

# **Fiscal Year 2024 Recommended Budget Presentation to County Council**

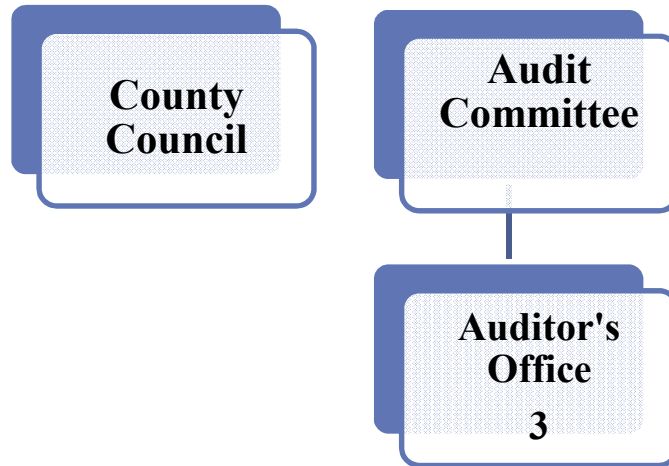
**COUNTY AUDITOR**



# **POSITION OVERVIEW**

## ORGANIZATIONAL CHART

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**MISSION:** To assist County Government in ensuring adequate internal controls exist to mitigate the risks the County faces in achieving its objectives.

The County Auditor's Office has three primary responsibilities:

Assist the County Executive and County Council in the fulfillment of their fiduciary responsibilities by independently examining the County's internal control system to determine whether adequate internal controls exist to help ensure the accomplishment of the County's objective in an effective and efficient manner.

Coordinates and oversees the annual financial audits of the County's financial statements and the County Pension Program's financial statements, as well as the annual compliance audit of the County's federal programs.

Investigates reports of suspected fraud, waste, and/or abuse filed via the County's Fraud, Waste and Abuse Hotline.

