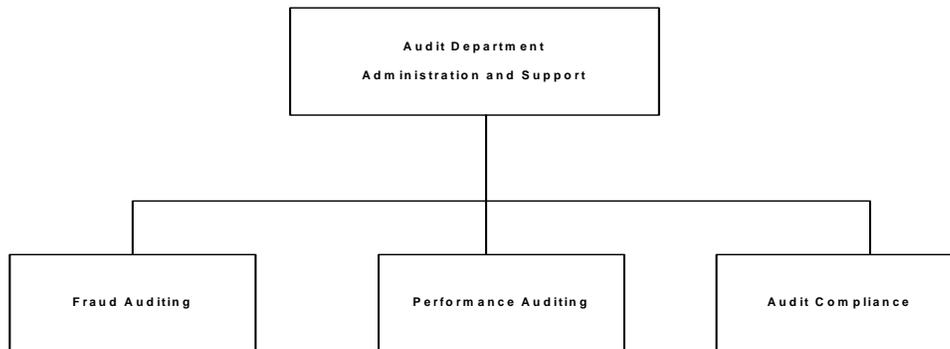


COUNTY BOARD-DEPT OF AUDIT (1001)



MISSION

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

Budget Summary

	2012	2011/2012 Change
Expenditures	2,687,603	(14,297)
Revenue	0	0
Levy	2,687,603	(14,297)
FTE's	16.0	0.0

Major Programmatic Changes

- Reassess department staffing needs and organizational structure due to recent, pending, and potential retirements.

OBJECTIVES

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

DEPARTMENTAL PROGRAM DESCRIPTION

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, including but not limited to, the following functions:

1. Examining the records and procedures of County offices and departments to reach a conclusion as to economy and efficiency, program effectiveness, and compliance with regulatory authority.
2. Monitoring the propriety of departmental recordkeeping throughout the County relating to cash receipts and disbursements, cost accounting procedures, assets held in trust, and supplies and equipment inventories.

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3. Determining the adequacy of internal control. Internal control is the system and methods management establishes to provide reasonable assurance that the following objectives are being achieved:
 - effectiveness and efficiency of operations,
 - reliability of financial reporting, and
 - compliance with applicable laws and regulations.
4. Auditing, when warranted, agencies receiving County funds or providing services to the County.
5. Monitoring contracts with vendors of goods and services for compliance with affirmative action requirements as provided in Section 56.17 of the County Ordinances.
6. Contracting for the annual 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.
7. Pursuant to Section 15.15 of the County Ordinances, the department reconciles the County’s checking accounts and maintains custody of the cancelled checks.

2012 BUDGET

Approach and Priorities

- Maintain responsiveness to County Board audit requests and inquiries
- Continue efforts to achieve direct taxpayer savings through investigation of allegations of fraud, waste and abuse reported to the Fraud Hotline
- Facilitate the audit of the County’s 2011 financial statements and Single Audit of federal and state grants

Budget Highlights

Elimination of Step Increases for 2012 for Employees in Certain Pay Grades **(\$5,539)**

This budget includes an expenditure reduction of \$5,539 based on the elimination of step increases for 2012, as provided for in Chapter 17 of the Milwaukee County General Ordinances, for employees in certain pay grades. (See Appendix B for pay grades affected.)

Elimination of One-Time Personnel Study Funding **(\$75,000)**

The 2011 Adopted Budget included \$75,000 in one-time tax levy funding to study employee compensation in comparison to other public and private sector employers. No further funding is required to complete this study, resulting in a tax levy reduction from 2011 of \$75,000.

Increased Costs for County-wide Audit **\$17,000**

Estimated professional service fees to conduct the annual County-wide audit increase \$17,000, from \$416,000 to \$433,000.

Increased Costs for Audit Consulting Services **\$36,983**

Due to recent and pending retirements, professional service fees for audit consulting services increase \$36,983, from \$62,090 to \$99,073.

Audit of Paratransit Program **\$0**

During 2012 the Department of Audit will conduct an audit of the Milwaukee County Paratransit program. The audit will focus on fraud prevention and quality of service issues as well as any other concerns identified in the course of the audit.

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Audit of Contracted Services

\$0

During 2012, the Department of Audit will conduct an audit of services provided to Milwaukee County by contractual service providers. The review will include an inventory of services provided by vendors. It will identify accountability provisions within procedures and contracts to ensure that the County's contracts are structured to obtain high quality, low cost results. The audit will also examine compliance with adopted policies and adherence to best practices for contract management. Where applicable, the audit will also assess compliance with the County's "Privatization Initiatives Checklist." An examination of whether outsourcing is more beneficial than providing the service with public employees shall also be part of the audit.

Capital and Maintenance Project Demographic Data Collection

\$0

During 2012 the DAS – Facilities Management Division will work with the Department of Audit to develop a method of collecting data on racial and gender breakdowns of all contractor employees working on Milwaukee County construction or maintenance projects.

BUDGET SUMMARY				
Account Summary	2010 Actual	2011 Budget	2012 Budget	2011/2012 Change
Personal Services (w/o EFB)	\$ 1,086,252	\$ 1,100,551	\$ 1,117,889	\$ 17,339
Employee Fringe Benefits (EFB)	786,518	769,486	741,808	(27,678)
Services	419,657	581,061	562,044	(19,017)
Commodities	5,741	7,055	7,055	0
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	304,835	288,320	305,200	16,880
Abatements	(42,858)	(44,572)	(46,393)	(1,821)
Total Expenditures	\$ 2,560,145	\$ 2,701,901	\$ 2,687,603	\$ (14,297)
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	2,560,145	2,701,901	2,687,603	(14,297)

PERSONNEL SUMMARY				
	2010 Actual	2011 Budget	2012 Budget	2011/2012 Change
Position Equivalent (Funded)*	18.0	16.0	16.0	0.0
% of Gross Wages Funded*	100.0	100.0	100.0	0.0
Overtime (Dollars)	\$ 0	\$ 0	\$ 0	\$ 0
Overtime (Equivalent to Position)	0.0	0.0	0.0	0.0

* For 2010 Actuals, the Position Equivalent is the budgeted amount.

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PERSONNEL CHANGES						
Job Title/Classification	Title Code	Action	# of Positions	Total FTE	Division	Cost of Positions (Salary Only)
None						
					TOTAL	\$ 0

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."