

**County of Ventura**  
**AUDITOR-CONTROLLER**  
**MEMORANDUM**

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**To:** Don R. Hansen, Assistant Treasurer-Tax Collector

**Date:** September 15, 2010

**From:** Christine L. Cohen

**Subject:** FOLLOW-UP AUDIT OF TREASURER-TAX COLLECTOR OPERATIONS

The follow-up audit has been completed of Treasurer-Tax Collector (TTC) operations to evaluate the TTC's progress on implementing the 20 recommendations from the prior audit performed by Thompson, Cobb, Bazilio & Associates, PC (TCBA), as presented to the Board of Supervisors on October 9, 2007. This follow-up audit was conducted by TCBA, as commissioned by the Auditor-Controller. The follow-up audit report is attached for your reference.

The follow-up audit disclosed that the TTC has made improvements since the prior audit in 2007. Specifically, of the 20 recommendations in the prior audit report, 10 were fully implemented, 8 were partially implemented, and 2 had not been implemented.

The follow-up audit resulted in eight recommendations restated or revised from the prior audit, two of which the TTC does not intend to implement. For the six recommendations that the TTC plans to implement, corrective action is planned to be completed by January 2012.

We appreciate the cooperation and assistance extended by you and your staff during this follow-up audit.

**Attachment**

cc: Honorable Kathy Long, Chair, Board of Supervisors  
Honorable Linda Parks, Vice Chair, Board of Supervisors  
Honorable Steve Bennett, Board of Supervisors  
Honorable Peter C. Foy, Board of Supervisors  
Honorable John C. Zaragoza, Board of Supervisors  
Marty Robinson, County Executive Officer

# **COUNTY OF VENTURA AUDITOR-CONTROLLER'S OFFICE**

**Follow-Up Audit Report on the Review of Corrective  
Actions of the Treasurer/Tax Collector Department**

*Submitted by*

**TCBA**

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September 3, 2010

Ms. Christine Cohen, Auditor-Controller  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009-1080

Dear Ms. Cohen,

Thompson, Cobb, Bazilio & Associates, PC (TCBA) is pleased to submit this report on our follow-up audit of prior audit recommendations made regarding internal controls and operations of the County of Ventura's Treasurer/Tax Collector's Department (TTC). Our report provides the implementation status of the twenty (20) prior audit recommendations and provides current recommendations where warranted.

TCBA would like to thank the staff of the TTC for their cooperation throughout this follow-up audit. We observed improvements since our initial audit in October 2007 and believe that this follow-up audit will provide the new elected TTC Administrator with a good framework for further improving TTC operations.

Please feel free to contact me at 310 792-4640 ext. 110 if you should have any questions.

Best regards,



Michael J. de Castro  
Partner

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## A. EXECUTIVE SUMMARY

The purpose of this follow-up audit was to assess the status and actions taken by the Ventura County Treasurer/Tax Collector Department ("TTC" or the "Department") on 20 recommendations from a prior management audit report of the Department dated October 2007.

In 2007, the County of Ventura contracted with Thompson, Cobb, Bazilio & Associates, PC (TCBA) to conduct a management audit of the operations of the TTC as requested by the Ventura County Executive Office. The audit focused on five areas of Department management: 1) internal controls, 2) leadership, management, and organization structure, 3) personnel management, 4) key business processes, and 5) investment policies and practices.

This follow-up audit found that 10 of the 20 recommendations have been fully and adequately implemented, 8 partially implemented, and 2 had not yet been implemented.

The TTC is directed and managed by an elected Treasurer/Tax Collector. The term of the TTC Administrator is set to expire on January 7, 2011. However, the current TTC Administrator has set July 17, 2010 as his retirement date. The term of the newly elected TTC Administrator will officially commence on January 7, 2011. In the interim, the Assistant Treasurer/Tax Collector will assume the responsibilities of the TTC Administrator. The Department is divided into three divisions –Treasury Operations, Public Service, and Accounting. The Department also includes the County's Chief Investment Officer.

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## **B. SUMMARY OF SIGNIFICANT FINDINGS**

Below we provide a brief summary of our significant follow-up findings and recommendations. A more detailed discussion on these and other findings is presented in the body of this report. Please note that no prior audit recommendations were made in the area of investment policies and practices.

