

A. Action Plan

1. Strategic Goals and Strategies to Accomplish

Strategic priorities and outcome indicators for each of the department’s goals were established for 2008. Although there are numerous strategic priorities, it is important to note that most of the department’s resources will be expended on two of them: the successful daily operations of the County’s central accounting systems under Goal #1, and the provision of ongoing accounting services to host County departments/agencies under Goal #3.

Goal #1 is to assist in controlling the financial risk faced by the County. Strategies to accomplish this goal include:

- ◆ Performing the audits of the Country Treasury as required by law.
- ◆ Maintaining a leadership role on the County’s financial management team for issues relating to financial oversight activities.
- ◆ Providing additional information to management allowing increased oversight.
- ◆ Reviewing the costing of collective bargaining strategies and contracts as directed by the Board of Supervisors.

A. The Outcome Indicator for this goal is to perform the required audits and to issue the required reports timely.

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Quarterly and annual audits of the County treasury as well as daily monitoring of the County’s investment portfolios.</p> <p><u>Why:</u> Provide assurance to the public that the cash and investments on hand are equal to those reported by the Treasurer.</p>	<p>Reviews of the Treasury were issued for the quarters 6/30/07, 9/30/07, and 3/31/08 and an annual audit was performed for the year ended 12/31/07.</p> <p>Special circumstances due to valuation issues with the County’s investment in a Structured Investment Vehicle (SIV) created a delay in the issuance of the 12/31/07 annual audit report and the 3/31/08 quarterly review.</p> <p>Reports summarizing the results of daily compliance monitoring of the County, School, and John Wayne Airport Investment Pool were prepared for each month.</p>	<p>Perform audits of the Treasury for the quarters ending 6/30/08, 9/30/08, and 3/31/09 and perform the annual audit for the year ended 12/31/08 and submit the required reports timely.</p>	<p>Reviews have been submitted timely for FY 2008-09. We plan to issue all audit reports timely.</p>	<p>Perform audits of the Treasury for the quarters ending 6/30/09, 9/30/09, and 3/31/10 and perform the annual audit for the year ended 12/31/09 and submit the required reports timely.</p>	<p>Reviews have been submitted timely for 2008-09. Reports summarizing the results of daily compliance monitoring of the Investment Pool have been prepared for each month.</p>

B. The Outcome Indicator for this goal is to produce quarterly sets of FRET reports for review by department fiscal managers.

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Quarterly reporting of financial information, revenue and expenditures. <u>Why:</u> Provide data to departments/agencies on a regular basis to monitor budgetary standing.</p>	<p>Quarterly sets of FRET reports were produced. FRET II was not implemented due to CAPS+ resource allocations.</p>	<p>All resources will be directed to the CAPS+ project for the development of the financial reporting and implementation.</p>	<p>Current FRET reporting will continue and FRET II will be deferred until FY 09-10.</p>	<p>FRET II will be evaluated for function / fit into the new CAPS+ environment.</p>	<p>FRET will continue to operate until CAPS+ FS is implemented at which time FRET II will either be included as part of the Phase II project or replaced with the CGI Performance Budget module.</p>

C. The Outcome Indicator for this goal is to have the Auditor-Controller represented on the following oversight committees: Treasurer Oversight Committee (TOC), Audit Oversight Committee (AOC), Public Financing Advisory Committee (PFAC), CAPS Steering Committee Chairman, Property Tax System (PTS) Steering Committee, the Cal State Fullerton Accounting Advisory Board, and the Measure M Taxpayers Oversight Committee.

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Auditor-Controller staff will attend 100% of these committee meetings.</p>	<p>Nearly all meetings were attended by the Auditor Controller with the balance being attended by senior AC staff.</p>	<p>Staff will attend all meetings.</p>	<p>100% of all meetings will be attended by A-C staff.</p>	<p>Staff will attend all meetings</p>	<p>Continue to provide full support for these oversight committees.</p>

Goal #2 is to promote accountability by developing and enforcing systems of accounting controls. Strategies to accomplish this goal include:

- ◆ Continuing to meet successfully the daily operations of the County’s central accounting systems.
- ◆ Staying current with all critical recurring accounting operations.
- ◆ Assessing the risk and the adequacy of controls of the County’s major transaction processing systems maintained by the Auditor-Controller Department.

