



STRATEGIC PLAN

Office of the Auditor-Controller

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Office of the Auditor-Controller

Mission

Protect and report on taxpayer's money to inspire public trust.

Vision

To be recognized and respected as one of the most efficient and effective local government agencies in the State of California and to be regarded as a leader in providing valuable and high quality services to our County and its residents.

Values

We adhere to the highest standards of conduct relying on the character, ability, strength and integrity of our employees. To this end, we fulfill our responsibilities and are accountable to provide service to our customers by:

- Protecting, representing, and advocating the public's interest in all aspects of our operations and in all areas of influence
- Providing guidance and vision that encourages adherence to the highest standard of conduct in financial operations and reporting
- Performing our duties in a manner that exhibits independence and objectivity in fact and appearance
- Inspiring confidence, understanding, and acceptance for Auditor-Controller policies, procedures, and financial and administrative control standards
- Achieving desired results through the influence, strength, and unity of our employees
- Continuously seeking opportunities to improve the effectiveness of our services and providing service in a courteous and responsive manner
- Celebrating the strength and richness that diversity provides and standing ready to meet the challenges and needs of the County's diverse employees and citizenry

Office Overview

The Office of the Auditor-Controller provides financial leadership and advocates for financial integrity and accountability in Monterey County government. This is accomplished through monitoring financial performance, reporting financial results, promoting effective and efficient County programs, and fulfilling the legal duties and responsibilities of the Auditor-Controller.

The Auditor-Controller is the Chief Accounting Officer for the County of Monterey. The Auditor-Controller's mandate is to ensure the functions specified in the California Constitution, under various California Codes, and by the Board of Supervisors are performed. These duties are performed under the legal authority primarily set forth in the Government Code beginning with Sections 26880 and 26900 and Monterey County Code Sections 2.16 and 2.17. The Auditor-Controller prescribes and exercises general supervision over accounting methods, accounting forms and internal controls for all offices, departments and institutions under the control of the Board of Supervisors. The Auditor-Controller is also responsible for certain tax calculations and tax distributions pursuant to the Revenue and Taxation Code.

The Office of the Auditor-Controller is organized into six units:

- Administration
- Debt Management
- Disbursement – Accounts-Payable, Payroll and Property Tax Management
- General Accounting
- Internal Audit
- Systems Support

ADMINISTRATION

The Administration Unit is responsible for department administration, strategic planning and policy guidance. The unit's responsibilities include employee development, budget development and management, general administrative support services, contract development, and high level staff supervision. The unit also provides overall guidance and direction to the Enterprise Resources Planning (ERP) system which includes Advantage Performance Budget, Finance and HRM, SymPro Debt and Investment, and Meridian Learning Development Network.

DEBT MANAGEMENT

The Debt Management Unit provides centralized management of all County debt service issues, including applicable accounting, budgeting, and forecasting activities.

The unit is responsible for fiscal analysis associated with prospective debt issues, refunding, and alternative financing options for all governmental entities falling under the purview of the County Board of Supervisors.

The unit ensures County compliance with all Federal, State, local and regulatory agency requirements applicable to debt issues. The unit prepares and coordinates credit rating agency reviews with the goal of maintaining continued access to the public finance markets. The unit also provides assistance to county agencies, school districts, and other public entities in structuring the issuance of both taxable and tax-exempt financings that support the construction of public facilities, infrastructure needs, and operational funding. Additionally, the unit monitors and ensures compliance with bond covenants, provides required disclosure materials, analyzes debt structure for possible refunding opportunities, processes bond calls, and responds to public inquiries on county debt issues.

The unit is also instrumental in assisting the Monterey County Office of Education in complying with debt reporting requirements, as well as debt service for all tax supported school debt outstanding.

DISBURSEMENT

The Disbursement Unit is responsible for Accounts Payable, Payroll, and Property Tax Management.

The **Accounts Payable Section** audits and prepares vendor payments, employee claim payments, credit card payments and required IRS information. This section also provides services to independent special districts.

The **Payroll Section** prepares bi-weekly checks, calculates benefits, prepares year-end tax information and reconciles payroll functions.

The **Property Tax Section** is responsible for calculating property taxes and processing property tax refunds, maintaining the property tax rolls and tax allocation systems, allocating and accounting for property tax apportionments and assessments. The section publishes the Monterey County Tax Rates book each year based on additional information provided by the County Assessor and from direct taxing entities (cities, Special Districts, Fire Districts, School Districts, etc.). After property taxes are collected, this section accounts for and apportions (distributes) property taxes to the appropriate taxing entities. No County funds may be disbursed without the approval of the Auditor-Controller or his deputies.