## VACANCIES AS OF FEBRUARY 27, 2023

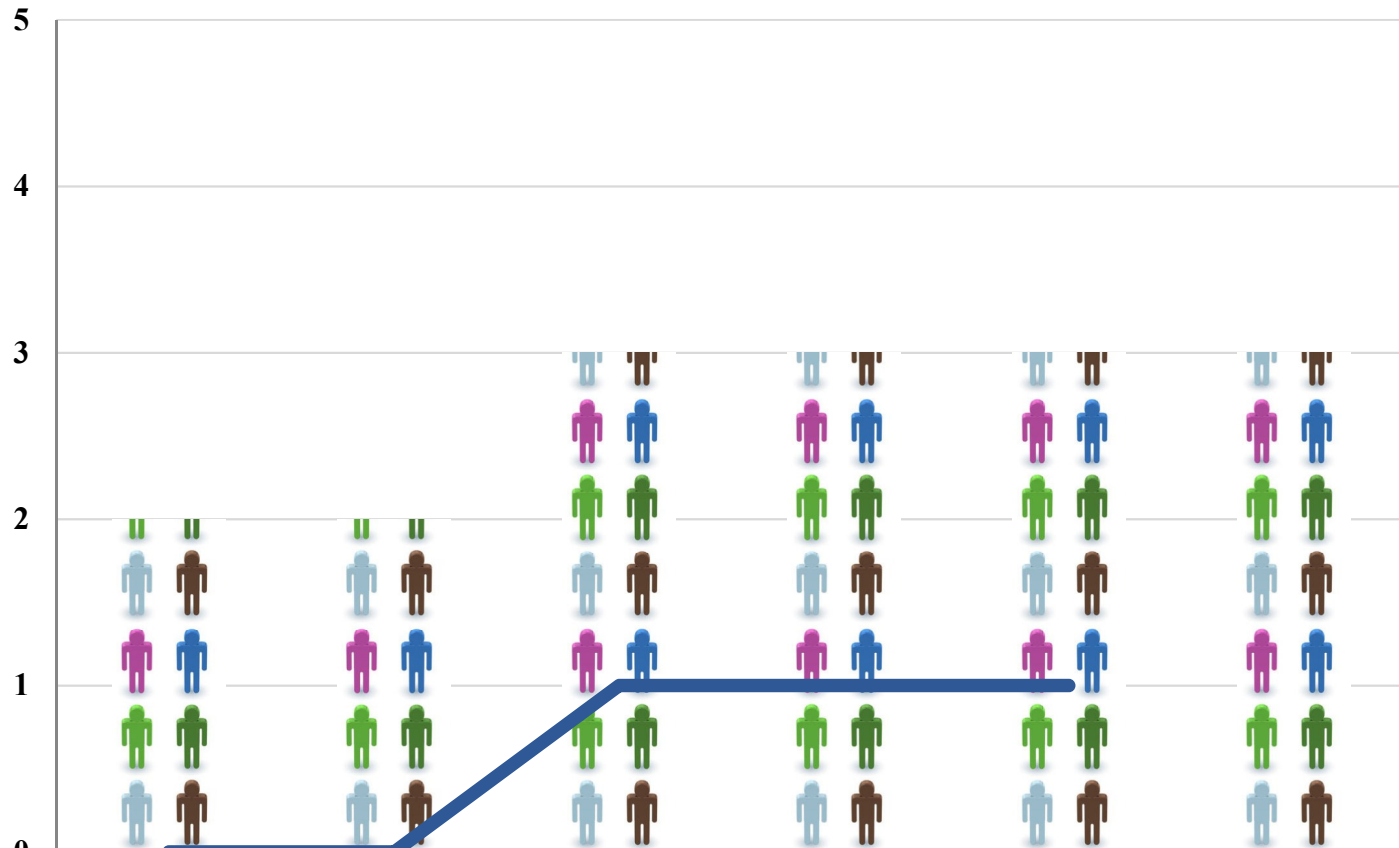
| Division/Section        | PCN    | Position Title    | Date Vacated | Fund Source | Anticipated Salary | Status     | Plan to Fill   |
|-------------------------|--------|-------------------|--------------|-------------|--------------------|------------|----------------|
| Audit                   | 103313 | Associate Auditor | NEW          | General     | \$ 51,576          | Recruiting | FY2023 4th Qtr |
|                         |        |                   |              |             |                    |            |                |
|                         |        |                   |              |             |                    |            |                |
|                         |        |                   |              |             |                    |            |                |
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|                         |        |                   |              |             |                    |            |                |
|                         |        |                   |              |             |                    |            |                |
|                         |        |                   |              |             |                    |            |                |
| <b>Total Vacancies:</b> |        |                   | <b>1</b>     |             | <b>\$ 51,576</b>   |            |                |
| <b>Vacancy Rate:</b>    |        |                   | <b>33%</b>   |             |                    |            |                |

**POSITION/SALARY CHANGES**

| <b>ORG Title</b> | <b>FUND</b> | <b>Position #</b> | <b>PG</b> | <b>Position Count</b> | <b>Position Title</b>                 | <b>Change Amount</b> | <b>Reason for Adjustment</b>    |
|------------------|-------------|-------------------|-----------|-----------------------|---------------------------------------|----------------------|---------------------------------|
| Council Audit    | General     |                   |           |                       |                                       | \$ 716               | Merit Increases                 |
|                  |             |                   |           |                       |                                       |                      |                                 |
|                  |             |                   |           |                       |                                       |                      |                                 |
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|                  |             |                   |           |                       |                                       |                      |                                 |
|                  |             |                   |           |                       |                                       |                      |                                 |
| -                |             |                   |           |                       | <b>Total Adjustments to Positions</b> | \$ 716               | <b>Total Salary Adjustments</b> |

|              |   |
|--------------|---|
| <b>3.00</b>  | <b>Current Fiscal Year Positions</b>            |
| <b>3.00</b>  | <b>Recommended Fiscal Year Positions</b>        |
| <b>0.00%</b> | <b>% Change over Current Fiscal Year Budget</b> |

## POSITION HISTORY



|                     | FY2019<br>Approved | FY2020<br>Approved | FY2021<br>Approved | FY2022<br>Approved | FY2023<br>Approved | FY2024<br>Recommended |
|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
| Number of Positions | 2.00               | 2.00               | 3.00               | 3.00               | 3.00               | 3.00                  |
| Vacancies           | 0.00               | 0.00               | 1.00               | 1.00               | 1.00               |                       |

FY2021 reflects the addition of one Associate Auditor.

