



MANAGING FOR RESULTS

Maricopa County Department of Finance

Department Vision: Citizens serving citizens by working collaboratively, efficiently and innovatively. We will be responsive to our customers while being fiscally prudent.

Department Mission: The mission of the Department of Finance is to provide financial information and services to Maricopa County government so they can effectively manage their resources.

- **Goal #1** - By June 2007, in order to meet the increasing demands for governmental accountability and improve our customers ability to manage and fully report results, we will develop financial reporting procedures for the MfR and variance reports and provide training to departments to ensure a complete understanding of the processes, procedures and utilization of the reporting models currently available on Business Objects and Report Web.

Quarter 1: Executive Variance Reports continue to be distributed to OMB and Finance Management Teams. Departmental Variance reports are being used by pilot program departments.

Quarter 2: Executive Variance Reports continue to be distributed to OMB and Finance Management Teams. Departmental Variance reports are being used by pilot program departments.

Quarter 3: Executive Variance Reports continue to be distributed to OMB and Finance Management Teams. Departmental Variance reports are being used by pilot program departments.

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- **Goal #2** - We will obtain and maintain a satisfaction rating of 6.0 or above for Overall Satisfaction within our department as measured annually by the employee satisfaction survey by the end of the fiscal year 2006.

Quarter 1: The employee satisfaction survey will be held during the 3rd or 4th quarter of the year. The Department of Finance is still awaiting the 2nd Phase of the Administrative Market Study to bring the salary scales up to industry standards. The Department of finance continues to experience turnover in our lower-level positions and our Financial Business analyst positions continue to be difficult to fill.

Quarter 2: The employee satisfaction survey will be held during the 3rd or 4th quarter of the year. The Department of Finance is still awaiting the 2nd Phase of the Administrative Market Study to bring the salary scales up to industry standards.

Quarter 3: Results of the Employee Satisfaction Survey administered in February 2007 indicate an overall score of 6.28, an increase of .40 over last year. The lowest score on the current survey relates to performance based pay. Although this increased from 5.32 in 2006 to 5.57 in 2007, the Department of Finance continues to recognize this as an area for concern.

Quarter 4: Results of the Employee Satisfaction Survey administered in February 2007 indicate an overall score of 6.28, an increase of .40 over last year. The lowest score on the current survey relates to performance based pay. Although this increased from 5.32 in 2006 to 5.57 in 2007, the Department of Finance continues to recognize this as an area for concern. We anticipate that this score will raise next year with the implementation of the Market Study in May 2007. This goal has been met and will be closed.

- **Goal #3** - We will obtain a turnover rate of less than 10% for all professional level staff as measured annually by Employee Compensation by June 2008.

Quarter 1: While the Department of Finance awaits the results of the market study, management is actively committed to increasing employee satisfaction and improving retention. The management team continues to actively recruit and select top-notch candidates to fill numerous vacancies.

Quarter 2: The Department of Finance had an overall turnover rate of 12.77% year to date through 12/31/2006. If transfers of employees to other departments are excluded, the rate drops to 8.51%

FY 2007 Second Quarter turnover results as detailed are as follows:

	<u>Gross</u>	<u>Excluding Transfers</u>
Exempt	3.57%	3.57%
Non-Exempt	26.32%	15.79%
Total	12.77%	8.51%

Quarter 3: The Department of Finance had an overall turnover rate of 12.00% year to date through 3/31/2007. If transfers of employees to other departments are excluded, the rate drops to 8.00%

FY 2007 Third Quarter turnover results as detailed are as follows:

	<u>Gross</u>	<u>Excluding Transfers</u>
Exempt	3.33%	3.33%
Non-Exempt	25.00%	15.00%
Total	12.00%	8.00%

Quarter 4: The Department of Finance had an overall turnover rate of 19.15% year to date through the payroll ended 6/17/2007. If transfers of employees to other departments are excluded, the rate drops to 14.89%

FY 2007 Fourth Quarter turnover results as detailed are as follows:

	<u>Gross</u>	<u>Excluding Transfers</u>
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Exempt	6.90%	6.90%
Non-Exempt	38.89%	27.78%
Total	19.15%	14.89%
Department		

- **Goal #4** - We will develop and implement new strategies to increase collections by 20% each year to reach a fiscal year 2009 collected amount of \$5,000,000.

Quarter 1: For Fiscal Year 2007, the Collections Unit has a goal of \$4,582,308.35. At the end of Quarter 1, we have collected \$1,041,806.39. We have also scheduled the monthly transfer of Animal Care and Control cases beginning October 2006.

Quarter 2: For FY07, the Collections Unit has a goal of \$4,582,308.35. At the end of Quarter 2, we have collected \$2,151,452.49. We have started collecting for Animal Care and Control and are looking at collecting for Planning and Development and the Medical Examiner's Office.

Quarter 3: For FY07, the Collections Unit has a goal of \$4,582,308.35. At the end of Quarter 3, we have collected \$2,920,070.72. We have still talking with Planning and Development and the Medical Examiner's Office about taking over there collections.

