

Finance Department Strategic Business Plan

Vision

Pinal County Government provides progressive and proactive leadership in the areas of economic development, state-of-the-art technologies, growth management, and public services to promote healthy and safe communities.

COUNTY MISSION

Pinal County Government protects and enhances its citizens' quality of life by providing public services in an ethical, efficient, and responsible manner delivered by a motivated, skilled, and courteous workforce.

DEPARTMENT MISSION

The mission of the Finance Department is to provide procurement, payment and financial reporting services to Pinal County management and departments so employees can have the goods they need to provide services and management can have the information they need to make informed decisions.

ISSUE STATEMENTS

Issue 1

An increase in accounting regulations and continuing efforts to comply with IRS regulations combined with the difficulty in attracting and retaining personnel with specific accounting expertise, will if not addressed, result in:

- Continuing and potentially increasing audit findings
- Loss of grant financed resources
- Fines from IRS
- Loss of public trust
- Possible negative impact on bond rating resulting in fewer capital improvement projects

Issue 2

The continued problems with the aging, inadequate, non-user friendly financial system which does not meet the County's business needs will, if not addressed, result in:

- Delays and increased customer dissatisfaction due to continued department reliance on the Finance Department staff for financial information.
- Increasing support cost for hardware and programming expertise
- Inaccurate financial information which could lead to incorrect management decisions
- Continued inefficient use of staff

Issue 3

The increased likelihood of exceeding the spending limits established by the Arizona State Constitution will, if not addressed, result in:

- Penalties that restrict revenues
- Reduced services to County customers
- Decrease in Public confidence

Issue 4

The continued increase and complexity of purchasing activity combined with the lack of purchasing expertise in County Departments will, if not addressed, result in:

- Increase in the number of procurement code violations and disciplinary actions
- Increase in customer inquiries
- Decreased public confidence
- Delays in receiving goods and services
- Delays in vendor payment
- Inefficient spending of County funds

STRATEGIC GOALS

Strategic Goal 1 - Financial Credibility (Issue 1)

Pinal County will be perceived to be a financially sound public organization as evidenced by:

1. By 2012, Reduction in audit findings by 50% from 21 findings in FY 2007 to 11 findings in FY 2011
2. By 2011, maintain the financial rating (debt rating) of “A” as determined by Standard & Poor’s indices
3. By 2009, Complete the single audit package by March 31st 100% of the time

Strategic Goal 2 - Efficiency & Accountability (Issue 1,2,4)

By 2012 Pinal County’s financial processes will demonstrate efficiency and accountability, as evidenced by:

1. 90% of vendor payments completed in 30 calendar days or less from invoice date
2. 90% of federal grant reports filed without correction and by their date due

Strategic Goal 3 – Timely Procurement Services (Issue 4)

By 2012 county departments will benefit from timely procurement services as evidenced by:

1. 90% of purchase requisitions not requiring a formal solicitation will be ordered from vendor in 10 calendar days or less from receipt of approved, complete requisitions in procurement.
2. 90% of requests requiring solicitations will be awarded in 120 calendar days or less from receipt of final scope of work in procurement

CROSS CUTTING ISSUES

Issue 1

Goal 1: Financial Credibility and Goal 2: Efficiency and Accountability

Cross Cutting With: Departments that have Federal Grants such as the Sheriff's Office, Housing, Public Works, Health District and Human Resources.

Need: Finance needs help from Human Resources and the Hiring Departments to improve the recruitment process so that they attract and retain employees with the necessary experience and qualifications to process accounting information and grants so that audit findings related to grants are reduced and to avoid the loss of public trust. In addition, for the bond rating upgrade it is cross cutting with the Budget Office.

Issue 2:

Goal 2: Efficiency & Accountability

Cross Cutting With: Human Resources, Information Technology and all departments.

Need: Finance needs Information Technology to help obtain the upgraded software, analyze the changes needed to implement upgrade, and help facilitate the tasks involved in implementing the upgrade. Finance needs Budget, Human Resources, and all departments to bring forth their concerns and issues with the current system, suggestions for corrections, assistance with testing the upgrade, and cooperation during the implementation of the upgrade.

Issue 3:

Cross Cutting With: Every department and in particular the Budget Office

Need: Finance needs departments to be aware of the expenditure limitations placed on counties, their budget authority and funding sources for their expenditures. Departments need to be proactive to ensure the County does not exceed the expenditure limitation. Finance can only report what has been spent (a reactive role). Finance can provide information, suggestions on alternatives, and educate departments on the limitations.