**DIVERSITY SUMMARY  
CALENDAR YEAR 2021-2022**

| JOB CATEGORIES                      | Calendar Year | NUMBER OF EMPLOYEES |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  |        |
|-------------------------------------|---------------|---------------------|--------------------------------|--|--------------------------------|--|---|--|--------------------|--------------------------------|--|--------------------------------|--|---|--|--------|
|                                     |               | MALE                |                                |  |                                |  |   |  | FEMALE             |                                |  |                                |  |   |  | Totals |
|                                     |               | Hispanic or Latino  | White (Non Hispanic or Latino) | Black or African American (Non Hispanic or Latino) | Asian (Non Hispanic or Latino) | Native Hawaiian or Other Pacific Islander (Non Hispanic or Latino) | American Indian or Alaska Native (Non Hispanic or Latino) | Two or More Races (Non Hispanic or Latino) | Hispanic or Latino | White (Non Hispanic or Latino) | Black or African American (Non Hispanic or Latino) | Asian (Non Hispanic or Latino) | Native Hawaiian or Other Pacific Islander (Non Hispanic or Latino) | American Indian or Alaska Native (Non Hispanic or Latino) | Two or More Races (Non Hispanic or Latino) |        |
| Officials and Administrators        | 2022          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  |        |
|                                     | 2021          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
| Professionals                       | 2022          |                     | 1                              |  |                                |  |   |  |                    |                                | 1  |                                |  |   |  | 2      |
|                                     | 2021          |                     | 1                              |  |                                |  |   |  |                    |                                | 1  |                                |  |   |  | 2      |
| Technicians                         | 2022          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
|                                     | 2021          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
| Paraprofessionals                   | 2022          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
|                                     | 2021          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
| Administrative Support              | 2022          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
|                                     | 2021          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
| Skilled Craft Workers               | 2022          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
|                                     | 2021          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
| Service-Maintenance                 | 2022          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
|                                     | 2021          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
| Certain Elected/Appointed Officials | 2022          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
|                                     | 2021          |                     |                                |  |                                |  |   |  |                    |                                |  |                                |  |   |  | 0      |
| TOTAL                               | 2022          | 0                   | 1                              | 0  | 0                              | 0  | 0   | 0  | 0                  | 0                              | 1  | 0                              | 0  | 0   | 0  | 2      |
|                                     | 2021          | 0                   | 1                              | 0  | 0                              | 0  | 0   | 0  | 0                  | 0                              | 1  | 0                              | 0  | 0   | 0  | 2      |

| CY 2022     |       |         |       |
|-------------|-------|---------|-------|
| Category    | Males | Females | Total |
| # Total     | 1     | 1       | 2     |
| % Total     | 50%   | 50%     | 100%  |
| # Non White | 0     | 1       | 1     |
| % Non White | 0%    | 100%    | 50%   |

| CY 2021     |       |         |       |
|-------------|-------|---------|-------|
| Category    | Males | Females | Total |
| # Total     | 1     | 1       | 2     |
| % Total     | 50%   | 50%     | 100%  |
| # Non White | 0     | 1       | 1     |
| % Non White | 0%    | 100%    | 50%   |



