

COUNTY EXECUTIVE'S 2008 BUDGET

DEPT: COUNTY BOARD - DEPARTMENT OF AUDIT

UNIT NO. 1001
FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

Pursuant to Section 59.47 of the Wisconsin Statutes and Chapter 57 of the Milwaukee County Ordinances, the Department of Audit is responsible for post auditing the fiscal concerns of Milwaukee County. The term audit is used to describe not only work done in examining financial statements, but also work done in reviewing internal accounting and administrative controls, compliance with applicable laws and regulations, economy and efficiency of operations, and effectiveness in achieving program results. The Department's audits are performed in accordance with Government Auditing Standards. In addition, the Department monitors contracts with

vendors of goods and services for compliance with equal opportunity and affirmative action requirements. The Department annually contracts for an audit of the financial statements of Milwaukee County and the Single Audit of Federal and State grants required by Federal OMB Circular A-133 and State Single Audit Guidelines. The staff also reconciles the County's checking accounts. In addition, the Department maintains a Hotline to receive information from citizens and employees regarding waste, fraud and abuse of Milwaukee County resources.

BUDGET SUMMARY				
Account Summary	2006 Actual	2007 Budget	2008 Budget	2007/2008 Change
Personal Services (w/o EFB)	\$ 1,141,218	\$ 1,282,241	\$ 1,244,297	\$ (37,944)
Employee Fringe Benefits (EFB)	648,129	784,018	723,080	(60,938)
Services	432,503	451,496	410,596	(40,900)
Commodities	5,506	7,295	6,905	(390)
Other Charges	0	0	0	0
Debt & Depreciation	0	0	0	0
Capital Outlay	0	0	0	0
Capital Contra	0	0	0	0
County Service Charges	307,661	290,208	300,005	9,797
Abatements	(329,431)	(315,026)	(36,968)	278,058
Total Expenditures	\$ 2,205,586	\$ 2,500,232	\$ 2,647,915	\$ 147,683
Direct Revenue	0	0	0	0
State & Federal Revenue	0	0	0	0
Indirect Revenue	0	0	0	0
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Direct Total Tax Levy	2,205,586	2,500,232	2,647,915	147,683

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ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*				
Account Summary	2006 Actual	2007 Budget	2008 Budget	2007/2008Change
Central Service Allocation	\$ 0	\$ 0	\$ 0	\$ 0
Courthouse Space Rental	177,804	179,436	0	(179,436)
Tech Support & Infrastructure	58,268	53,412	0	(53,412)
Distribution Services	191	182	0	(182)
Telecommunications	4,819	3,917	0	(3,917)
Record Center	0	0	0	0
Radio	0	0	0	0
Computer Charges	12,122	10,288	0	(10,288)
Applications Charges	35,662	26,384	0	(26,384)
Apps Charges - Network	0	0	0	0
Apps Charges - Mainframe	0	0	0	0
HRIS Allocation	5,845	5,612	0	(5,612)
Total Charges	\$ 294,711	\$ 279,231	\$ 0	\$ (279,231)
Direct Property Tax Levy	\$ 2,205,586	\$ 2,500,232	\$ 2,647,915	\$ 147,683
Total Property Tax Levy	\$ 2,500,297	\$ 2,779,463	\$ 2,647,915	\$ (131,548)

* In 2006 and 2007, these costs were included in other charging departmental and non-departmental budgets. They were reflected here to show the "total" amount of tax levy support for this Department. In 2008, these costs are budgeted within the receiving department to show the tax levy cost in the department.

PERSONNEL SUMMARY				
	2006 Actual	2007 Budget	2008 Budget	2007/2008Change
Personal Services (w/o EFB)	\$ 1,141,218	\$ 1,282,241	\$ 1,244,297	\$ (37,944)
Employee Fringe Benefits (EFB)	\$ 648,129	\$ 784,018	\$ 723,080	\$ (60,938)
Position Equivalent (Funded)*	23.3	20.1	18.9	(1.3)
% of Gross Wages Funded	88.2	94.8	96.6	1.8
Overtime (Dollars)**	\$ 0	\$ 0	\$ 0	\$ 0
Overtime (Equivalent to Position)	0.0	0.0	0.0	0.0

* For 2006 Actuals, the Position Equivalent is the budgeted amount.

** Delineated for information. (Also included in personal services.)

PERSONNEL CHANGES				
Job Title/Classification	Action	Number of Positions/ Total FTE	Division	Cost of Positions (Excluding Social Security & Fringe)
Admin Sec-Forensic Auditor	Unfund	1/1.0	Audit	\$ (63,067)
Admin Sec-Lead Auditor	Unfund	1/1.0	Audit	(60,066)
Student Intern	Unfund	1/.21	Audit	\$ (4,770)
			TOTAL	\$ (127,903)

MISSION

Through independent, objective and timely analysis of information, the Milwaukee County Department of Audit assists both policymakers and program managers in providing high quality services in a manner that is honest, efficient, effective and accountable to the citizens of Milwaukee County.

OBJECTIVES

- Improve the pool of knowledge concerning Milwaukee County issues and programs among policy and administrative decision-makers.

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- Increase the County Board's level of confidence in Milwaukee County's management of resources and program administration.
- Improve efficiency and effectiveness of Milwaukee County government services.

BUDGET HIGHLIGHTS

- Personal Services expenditures without fringe benefits decrease \$37,944, from \$1,282,241 to \$1,244,297.
- In 2008, 1.0 FTE of Admin. Secretary-Forensic Auditor, 1.0 FTE Admin. Secretary-Lead Auditor and .21 FTE Student Intern are unfunded for a salary, social security and active fringe benefit savings of \$180,605.
- Professional service fees to conduct the County-wide audit and to provide technical/supplemental audit services decrease \$35,000, from \$423,000 to \$388,000.
- Funding for education and seminars is reduced \$5,900 from \$11,650 in 2007 to \$5,750 in 2008 to reflect prior year actual amounts.
- Departments have the authority to fill unfunded positions provided they do not incur a salary deficit.
- ECP positions are not provided step increases or performance awards in 2008 as allowed in County Ordinance Section 17.265 (3).
- The abatement of Countywide crosscharges is discontinued in 2008. The tax levy previously held in the servicing department is redistributed to the recipient departments in an amount corresponding to the crosscharges. This results in a tax levy redistribution equal to the change in abatements. Due primarily to this change in methodology, direct tax levy for this department increased \$147,683. The actual change in tax levy for this department from 2007 is a decrease of \$131,548.
- All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severally liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."

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ACTIVITY AND STATISTICAL SUMMARY			
	<u>2006 Actual</u>	<u>2007 Budget</u>	<u>2008 Budget</u>
Person-Hours Available (net of paid time off)	30,271	33,250	33,250
<u>Allocation of Available Hours</u>			
Financial/Internal Control Audits	1,351	5,750	5,750
Performance Audits	15,210	7,800	7,800
Special Projects/Hotline	1,152	5,856	5,856
Bank Reconciliation	4,630	3,226	3,226
Contract Compliance	401	1,213	1,213
Administration and General	6,026	7,397	7,397
Other Indirect Time	<u>1,501</u>	<u>2,008</u>	<u>2,008</u>
Total	30,271	33,250	33,250
<u>Contract Compliance Activities</u>			
Desk Audits of Affirmative Action Plans	140	180	140
Equal Employment Opportunity Certificates Processed	50	100	70
<u>Bank Reconciliation Section Activities</u>			
Accounts Reconciled	680	636	732