

Fiscal Year 2007/2008 Budget Highlights and Goals

COUNTY ADUTOR

FY2007 Highlights

- Received the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting for the eighth consecutive year.
- The CAFR (Comprehensive Annual Financial Report) was prepared by the Office's Senior Accountant for the second year in a row and printed locally, resulting in a reduction of \$7,400.00 for FY2006 annual audit costs.
- Managed an efficient and cooperative audit process with the external auditors, Virchow Krause & Co. to meet deadlines established.
- Began the second year of the new written Internal Audit Program and conducted a new Risk Analysis to determine the Annual Audit Plan.
- Produced the first quarterly Auditor's Office newsletter – "The Audit Trail" – an informative communication tool for other County departments on accounting, auditing, internal control suggestions and other relevant news.
- During the first seven months of FY2007, audited approximately 20,300 invoices, resulting in the issuance of \$36.2M of checks to County vendors. This is in comparison to FY2006, where approximately 36,850 invoices were audited totaling approximately \$67.2M in expenditures to vendors.
- Implemented a Fraud, Waste, and Abuse Hotline in the County Auditor's Office in order to provide an avenue for the reporting of suspected activity.
- Three staff members are continuing work towards achieving various government related certifications, including Certified Internal Auditor (CIA), Certified Government Auditing Professional (CGAP), and Certified Public Finance Officer (CPFO), to enhance professionalism in the office.
- Added a report of quarterly financial information through the Auditor's Office section of the County's website.
- Placed a revised copy of the IFMS (Integrated Financial Management System) Training Manual on the County's Intranet as an aide to users.
- Assisted with the set-up and testing of the new HR Enterprise System for payroll. Also, worked with ADP to successfully set-up an interface enabling the posting of payroll information from ADP into the County's financial accounting system (IFMS) general ledger.

FY2008 Goals

- Upcoming new accounting and auditing standards: GASB Statement No. 45 – "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions (OPEB)" will be required to implement for the County's fiscal year 2009 beginning December 1, 2008. Much work will precede this implementation, including the hiring of an actuarial firm and the gathering of pertinent information. Statement on Auditing Standards (SAS) Nos. 103 – *Audit Documentation*, SAS 112 – *Communicating Internal Control Matters Identified in an Audit*, and SAS 104 – 111 – *Risk Assessment Standards*, will all require work on behalf of the Internal Audit Division to document internal controls and processes through review, flowcharting, and documentation of the policies, procedures, and operations of the County department's major processes.
- Continue to prepare the CAFR in-house and file for the GFOA Award for Excellence in Financial Reporting. In addition, work will begin on preparing a PAFR (Popular Annual Financial Report), which is a summarization of accounting data from the CAFR in an easy to read format. This will enhance the ability to inform the citizens of the financial condition and operations of the County.
- Continue to revise and improve the financial reporting process for significant audit areas.
- Continued enhancements in the internal audit program and annual audit plan, reporting, and summarizing program result via an annual report.
- Begin work on accumulating policies and procedures related to financial processes into a McHenry County Financial Accounting Manual.