



A Report
to the
Board of
Supervisors

Maricopa County
Internal Audit
Department

Ross L. Tate
County Auditor

Certification of Selected Performance Measures

*51% of the Measures Reviewed
Were Certified*

July ■ 2012

Agencies Included in this Review:

- *Correctional Health Services*
- *County Manager's Office*
- *Office of the Legal Advocate*
- *Planning and Development*
- *Risk Management*

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The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services so that residents can enjoy living in a healthy and safe community.

The mission of the Internal Audit Department is to provide objective information on the County's system of internal controls to the Board of Supervisors so they can make informed decisions and protect the interests of County citizens.

The County Auditor reports directly to the Maricopa County Board of Supervisors, with an advisory reporting relationship to the Citizen's Audit Advisory Committee.

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"Do the Right Things Right!"



Maricopa County

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July 23, 2012

Max W. Wilson, Chairman, Board of Supervisors
Fulton Brock, Supervisor, District I
Don Stapley, Supervisor, District II
Andrew Kunasek, Supervisor, District III
Mary Rose Wilcox, Supervisor, District V

We have completed our Fiscal Year 2012 Performance Measure Certification of selected agencies. We performed this review in accordance with the annual audit plan approved by the Board of Supervisors. We verified the accuracy of reported Managing for Results data, and reviewed the adequacy of procedures used to collect, calculate, and report the data.

Highlights of this report include the following:

- 22 (51%) of the 43 measures reviewed were certified
- The percent of measures certified has increased

We reviewed selected measures within the following agencies:

- Correctional Health Services
- County Manager's Office
- Office of the Legal Advocate
- Planning and Development
- Risk Management

We summarized our review of these County agencies in the attached report. If you have any questions, or wish to discuss the information presented in this report, please contact Eve Murillo at 506-7245.

Sincerely,

A handwritten signature in cursive script that reads "Ross L. Tate".

Ross L. Tate
County Auditor

Executive Summary

Fiscal Year 2012 Certification Results

We reviewed 43 Managing for Results performance measures from 5 County agencies. We verified the accuracy of reported results and the adequacy of procedures used to collect, calculate, and report Managing for Results data. Overall, we recommend agencies improve their procedures for collecting data, and for calculating and reporting performance measures. The certification results are shown below.

FY 2012 Agency Certification Results			
Agency	Certified	Certified with Qualifications	Not Certified
Correctional Health Services	0	6	4
County Manager’s Office	1	4	1
Office of the Legal Advocate	3	1	2
Planning and Development	0	5	5
Risk Management	2	0	9
Totals	6	16	21



Introduction

Managing for Results

According to the Government Accounting Standards Board (GASB), citizens “need performance information on public programs in order to understand the consequences of public policy and operating decisions.”¹ In Fiscal Year (FY) 2001, the Maricopa County Board of Supervisors adopted a performance measurement initiative called Managing for Results (MFR) that requires agencies to measure and report on the degree of success of their activities.

Each County agency has sets of activities with a common purpose to accomplish goals, known as programs. Activities range from providing medical services to patients booked in County jails to providing inspection services to builders. In order to measure the performance of an activity, each activity has a family of measures which quantify the amount, cost, or result of an activity to indicate how well the service is provided.

Government Transparency and Accountability

The desire for government to be more transparent and accountable to citizens has grown. Stakeholders are requesting access to detailed financial data. As resources become increasingly scarce, it becomes critical for governments to effectively communicate how programs benefit the community and whether they are achieving their goals. Governments that do not effectively communicate this information could lose citizen confidence and face reduced revenue or resources. GASB suggests that to communicate effectively, performance reporting should have the following characteristics.²

GASB’s Suggested Performance Reporting Characteristics		
• Relevance	• Comparability	• Consistency
• Understandability	• Timeliness	• Reliability

The MFR initiative represents Maricopa County’s commitment to transparency and accountability to citizens and other stakeholders. Internal Audit’s certification program described below focuses on the reliability of key results measure information reported within MFR.

