



**Office of the Performance Auditor  
2012 Annual Report**

**April 13, 2013**



## **Status Update**

In 2012 the Office of Performance Auditor continued as a separate Office under the Snohomish County Council as specified in the Snohomish County Charter. The office structure and function operate independently and promotes effective, efficient and accountable county government services through performance audits.

The Office continued to be managed during 2012 by senior council staff members. This move was taken in 2009 to address county-wide budget reduction requirements brought about by declining economy beginning in 2008. The Performance Audit Advisory Committee remained at full strength in 2012

In August 2008 the County implemented Ordinance 08-105 responding to projected revenue shortfalls in the General Fund in 2008. The Ordinance froze hiring of any vacant positions in the general fund. The Ordinance was reauthorized in 2009 and again in January of 2010. It remained in force through the end of 2010. At the present time the Council is investigating staffing concepts that will provide dedicated performance audit services. The 2012 work program was dedicated to creating a staffing model that will maximize audit coverage in the future. In 2012 the Council amended the County Code related to the Office of Performance Auditor. The change authorized the Council to appoint a contractor as the Performance Auditor rather than an employee. The Council retained the option of hiring an employee.

In 2012, the Council approved a pilot study to evaluate the effectiveness of the contracting model. A competitive RFP process was used and the Firm and Talbot, Korvala and Warwick was selected to perform a county wide risk assessment and a pilot performance audit. This work began in 2013 and will take place through Quarter three.

In spite of the economic conditions, the County is committed to meeting both the specifications and the spirit of the Performance Auditor requirements specified in the Charter.

Their specific objectives for the Office of Performance Audit in 2012 were to:

- Complete the 2011 Annual Report for the Office of Performance Audit Services.
- Work with council members to fill vacancies on the performance audit committee.

*The County Performance Auditor objectively and independently promotes effective, efficient, and accountable county government by supporting positive practices and making recommendations to enhance the performance of county operations.*



- Conduct meetings of the Performance Audit Committee providing orientation to new members and providing the committee the opportunity to review and amend 2011 Draft Audit Program.
- Develop code amendments allowing the Council to utilize contractors or an employee to complete the work of the Office of the Performance Audit.
- The Office also developed a RFP for a County Wide Risk Assessment , an audit plan and a pilot audit. The RFP was to be test out the concept of using a contractor. The audit work was expected to be accomplished in 2013.

The Office of Performance Audit accomplished all of these objectives and in 2012

**Office of the County Performance Auditor, 2012**

- 1 Office of Performance Auditor Management: John Amos
- Admin Support: Carri Schlade

**Performance Audit Committee (PAC)**

The PAC met once and received written reports in 2011.. Suggestions for audit topics are received from citizens, county employees, elected officials, and other sources. In addition, the PAC reviews each audit report prior to release to ensure appropriate audit processes were followed.

Members of the 2011 Performance Audit Committee

Council District 1 Appointee:	Dee Burnett (1 <sup>st</sup> term expires 12/31/2014)
Council District 2 Appointee:	Otto Chase (1 <sup>st</sup> term expires 12/31/2014)
Council District 3 Appointee:	John S. Briney (1 <sup>st</sup> term expires 12/31/2011)*
Council District 4 Appointee:	Lillian Kaufer (1 <sup>st</sup> term expires 12/31/2013)
Council District 5 Appointee:	Brent Lambert (1 <sup>st</sup> Term expires 12/31/2013)
Executive Appointee:	Reginald Gillins (1 <sup>st</sup> term expires 12/31/2012)*
Executive Appointee:	Eric Earling (1 <sup>st</sup> term expires 12/31/2012)

\*Mr. Briney was appointed to a different County Board. According to County Code Board members may serve on only one board at a time so Mr. Briney was not eligible for to be re-nominated for second term in 2012. Council member Wright is conducting district outreach to identify a new board member from District 3.

**Performance Indicators**

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**0 Reports Issued**

Completed	0	2	0
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Audits	Audit Follow Ups
Department of Emergency Management	
Hiring Practices Audit	

**Full Compliance (2006) Peer Review**

The Office received a “Full Compliance” rating from the Association of Local Government Auditors (ALGA) peer reviewers in 2006.

**Audit Topics Considered as Part of 2011-2012 Audit Work plan**

*Project detail is subject to change following initial analysis during pre-audit surveys. Workplan will be reviewed and updated by the Performance Audit Committee and Council in June/July.*

- County wide risk assessment.



## **Open Recommendation Reporting**

The regular practice of revisiting past audits to determine the progress that has been made addressing open recommendations was delayed due to scheduling conflicts. The expectation is to complete the work in mid 2012. Below is the status of open reports as of the last review.

➤ **Department of Information Services**



There were significant changes to the organization structure of DIS after the audit both from a governance structure and an organizational structure. The rate mode was also addressed in 2012. The County Auditor will now prepare a final report on recommendations in 2013 .