# **BUDGET OVERVIEW**

## BUDGET CHANGES

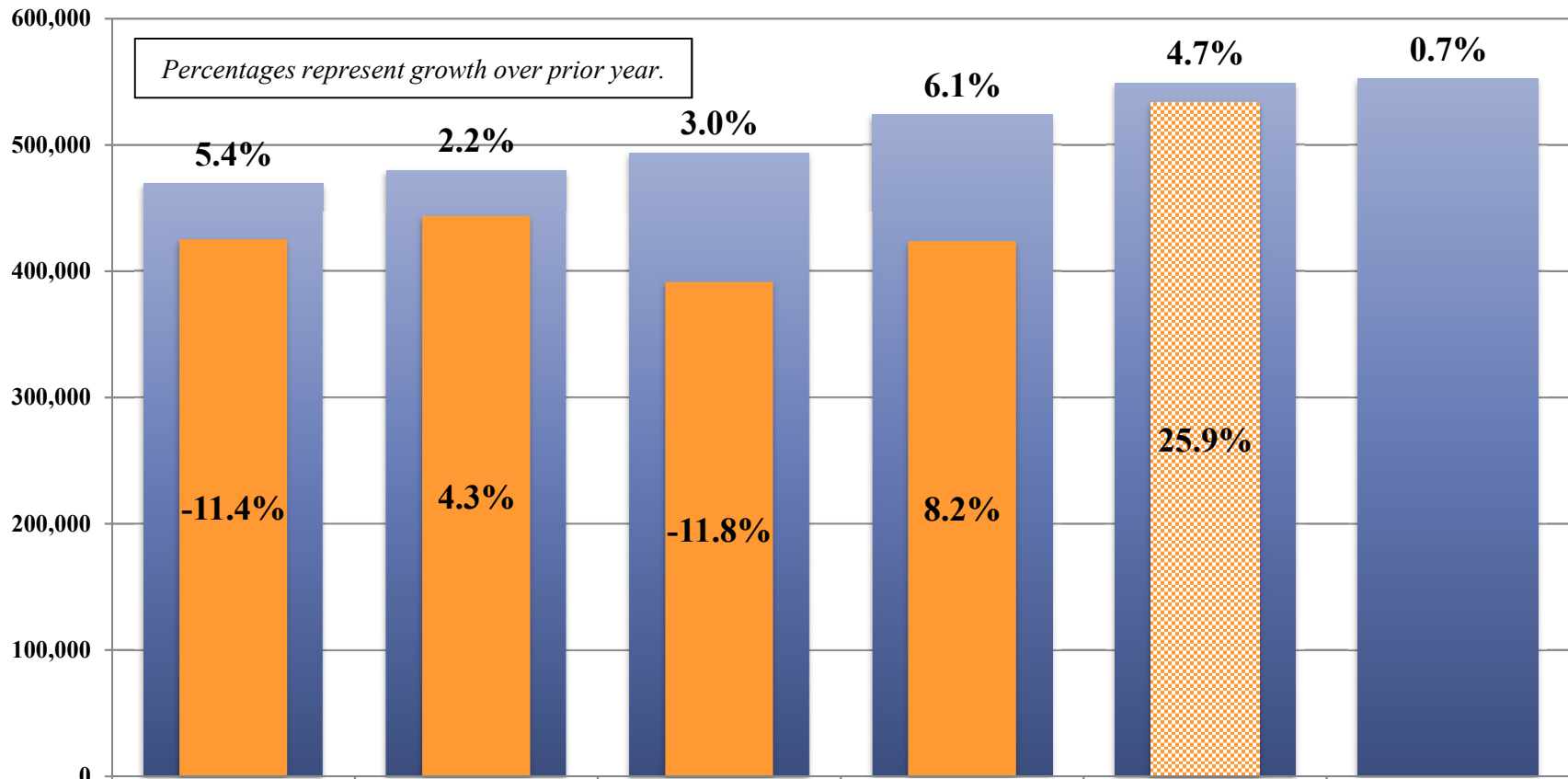
| Division or Section | FUND    | Amount          | Reason for Adjustment   |
|---------------------|---------|-----------------|---|
| Council Audit       | General | \$ 716          | Merit Increases   |
| Council Audit       | General | \$ (308)        | Benefit Rate Adjustment (58.822% Full-Time; 8.906% Part-Time) |
| Council Audit       | General | \$ 305          | Operating Transfer Adjustments: VOIP (\$1); IS \$306          |
|                     |         |                 |   |
| Council Audit       | General | \$ 3,000        | Outside Auditor Escalator (Bid Occurs Early 2023)             |
|                     |         |                 |   |
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|                     |         |                 |   |
|                     |         | <b>\$ 3,713</b> | <b>Total Adjustments to Budget</b>                            |

|                   |   |
|-------------------|---|
| <b>\$ 548,727</b> | <b>Current Fiscal Year Budget</b>               |
| <b>\$ 552,440</b> | <b>Recommended Fiscal Year Budget</b>           |
| <b>0.68%</b>      | <b>% Change over Current Fiscal Year Budget</b> |