Certification Program

As part of our annual performance measure review, we analyze agency procedures for collecting, calculating, and reporting performance-related data to ensure these processes sufficiently support accurate and reliable data. Internal Audit developed the Performance Measure Certification (PMC) program, which assigns a certification rating to each measure reviewed according to the table on the following page.

¹ GASB Special Report: Reporting Performance Information—Suggested Criteria for Effective Communication, August 2003
² GASB Concepts Statement No. 5, Service Efforts and Accomplishments Reporting, 2008

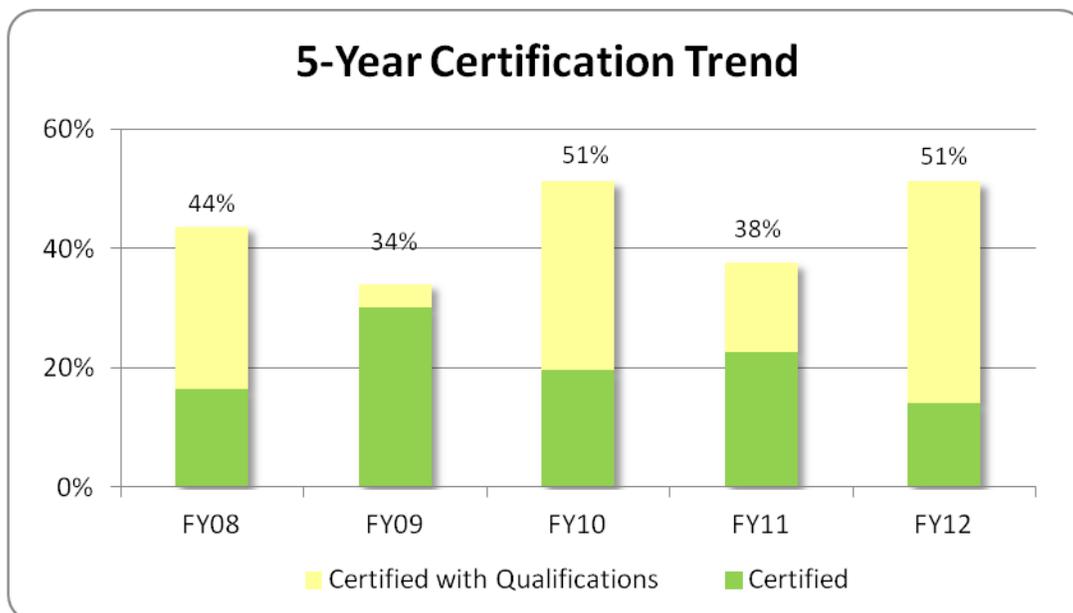
Certification Ratings	
Rating	Definition
Certified	The performance data are reported in the MFR information system, <i>and</i> The source documentation supports the reported data, <i>and</i> The procedures are consistent with the measure definition, <i>and</i> The reported performance data is accurate (+/- 5%)
Certified with Qualifications	All of the above certified criteria are met, but adequate written procedures are not in place for collecting and reporting performance data
Not Certified	One or more of the above certified criteria are not met

Maricopa County Internal Audit’s PMC program has earned recognition and awards from:

- National Center for Civic Innovation
- Government Finance Officers Association
- National Association of Counties
- Association of Local Government Auditors

Certification Trends

The number of measures receiving a certified or certified-with-qualifications rating increased in FY 2012. The primary reasons measures were not certified continue to be a lack of supporting documentation and inadequate formal procedures for collecting, measuring, and reporting performance. Measures reviewed are judgmentally selected; results are not representative of County-wide trends.