### **Internal Controls**

Of the 20 recommendations in the prior audit report, 9 were related to improvements to the internal control environment of the Department. Of these 9 recommendations, we found that 7 had been implemented and 2 partially implemented. Below is the more significant internal control recommendations made in the prior audit and our follow-up audit results:

- Although we found the written procedures for the three Divisions to be adequate, we recommend that the Department strengthen the approval and dissemination of the written procedures. The Department should also investigate new technologies for the development and management of Departmental written procedures.
- The Department adequately assesses internal risk through participation in the Ventura County Control Self-Assessment program, internal audit reviews, daily hands-on management and weekly management meetings.
- The Department has adequately established criteria for accessing cash deposits to replenish cash drawers. Written procedures have been developed to document this process.

### **Leadership, Management, and Organization Structure**

In the prior audit, 6 recommendations were related to improvements in the leadership, management, and organizational structure of the Department. We found that 1 recommendation was fully implemented, 4 partially implemented, and 1 has yet to be implemented. Below is the more significant recommendations made in the prior audit and our follow-up audit results:

- The Department has developed a mission statement and organizational goals for the budgetary process. However, the Department's management has not adequately developed or communicated strategic goals to its staff to ensure a common understanding of Department priorities. The TTC should consider formally defining its key strategic goals and developing a five-year strategic plan.

- Management has developed and uses some performance indicator information to monitor operations and performance. However, a comprehensive set of performance indicators tied to Department strategic goals has yet to be developed. We believe that performance indicators could be developed for a wider range of Department initiatives and projects.
- Department management has completed several organizational projects that were in progress at the time of the prior audit report. The Department has since developed and implemented new projects for improving the operations of the Department.
- As reported in the prior audit, the management structure of the Department does not provide clear lines of authority at the supervisory level in the Public Service and Accounting Divisions. The Department should consider revising, clarifying and strengthening the supervisory structure of these Divisions.

### **Personnel Management**

In the prior audit, 3 recommendations were related to improvement in personnel management. We found that 2 had been implemented and 1 has yet to be implemented. Below are the results of our follow-up audit of the 3 prior audit recommendations.

- The Department has established sufficient training and cross-training of key functions across the three Divisions. Key functions are adequately designated with lead, backup/trainee staff members.
- Employee performance evaluations are, for the most part, up to date and completed in a timely manner. However, as reported in the prior audit, the completed evaluations provide limited useful information on actual performance in accomplishing Department goals and workload, and have limited feedback to employees to enhance their job performance.
- Management has adequately considered and planned for a potential abrupt loss of the current Chief Investment Officer. Management has also developed an approach for an orderly succession of the position if the current Chief Investment Officer retires.

### **Key Department Processes**

In the prior audit, 2 recommendations were related to improvement in key Department processes. We found that both had been partially implemented. Our findings are summarized as follows:

- Improvements in the supervisory structure have been made. However, clarification of the supervisory roles in the Public Service and Accounting

Divisions is still needed and would further strengthen the supervisory environment.

- The Accounting Division has developed written procedures for key functions. However, as cited above, improvements should be made in the Department processes for the approval and dissemination of written procedures. More detailed information pertaining to individual Trust accounts should also be documented.



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## C. SCOPE AND METHODOLOGY

The TTC manages and oversees the collection and investment of local tax revenues for the County of Ventura. For fiscal year 2009-10, the TTC budgeted appropriations totaling \$4,800,606. Currently the TTC has 35 employees and 36 authorized positions within the 3 Divisions and the County's Chief Investment Office.

The scope of the audit focused on the follow-up actions taken of the 20 recommendations from the previous audit conducted in October 2007. We examined and assessed the status of the 20 recommendations and the implementation progress made. Additional recommendations resulting from our follow-up audit were made, if necessary.

To accomplish the audit objectives our procedures included the following:

- Obtaining, reviewing and analyzing written policies and procedures from the TTC.
- Obtaining and reviewing self-assessment questionnaires, such as the Ventura County Control Self-Assessment Program questionnaire.
- Conducting interviews with TTC management and staff, and with other County personnel.
- Reviewing, observing and verifying workflow processes identified in the recommendations.
- Obtaining and reviewing the Department's organization chart, position descriptions and staff assignments.
- Reviewing information on level of workload, staffing resources and employee development efforts including training.
- Testing of various samples to verify accuracy or consistency with written procedures.
- Obtaining, reviewing and analyzing the TTC's mission statement, key strategic goals, five year strategic plan and annual business plans.
- Reviewing recommended management practices, such as the development of performance indicators and lists of action items and the tracking and reporting of their progress.
- Obtaining and reviewing performance standards and expectations to determine if they are meaningful and consistent with the necessary work product of the Department.

