with the Human Resources Benefits Division to review the evolving requirements of the Affordable Care Act, and work on implementation methods which track and report the required statistical data.
- Participate in constant improvement of technology supporting time coding, payroll calculations, and reporting.

##### Financial Accounting and Customer Support

- Validate and record 126,000 transactional documents an average of almost 500 per day, which include claim payments, vendor changes, general ledger accounting transactions, budget entries, deposit entries, and journal entries.
- Continue to seek out improved efficiencies and controls in the processing of claims and general ledger transactions.
- Validate, process, and record all annual general ledger accounting transactions including a high volume of deposit entries, journal entries, and claim payments.
- Respond to customer service requests in a timely and efficient manner.
- Provide expanded FIN trainings to the organization.

# Auditor-Controller

## Program

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### ***ACCOUNTING SERVICES (CONT'D)***

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#### Advanced and Specialty Accounting

- Provide accounting support/training, grant compliance, and review of the Northern Branch Jail project and the STAR project.
- Support and enhance the County's contract review process.
- Assist departments and agencies in the complex allocations of inter-agency revenues and taxes.
- Report timely and accurate information on Sales Tax, TOT, and financial information to the State for Special Districts.
- Continue documentation for Office of Inspector General (OIG) audit of HCD to further reduce audit disallowance costs.
- Implement a revenue allocation and tracking tool for processing revenue transactions.
- Document revenue streams as a system and utilize tools to increase the reliability of information used to create forecasts and predictions for Sales Taxes, Transient Occupancy Taxes, Realignment Revenues, and Court Fines & Fees.

# Auditor-Controller

## Program

### FINANCIAL REPORTING

Provide meaningful and timely financial reports and cost analysis to management, the Board of Supervisors, and the public. Comply with State and Federal reporting requirements and generally accepted accounting principles. Operate, maintain, enhance, and support the County's budget development system.

#### Staffing

Staffing Detail By Budget Program	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
ASST DIRECTOR	0.08	0.07	0.02	0.08	0.08
DIVISION CHIEF	1.28	1.00	0.18	1.18	1.18
AUDIT SUPERVISOR	0.42	0.50	-	0.50	0.50
FINANCIAL SYS ANALYST	0.63	0.50	0.45	0.95	0.95
FINANCIAL ACCT ANALYST	1.21	1.50	-	1.50	1.50
COST ANALYST	1.56	1.00	1.00	2.00	2.00
ACCOUNTANT-AUDITOR	1.01	1.00	(1.00)	-	-
EXTRA HELP	0.28	-	-	-	-
Total	6.47	5.57	0.64	6.21	6.21

#### Revenue & Expenditures

Budget By Categories of Expenditures	2013-14 Actual	2014-15 Adopted	Change from FY14-15 Ado to FY15-16 Rec	2015-16 Recommended	2016-17 Proposed
Salaries and Employee Benefits	\$ 875,965	\$ 868,538	\$ 152,631	\$ 1,021,169	\$ 1,031,745
Services and Supplies	98,304	99,422	17,858	117,280	117,280
Other Charges	6,950	6,714	85	6,799	7,609
Total Operating Expenditures	981,219	974,674	170,574	1,145,248	1,156,634
Total Expenditures	\$ 981,219	\$ 974,674	\$ 170,574	\$ 1,145,248	\$ 1,156,634
<b>Budget By Categories of Revenues</b>					
General Fund Contribution	1,954,620	1,181,964	(36,716)	1,145,248	1,156,634
Total Revenues	\$ 1,954,620	\$ 1,181,964	\$ (36,716)	\$ 1,145,248	\$ 1,156,634

\* Please note that departments are not required to balance their budget at the program level.

#### 2014-15 Anticipated Accomplishments

- Earned the twenty-fourth consecutive Government Finance Officers' Association (GFOA) Award for Excellence in Financial Reporting for the County's Comprehensive Annual Financial Report (CAFR) and the twentieth consecutive GFOA Award for Outstanding Achievement for the County's Annual Financial Highlights publication.
- Maintained a commitment to keep the public informed on matters concerning public finances by publishing and distributing the following concise, reader-friendly publications:
  - Financial Highlights
  - Annual Retail Sales & Use Tax Report
  - Annual Transient Occupancy Tax (TOT) Report

# Auditor-Controller

## Program

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### ***FINANCIAL REPORTING (CONT'D)***

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- Special District Annual Compliance Report
- Property Tax Highlights
- Received the GFOA award for the redesigned presentation of County Budget
- Continued working with the CEO on making improvements to budget development processes, tools, and policies
- Conducted beginning, intermediate, and advanced accounting courses at the Employee University.
- Completed the project to transform the budget process with the CEO to include:
  - budget workshops
  - a five-year financial forecast
  - a two-year operational plan
  - a one-year legally required adopted budget
- Designed, developed, and implemented a CAFR database compilation system which accelerates the completion of the financial statements and audit.

### **2015-17 Objectives**

- Prepare timely and accurate financial documents that include the County's Comprehensive Annual Financial Report, County Budget, Cost Allocation Plan, and a variety of financial reporting and compliance documents to State Agencies.
- Provide the Board of Supervisors, CEO, and management with the financial information necessary to make decisions that impact services to the community.
- Implement significant new GASB reporting pronouncements.