Scope and Methodology

We selected five agencies for the FY 2012 PMC audit based on the number of years since the last review and the year the strategic business plan was updated. The five agencies had 47 FY 2011 key results in total. We judgmentally selected 43 (91%) to review. We tested the accuracy of the measures, determined the reliability of the procedures used to collect data, and assigned each measure one of three certification ratings. Our evaluation included all reported results, quarterly, monthly, and annually.

Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. These standards require the following:

- An independent audit staff and audit organization
- An objective audit staff performing the work
- A competent staff, current with continuing education requirements
- A system of quality control procedures
- Sufficient and appropriate evidence based on audit objectives

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Agency Report Cards

We issued individual report memos to agency management, detailing our assessment of each performance measure. These memos are available upon request.

Correctional Health Services

We reviewed eleven Correctional Health Services FY 2011 key result measures and rated six as “Certified with Qualifications” and four as “Not Certified.” Correctional Health Services lacks sufficient written procedures, which are necessary for ensuring reporting consistency, data reliability, and transparency.

Correctional Health Services		Accuracy	Sufficient Records	Consistent with Definition	Adequate Written Procedure
Performance Measures	Rating				
Clinical Support – Percent of complete medical records provided to external requestors	Not Certified	✗	✓	✓	✗
Custody Restoration – Percent of Rule 11 competency determinations performed within 78 days	Certified with Qualifications	✓	✓	✓	✗
Custody Restoration – Percent of inmates found not restorable within 15 months of determination of incompetency	Certified with Qualifications	✓	✓	✓	✗
Juvenile Evaluations – Percent of Rule 11 juvenile evaluations performed within 21 days	Not Certified	Not Reported	N/A	N/A	✗
Adult Evaluations – Percent of Rule 11 adult evaluations performed within 21 days	Certified with Qualifications	✓	✓	✓	✗
Inpatient Medical – Percent of patients discharged within 16 calendar days	Certified with Qualifications	✓	✓	✓	✗
Inpatient Mental Health – Percent of patients discharged within 25 calendar days	Certified with Qualifications	✓	✓	✓	✗
Outpatient Scripts – Percent of prescriptions written that are given within three business days	Not Certified	N/A	✗	✗	✗
Outpatient Appointments – Percent of scheduled appointments kept	Certified with Qualifications	✓	✓	✓	✗
Pre-Booking Health Screening – Percent of booked inmate screened	Not Certified	✓	✓	✗	✗

Effect

Performance data inaccuracies and inadequate procedures could diminish transparency and accountability and affect the quality of management decisions.

Cause

Correctional Health Services had not implemented written procedures for collecting and reporting performance data. Regarding the juvenile evaluations, Correctional Health Services may not be able to obtain the required supporting documents from the Superior Court.

Recommendations

Correctional Health Services should:

- A. Develop and validate written procedures for each activity's group of measures that include collecting, calculating, validating, and reporting performance measures.
- B. Work with the MFR team to resolve reporting requirements for the Juvenile Evaluation performance measure.

County Manager's Office³

The County Manager's Office incorporated several departments including five that had activities tracked in the MFR system – Communications, Commute Options, Diversity, Government Relations, and Justice Crime Prevention. We reviewed six of the County Manager Office's FY 2011 results measures and rated one "Certified," four "Certified with Qualifications," and one "Not Certified." Details are shown below. We also reviewed specific issues concerning procedures and documentation with management.

County Manager's Office Performance Measures	Rating	Accuracy	Sufficient Records	Consistent with Definition	Adequate Written Procedure
Adult Crime Prevention – Percent of adults enrolled in ex-offender employment programs who have not committed repeat criminal offenses within six months of program enrollment	Certified with Qualifications	✓	✓	✓	✗
Juvenile Crime Prevention – Percent of juveniles enrolled in prevention or intervention programs who have not committed first-time or repeat criminal offenses within six months of program enrollment	Certified	✓	✓	✓	✓
Commute Options – Percent of County employees who use an alternative mode of transportation	Certified with Qualifications	✓	✓	✓	✗
Communications – Percent of citizens responding to annual survey who indicate they know about the structure and organization of Maricopa County	Certified with Qualifications	✓	✓	✓	✗
Diversity – Percent of employees receiving training who respond to post-training survey indicating that their knowledge and/or skills increased as a result of taking the class	Certified with Qualifications	✓	✓	✓	✗
Government Relations – Percent of state bills tracked whose outcome is favorable to the County	Not Certified	N/A	✗	✗	✗

Effect

Insufficient procedures can cause delays in collecting and reporting program performance results, diminish transparency and accountability, and affect the quality of management decisions.