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## D. FOLLOW-UP RESULTS OF PRIOR AUDIT RECOMMENDATIONS

### 1. Internal Controls

A sound system of internal controls is important to ensure fiscal accountability and is essential to protecting the assets that the TTC oversees from loss or abuse. Internal controls specify procedures to be followed and establish the level of involvement and oversight by management. The prior audit report had 9 recommendations relating to the internal controls of the TTC. Our examination focused on and assessed the status of these 9 recommendations. The results of our examination are as follows:

**PRIOR AUDIT RECOMMENDATION NO. 1: *Written policies and procedures for the Accounting Division should be updated to reflect the acquisition and incorporation of new technologies in tax payment processing. Also, the following procedures should be fully documented and made available to management and staff:***

- ***Monthly Reconciliation of Trust Accounts,***
- ***Preparation of Cash Collection Reports provided for the Auditor Controller for their use in annual reconciliations,***
- ***Processing of Tax Payments by Tape, and***
- ***Bankruptcy Processing Procedures.***

**IMPLEMENTATION STATUS: Partially implemented – recommendation revised**

#### **Current Status:**

Written procedures for Accounting Division's key functions have been developed and updated. Other resources such as the County Tax Collector's Manual, Statewide Bankruptcy procedures, and Payment Processor Manuals are also maintained in the Division and are available to staff. Although these improvements were noted, we believe that the approval and dissemination of written policies and procedures in the Department could be strengthened.

In the prior audit, we found that the procedures for certain key functions in the Accounting Division were undocumented. These functions included monthly reconciliation of Trust Accounts, preparation of Cash Collection Reports for the Auditor-Controller, processing of tax payments from Financial Services companies and bankruptcy processing procedures. For this follow-up audit, we obtained and reviewed the updated written procedures from the Accounting Division. These written procedures included the key functions listed above, with the exception of bankruptcy processing procedures. For bankruptcy processing,

the Department follows State guidelines and procedures, which are kept and maintained in the Accounting Division. We found the written procedures and other resources, such as State guidelines to be adequate. However, we noted that the written procedures could be improved with more in-depth information regarding the accounting for and reconciliation of Trust accounts. (See also prior audit recommendation No. 6)

We also inquired about the process of developing written procedures in the Department. Based on our inquiry, we learned that written policies and procedures were reviewed by the Assistant Treasurer Tax Collector, but a formal approval process is not in place. Also, formal dissemination procedures for new policies and procedures were not established and seemed to vary from Division to Division. It was not always clear if staff in one Division were aware of changes to procedures in another Division. This is important since procedures in Divisions are closely interconnected.

We believe that formalizing aspects of the written procedure development process such as the approval and dissemination would make written policies and procedures more relevant to the organization as a whole and improve internal control. The Department should also investigate new technologies for the development and management of Departmental written procedures. Currently, organizational software programs are available to help develop and manage written policies and procedures. These programs allow policies and procedures to be easily updated, amended, approved and disseminated to staff via the intranet. Changes in procedures are archived and secured. These programs allow procedures to be linked to corresponding procedures in other Divisions and/or Government Code.

### **Current Audit Recommendation No. 1**

The Department should strengthen the approval and dissemination of the written procedures. The Department should also investigate new technologies for the development and management of Departmental written procedures.

***PRIOR AUDIT RECOMMENDATION NO. 2 – Management should consider the development of an internal risk assessment process, such as an internal survey questionnaire, for the identification and assessment of risk of Department business processes.***

**IMPLEMENTATION STATUS: Implemented**

#### **Current Status:**

Although TTC management has not developed an internal risk assessment questionnaire, we believe they do adequately identify and assess risk as part of

on-going daily management and weekly management meetings. Weekly management meetings are structured to discuss and assess problem areas within Departmental business processes. Meetings are documented with minutes, which include action points.

We found that the TTC has participated and responded to the Ventura County Control Self-Assessment (CSA) Program. Also, the Treasury completes an organizational risk questionnaire once a year, as part of their quarterly internal audit process.