Quarter 4: For FY 07 the Collections unit has a goal of \$4,582,308.35 which represents a 20% increase over FY06. The unit actually collected \$4,493,249.08, which represents an 18% increase over FY06. The unit is still on track to reach a fiscal year 2009 collected amount of \$5,000,000.

- **Goal #5** - We will refine, implement and complete a strategic plan to utilize all residual 2001 Lease Revenue Bond proceeds on specifically identified Board approved projects and report the financial activity by June 2007.

Quarter 1: The report is continuing to be prepared and utilized to ensure the effective utilization of all residual proceeds.

Quarter 2: All bond proceeds were spent during the second quarter.

Quarter 3: All bond proceeds were spent during the third quarter.

Quarter 4: All bond proceeds were spent during the fourth quarter. This goal has been met and will be closed.

- **Goal #6** - By June 2007, we will implement an Electronic Document Management Program to reduce off-site storage costs, utilize existing floor space more effectively, and create a paperless document retrieval system.

Quarter 1: The Department of Finance has initiated Phase Two which is the integration of the OnBase software with Advantage. The Scope of Work (SOW) was prepared and the plan of action in place. The Advantage Integration (Integration) is scheduled to be rolled out to DOF staff on November 15, 2006. In addition, steps have been taken to image Purchase Orders from a print file and have them available to departments which will enhance the functions of Materials Management. The DOF has also initiated the imaging of warrants, W9's and 1099's. The project is on target.

Quarter 2: The DOF continues to expand its Electronic Document Management Program. An RIR has been submitted for funding to implement the accounts payable workflow. Advantage integration has been rolled out to DOF staff, W-9's are currently being imaged along with the 1099 print file. The project continues to meet all major milestones and is on target for continued success.

Quarter 3: Currently the Electronic Document Management Program maintains accounts payable documents, such as payment vouchers, 1099's, W-9's, EFT registration forms and vendor invoices; capital asset documents, including acquisition, betterment and disposition forms; grant master forms; and purchase orders. As a result of this program the department will eliminate off-site storage costs over the next three years, and will be able to convert approximately 200 sq. ft. of file space into usable workspace. The program has allowed for enhanced records management and retrievability of documents.

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- **Goal #7** - By June 2007, we will have defined all opportunities to utilize existing technology to transfer data between systems and eliminate unnecessary paper handling and data entry.

Quarter 1: The Department of Finance continues to provide training to departmental staff. A kick off meeting will be held during the 2nd Quarter with all stakeholders regarding the implementation of a work flow for the Maricopa County procurement to payment process which is entitled "Requisition to Check." The target implementation date is July 1, 2007.

Quarter 2: The DOF continues to identify opportunities to utilize technology to transfer data between systems through electronic content management. Continued development of the Electronic Document Management Program will enable us to transfer information from system to system, eliminating unnecessary paper handling and data entry.

Quarter 3: The DOF has identified and implemented a number of projects which effectively utilize the "system to system" transfer of information. These include Electronic Fund Transfer payments to vendors and expansion of the Electronic Document Management program to include the exchange of information between Advantage and OnBase. The Department is also working with the Sheriff's Office to coordinate the exchange of jail bond information via the OnBase system.

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- **Goal #8** - In coordination with the Office of Management and Budget and the Office of Enterprise Technology, we will develop a uniform reporting platform by June 2008, which will provide departments with the tool to manage, query, and report the information from the various data sources (COGNOS, Advantage, PeopleSoft and the MfR Database).

Quarter 1: The Department of Finance has discussed internally the need to upgrade to Business Objects XI. There has been no decision as yet. The Departmental Variance Report is currently being utilized by the pilot groups. The roll-out has been delayed due to issues not within the control of the Department of Finance. The project is on-going.

Quarter 2: This program is currently in a hold status pending the update of the Budgeting and MfR systems, to ensure effective implementation and integration with new systems.

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- **Goal #9** - By June 2008, we will have conducted a critical review of the current Advantage financial system (and sub-systems) and developed a comprehensive report defining the financial accounting and reporting needs for the County in preparation for a new financial system and to ensure optimal functionality.

Quarter 1: The Finance Department has written a high level white paper which outlines areas in which improvements can be made to the central financial information system. These improvements identified include eliminating shadow systems, integrating processes within one system, streamlining procedures and simplifying and controlling job functions. In addition, work continues on a detailed needs assessment has been written to identify functions that can be improved in the current system or are completely non-existent in the current system.

Quarter 2: The Department of Finance has continued to collect the detailed needs assessment of functions that can be improved in the current financial system or are completely non-existent in the current system.

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- **Goal #10** - By June 2007, we will ensure the effective management and reporting of grant funds in the County by implementing a new Grant Compliance Program consisting of a comprehensive business plan, hired and trained professional staff, MfR performance measures and an updated departmental Strategic Plan.