Issue 4:

Goal 3: Timely Procurement Services

Cross Cutting With: All County Departments

Need: Finance needs departments to be willing to seek clarification on any policy or procedure they do not understand. Also, if orders are to be placed timely and accurately the information received on the requisitions must be a complete description and submitted far enough in advance of the date when the item or service is needed to allow for the required competition and "normal" delivery time from the vendor. In addition, once the service or product is delivered, the department needs to receive on the requisition within three days so Finance can pay the vendor timely.

DEPARTMENT ORGANIZATION

1. Administrative Program

- 1.1. Human Resources Activity, *page 8*
- 1.2. Reserved, *page 8*
- 1.3. Training Activity, *page 9*
- 1.4. Records Management Activity, *page 10*
- 1.5. Vehicle Management Activity, *page 11*
- 1.6. Financial Services Activity, *page 12*
- 1.7. Department Director Activity, *page 13*

2. Financial Services Program

- 2.1. Financial Reporting Activity, *page 14*
- 2.2. Payroll Activity, *page 15*
- 2.3. Accounting Operations Activity, *page 16*
- 2.4. Procurement Activity, *page 17*
- 2.5. Accounts Payable Activity, *page 18*

PROGRAMS

1. Administrative Program

Purpose Statement The purpose of the Administrative Program is to provide human resource, finance, budget, purchasing, records management, vehicle management and purchasing services to Pinal County departments so they can cost effectively manage their resources to achieve the planned results.

Key Results

- 98% of all employee appraisals will be submitted to Human Resources by the end of January due date
- 85% of training dollars spent that directly align to County or Department strategic goals
- 100% of record series managed in compliance with legal and policy requirements as determined by the Arizona State Library of Archives.
- 95% of department vehicles with preventative maintenance performed as scheduled
- 95% of department vehicles operated more than 10,000 miles per year
- 90% of non-construction payment authorizations entered into the system within three business days of receipt of goods.
- 100% of applicable Key Results achieved
- 75% of surveyed customers who say they are satisfied or very satisfied with the services provided by the Finance Department.

2. Financial Services Program

Purpose Statement The purpose of the Financial Services program is to provide Accounting, Payroll, Procurement, Accounts Payable, and Reporting services to internal and external customers so they can have timely accurate information, services, and payments.

- Key Results**
- 90% of Federal grant reports filed without correction by the date due
 - 90% of employee paychecks issued on designated payday which require no corrections.
 - 10% reduction in audit findings from 21 to 19
 - 90% 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
 - 65% of vendor payments completed in 30 calendar days or less from invoice date.
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ACTIVITIES

1. Administrative Program

Purpose Statement The purpose of the Administrative Program is to provide human resource, finance, budget, purchasing, records management, vehicle management and purchasing services to Pinal County departments so they can cost effectively manage their resources to achieve the planned results.

Section 1.1. Human Resources Activity

Activity Purpose Statement The purpose of the Human Resource Activity is to provide employee selection, evaluation and support services to department management so they can manage, evaluate, and retain a qualified and diverse workforce.

Activity Services	<ul style="list-style-type: none"> • Candidate Selection Recommendations • Job Postings • Policy Interpretations • Employee Relations Management • Employee Interviews • Grievance hearings • Employee Inquiry Responses 	<ul style="list-style-type: none"> • Performance Appraisals/ Evaluations • Employee Assistance Referrals • Employee Orientation Sessions • Exit Interviews • Personnel Reports • Police and Procedure Updates • Employee Awards • “Silent Whistle” Investigations
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Family of Measures	<p><u>Results</u></p> <p>1. 98% of all employee appraisals will be submitted to Human Resources by the end of January due date (# of employee appraisals submitted by due date/total # of appraisals)</p> <hr/> <p><u>Outputs</u></p> <p>1. 24 employee appraisals submitted on/by due date</p> <hr/> <p><u>Demands</u></p> <p>1. 24 employee appraisals anticipated to be submitted</p> <hr/> <p><u>Efficiencies</u></p> <p>N/A</p>
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Activity Manager(s) • Victoria Prins

Activity Budget \$x,xxx,xxx

Section 1.2: Reserved

1. Administrative Program

Purpose Statement The purpose of the Administrative Program is to provide human resource, finance, budget, purchasing, records management, vehicle management and purchasing services to Pinal County departments so they can cost effectively manage their resources to achieve the planned results.

Section 1.3. Training Activity

Activity Purpose Statement The purpose of the Training Activity is to provide department specific training services to employees so they can more effectively meet the County and/or department strategic goal.