In interviews, TTC managers related examples of problem areas or potential risks that were identified and proactively addressed them through daily management and weekly management meetings. TTC managers stated that their Department was small enough to assess risk areas through daily hands-on management and that another formal questionnaire beyond what is already completed was not necessary.

Based on our review of the manager's examples, meeting minutes, the Ventura County Control Self-Assessment Questionnaire and the Treasury Internal Control Questionnaire, we believe that the TTC is adequately identifying and assessing risk of Departmental business processes.

### **Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. 3 - *Management should establish criteria for accessing cash deposits to replenish the cash drawer for making change at the Treasury window for other County Departments. The criteria should then be documented in the form of written policies and procedures governing and controlling these functions.***

### **IMPLEMENTATION STATUS: Implemented**

#### **Current Status:**

The Treasury Division has established criteria for accessing cash deposits to replenish cash drawers and now has written procedures, which adequately document this procedure.

In the course of our review, we observed the Treasury Division perform a daily mid-day count and verification of cash balances. This procedure, performed under dual control, consolidates deposits and verifies cash amounts. It is only during this procedure that cash may be exchanged from cash drawers for lower denominations for the purposes of making change. We were informed by the

Treasury Division Manager that the following two types of deposits are processed through the Treasury: 1) general deposits to the Treasury, and 2) sealed deposits for direct deposit to the bank. Only general deposits are included in the consolidation of cash amounts, and, therefore, accessed for purposes of making change. It is the Treasury's policy that sealed direct deposits to the bank are never to be opened for the purposes of making change.

Written procedures clearly state that the only occasion in which change will be made to the cash drawers is during the daily cash count. The procedures also state that under no circumstances will sealed bags be opened to provide change to the cash drawers. The procedures inform staff that if a drawer runs out of change during the course of operations, the customer needs to be referred to an outside source such as a nearby bank.

**Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. 4 - *Specific language restricting investment wire transfers to the Ventura County Investment Account and the Wells Fargo Custody Bank Account should be included in the banking agreement with Wells Fargo Bank.***

**IMPLEMENTATION STATUS: Implemented**

**Current Status:**

TTC provided us with a signed written agreement between Wells Fargo Bank and TTC which restricts investment wire transfers to and from the Ventura County Investment Account and the Wells Fargo Custody Bank Account.

We believe that this specific language in the banking agreement restricting the investment wire transfers to and from the Ventura County Investment Account and the Wells Fargo Custody Bank Account strengthens the internal control over such wire transfers.

**Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. 5 - *To improve internal controls, responsibility for the reconciliation of the Bankruptcy Trust and Trust/Parcel Map Trusts should be reassigned to individuals not directly managing the accounts.***

**IMPLEMENTATION STATUS: Implemented**

Responsibilities for the daily management and accounting of the Bankruptcy and Trust/Parcel Map Trust accounts and their monthly reconciliations have been separated.

In the prior audit, we noted that the individuals responsible for reconciling the Bankruptcy Trust and Trust/Parcel Map Trusts were also responsible for directly managing these Trust accounts. These dual responsibilities resulted in a potential internal control weakness. We verified that these responsibilities have now been re-assigned and separated.

**Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. 6 – *Written policies and procedures for the reconciliation of Trust accounts should be developed and include descriptions of accounts and any unique procedures or transactions pertaining to the management of individual accounts. Written procedures should be sufficient to guide new staff or management through successfully completing the procedures.***

**IMPLEMENTATION STATUS: Partially implemented – recommendation revised**

**Current Status:**

Written procedures for the reconciliation of Trust accounts have been developed. These procedures give general guidance for the process of reconciliation that can be applied to all the Trust accounts. We believe that the procedures could be further improved by adding specific information pertaining to individual Trust accounts.

The development of the written procedures for the reconciliation of Trust accounts is a positive improvement. In the prior audit, we noted that this procedure was undocumented. However, we maintain that descriptions of the Trust accounts and any unique procedures or transactions pertaining to the management of individual Trust accounts would also be helpful. Written procedures should be sufficient to guide new staff or management through successfully completing the procedures.

## **Current Audit Recommendation No. 2**

Procedures for the reconciliation of Trust Accounts could be improved by including specific procedures pertaining to individual Trust accounts.