A. The Outcome Indicator for this goal is to receive a certified opinion in a timely manner on compliance with laws, regulations, and provisions of contracts or grants that could have a material effect on each major Federal program administered by the County.

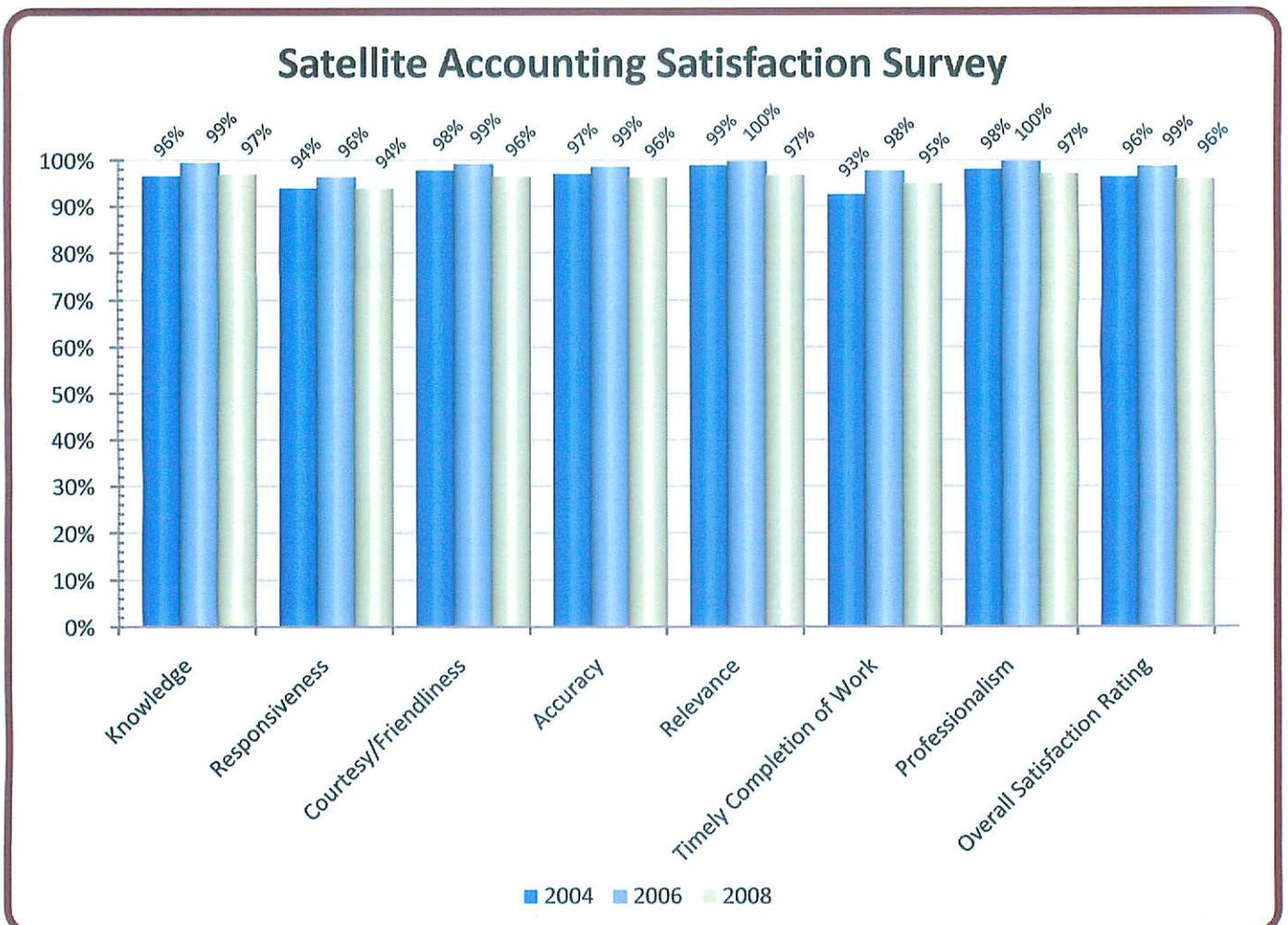
Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Measures compliance with requirements in administering Federal and State programs.</p> <p><u>Why:</u> Provides assurance to Federal and State agencies that there are no material weaknesses in controls affecting compliance.</p>	The County received an unqualified opinion in all areas covered by the Single Audit Reports for FY 2006-07.	Receive a certified opinion in a timely manner in FY 2007-08 and FY 2008-09.	The department expects to obtain a certified opinion, in a timely manner in FY 2007-08 and FY 2008-09.	The department fully expects to receive certified opinions in a timely manner for all accounting related areas in FY 2008-09, and to continue to meet the requirements of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget (OMB) Circular A-133.	The County has received unqualified opinions in all accounting related areas covered by the Single Audit Reports for the past several years, with no material weaknesses in accounting controls.

