

AUDITOR-CONTROLLER OFFICE RESPONSE TO KPMG OPERATIONAL & PERFORMANCE REVIEW

| Staffing Analysis and ERP Implementation | | | | |
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| # | Recommendation | Department Response | Fiscal Impact/Challenges/ Opportunities | Implementation Timeframe |
| 1.1 | In conjunction with County HR, seek to expedite the filling of vacant roles across the Department to achieve planned staffing for permanent positions. | <p>Actively recruiting/filled the Following Positions:</p> <p>Financial Systems Analyst (4 positions)</p> <ul style="list-style-type: none"> • Hired 3 internal promotions • 1 additional internal promotion expected by June <p>Financial Accounting Analyst (2 positions)</p> <ul style="list-style-type: none"> • Hired 1 external employee. Start date 5/28 <p>Accountant-Auditor</p> <ul style="list-style-type: none"> • Hired 3 external employees. Start dates 5/28 and 6/10 • Filling 1 opening and 2 backfilling openings from internal promotions to FSA <p>Chief Deputy Controller</p> <ul style="list-style-type: none"> • Hired 1 internal to County employee. Start date 5/28 | All positions were currently funded and additional salary savings show no fiscal challenges to hire these positions. | Ongoing. Several positions starting 5/28, 6/10, 6/24 |
| 1.2 | Enhance performance management processes to improve data-driven workload, resource allocation, and task assignment decision-making. | <ul style="list-style-type: none"> • Generally agree and will consider development of new measures. | Our office is required to fulfill ongoing, urgent statutory and operational deadlines as prescribed by the State Controller's Office, auditing and accounting standards, and local mandates. Some of these deadlines include, but are not limited to: property tax allocations, biweekly payroll, daily bill paying, annual county financial audit and Single Audit, annual cost allocation plan, etc. Our staffing | Ongoing, but we are happy to support continuous improvement opportunities with respect to resource allocation where possible. |

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| | | | levels are based on supporting these mandated tasks. | |
| 1.3 | In conjunction with the ERP management team, consider transitioning to a hybrid workday support organization structure as part of ERP implementation to help ensure optimal resource alignment. | This item does not reflect the actual Workday Support Organization structure being implemented by the County. The County adopted a Workday Support Organization (WSO) structure that consists of 10 dedicated FTEs within the Information Technology Department (ITD) and 7 dedicated FTEs within the Auditor-Controller's Office (ACO). The ACO will provide Finance and Payroll functional support, while ITD will provide technical support for HCM, Finance, Payroll, and Change Management. A matrix of responsibilities indicates the roles and respective duties between ITD and ACO. This ongoing WSO will be periodically reevaluated and may be refined as necessary in the future based on actual experience supporting the County's new Workday system. In addition, the Workday Governance Committee (WGC), comprised of a member of the CEO's Office, the Auditor Controller, the Human Resources Director, the Information Technology Department Director, the WSO Program Manager, and one director at large will provide governance oversight, project prioritization, and resource allocation. | This currently implemented structure should be reviewed on an ongoing basis to evaluate responsiveness of customer support and adequate knowledge of subject matter and technical requirements. | This structure has been implemented. |

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| 1.4 | Broaden accreditation pathways and recruitment focus to reflect the increasing diversity of staff skills required by the Department. | Except for specific positions, we do not specifically recruit for CPAs or potential CPAs. While we find those with a CPA background typically tend to better understand the nature of the work in this office regardless of technical specialization, it is not a limiting factor in our recruitments. That said, we have and continue to be supportive of other professional designations for specializations germane to our operations. | <p>As we mentioned to KMPG, we are the “KPMG” of the county in terms of being the accounting department for the county, similar to County Counsel being the attorneys for the county. Our office supports the professional accounting and auditing pathway, paraprofessional accounting pathway, administrative pathway, information technology pathways, and hybrid/combination pathways. Being the county accountants, we support CPA study courses, and CPE opportunities to maintain accreditation.</p> <p>Our office sets aside 1% of our budget for training of our team. We do not limit this training budget to only professional accounting and auditing staff. This budget is open to all and we encourage all.</p> <p>The BOS and Human Resources recently provided for a 5% salary incentive for the Certified Professional Finance Officers (CPFO), in addition to continuing the CPA license incentive.</p> | Ongoing and we will continue to work with Human Resources to support career growth opportunities in our department. |
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| Internal Audit | | | | |
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| 2.1 | Strengthen risk assessment methodology to increase effectiveness of auditing procedures. | In agreement with this assessment. Utilizing FSA position to enhance effectiveness of auditing procedures. | Opportunity to add Accountant-Auditor and Financial Systems Analyst to IA staff We have filled 2 vacancies in Internal Audit (IA), which brings our staffing level to five. 1 of the 5 is a Financial Systems Analyst and has been instrumental in developing analysis queries for data validation for the ERP project. We anticipate continuing to build on technology opportunities to support and augment our audit procedures. | Ongoing, but we have filled 2 vacancies in Internal Audit (IA), which brings our staffing level to five. |
| 2.2 | Re-evaluate internal audit plan and assess future resourcing needs. | In agreement with this assessment. We have a PO with Brown Armstrong Accountancy for Internal Audit assistance. | Brown Armstrong contract, not fully utilized at this point due to Brown Armstrong staffing availability. | Ongoing, but we have filled 2 vacancies in Internal Audit (IA), which brings our staffing level to five. We have included conducting an enterprise risk assessment for FY 2024-25 |

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| Property Tax | | | | |
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| # | Recommendation | Department Response | Fiscal Impact/Challenges/ Opportunities | Implementation Timeframe |
| 3.1 | Enhance property tax budget and revenue forecasting based on available data, in conjunction with the County Assessor's Office and the CEO's Office. | In agreement with this statement. Figure 12, it would be good to indicate the percentage (to at least 2 decimals) of variance as well as the dollar amount. Agree. The recommendations have long been a goal of the Property Tax team. | We support the goal of having good revenue estimates. | Ongoing, but AC can initiate meetings with Assessor and CEO's office as time permits, but in time for the 2025-26 budget development cycle. |

| HR and Payroll | | | | |
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| # | Recommendation | Department Response | Fiscal Impact/Challenges/ Opportunities | Implementation Timeframe |
| 4.1 | In conjunction with County HR, revise respective roles and responsibilities for the reconciliation of employee benefits payments. | In agreement with this statement and are committed to clarifying these roles to enhance efficiency and have made outreach to HR | Two new AA positions starting in Payroll soon to provide more assistance to work on this project | Ongoing, and will make this an agenda item on our monthly AC/HR meetings. |