³ Since our review, the County has a new County Manager and there has been a reorganization. Government Relations and Communications are no longer part of the County Manager's Office.

Cause

The County Manager's Office did not have comprehensive written procedures, a prerequisite for ensuring reporting consistency, data reliability, and transparency.

Responsibility for the Communications measure was unclear.

Government Relations needs automated tools to effectively track bills, monitor the department's impact, and report on its performance. During this audit, the department was in the process of procuring a bill tracking application service.

Recommendations

County Manager's Office should ensure that:

- A.** Written MFR procedures thoroughly explain the reporting process for each activity, including data collection, calculation, review, and timely reporting.
- B.** Government Relation's new bill tracking system addresses performance reporting requirements.
- C.** Management responsibility for the Communications measure is resolved.

Office of the Legal Advocate

We reviewed all six FY 2011 result measures for Office of the Legal Advocate. We rated three measures as “Certified,” one “Certified with Qualifications,” and two “Not Certified.” We did not certify the accuracy of two measures due to discrepancies between the calculation process and the measure’s definition. The procedures associated with one measure were not adequate. The Office of the Legal Advocate should ensure all measures are calculated according to strategic plan definitions, and should document all procedures.

Office of the Legal Advocate Performance Measures	Rating	Accuracy	Sufficient Records	Consistent with Definition	Adequate Written Procedure
Appeal and Post-Conviction Relief Representation – Percent of appeal and trial/post-conviction relief cases in which the outcome is other than affirmed	Not Certified	x	✓	x	✓
Juvenile Dependency Guardian Services – Percent of juvenile guardian ad litem (at law) child/cases in which the court finds in conformity with position advocated	Certified	✓	✓	✓	✓
Sexually Violent Person Representation – Percent of Sexually Violent Person Cases with disposition less than total confinement	Certified	✓	✓	✓	✓
Capital Representation – Percent of capital cases with disposition less than capital	Certified	✓	✓	✓	✓
Non-Capital Representation – Percent of non-capital felony cases with disposition to lesser charges or fewer counts	Certified with Qualifications	✓	✓	✓	x*
Witness Representation – Percent of Witness representation cases closed	Not Certified	x	✓	x	✓

* Office of Legal Advocate corrected this issue during the audit

Effect

Inconsistencies between a measure’s calculation and its strategic plan definition could diminish transparency and affect the quality of management decisions.

Cause

The Appeal and Post Conviction Relief Representation measure had discrepancies between the calculation process and the definition within the FY 2011 strategic plan, resulting in a variance exceeding 5%. Office of the Legal Advocate had previously identified these inconsistencies. However, due to Managing for Results Information System limitations (MFRIS), the strategic plan could not be updated. Office of the Legal Advocate did not notify system users that information reported for this measure was inaccurate. In addition, the Witness Representation measure was also not calculated according to the definition within the strategic plan.

Recommendations

The Office of the Legal Advocate should:

- A.** Ensure all measures are calculated correctly (according to strategic plan definitions), and represented accurately in MFRIS.
- B.** Work with the County's MFR team to update FY 2011 strategic plan definitions so they are consistent with the measure calculations. If necessary, identify a solution to notify MFRIS users that data may be inaccurate.
- C.** Ensure written MFR procedures thoroughly explain the reporting process for each activity, including data collection, calculation, review, and timely reporting.