**PRIOR AUDIT RECOMMENDATION NO. 7 – *The Treasurer/Tax Collector Department should develop and document formal written policies and procedures for development of Collection reports. Written procedures should be sufficient to guide new staff or management through successfully completing the procedures.***

### **IMPLEMENTATION STATUS: Implemented**

#### **Current Status:**

Written procedures for the development of Collection reports have been developed. We obtained and reviewed the procedures and found them sufficient to guide new staff through completing the procedure.

The TTC provides collection reports to the Auditor-Controller. The Auditor-Controller uses these reports to perform their annual reconciliation of revenue accounts. The Auditor-Controller cannot produce a reliable annual reconciliation without the Collection reports provided by the TTC. The Accounting Division of the TTC is responsible for producing the Collection reports.

At the time of the prior audit, we noted that many of the collection reports were behind schedule or inconsistent. We now report that these reports are current and timely.

## **Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. 8 - *Formal and specific training in producing the Collection reports should be considered. Training should emphasize the deadlines for each report, therefore raising the awareness of management and staff towards the importance of these reports. Although the Treasurer/Tax Collector is ultimately responsible and should be held accountable for timely submittals, the Auditor-Controller should also consider more formal means of communication in addressing the issue of late Collection reports. A formal letter, copied to the Treasurer/Tax Collector would ensure the issue of late Collection reports would be addressed as a high priority matter.***

**IMPLEMENTATION STATUS: Implemented**

**Current Status:**

Training and cross-training for the production of the Collection reports has been accomplished in the Accounting Division and continues on an on-going basis. Most training is accomplished through hands on, closely supervised actual work. All Collection reports are now current, and submitted on a timely basis. The Auditor-Controller reports that the submittal of Collection reports has improved and that there has been no occasion to issue a formal letter of complaint.

**Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. 9 – *Treasury/Tax Collector Department management should review all inactive Trust accounts for relevancy according to the purposes for which they were created. A determination should then be made on whether the Trust account should de-indexed or closed.***

**IMPLEMENTATION STATUS: Implemented**

**Current Status:**

The Accounting Division has adequately reviewed the inactive Trust accounts and has requested the closing of the following accounts: 5199-6095-Business Tax Certificates and 5199-7006 Treasury Impound Trst Int Earnings. Both accounts have a zero balance and no recent activity. We believe the review of inactive Trust accounts for relevancy should continue on an on-going basis.

**Current Audit Recommendation**

None

**2. Leadership, Management, and Organizational Structure**

Organizational leadership provides direction and purpose for an entity through setting goals and implementing strategies. Management should implement systems and approaches that prioritize, oversee and ensure that work is being accomplished, which includes the day-to-day supervision of operations. The structure of an organization should clearly reflect the priorities of the organization and facilitate effective service delivery. Consistency of direction and



management control minimizes barriers to performance and stimulates a culture of shared accomplishment and teamwork.

In the prior audit report, 6 of the 20 recommendations were related to improvements in the area of Leadership, Management, and Organizational Structure. We examined these recommendations and TTC efforts to implement them. The results of our examination are as follows:

**PRIOR AUDIT RECOMMENDATION NO. 10 – *The Treasurer/Tax Collector should consider formally defining and communicating its mission and key strategic goals as well as developing a five-year strategic plan and annual business plans.***

**IMPLEMENTATION STATUS: Partially implemented – Recommendation revised**

**Current Status:**

The TTC has developed a mission statement and has defined goals as required for the County Budgeting process. The TTC also has defined a five year goal for the County Capital Improvement Project (CIP). Although the TTC has performed these actions, further improvements could be made by formally defining and communicating long term strategic goals and annual business plans.

The TTC has developed the following mission statement, *“We collect, process, and invest, safely and prudently, local tax revenues in a consistently effective, cost-efficient and courteous manner, with thoughtful innovation and transparent accountability, so as to provide to the people of Ventura County and local government the highest level of professional service that our abilities and resources allow.”*

The Department stated the following long term objectives in the FY 2009-10 Ventura County Budget Document:

1. Enhance customer service and reduce system issues by replacing obsolete printers with more reliable, industry-supported printers to reproduce tax bills.
2. Complete an Agency Reorganization to meet the required budget reductions. Streamline operations and improve efficiencies to maintain similar service levels with reduced staff.
3. Improve efficiency throughout the County by expanding the utilization of existing equipment and staff to accept and process payments for other County Departments and Agencies.

