

Pinal County - Managing For Results

Annual Report

FY 2009-2010

FINANCE

Financial Services Program

Accounting Operations Activity

KR % reduction in audit findings from 21 to 19

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
10.00%	0.00%	10.00%	0.00%	24.00%	0.00%	10.00%	0.00%	0.00%	0.00%	0.00%

The County was not able to achieve the target of a 10% reduction in audit findings since there were 21 findings. The county was able to fully correct 11 of 21 prior year findings, the remaining findings, were either partially corrected or not corrected during the prior year. It is important to note that 2 of the 21 current year findings were already corrected prior to the auditor's test-work. The auditors disclosed these conditions as audit findings in accordance with their professional standards. As the current measure could provide misleading information (i.e. change in number of findings does not communicate how many findings were corrected), the Finance Department will be measuring the percentage of findings corrected in future years, rather than the reduction in audit findings. Also, the Finance Department has performed the first quarterly follow up with all departments and offices of Elected officials noting that 11 of 21 of the most recent findings were fully corrected. All of these findings were corrected by the time indicated in the corrective action plan by the corresponding departments.

Accounts Payable Activity

KR % of vendor payments completed in 30 calendar days or less from invoice date.

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
65.00%	85.90%	85.00%	74.31%	84.00%	85.12%	80.00%	87.21%	82.91%	82.91%	82.91%

The annual target continues to be exceeded in relation to this measure and the vast majority of our vendors are receiving timely and accurate payments. This is due primarily to the experience gained by staff occupying the related position within the department. This experience will be strengthened as the upcoming fiscal year progresses and, although there may be slight fluctuations on a month-to-month basis, the target of 85% for FY 10-11 is considered attainable.

Financial Reporting Activity

KR % of Federal grant reports filed without correction by the date due

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
90.00%	85.85%	90.00%	87.40%	90.00%	95.92%	90.00%	94.84%	91.59%	91.59%	91.59%

The County had 93 active federal awards at the end of the year; 17 more active grants as compared to the end of the previous year. For the year ended June 2010, 92% or 490 of 535 of all federal award financial reports due and measured were filed on time and without correction. Due to the diligence and cooperation of county departments and offices of elected officials, as well as new and improved internal procedures and increased communication with grant contacts and supervisors, we were able to achieve and surpass the annual target of 90%. We anticipate that the number of grants obtained by the County will remain stable or continue to increase. Also, we expect that the County will be processing more ARRA grants, which generally have more reporting requirements. In addition, we streamlined the measurement process in the new fiscal year, no longer measuring whether a grant was re-submitted after the original submission, as that measurement did not provide additional value towards the purpose of this goal. We will continue to communicate and coordinate with departments in order to verify that the information presented in the measure is complete and accurate. The continued success of this goal will allow county departments and the numerous offices of elected officials to continue receiving federal awards that provide funding for valuable and much needed services to residents.

Payroll Activity

KR % of employee paychecks issued on designated payday which require no corrections

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
90.00%	95.84%	95.00%	97.49%	96.91%	95.52%	95.51%	95.95%	96.23%	96.23%	96.23%

The percentage of paychecks issued requiring no corrections continues to fluctuate between 92% and 97%. This is due mostly to Holiday corrections. Holidays always increase the amount of adjustments necessary for those departments running a 24/7 schedule due to the fact that payroll is due the day after the Holiday and not all timesheets are available. This percentage may increase in the coming months as we add 22 Departments to the MFR Labor Distribution process.

FINANCE

Financial Services Program

Procurement Activity

KR % of purchase requisitions not requiring a formal solicitation will be ordered from vendor in 10 calendar days or less from receipt of approved, complete requisition in procurement

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate						
90.00%	94.32%	90.00%	81.95%	85.00%	91.46%	85.00%	95.75%	91.13%	91.13%	91.13%

In FY2009-2010, we processed 7491 out of 8220 requisitions not requiring formal solicitations in less than 10 days. This 91.1% performance level is well above our adjusted target of 85% and consistent with our original target of 90%. In October 2009 we unexpectedly had three buyer positions become open within a month and we were forced to adjust our performance target down from 90% to 85%. In addition, the total number of buyers was also reduced from seven to five, which forced us to develop alternatives to maintain satisfactory service. A promising option was to expand the number and type of items that could be purchased directly by the departments using their County procurement (credit) card. Beginning in November 2009, we trained card holders to place orders online directly with our contract suppliers for office supplies, copier supplies, paper and janitorial products. By the end of the fiscal year, this program, combined with the training and improved proficiency of the new buyers, enabled us to again process more than 90% of requisitions not requiring formal solicitations within ten calendar days. To ensure ongoing productivity improvements, we plan to add medical supplies to the eligibility list for procurement card orders in FY2010-2011. By effectively managing our workload, the buyers are better able to develop new contracts and provide the responsive service their customers expect. For FY2010-2011, we set the target for placing orders within ten calendar days for requisitions not requiring formal solicitation at 90%, which is the same as when MFR was originally implemented. We also hope to further improve this performance target to 93% in FY2011-2012 barring unforeseen complications.

Administrative

Department Director

KR % of applicable Key Results achieved

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
100.00%	100.00%	85.00%	71.43%	78.00%	100.00%	88.00%	81.82%	81.82%	81.82%	81.82%

The Finance Department was able achieve 9 out of 11 applicable key results for the 2009-2010 fiscal year. Administrative Program goals were met for Financial Services, Human Resources, Records Retention, and Training. We were only slightly short of achieving our goal for Vehicle Management, at 92% instead of the goal of 95%.