Planning and Development

We reviewed ten FY 2011 key result measures for Planning and Development. Five measures were rated as “Certified with Qualifications” and five as “Not Certified.” Planning and Development retained sufficient records for performance measure reporting. However, one result was inaccurately reported, one was inactive, and three contained inconsistencies between the measure definitions and tracked activities. Additionally, procedures need to be documented.

Correctional Health Services					
Performance Measures	Rating	Accuracy	Sufficient Records	Consistent with Definition	Adequate Written Procedure
Code Enforcement – Percent of code enforcement violation cases that receive a complete initial investigation within 30 calendar days of receipt of violation complaints	Certified with Qualifications	✓	✓	✓	✗
Customer Service – Percent of all customers served within 30 minutes	Certified with Qualifications	✓	✓	✓	✗
Drainage Enforcement – Percent of drainage violation cases that receive a complete initial investigation within 30 calendar days of receipt of violation complaint	Not Certified	✓	✓	✗	✗
Drainage Inspection – Percent of drainage inspections completed within 3 business days of request	Not Certified	N/A	✓	✗	✗
Drainage Review – Percent of drainage reviews processed through first plan review within 14 calendar days of application/assignment	Not Certified	✗	✓	✓	✗
Permit Inspections – Percent of building plan inspection requests where service was rendered within one business day	Certified with Qualifications	✓	✓	✓	✗
Planning and Zoning – Percent of Entitlement/Subdivision cases initially processed within 15 days of application	Not Certified	N/A	N/A	N/A	N/A
Plan Review – Percent of Building and Zoning Plan Reviews processed through first plan review within 20 calendar days of application	Not Certified	N/A	✓	✗	✗
Zoning – Percent of Variance and other Board of Adjustment cases processed to public hearing/approved administratively	Certified with Qualifications	✓	✓	✓	✗
Green Government Data Management – Percent of County departments who indicate that Green Government Program management is helpful in implementing their Green Government program measures	Certified with Qualifications	✓	✓	✓	✗

Consistency with Measure Definition

For the Drainage Inspection and Plan Review activities, the measure definition used for the reported result varied from the MFRIS definition. In its reporting, Planning and Development had modified the turnaround time from three business days to 24 hours and from 20 calendar days to 14, respectively. Both results were accurate using the supporting documentation for the modified definition, but the measures were not certified because of the inconsistent definitions.

For Drainage Enforcement, although the reported annualized result was within 5% of the actual result, the monthly calculations were inaccurate because Planning and Development was recording the “2 business day” completion rate, not “3 days” as defined in MFRIS.

Effect

Inadequate procedures could diminish transparency and accountability and affect the quality of management decisions.

Cause

Results contained inconsistencies because Planning and Development revised measures in its internal management reports before MFRIS reflected these changes. Furthermore, Planning and Development lacks documented procedures.

Recommendations

Planning and Development should:

- A. Develop and validate written procedures for each activity’s group of measures that include collecting, calculating, validating, and reporting performance measures.
- B. Align its MFR plan to its reporting process, including removing inactive measures, and adjusting each family of measures and measure definitions.
- C. Review and streamline Accela reports used for MFR reporting.

Risk Management

We reviewed Risk Management’s eleven FY 2011 key result measures and rated two “Certified” and nine “Not Certified.” We found instances where measure data was not properly reported and sufficient documentation was not retained to support reported amounts.