4. Continue to refine and enhance the Tax Collector's website to better assist the public.

Under the Capital Improvement Project request the TTC listed, "The replacement of the existing telephone answering/payment processing system" as a long term goal.

We believe that the development of the Department's mission statement and goals for the budgetary process are positive actions. We also note that the Department tracks performance indicators that tie to some of the long term goals (addressed under Prior Recommendation No. 13).

However, we maintain that most of these goals are project orientated. We believe that the Department would benefit from developing a long-term strategic plan and corresponding strategic goals. Strategic goals answer the question "why?" and give staff a deeper understanding of how their work relates to the mission of the Department. Strategic goals are also longer term in nature. This lengthens the time horizon beyond the achievement of specific project goals and helps guide the direction of the Department especially through periods of adversity. Annual business plans quantify the strategic goals into measurable outcomes or events, on a yearly basis, raising the likelihood that Department projects and goals are achieved.

### **Current Audit Recommendation No. 3**

The TTC should consider formally defining and communicating its key strategic goals as well as developing a five-year strategic plan and annual business plans.

**PRIOR AUDIT RECOMMENDATION NO. 11 – *The Treasurer/Tax Collector Department should continue its efforts to improve organizational operations and consider expanding those efforts.***

### **IMPLEMENTATION STATUS: Implemented**

#### **Current Status:**

The TTC has completed several organizational projects that were in progress during the last audit and new projects have been implemented. The majority of these projects are focused on implementing or taking advantage of new technology, or replacing existing equipment. The following table shows the status of these projects.

**Treasurer/Tax Collector Department  
Status of Projects**

|    | <b>Project</b>               | <b>Progress</b>                 | <b>Status</b>          |
|----|------------------------------|---------------------------------|------------------------|
| 1) | Tax Bill Redesign            | RP Equip. Installed             | Completed              |
| 2) | Reporting Enhancements       | Treasury: Data File Retention.  | Completed              |
|    |                              | Tax: Bar/Graph Reports          | Completed              |
| 3) | East County Services         | Establish Satellite Office      | Discontinued           |
| 4) | Website Enhancement          | Expanding Transaction Hours     | Completed              |
|    |                              | Adding Unsecured Tax Payments   | Discontinued           |
|    |                              | Tracking Bulk Payments          | Discontinued           |
|    |                              | E-mail Billing Service          | Still Under Review     |
| 5) | ACH Imaging                  | "Check 21" processing           | Completed              |
| 6) | Land Tax System Replacement  | TTC Requirements                | Completed              |
|    |                              | Assessor Requirements           | Completed              |
|    |                              | Auditor Requirements            | Completed              |
|    |                              | RFP Process                     | Underway               |
|    |                              | Project Completion Date         | Date Unknown           |
| 7) | Document Imaging             | Remittances                     | Completed              |
|    |                              | Documents                       | Under Review           |
|    |                              |                                 |                        |
|    | <b>New Projects</b>          |                                 |                        |
| 1) | Sonant IVR Upgrade           | Phone System Upgrade            | Completion Date 7/2010 |
| 2) | Prior Year Refund            | Research & Verify Payment Info. | Completed              |
| 3) | Delinquent Mobile Home Bills | Move to Unsecured Tax Roll      | Completed 7/2009       |

*Source: Ventura County Treasurer/Tax Collector, Accounting Division*

Department management has also undertaken efforts to have Department positions reclassified and changes made in the organizational structure. These efforts include expanding cross training of employees and improving responsiveness to taxpayer questions received through email.

We believe that adding these kinds of initiatives, as well as others to the list of projects detailed above would provide increased visibility for these efforts within the Department, and ensure management is developing a broad set of strategies for improving operations. The TTC should continue its efforts to improve and expand organizational operations and strategic initiatives.

### **Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. – 12** *The Treasurer/Tax Collector Department should consider developing and utilizing a list of issues and action items to focus discussions and track progress during weekly management meetings.*

**IMPLEMENTATION STATUS: Partially implemented – Recommendation restated**

#### **Current Status:**

As in the prior audit, we attended one of the regularly scheduled weekly management meetings held by the Department head. These meetings continue to be well organized and effectively run with an agenda of topics to be covered as well as a review of current issues and operations. The managers discuss and address a wide variety of organizational, operational, and personnel issues. Managers are encouraged to present issues and express concerns openly and to work together effectively as a team. The major topics discussed during the meeting are captured in minutes. We reviewed recent minutes of management meetings and found them to be well documented. Documented minutes include action items.