## BUDGET SUMMARY

| Budget Category             | FY2019           | FY2020           | FY2021           | FY2022           | FY2023           | FY2024           | FY2023<br>Approved vs.<br>FY2024 | % Increase/<br>(Decrease)<br>over FY2023<br>Approved |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------------------------|--|
|                             | Actuals          | Actuals          | Actuals          | Actuals          | Approved         | Recommended      |                                  |  |
| Salaries and Wages          | \$ 226,721       | \$ 236,018       | \$ 169,186       | \$ 206,963       | \$ 270,034       | \$ 270,750       | \$ 716                           | 0.27%  |
| Employee Benefits           | \$ 104,301       | \$ 110,570       | \$ 106,422       | \$ 118,938       | \$ 159,569       | \$ 159,261       | \$ (308)                         | -0.19%   |
| Training and Civic Affairs  | \$ 4,630         | \$ 4,295         | \$ 3,568         | \$ 2,569         | \$ 5,100         | \$ 5,100         | \$ -                             | 0.00%  |
| Communication and Utilities | \$ 260           | \$ 459           | \$ 781           | \$ 580           | \$ 423           | \$ 422           | \$ (1)                           | -0.24%   |
| Materials and Supplies      | \$ 45            | \$ 523           | \$ -             | \$ -             | \$ 150           | \$ 150           | \$ -                             | 0.00%  |
| Contractual Services        | \$ 79,237        | \$ 81,982        | \$ 100,829       | \$ 81,496        | \$ 99,500        | \$ 102,500       | \$ 3,000                         | 3.02%  |
| Operating Transfer Charges  | \$ 10,021        | \$ 9,796         | \$ 10,723        | \$ 13,203        | \$ 13,951        | \$ 14,257        | \$ 306                           | 2.19%  |
| <b>Total:</b>               | <b>\$425,215</b> | <b>\$443,643</b> | <b>\$391,509</b> | <b>\$423,749</b> | <b>\$548,727</b> | <b>\$552,440</b> | <b>\$3,713</b>                   | <b>0.68%</b>   |

## BUDGET / ACTUALS HISTORY



*NOTE: \*FY2023 Actuals reflect Departments projected expenditures through June 2023.  
 FY2019 actuals reflect accrual to FY2018 for external audit expense.*

# **PERFORMANCE METRICS AND STATISTICS**

## PERFORMANCE METRICS

| Performance Measures                             | 2020<br>Actual | 2021<br>Actual | 2022<br>Actual | 2023<br>Projected | 2024<br>Projected |
|--|----------------|----------------|----------------|-------------------|-------------------|
| <b>Quantitative</b>                              |                |                |                |                   |                   |
| CARES Act CRF audit completed*                   | N/A            | Yes            | Yes            | Yes               | N/A               |
| ARPA audit work completed**                      | N/A            | N/A            | N/A            | Yes               | Yes               |
| Percentage of approved Audit Plan completed      | N/A^           | N/A^           | N/A^           | N/A^              | 100%              |
| Total Hotline Reports Received                   | 1              | 1              | 3              | 3                 | 3                 |
| Percentage of Hotline Repots Investigated        | 100%           | 100%           | 100%           | 100%              | 100%              |
| Audit financial statements issued by December 31 | No***          | No***          | NO***          | Yes               | Yes               |

\* The County, as part of the CARES Act, received approximately \$323 million in Coronavirus Relief Fund (CRF) monies from the U.S. Department of Treasury. The County Auditor's Office spent a substantial number of hours in FY 2021, FY 2022, and a portion of FY 2023 auditing these funds to ensure they were spent in accordance with Federal law and U.S. Treasury Department guidance.

\*\* The County, as part of the American Rescue Plan Act (ARPA), has received \$108 million in State & Local Fiscal Recovery Funds from the U.S. Department of Treasury. The County Auditor's Office spent time in FY 2022 and FY 2023 evaluating the internal controls over the compliance aspects of these funds. In FY 2024, the County Auditor's Office (due to gaining comfort on the internal controls and because the County has engaged Guidehouse to do compliance monitoring) will be performing limited testing on these funds.

\*\*\* The FY 2021 and FY 2022 audited financial statements were not issued by December 31st, primarily because of delays due to COVID and the conversion to a new financial system.

^ Due to audit work on CARES and ARPA funds, the County Auditor's Office did not have formal Audit Plans for other audit work in FY 2021 through FY 2023 (other than completing the other items in the above table and performing audit work on Community Services loan programs, medical benefits, and the New Castle County Hope Center). The Auditor's Office will have a formal Audit Plan for FY 2024.