Activity Services	<ul style="list-style-type: none">• Training Sessions• Safety Training Sessions• Employee Handbooks	<ul style="list-style-type: none">• Training Assessments• Training Records• Training Schedules/Arrangements
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Family of Measures

Results

1. 85% of training dollars spent that directly align to County or Department strategic goals.
(# of training dollars spent that directly align to County or Department strategic goals / total number of training dollars spent)

Outputs

1. Training \$ spent that directly align to County or Department strategic goals

Demands

1. Training \$ spent that directly align to County or Department strategic goals anticipated to be spent

Efficiencies

1. Training Activity \$ spent that directly align to County or Department strategic goals

Activity Manager(s) Victoria Prins

Activity Budget \$x,xxx,xxx

1. Administrative Program

Purpose Statement The purpose of the Administrative Program is to provide human resource, finance, budget, purchasing, records management, vehicle management and purchasing services to Pinal County departments so they can cost effectively manage their resources to achieve the planned results.

Section 1.4. Records Management Activity

Activity Purpose Statement The purpose of the Records Management Activity is to provide record retention, disposal and retrieval services to departments so they can access, provide, retain and dispose of records in a timely manner and as legally required.

Activity Services

- Record Archives
- Record Disposals
- Record Disposition Authorizations
- Records Destruction List
- Records Inventory
- Records Requests Responses

Family of Measures

Results

1. 100% of record series managed in compliance with legal and policy requirements as determined by the Arizona State Library of Archives.
(# of record series managed in compliance with legal and policy requirements / total # of records series managed)

Outputs

1. *# record series in compliance with legal and policy requirements

Demands

1. *# record series anticipated to be in compliance with legal and policy requirements

Efficiencies

1. Records Management Activity \$ expenditure per record series in compliance with legal and policy requirements

Activity Manager(s)

- **Yiannis Kalaitzidis**

Activity Budget \$x,xxx,xxx

1. Administrative Program

Purpose Statement The purpose of the Administrative Program is to provide human resource, finance, budget, purchasing, records management, vehicle management and purchasing services to Pinal County departments so they can cost effectively manage their resources to achieve the planned results.

Section 1.5. Vehicle Management Activity

Activity Purpose Statement The purpose of the Vehicle Management Activity is to provide maintenance scheduling, reporting and vehicle requirement definition services to the department so they can have cost effective and safe vehicles.

Activity Services

- Vehicle Maintenance and Repair Service Schedules
- Vehicle Utilization Reports
- Maintenance Records
- Fleet Credit Card Usage Reports
- Vehicle Usage Assessment

Family of Measures

Results

1. 95% of department vehicles with preventative maintenance performed as scheduled (# of department vehicles with preventative maintenance performed as scheduled/ total department vehicles)
2. 95% of department vehicles operated more than 10,000 miles per year (# of department vehicles operated more than 10,000 miles per year/ total department vehicles)

Outputs

1. 1 department vehicles operated
 2. 0 department vehicles operated more than 10000 miles a year
-

Demands

1. 1 department vehicles anticipated to be operated
-

Efficiencies

1. \$ Vehicle Management Activity expenditure per vehicle operated
-

Activity Manager(s) • **Jane Cisco**

Activity Budget \$x,xxx,xxx

1. Administrative Program

Purpose Statement The purpose of the Administrative Program is to provide human resource, finance, budget, purchasing, records management, vehicle management and purchasing services to Pinal County departments so they can cost effectively manage their resources to achieve the planned results.

Section 1.6. Financial Services Activity

Activity Purpose Statement The purpose of the Financial Services Activity is to provide financial, budget information and purchasing services to department managers so they can ensure appropriate allocation, acquisition, utilization and control of County resources and stay within their budget at the activity level.

Activity Services	<ul style="list-style-type: none">• Grant Reports• Grant Applications• Grant Programmatic Progress Reports• Payment Authorizations• Employee Reimbursement Authorizations	<ul style="list-style-type: none">• Year-end Accounting Records• Cash Receipts• Budget Proposal• Spending Requests• Appropriation Adjustments• Expenditure Projections• Performance Reports
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Family of Measures

Results

1. 90% of non-construction payment authorizations (requisitions) entered into the system within three business days of receipt of goods.
(# of payment authorizations entered on the date of receipt of goods/total payment authorizations)

Outputs

1. 270 payment authorizations received within three business days of physical receipt of item(s)

Demands

1. 270 payment authorizations (requisitions) anticipated to be entered into the system

Efficiencies

1. \$ Financial Services Activity per payment authorization entered within three business days

Activity Manager(s)

- Jane Cisco

Activity Budget \$79,199

1. Administrative Program

Purpose Statement The purpose of the Administrative Program is to provide human resource, finance, budget, purchasing, records management, vehicle management and purchasing services to Pinal County departments so they can cost effectively manage their resources to achieve the planned results.