While these meetings are effective, we maintain that their value could be increased by formalizing some managerial aspects such as the documentation of lists of issues and improvement initiatives. We believe that issues and initiatives could then be more effectively managed, assigned to managers, and referred to from meeting to meeting with progress toward issue resolution tracked and discussed.

### **Current Audit Recommendation No. 4**

The TTC should consider developing and utilizing formally documenting lists of issues and improvement initiatives to focus discussions and track progress during weekly management meetings.

**PRIOR AUDIT RECOMMENDATION NO. 13 –** *The Treasurer/Tax Collector Department should consider developing a comprehensive set of performance indicators, tied to Department strategic goals, to facilitate the monitoring and reporting of organizational performance.*

**IMPLEMENTATION STATUS: Partially implemented – recommendation restated**

**Current Status:**

As reported in the prior audit, the TTC has developed and uses performance indicator information to monitor operations and performance. However, we believe that the Department could expand its efforts in this area and, therefore, we restate the recommendation.

The Department tracks performance indicators such as, the amount and percentage of tax bills paid, by tax category, paid to date. Amounts collected and percentages are compared with the same amounts and percentages for the same time period of the prior year. These comparisons inform management whether the Department is operating efficiently or falling behind compared to past years.

In another example, the Department is tracking the method by which tax payments are collected. Tax payments are made by various methods such as, in person at the counter, by mail, by phone, by tape from financial institutions and electronically from individuals using the Department web site. Because the web based method of payments have been found to be highly efficient, it has become a Department goal to expand the percentage of web based electronic payments. The Department tracks payments by method of collection and compares this data from year to year. Trends since FY 2003-04 show that web-based electronic payments are increasing; this is especially true in the past two years. In the 2010/2011 tax year, the quantity of electronic payments is expected to exceed the quantity of payments made manually through the cashiering system. We believe that this is an excellent example of tracking performance indicators related to Departmental goals.

We continue to believe that many other organizational functions and activities within the Department would benefit from this approach of performance monitoring. In the prior audit, we recommended developing a comprehensive set of performance indicators, tied specifically to Department and program goals. Although, the Department has shown progress in this area, we believe that this approach to managing the Department and accomplishing Departmental goals could be expanded. We, therefore, restate the recommendation.

**Current Audit Recommendation No. 5**

The TTC should consider developing a comprehensive set of performance indicators, tied to Department strategic goals, to facilitate the monitoring and reporting of organizational performance.

**PRIOR AUDIT RECOMMENDATION NO. 14 – *The Treasurer/Tax Collector Department should formally clarify the supervisory structure of the Public Service Division and explore with County Human Resources alternative methods of rewarding longevity and preservation of knowledge.***

**IMPLEMENTATION STATUS: Not implemented – recommendation revised**

**Current Status:**

TTC has not changed the organizational structure of the Public Service Division since the prior audit, citing that the Public Service Division is very productive and is meeting all of its organizational expectations very effectively. We confirm that the Division is productive and effective, but maintain that the supervisory structure should be clarified.

The staffing of the Public Service Division includes a manager, two supervisors, and nine staff members. The formal supervisory structure of the Division is such that each of the nine staff members report to both supervisors. We were informed that the two supervisors share supervisory responsibilities 50/50 and that each has areas of comparative strength, such as technology or operations. We were told that staff knows who to ask questions depending on the issue at hand. We were also informed that unresolved issues or conflicting decisions are resolved by the manager of the Division.

In the course of the audit, we confirmed that the Public Service Division does operate well as a team and meets its operational goals effectively. Based on our review, we believe that this is in large part due to the working relationships of the individuals of the Division.

However, we maintain that having two supervisors of equal rank, sharing the same supervisory responsibilities is inherently dysfunctional and could potentially lead to organizational conflict. It is not clear how well the current organizational structure would operate if the current supervisors or other key individuals left their positions and were replaced by individuals who did not fit with the unique organizational dynamic.