Risk Management Performance Measures	Results	Accuracy				Sufficient Records	Consistent with Definition	Adequate Written Procedure
		Accuracy	Sufficient Records	Consistent with Definition	Adequate Written Procedure			
Auto Liability – Percent of auto liability claims closed	Not Certified	✗	N/A	✓	✓			
Auto Property Damage – Percent of auto property damage claims closed	Not Certified	✗	N/A	✓	✓			
Environmental Liability – Percent reduction/increase in possible environmental liability exposures	Not Certified	MFRIS data entry error	✓	✓	✗			
General Liability – Percent of general liability claims closed	Not Certified	✗	N/A	✓	✓			
Cost of Risk – Percent of County expenditures spent on Risk Management	Not Certified	MFRIS data entry error	✓	N/A	✗			
Medical Malpractice – Percent of medical malpractice claims closed	Not Certified	✗	N/A	✓	✓			
Property Damage – Percent of property damage claims closed	Not Certified	✗	N/A	N/A	✓			
Injury Rate – Percent reduction/increase of County injury incident rate compared to a 3-year average rate	Not Certified	N/A	✗	✓	✓			
Workers' Compensation – Percent of workers' compensation claims closed	Not Certified	✗	N/A	✓	✓			
Employees Not Injured – Percent of County employees not injured	Certified	✓	✓	✓	✓			
Unemployment – Percent of potential liability saved	Certified	✓	✓	✓	✓			

Accuracy of Reporting

For the Auto Liability, Auto Property Damage, General Liability, Medical Malpractice, Property Damage, and Workman’s Compensation measures, the FY 2011 results were incorrectly calculated and reported. Results were overstated because Risk Management included prior period open claims in all four quarters, instead of only including the prior period cases in the first

quarter of the year. When prior period claims are included in all quarters, open claims are counted multiple times.

For Environmental Liability and Cost of Risk measures, Risk Management incorrectly entered the data elements into MFRIS.

Sufficient Records

For the Injury Rate performance measure, the FY 2011 results were not supported by adequate documentation. Risk Management uses Occupational Safety and Health Administration (OSHA) injury reports to calculate the injury rate based on Bureau of Labor guidelines. However, Risk Management did not retain the injury status change reports that it used to reconcile MFR fiscal year reporting with OSHA calendar year reporting.

Effect

Inconsistencies in collecting and reporting Risk Management performance results could misrepresent department resource requirements and productivity, and affect the quality of management decisions.

Cause

The “Not Certified” measures had data entry errors, lack of supporting documentation, and inaccuracies between supporting documentation and amounts reported.

Recommendations

Risk Management should:

- A. Ensure data entry is reviewed for accuracy.
- B. Ensure all measures are calculated correctly and supported by source documentation.
- C. Maintain source documentation according to MFR guidelines and Risk Management’s record retention requirements.

Agency Responses

**AUDIT RESPONSE
PERFORMANCE MEASURE CERTIFICATION
CORRECTIONAL HEALTH
July 3, 2012**

Issue:

We found that Correctional Health Services (CHS) accurately reported six of ten FY 2011 key results measures. However, Correctional Health lacks sufficient written procedures, which are necessary for ensuring reporting consistency, data reliability, and transparency. Correction Health Services should implement comprehensive written procedures.

Recommendation A: Develop and validate written procedures for each activity's group of measures that include collecting, calculating, validating, and reporting performance measures.

Response: Concur-- and CHS would like to include the implementation of Electronic Health Records as we work on the written procedures. We are considering the go-live date in connection with the target completion date. CHS has enlisted the help from internal audit to help identify data needs as EHR work progresses.

Target Completion Date: 6/30/2013

Benefits/Costs: Increased reporting accuracy, consistency and transparency that will enhance management decision making.

Recommendation B: Work with the County's MfR team to resolve reporting requirements for the Juvenile Evaluation performance measure.

Response: Concur - CHS believes that since this data is completed by the Courts, that perhaps this MfR may better align with that system.

Target Completion Date: 12/31/12

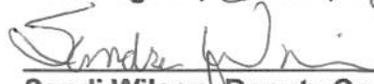
Benefits/Costs: Improved reporting and better management of the measurement.