As a result of the dissolution of redevelopment agencies in the State of California, the Auditor-Controller's Office, per legislation ABx1 26, has been given a variety of additional responsibilities. The Auditor-Controller administers the Redevelopment Property Tax Trust Fund for the benefit of the holders of the former redevelopment

agency enforceable obligations and taxing entities that receive pass-through payments and distributions of property taxes pursuant to legislation.

General Accounting

The General Accounting Unit is responsible for developing and enforcing accounting policies, procedures and processes in accordance with Federal, State, County laws and regulations and professional accounting standards. This unit includes four sections: Financial Reporting and Budgeting, Cost Accounting, Capital Asset Accounting, and Operations and Special Projects.

- The **Financial Reporting and Budgeting** section calculates Proposition Four limits for the County and Board of Supervisors governed special districts, prepares the Comprehensive Annual Financial Report (CAFR) and the State Controller and Local Government Fiscal Affairs Reports, coordinates countywide SB 90 claiming activities, prepares Auditor-Controller budget and summary county-wide budget schedules, approves departmental accounting entries, reviews and records all monies deposited in the County Treasury, and ensures that balance sheet accounts are reconciled.
- The **Cost Accounting** section prepares the Countywide Cost Allocation Plan (COWCAP) (A-87). The Cost Plan is used to claim indirect costs from the Federal and State governments. Monterey County is eligible to recover costs associated with provisions of administrative and support services. These services are recovered from Federal and State subventions as well as other funds, including the Road Fund, Library Fund, In-Home Support Services (IHSS), Public Authority Administration, Office for Employment Training, Community Action Partnership, Water Resources Agency, Natividad Medical Center, Emergency Medical Services, Behavior Health Services and Alcohol and Drug Programs. In addition, overhead costs are recovered in various grant programs. In order to be eligible to recover these costs, the County must receive approval of its cost plan from the California State Controller's Office.

Examples of eligible costs include: External Overheads -- Building Use Allowance, Insurance, Annual Financial Audit; Administrative Management -- County Administrative Office, Human Resources, Employee Relations, Information Technology, Risk Management; Support Services -- Fleet Management, Revenue Division, Contracts and Purchasing, Printing and Mail Operations; Other Services -- Auditor-Controller, Tax-Collector, and County Counsel services.

- The **Capital Asset Accounting** section maintains fixed asset records and calculates depreciation.
- The **Operations and Special Projects** section manages and processes various types of fiscal information for special districts and other non-county agencies,

updates general ledger system records, and coordinates accounting system activities.

Internal Audit

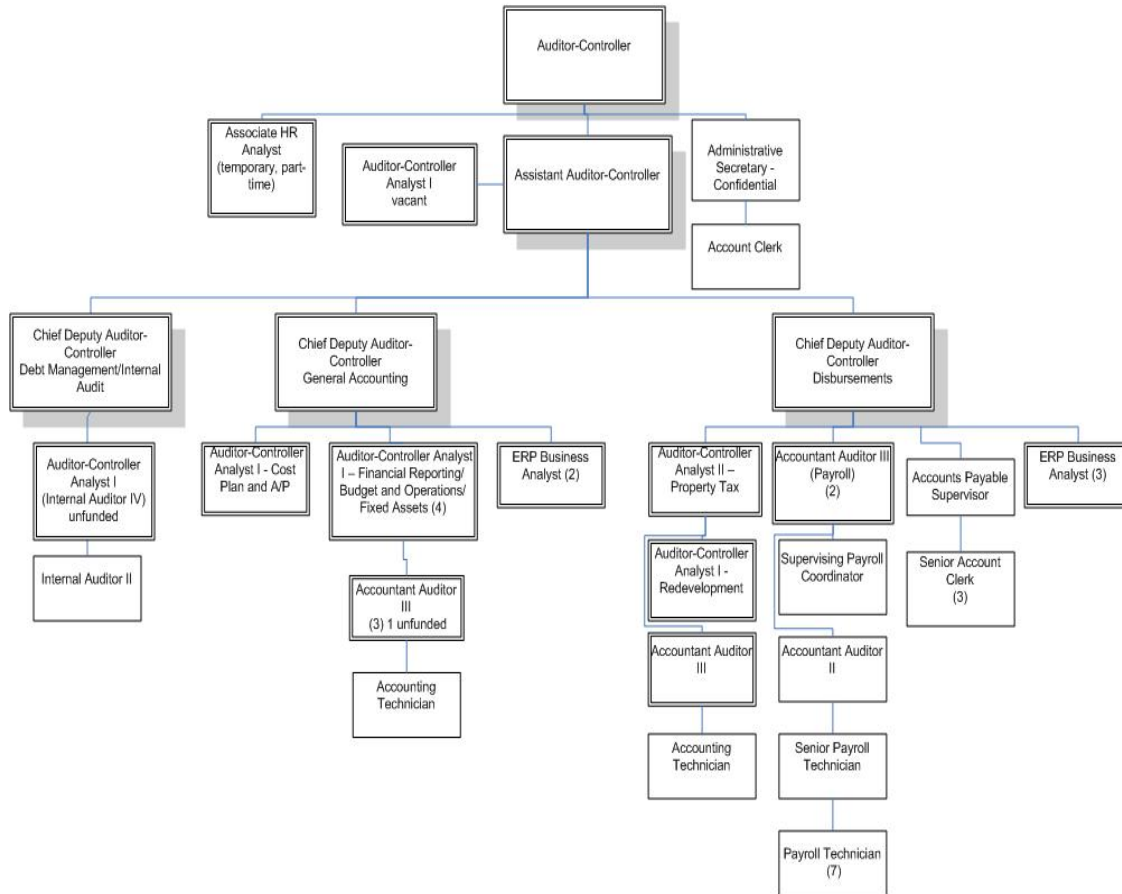
The Internal Audit Unit is responsible for developing and executing audit programs for the examination, verification, and analysis of the financial records, operating procedures, and system of internal controls of County departments, special districts, and other agencies. Audit reports presented to management include objective analyses, appraisals, comments, and recommendations on financial operations pertaining to the Departments compliance with its stated objectives and the efficiency and effectiveness of existing internal controls.