Goal #3 is to anticipate and satisfy our stakeholders’ and clients’ needs for financial services and reliable information. Strategies to meet this goal consist of:

- ◆ Providing ongoing accounting services to departments/agencies.
- ◆ Assessing customer satisfaction.
- ◆ Supporting special projects requested by clients.
- ◆ Preparing fiscal analyses of County ballot initiatives as requested by the Board of Supervisors.
- ◆ Increasing the use of web-based information.

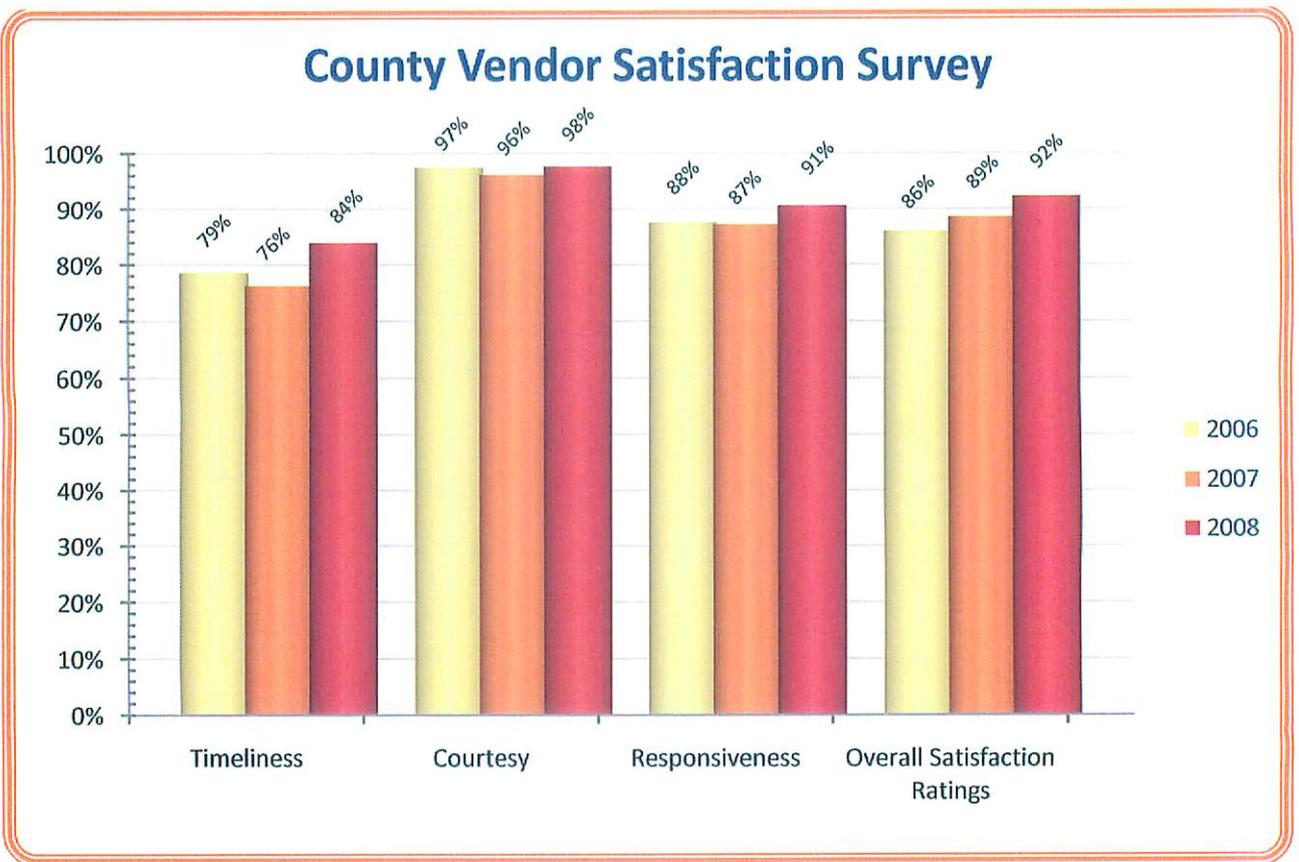
A. *The Outcome Indicator for this goal is to receive a rating of at least 95% in overall satisfaction in the department’s biennial countywide client surveys of the department’s satellite accounting sections (judgmental sample).*