We exceeded the 75% target for the % of surveyed customers who say they are satisfied or very satisfied with the services provided by Finance. This year our satisfaction rate was at 94.87%, which was an increase from last year's 91.38%. In the Financial Services Program, goals were met for Procurement, Payroll, Financial Reporting, and Accounts Payable. The Accounting Operations key result was not achieved this year.

The success of the Records Management key result was possible due to the meetings that were established with the Arizona State Library of Archives to develop a custom retention schedule for our documents. The retention schedule was completed this month and all documents identified for destruction have been destroyed.

The Accounts Payable annual target was exceeded and the vast majority of our vendors are receiving timely and accurate payments. We set our target relatively low at 65% due to the expected layoffs that would affect this measure. However, the reduction to the A/P area was not as drastic as anticipated due to attrition in another section of the Finance Office.

The County was not able to achieve the target of a 10% reduction in audit findings since there were 21 findings for the Accounting Operations key result. The county was able to fully correct 11 of 21 prior year findings, the remaining findings, were either partially corrected or not corrected during the prior year.

The Finance Department has performed the first quarterly follow up with all departments and offices of Elected officials noting that 11 of 21 of the most recent findings were fully corrected. All of these findings were corrected by the time indicated in the corrective action plan by the corresponding departments.

In fiscal year 2010-2011, the key result measure for the Financial Reporting measure has been changed from the % of Federal grant reports filed by the due date to the % of Comprehensive Annual Financial Report (CAFR) receives a clean (unqualified audit opinion to more closely align our key results for this activity with our strategic goal for efficiency and accountability.

KR % of surveyed customers who say they are satisfied or very satisfied with the services provided by the department

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate						
75.00%	0.00%	75.00%	0.00%	75.00%	0.00%	75.00%	94.87%	94.87%	94.87%	94.87%

This year the Finance customer service survey was sent out in May through email. We received 37 survey responses in May and an additional 2 responses in June. The outcome of the responses received resulted in 94.87% satisfied customers. We have exceeded the annual target of 75% and increased our percentage of satisfied customers from last year's 91.38%. Our current year end estimate based on the actual surveys received is 94.87%. The comments from the survey will be addressed and we will continue to work on improving our customer service.

FINANCE

Administrative

Financial Services

KR % of non-construction payment authorizations (purchase orders) entered into the system within three business days of receipt of goods

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD		
	Actual	YE Estimate	Actual	YE Estimate							
90.00%	100.00%	98.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The Finance Department had 203 receiving records this fiscal year and all were received within 3 business days. We have made it standard operation to receive on the goods in the system the same day that we have physically received the goods. This procedure allows for the expenditure of the items to be received in the proper period and the invoice can be paid as soon as it is received. Due to the continuous achievement of this goal, the current year end estimate has been changed to 100%.

Human Resources

KR % of all annual employee appraisals will be submitted to Human Resources by the end of January due date.

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
98.00%	0.00%	98.00%	0.00%	98.00%	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%

The total number of employee appraisals submitted this year by the January 31st due date was 19 for the Finance Department, which is also the number of appraisals that were required to be submitted. We originally had a target of 24 appraisals due in January, but due to turnover the number of appraisals that were actually due declined to 19. We have 3 Buyers and an Account Clerk III that were on probation because 3 were newly hired and 1 was recently promoted. The other position that is missing from our target is a Buyer 1 position that we were unable to fill due to the hiring freeze. This is an annual measure and the current year end estimate is 100%.

Records Management

KR % of record series managed in compliance with legal and policy requirements as determined by the Arizona State Library of Archives.

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
100.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The Finance Department is in compliance with legal and policy requirements as determined by the Arizona State Library of Archives. During the current year we coordinated with the Library of Archives and updated and established the record series relevant to Finance. We destroyed all applicable records as required by the records retention schedules and submitted all necessary forms to the Library of Archives. In order to remain compliant with the Library of Archives requirements we have created and documented internal procedures detailing timelines and steps to be followed relevant to this measurement. We will continue to update these procedures for updates to the records retention schedules.

Training

KR % of training dollars spent that directly align to County or Department strategic goals.

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
85.00%	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

For fiscal year 2009-2010, the Finance Department exceeded the goal of spending 85% of training dollars on trainings that directly align to County or Finance strategic goals. We have spent \$6,128 of which 100% was on training costs that directly align to the Finance strategic goal of Efficiency and Accountability. The trainings include an Audit Conference, courses for Continuing Professional Education credit, Excel and Access training, and Government Finance training. We anticipate spending 100% of our training funds on training that aligns with the County or Finance strategic goals in fiscal year 2010-2011.

Vehicle Management

KR % of department vehicles operated more than 10,000 miles per year

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate						
95.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

This is a campus vehicle and does not require measurement or change in year end estimate.

FINANCE

Administrative

Vehicle Management

KR % of department vehicles with preventative maintenance performed as scheduled

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
95.00%	100.00%	100.00%	66.67%	90.00%	100.00%	90.00%	100.00%	91.67%	91.67%	91.67%

This year we took the vehicle in for regular preventative maintenance in January and June as well as in March for a recall notice. The vehicle has had all necessary maintenance and repairs. We anticipate the current year end estimate to be 92% because we were one month late in getting the oil changed and tires rotated during the year. However, our goal will be to have all services performed on time and, hence, no change to the target is proposed for FY 10-11.