Approved By:



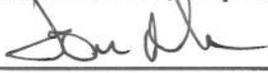
Tom Tegeler, Director, Correctional Health

7/3/12
Date



Sandi Wilson, Deputy County Manager

7-11-12
Date



Tom Manos, County Manager

7/5/12
Date

**AUDIT RESPONSE
PERFORMANCE MEASURE CERTIFICATION
COUNTY MANAGER'S OFFICE
January 26, 2012**

Issue:

We reviewed all six County Manager Office's key results and rated one "Certified," four "Certified with Qualifications," and one "Not Certified."

Recommendation A: Ensure that departments' written MfR procedures thoroughly explain the reporting process for each activity, including data collection, calculation, review, and timely reporting.

Response: Concur--in process.

Target Completion Date: 06/30/12

Benefits/Costs: Increased reporting consistency and transparency that will enhance management decision-making.

Recommendation B: Ensure that Government Relation's new bill tracking system addresses performance reporting requirements.

Response: Concur--in process.

Target Completion Date: 06/30/12

Benefits/Costs: Improved accountability, efficiency, and managerial information.

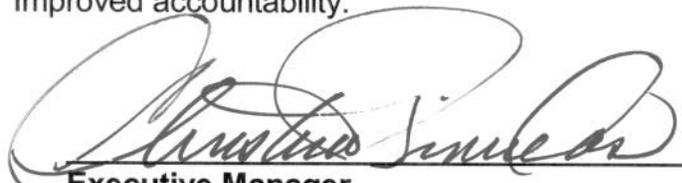
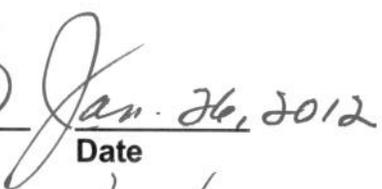
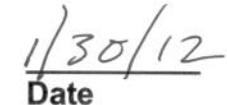
Recommendation C: Ensure that management responsibility for the Communications measure is resolved.

Response: Concur--in process.

Target Completion Date: 06/30/12

Benefits/Costs: Improved accountability.

Approved By:

 _____ Executive Manager	 _____ County Manager	 _____ Date
		 _____ Date

**AUDIT RESPONSE
PERFORMANCE MEASURE CERTIFICATION
OFFICE OF LEGAL ADVOCATE
APRIL 12, 2012**

Issue:

We found that the Office of the Legal Advocate (OLA) accurately reported four of the six FY 2011 result measures reviewed. We were not able to certify the accuracy of two measures due to discrepancies between the calculation process and the measures' strategic plan definition. The procedures associated with one measure were not adequate.

Recommendation A: Ensure all measures are calculated correctly (according to strategic plan definitions), and represented accurately in MfRIS.

Response: Concur—completed.

Target Completion Date: 02/01/2012 Completed.

Benefits/Costs: Increased reporting consistency and transparency that will enhance management decision-making.

Recommendation B: Work with the County's MfR team to update FY 2011 strategic plan definitions so they are consistent with the measure calculations. If necessary, identify a solution to notify MfRIS users that data may be inaccurate.

Response: Concur—completed.

Target Completion Date: 02/01/12 Completed.

Benefits/Costs: Improved accountability, efficiency, and managerial information.

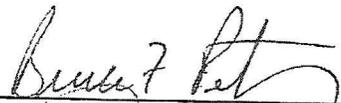
Recommendation C: Ensure written MfR procedures thoroughly explain the reporting process for each activity, including data collection, calculation, review, and timely reporting.

Response: Concur—completed.

Target Completion Date: 04/09/2012 Completed.

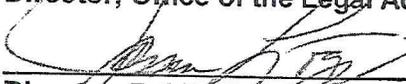
Benefits/Costs: Improved accountability.