Systems Management

The Systems Management Unit provides business development, configuration, implementation, upgrade, maintenance and training for the ERP system in collaboration with Information Technology Department. ERP is a business transformation strategy adopted by County executives to integrate and coordinate financial elements. The transformational change effort underway with ERP enhances our current business processes and includes new ways to achieve better business results.

ORGANIZATION CHART

Auditor-Controller 2013– 2014 Organization Chart



Strategic Plan

CRITICAL FACTORS FOR SUCCESS:

- Acquire, develop and retain qualified staff
- Obtain and maintain adequate staffing levels
- Produce accurate and timely reports
- Foster cooperation among departments
- Increase finance knowledge in departments
- Provide up-to-date and fully supported systems
- Promote fiscal health of County government

GOAL #1: FISCAL RESPONSIBILITY

OBJECTIVE #1: INCREASE FINANCIAL INTEGRITY AND ACCOUNTABILITY

- Comply with professional accounting standards as prescribed by GAAP, GASB and AICPA (GAAS).
- Comply with Federal, State and County Statutes.
- Create and maintain County Accounting Policies, Procedures and Practices.
- Produce and maintain useful, accurate, and timely reports and records.
- Design and implement controls to support fiscal responsibility.

OBJECTIVE #2: PROVIDE LEADERSHIP IN THE MANAGEMENT, ACQUISITION, AND MAINTENANCE OF ENTERPRISE APPLICATIONS

- Lead in the assessment and implementation for upgrades and interface software and hardware.

GOAL #2: SERVICE EXCELLENCE

OBJECTIVE #1: PROVIDE HIGH QUALITY SERVICES RESPONSIVE TO CUSTOMER NEEDS

- Provide timely and appropriate communication with all stakeholders on pertinent issues and changes.
- Assist departments and offices with fiscal practice and internal controls.
- Maintain operational capabilities while improving enterprise applications.
- Provide leadership around our responsibilities through a collaborative work environment.

GOAL #3: PROFESSIONAL EXCELLENCE

OBJECTIVE #1: ATTRACT, SELECT, DEVELOP, PROMOTE, RETAIN HIGH QUALITY EMPLOYEES

- Develop and implement office staff succession plan
- Provide internal and external training opportunities that promote knowledgeable and successful accounting professionals
- Provide consulting services to ensure excellence in Finance Manager recruitment and selection.
- Approve finance/accounting series classifications to ensure an adequate knowledge of accounting principles.
- Update salary and class specifications for departmental staff as necessary.
- Develop relationships with local educational institutions.

OBJECTIVE #2: CONTINUOUSLY IMPROVE ACCOUNTING PROFESSIONALISM WITHIN MONTEREY COUNTY

- Provide learning opportunities for all County employees in areas within the purview of the A/C office.
- Uphold and follow professional code of ethics.