Section 1.7. Department Director Activity

Activity Purpose Statement The purpose of the Department Director Activity is to provide results oriented leadership and management services to Pinal County residents and businesses so they can benefit from effective and efficient County services.

Activity Services	<ul style="list-style-type: none">• Reports• Direction• Employee Supervision Meeting• Inquiry Responses• Strategic Business Plans• Issue Resolutions• Special Projects• Accounting consultations• Capital leases• Rating agency presentations• Financial Consultations	<ul style="list-style-type: none">• Budgets• Department Structures• Policies/Procedures• Employee Evaluations• Program Evaluations• Recommendations• Leadership• Fraud investigation reports• Greater AZ development authority financing• Certificates of participation
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Family of Measures

Results

1. 100% of applicable Key Results achieved
(# of key results achieved/total # of key results)
2. 75% of surveyed customers who say they are satisfied or very satisfied with the services provided by the Finance Department.
(# of respondents who state they are satisfied or very satisfied with the departments services/total # of respondents)

Outputs

1. 60 customers responding to the department survey
-

Demands

1. 60 customers expected to respond to the survey
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Efficiencies

1. \$ Department expenditures per customer served
-

Activity Manager(s)

- **Victoria Prins**
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Activity Budget \$121,021

2. Financial Services Program

Purpose Statement The purpose of the Financial Services program is to provide Accounting, Payroll, Procurement, Accounts Payable, and Reporting services to internal and external customers so they can have timely accurate information, services, and payments.

2.1. Financial Reporting Activity

Activity Purpose Statement The purpose of the Financial Reporting activity is to provide financial activity information services to County Management, departments, government agencies, and creditors so they can have accurate and timely information they need to make informed decisions

Activity Services

- Public records request responses
- Cost allocation plans
- Grant reports
- Audit reports
- expenditure limitations reports
- telephone inquiry responses
- statutory compliance reports
- CAFR Comprehensive Annual Financial Report
- Management reports
- Single audit reports
- Training sessions
- Accounting consultations

Family of Measures

Results

1. 100% of Single Audit Package completed by March 31st
[# of Single Audit Package completed by March 31st / Total # of Single Audit Package completed]
2. 90% of Federal grant reports filed without correction by the date due
[# of Federal grant reports filed without correction by the date due / Total # Federal Grant reports filed]
3. 100% of monthly reports available within 15 calendar days following the end of the month
[# of monthly reports available within 15 calendar days following the end of the month / Total # of monthly reports available]
4. 100% of Comprehensive Annual Financial Report (CAFR) completed by December 31st. [# of Comprehensive Annual Financial Report (CAFR) completed by December 31st / total Comprehensive Annual Financial Report]

Outputs

1. 50 reports completed

Demands

1. 50 reports anticipated to be completed

Efficiencies

1. \$_____ Activity expenditure per report completed

Activity Manager(s)

- **Yiannis Kalaitzidis**
-

Activity Budget \$272,639

2. Financial Services Program

Purpose Statement The purpose of the Financial Services program is to provide Accounting, Payroll, Procurement, Accounts Payable, and Reporting services to internal and external customers so they can have timely accurate information, services, and payments.

2.2. Payroll Activity

Activity Purpose Statement The purpose of the Payroll activity is to provide paycheck processing and withholding distribution services to County Employees so they can receive timely accurate compensation for work performed.

Activity Services

- W-2's
- Telephone inquiry responses
- Payroll checks
- Public records request responses
- Employee Time and Pay Reports
- Payroll Corrections
- Timesheet audits * (*new service)
- Electronic Leave & Earning Statements* (*new service)
- Required Federal & State Agency Reports
- Withholding Distributions

Family of Measures

Results

1. 90% of employee paychecks issued on designated payday which require no corrections.
[# of employee paychecks issued on designated payday which require no corrections/ Total # of employee paychecks issued on designated payday]

Outputs

1. 73,000 employee paychecks issued

Demands

1. 73,000 of employee paychecks anticipated to be issued

Efficiencies

1. \$ Total activity expenditure per employee paycheck issued

Activity Manager(s)

- Todd Sayer
-

Activity Budget \$173,625

2. Financial Services Program

Purpose Statement The purpose of the Financial Services program is to provide Accounting, Payroll, Procurement, Accounts Payable, and Reporting services to internal and external customers so they can have timely accurate information, services, and payments.