Approved By:



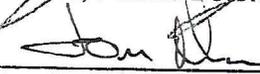
Director, Office of the Legal Advocate

04-12-12
Date



Director, Public Defense Services

4-12-12
Date



County Manager

4.12.12
Date

**AUDIT RESPONSE
PERFORMANCE MEASURE CERTIFICATION
PLANNING AND DEVELOPMENT
February 3, 2012**

Issue:

We reviewed ten results measures and rated five measures "Certified with Qualifications" and five "Not Certified." We found that Planning and Development had retained sufficient records for performance measure reporting. However, one result was inaccurately reported, one was inactive, and three contained inconsistencies between the measure definitions and tracked activities. Additionally, Planning and Development needs to document its procedures.

Recommendation A: Develop and validate written procedures for each activity's group of measures that include collecting, calculating, validating, and reporting performance measures.

Response: Concur--in process. Calculations will be amended in the MfR system to reflect this recommendation. All system query sheets will be adjusted to describe the root numbers and how they will be used in the final calculation.

Target Completion Date: 8/1/2012

Benefits/Costs: Increased reporting consistency and transparency that will enhance management decision-making.

Recommendation B: Align its MfR plan to its reporting process, including removing inactive measures, and adjusting each family of measures and measure definitions.

Response: Concur--in process. FY 2012 and FY 2013 MfR structure has been recommended and is in the process of being adapted in the Managing for Results system. All measures, beginning with FY 2012 will be adjusted in the system.

Target Completion Date: 6/1/2012

Benefits/Costs: Improved accountability, efficiency, and managerial information.

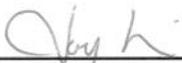
Recommendation C: Review and streamline Accela reports used for MfR reporting.

Response: Concur--in process.

Target Completion Date: 8/1/12

Benefits/Costs: Improved accountability and managerial information.

Approved By:



Assistant County Manager

2-3-12
Date



County Manager

2/3/12
Date

**AUDIT RESPONSE
PERFORMANCE MEASURE CERTIFICATION
RISK MANAGEMENT
June 28, 2012**

Issue:

We reviewed Risk Management's eleven key result measures and rated two "Certified" and nine "Not Certified." We found instances where measure was not properly reported and sufficient documentation was not retained to support reported amounts. Risk Management should ensure that each measure is calculated according to its definition and accurately reported in MfRIS.

Recommendation A: Ensure all data entry is reviewed for accuracy.

Response: Concur - Complete

There were two measures that had keying errors, Cost of Risk and Environmental FY10/11 MFR result measures. The numerator and denominator were not keyed correctly causing the measures to calculate incorrectly. When the errors were found, the Managing for Results staff allowed Risk Management to correct the two measures. The measures are now correct.

For future, all activity leaders will be keying their own measures and results to ensure a greater understanding and accuracy of the data.

Target Completion Date: Complete

Benefits/Costs: Increased reporting consistency that will enhance management decision-making.

Recommendation B: Ensure all measures are calculated correctly and supported by source documentation.

Response: Concur - In process

There were six Claims measures that calculate quarterly. Due to limitations with the aggregation options in the MFRIS system, the demand measures recounted pending claims every quarter. Future result measures will be calculated annually and this will correct the problem. Since these will be annual measures, this will be implemented by the end of FY12/13 and entered into MFRIS by July 31, 2013.

In addition, reports will be created and saved that capture the individual claims that make up the data so the data can be substantiated.

Target Completion Date: July 31, 2013

Benefits/Costs: Improved accountability, efficiency, and managerial information.

Recommendation C: Maintain source documentation according to MfR guidelines and Risk Management's record retention requirements.

Response: Concur - In process

The injury incident rate is calculated annually. The data for the individual injuries was not saved and retained. A report will be created and saved that captures the individual injuries that makes up the data so the data can be substantiated. Since this is an annual measure, this will be implemented for the annual measures for FY12/13 by July 31, 2013.

Target Completion Date: July 31, 2013

Benefits/Costs: Improved accountability, efficiency, and managerial information.

Approved By:

	<u>7/2/12</u>
Risk Management Director	Date
	<u>7/2/12</u>
County Manager	Date