Quarter 1: The Grant Unit has continued to have difficulty filling the two vacancies mentioned in the fourth quarter. The first compliance review was performed on one grant program in Public Health in September. The second compliance review is intended to begin sometime in the second quarter. Also in the first quarter the Grant Compliance training was held with great success. This training will be held upon request by grant departments. Public Health is scheduled to receive this department training in the second quarter. The Grant Unit plans to accomplish some major clean up of the Fund Balance Report and will continue to insure that data entered into the Advantage grant module for FY07 is accurate; therefore, assisting in the effective management and reporting of grant funds. Also, the unit is in the process of updating the Grant master/maintenance form in order to ensure a more consistent and uniform tool for data input. During this quarter the Supervisor of the Grant Compliance unit took a position within the department working on the Comprehensive Annual Financial Report (CAFR). A temporary assignment was established while a successor was recruited. We will also continue to search for trained professional staff to fill the vacant positions in the second quarter.

Quarter 2: A financial supervisor was hired during the second quarter to take over the functions of the previous supervisor. The Grant Unit has continued to have difficulty filling the two vacancies for the financial analyst positions which have been posted as open until filled for the past five months. Currently, the Grant Unit is preparing the FY 2006 Schedule of Expenditures of Federal Awards (SEFA) which is part of the County's Single Audit reporting package to be audited by the Auditor General's Office. The grant unit will also clean up the information in Advantage that was noted during the preparation of the SEFA. The Grant Unit is also working on preparing the grant files to be imaged for access with OnBase. The Grant unit will be presenting the Grant Compliance training with the Public Health Department this quarter and additional departments will be contacted to set up this training. The unit is also preparing a grant compliance review program to guide the upcoming grant compliance reviews that will be performed. The new Grant Master/Maintenance form should be finalized soon and will be used on all new grants. This new form will ensure all required information is obtained and entered into Advantage.

Quarter 3: The Grant Unit has continued to have difficulty filling the two vacancies for the financial analyst positions. One vacancy was filled in January; however, the employee resigned in March due to personal reasons. The Grant Unit worked with the Auditor General's Office to complete the FY 2005 Single Audit Report and to have the report distributed by the extension deadline of March 31. The Grant Unit is finalizing the FY 2006 Schedule of Expenditures of Federal Awards (SEFA) which is part of the County's Single Audit reporting package to be audited by the Auditor General's Office. The FY 2006 Single Audit Package is anticipated to be audited by October 2007. The Grant Unit has been working with the departments to clean up the information in Advantage and to balance and close out the expired grants. The Grant Unit also prepared all remaining active grant files to be imaged for access with OnBase. The Grant unit presented two sections of the Grant Compliance training with the Public Health Department this quarter. Additional departments will be contacted to set up this training. The Grant Unit also presented the Advantage Grants Module Training Class. The Grant Unit will finalize a grant compliance review program to guide the upcoming grant compliance reviews that will be performed.

The unit will soon be reviewing the HIV Care Formula Grant Program in Public Health for compliance as it will soon be audited by the Auditor General's Office. Additional grants will be scheduled for compliance reviews during the next quarter. The new Grant Master/Maintenance form to be used on all new grants was finalized and sent to all grant departments and posted on the EBC. The quarterly Grant Forum was presented to all interested grant departments. The final Cost Allocation Plan was completed and sent to HUD for approval. The Grant Unit is working with a consultant to review the allocation methodologies used for the preparation of the Cost Allocation Plan using OMB Circular A-87 and Full Cost. The review should be finalized by May 2007 with any recommendations incorporated into the FY 2009 cost plans. The Grant Unit also has been reviewing the departmental indirect cost plans for FY 2008.

Quarter 4: The Grant Unit has continued to have difficulty filling the vacancies for the financial analyst positions. A hiring certification list was recently pulled and interviews will be conducted within the next few weeks. The Grant Unit finalized the FY 2006 Schedule of Expenditures of Federal Awards (SEFA) which is part of the County's Single Audit reporting package to be audited by the Auditor General's Office. The FY 2006 Single Audit Package is anticipated to be audited by October 2007. The FY 2007 SEFA will be prepared in the first quarter of 2008. The Grant Unit has made considerable progress in working with the departments to clean up the information in Advantage and to balance and close out the expired grants. The Grant Unit met with OMB to discuss and prepare agendas for closing many old grants in the Public Health, Air Quality, and Environmental Services Departments. The Grant unit also presented the Accounting 101 training. The Grant Compliance training class will be presented to departments again in the first quarter of 2008. The Grant Unit followed up on the compliance review of the HIV Care Formula Grant Program in Public Health and will finalize a grant compliance review program to guide additional grant compliance reviews. Additional grants will be scheduled for compliance reviews during the next quarter. The Grant Unit met with a consultant to review the allocation methodologies used for the preparation of the Cost Allocation Plan using OMB Circular A-87 and Full Cost and recommendations will be incorporated into the FY 2009 cost plans. The Grant Unit also has been reviewing the departmental indirect cost plans for FY 2008.



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