2.3. Accounting Operations Activity

Activity Purpose Statement The purpose of the Accounting operations activity is to provide accounting information services to Pinal County departments and management so they can make informed decisions that comply with regulations and policies.

Activity Services	<ul style="list-style-type: none"> • System reports • Cost center number assignments • Reconciliations • Telephone inquiry responses • Training sessions • System modifications 	<ul style="list-style-type: none"> • Inventory lists • Accounting consultations • System integrity analysis • Financial records inventories • Journal entries • Grants compliance consultations • Fixed assets auctions • System access approvals
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Family of Measures	<p><u>Results</u></p> <p>1. 10% reduction in audit findings from 21 to 19 [From – To/From]</p> <hr/> <p><u>Outputs</u></p> <p>1. 900 consultations completed</p> <hr/> <p><u>Demands</u></p> <p>1. 900 consultations anticipated</p> <hr/> <p><u>Efficiencies</u></p> <p>1. \$ total activity expenditure per consultation completed</p>
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Activity Manager(s)	<ul style="list-style-type: none"> • Yiannis Kalaitzidis •
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Activity Budget	\$251,574
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2. Financial Services Program

Purpose Statement The purpose of the Financial Services program is to provide Accounting, Payroll, Procurement, Accounts Payable, and Reporting services to internal and external customers so they can have timely accurate information, services, and payments.

2.4. Procurement Activity

Activity Purpose Statement The purpose of the Procurement activity is to provide contracting, acquisition, and support services to Pinal County Departments so they can receive in a timely manner the goods and services they request to complete their mission for their customers

Activity Services	<ul style="list-style-type: none">• Procurement consultations• Goods services deliverables• Procurement cards• Procurement Warning Notices• Public records request Documents• Purchase orders• Invitation for Bids (IFB's)• Quality Assurance Programs (* This is a new service not yet being provided)	<ul style="list-style-type: none">• Request for Quotes (RFQ's)• Review of Qualifications• Vendor list• Contract award recommendations• Procurement Code• Procurement code Interpretations• Procurement Code Updates• Request for Proposal (RFP's)• Customer Inquiry responses• Procurement Training sessions
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Family of Measures

Results

1. 90% 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
[# of purchase requisitions not requiring a formal solicitation ordered from vendor in 10 calendar days or less from receipt of approved, complete requisition in procurement/ Total # of requisitions not requiring formal solicitation]
 2. 75% of requests requiring solicitations will be awarded in 120 calendar days or less from receipt of final scope of work in procurement
[# of requests requiring solicitations will be awarded in 120 calendar days or less from receipt of final scope of work in procurement/ Total # of requests requiring solicitation]
 3. 85% of respondents indicate that they are satisfied or very satisfied that they received the goods and services they request.
[# responding that they are satisfied or very satisfied that they received the goods and services they request/ Total # of responses]
-

Outputs

1. 9,750 purchase requisitions completed
-

Demands

1. 9,750 purchase requisitions anticipated to be received
-

Efficiencies

\$ Total activity expenditure per purchase requisition completed

Activity Manager(s)

- Sharon Seekins
-

Activity Budget \$342,056

2. Financial Services Program

Purpose Statement The purpose of the Financial Services program is to provide Accounting, Payroll, Procurement, Accounts Payable, and Reporting services to internal and external customers so they can have timely accurate information, services, and payments.

2.5. Accounts Payable Activity

Activity Purpose Statement The purpose of the Accounts Payable activity is to provide customer payment processing and account reconciliation services to vendors and County staff so they can receive timely and accurate payments.

Activity Services

- Vendor Checks
- Housing Vendor checks
- Internal Revenue Service form # 1099
- Vendor statement reviews
- Public fiduciary checks
- Mail Distributions
- Travel Card Training Sessions
- Customer Inquiry Responses
- Mail deliveries
- Public records request responses
- Travel card violation/warning notification
- Accounting consultations
- Travel cards

Family of Measures

Results

1. 65% of vendor payments completed in 30 calendar days or less from invoice date.
[# of vendor payments completed in 30 calendar days or less from invoice date/ Total # of vendor payments]
2. 85% of staff reimbursements completed in 15 calendar days or less from request.
[# of staff reimbursements completed in 15 calendar days or less from request/ Total # of staff reimbursements requested]
3. .50% of payments reissued due to error
[# of payments reissued due to error/ Total # of payments issued]

Outputs

1. 77,000-vouchers payments

Demands

1. 77,000 vouchers anticipated

Efficiencies

1. \$ Total activity expenditure per vendor payment completed in 30 calendar days or less from invoice date.

Activity Manager(s) • Jane Cisco

Activity Budget \$159,086