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Measures client satisfaction with services of the Auditor-Controller Satellite accounting sections.</p> <p><u>Why:</u> To meet and exceed expectations of County clients.</p>	<p>The department exceeded its rating goal in the survey of its satellite accounting sections, sent to County departments and agencies in 2008. 96% of these clients were “Very Satisfied” to “Satisfied” with the department’s services</p>	<p>We plan to continue conducting our biennial surveys, alternating between central and satellite accounting divisions, and meet or exceed the rating goal.</p>	<p>We plan to meet or exceed the rating goal.</p>	<p>We plan to continue conducting our biennial surveys, alternating between central and satellite accounting divisions, and meet or exceed the rating goal.</p>	<p>The department continues to receive high satisfaction ratings for its satellite accounting teams.</p>



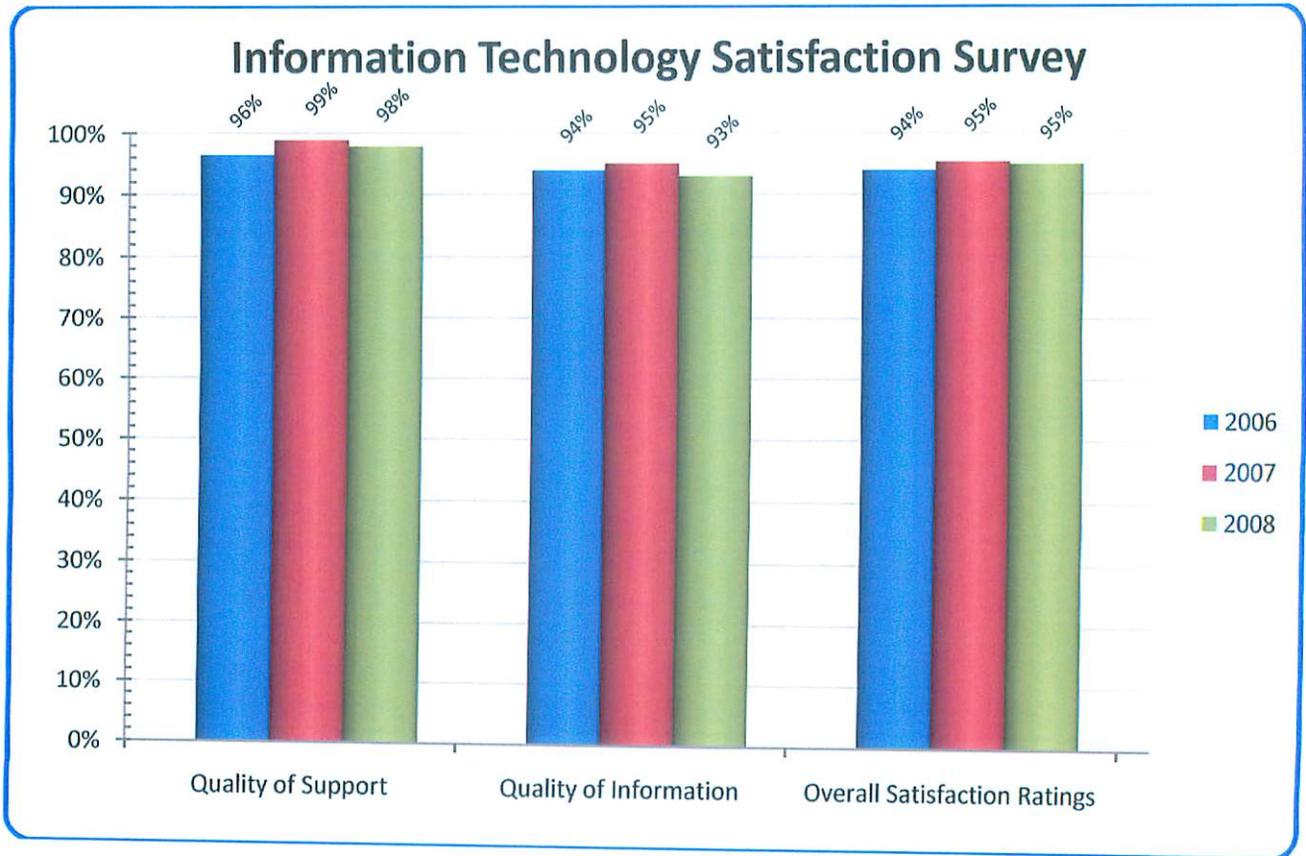
B. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the department's annual survey of County vendors (judgmental sample).

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Measures vendors' satisfaction with services provided.</p> <p><u>Why:</u> To meet and exceed the expectations of County vendors.</p>	<p>The vendor survey resulted in an overall rating of 92% being "Very Satisfied" or "Satisfied" with the County's payment processing services.</p>	<p>There will be a major change to business processes and systems when the new CAPS system implementation is completed in 2009. We will strive to achieve a 90% overall satisfaction rating despite the challenges ahead.</p>	<p>Though a learning period is expected with the new system, we still anticipate achieving a rating of at least 90% in overall satisfaction.</p>	<p>The department will conduct this survey again in FY 09-10.</p>	<p>Overall satisfaction rating increased to 92%, while courtesy continued to rate high at 98%. Responsiveness increased to a 91% rating, while Timeliness jumped 8% to an 84% satisfaction rating.</p>



