



Budget Change Request

Change request information

Title Add Internal Auditor- Add 1 FTE
Number B-02-07 Department 02 - Auditor
Requester Diana Benson
Published by Jay Saiki Publish Date 2023-08-24
Change Type Policy Change

Board outcome *(to be entered by budget after Board action)*

Board Decision
Board Changes

Funds affected

Fund 0010 - General Fund
General Fund Affected? Yes More Than One Fund Affected? Yes

Policy request priority and connection to the strategic plan

Priority # 1 Strategic Plan Effective County

Does this request include federal, state, or private grants?

Grant Funded? None
Grantor and timeframe

Does this request affect current positions or propose new positions?

HR Payroll e-mailed? Yes Position Impact Adds Position(s)
Current position numbers affected

What do you need and why? Include any unexpected and external requirements.

Statement of Need

BOCC is requesting one (1) Internal Auditor.

In 1993 the Board established the Internal Auditor position. Since then, the Internal Auditor has supported Offices & Departments in managing risk, monitoring compliance, and improving internal controls. In the last 30 years significant changes have occurred in the risk landscape, complexity of County operations, and the expectations of the public. In addition, the Internal Auditor's role has evolved beyond financial process to include review of County operations, technology, and special reviews/investigations. A second internal audit position would help support the Board in their oversight responsibilities related to operations, financial report, and compliance. The internal auditor is a countywide resource with the work plan approved by the internal audit committee, which includes the Auditor, Treasurer and County Manager.

We hired an outside CPA firm to conduct some audit work to cover the staffing gap. While this project was going on, the internal audit function was limited.

How will this change the performance of your office or department?

Statement of Need

Adding a position to the Internal Audit function would create the following long-term opportunities for performance improvement:

- Doubling the available resources for the annual audit plan that consists of financial, operational, compliance, performance, and special projects.
- Create room in the audit plan to ensure that audits are more proactive versus reactive.
- Provides an opportunity for routine audits of Offices and Departments not regularly audited.
- Resources to explore a Fraud, Waste, and Abuse hotline.
- Increase quality assurance & enhance succession readiness.
- Permanently support Offices & Departments in subrecipient and contract monitoring.
- Ensure continuity of internal audits should special assignments occur (e.g. rental assistance).

Expenditure, FTE and revenue assumptions plus current budget level

Assumptions

The internal auditor position is included in the cost plan and spread to offices and departments/not all general fund.

Current Budget Level

0 for 2nd internal auditor

What happens if this isn't funded? Are there other options?

Impacts and Alternatives

If not funded, the internal audit function will continue to operate at its current level of staffing. However, securing outside resources could be explored through a professional services contract with a qualified audit firm. Additionally, the Board may consider funding year one of this position through ARPA State and Local Fiscal Recovery Dollars to offset the year one financial impact, should federal funds be available.

How does this request affect other offices and departments?

Impact to Other Departments

Other Services/Staff Time

Which Other Departments are Affected?

The request will impact other Office and Departments through providing additional resources to evaluate programs and provide recommendations for improvement. The position is included in the cost plan and spread to offices and departments/not all general fund.

Operating Transfer Needed?

No

Operating Transfer Coding and Amount

Personnel Information

FTE	Number	Name	Start Date	End Date
1.00	@ Internal Auditor / mtp426	INTERNAL AUDITOR		
1.00	< Total			

Operating Revenue Line Items

Org Code	Object Code	Object Description	Project Code	2024	2025
5260G040	397001	O/T-GENERAL FUND		3,000	3,000.00
			Total:	3,000.00	3,000.00

Capital Revenue Line Items

Org Code	Object Code	Object Description	Project Code	2024	2025
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Operating Expenditure Line Items

Org Code	Object Code	Object Description	Project Code	2024	2025
0102A200	510000	SALARIES		84,594	87,132.00
0102A200	521000	SOCIAL SECURITY		6,472	6,665.00
0102A200	522000	RETIREMENT		7,943	8,182.00
0102A200	523000	MEDICAL/DENTAL/LIFE		26,016	27,276.00
0102A200	524000	WORKERS COMPENSATION-L&I		360	360.00
0102A200	525000	UNEMPLOYMENT COMPENSATION		254	261.00
0102A200	526000	PAID FAMILY MEDICAL LEAVE		184	190.00
0102A200	527000	LONG TERM DISABILITY		482	497.00
0102A200	599526	O/T-IT RESERVE		3,000	3,000.00
5260G040	535000	SMALL TOOLS & MINOR EQUIPMENT		3,000	3,000.00
			Total:	132,305.00	136,563.00

Capital Expenditure Line Items

Org Code	Object Code	Object Description	Project Code	2024	2025
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