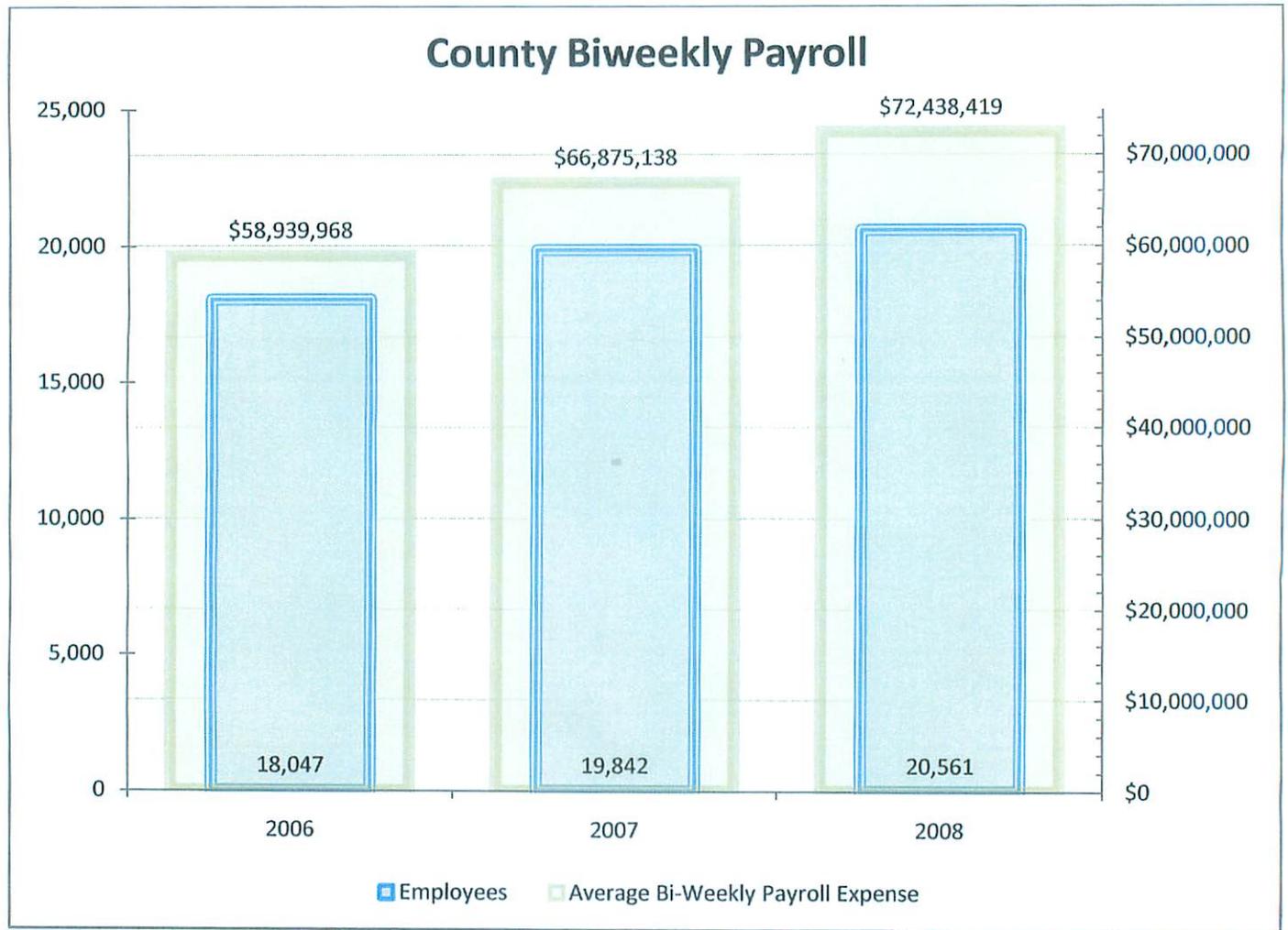
C. The Outcome Indicator for this goal is to receive a rating of at least 90% in overall satisfaction in the annual client survey of the department's Information Technology division (judgmental sample).

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Measures client satisfaction with the quality of information provided by the CAPS systems and the level of service provided by staff.</p> <p><u>Why:</u> To meet and exceed expectations of County clients.</p>	<p>The department exceeded its rating goal in the survey of its IT division in 2008. 95% of the clients were "Very Satisfied" to "Satisfied" with the department's services.</p>	<p>With the implementation of CAPS+ Finance, we will be conducting surveys to determine if the needs of the users are being met with the new system.</p>	<p>We plan to meet or exceed the rating goal and have an understanding where issues are during these transitions.</p>	<p>We plan to continue conducting our surveys, and meet or exceed the rating goal. We will take all lessons learned from the CAPS+ Financial upgrade and apply them to the CAPS+ HR upgrade.</p>	<p>The department continues to receive high satisfaction ratings for the quality of information provided by the CAPS system (93%) and the quality of support provided by staff (98%). This level is expected to continue as we move into the CAPS+ upgrades.</p>



D. The Outcome Indicator for this goal is to meet all biweekly payroll deadlines for all 26 pay periods.

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Measures ability to meet biweekly County payroll deadlines.</p> <p><u>Why:</u> To ensure the delivery of County services by County employees, and to maintain the financial well being of the employees themselves.</p>	The biweekly payroll deadlines were met for all pay periods in FY 2007-08.	The department expects to successfully complete all payroll cycles and meet all payroll deadlines for the year.	The department fully expects to continue to meet all biweekly payroll deadlines in FY 2008-09	The department also expects to meet this goal through FY 2009-10	Despite the many complex terms and conditions required by various MOUs for 20,000 employees, the computation and issuance of the \$72 million biweekly payroll has been met for each pay period.



Goal #4 is to increase countywide organizational effectiveness by making the appropriate investments in our staff and technology. Strategies to meet this goal include:

- ◆ Continuing to stay current with CGI financial and human resources software product releases.
- ◆ Maximizing the usability of existing accounting systems by expanding the use of existing assets such as ERMI, the Data Warehouse, functional user groups, VTI, Business Objects and workflow.
- ◆ Implementing Online Training Management software to allow for easy enrollment in classes to County employees while allowing supervisors and managers to easily track progress of their staff.
- ◆ Encouraging decentralized, secure, web-based transaction processing as a means to increase productivity and reduce processing time.
- ◆ Enhancing work area efficiency and effectiveness.
- ◆ Improving staff well being through employee training, recognition and other programs.
- ◆ Continuing to fulfill the requirements of the County-wide performance management plans.
- ◆ Developing leadership skills of staff to meet future requirements for succession to leadership positions.

The Outcome Indicators for this goal are as follows:

A. To meet all department/agency requests to rollout VTI.

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Measures departments/agencies that have requested to use VTI and the ability to roll out VTI to those organizations.</p> <p><u>Why:</u> Manual payroll processing is labor intensive, time consuming and prone to errors. Payroll adjustments resulting from errors are even more costly.</p>	<p>98% of the users in 2008 utilizing VTI were "Very Satisfied" to "Satisfied" with the system. Additional changes have been implemented for Probation as we work towards continued rollout.</p>	<p>Complete rollout of VTI in Probation. Once Probation is fully operational a resurvey of departments on outcome measures will be taken.</p>	<p>Completion of rollout with a continued high user satisfaction rating.</p>	<p>Assess the integration needs as the County moves towards a CAPS+ HR upgrade.</p>	<p>VTI has been rolled out to all 25 agencies that have requested it and is still currently being supported by one A/C IT support personnel.</p>

B. Efficiency measures of transaction cost.

Performance Measure	FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
<p><u>What:</u> Measures average transaction cost. <u>Why:</u> To determine what the transaction cost for processing A/P invoices is and the impact resulting from increased workflow and decentralization.</p>	<p>The average transaction cost for FY 07-08 was \$8.52 per invoice in total direct costs for each invoice paid in Central Claims.</p>	<p>Compute the direct incremental costs associated with vendor invoice payment processing in Central Claims on a per invoice basis.</p>	<p>We anticipate that the FY 08-09 cost per invoice will be higher than the FY 07-08 rate, after factoring normal salary increases, cost increases in retirement and employee benefits, and the additional costs incurred with the implementation of the CAPS+ system.</p>	<p>Compute FY 08-09 average transaction cost on the same basis as in FY 07-08.</p>	<p>Costs are in line with expectations.</p>