We maintain that supervisory responsibilities should be clarified and delegated. We also believe that the Department should continue to explore with County Human Resources a solution such as a deeper career ladder that would help clarify and resolve the supervisory structure.

**Current Audit Recommendation No. 6**

The TTC should formally clarify the supervisory structure of the Public Service Division and explore with County Human Resources alternative solutions such as a deeper career ladder.

**TTC Management Response:** Management believes that the relatively small size of the office allows for the current supervisory structure to work well regardless of the individual supervisors.

**Auditor Rejoinder:** We continue to believe that requiring TTC employees to formally report to two supervisors on an on-going basis violates basic organizational management principles, potentially diffusing supervisory responsibility and accountability and provides for potential organizational conflict. TTC management should explore alternatives.

**PRIOR AUDIT RECOMMENDATION NO. 15 – *The Treasurer/Tax Collector Department should consider strengthening the supervisory structure of the Accounting Division and assigning specific responsibilities for all Accounting Division staff.***

**IMPLEMENTATION STATUS: Partially implemented – recommendation revised**

**Current Status:**

The Accounting Division has implemented several improvements since the prior audit. These include the development of written procedures, assignment of specific responsibilities for staff, training and cross-training and the integration of new payment processing technologies. However, the supervisory structure of the Accounting Division has fundamentally remained unchanged.

In the prior audit, we reported that the supervisory structure of the Accounting Division was unclear. With the exception of the Unsecured Taxes/Business Licensing Section, staff had no supervisors and reported directly to the Accounting Division Manager. In the prior audit, the Accounting Division was structured with three Fiscal Specialist II's overseeing four staff. Currently, the three Fiscal Specialist II's are cross-trained in many key functions and they are assigned duties and functions on a flexible basis.

The Fiscal Specialist II's oversee the work they are assigned and four staff members who work on these assignments. However, the supervisory responsibilities of the Fiscal Specialist II's are not formally defined and delegated and remain unclear. We believe that the supervisory structure of the Division would be strengthened if the supervisory responsibilities of the Fiscal Specialists were more clearly defined and delegated.

### **Current Audit Recommendation No. 7**

The TTC should consider strengthening the supervisory structure of the Accounting Division by assigning and delegating specific supervisory responsibilities in the Accounting Division.

**TTC Management Response:** Management believes that the relatively small size of the office allows for the current supervisory structure to work well regardless of the individual supervisors.

**Auditor Rejoinder:** We reiterate that TTC management should consider strengthening the supervisory structure of the Accounting Division.

### **3. Personnel Management**

The effective management and motivation of personnel is critical to the TTC's success. At the time of this report, the TTC had 35 employees and 36 authorized positions within the 3 Divisions and the County's Chief Investment Office. The Department operates within a cyclical operational environment, which requires substantial shifts in workload during high seasonal tax collection periods. Current staffing resources appear to be adequate to meet the workload demands of the Department. The prior audit had 3 recommendations that were related to improvement in personnel management. The results of our examination follow:

***PRIOR AUDIT RECOMMENDATION NO. 16 – The Treasurer/Tax Collector Department should consider adopting the Public Service Division's formal designation of lead and backup/trainee staff members for each of the Department's key functions.***

**IMPLEMENTATION STATUS: Implemented**

#### **Current Status:**

Cross-training of staff has been adapted by the Treasury and Accounting Divisions. All Division's key functions are sufficiently staffed with lead, backup/trainees.

In the prior audit, we learned that the Public Service Division had placed a major emphasis on cross-training staff. For each key function of the Division a lead staff member, as well as a backup/trainee staff member, have been designated. These designations were rotated on a periodic basis to maximize the cross training of staff.



Through interviews with staff and review of assignments, we verified that the Accounting and Treasury Divisions have adopted the cross-training model. We found that both the Accounting and Treasury Divisions have adequately designated leads, backups and trainees for critical functions. Most training is hands-on, with experienced staff members assigned to train and mentor new staff.

### **Current Audit Recommendation**

None

**PRIOR AUDIT RECOMMENDATION NO. 17 – *The Treasurer/Tax Collector Department should consider instituting a meaningful performance evaluation process that includes consideration of each employee’s contribution to accomplishing Department workload or Department goals and provides meaningful feedback for performance improvement.***

### **IMPLEMENTATION STATUS: Not implemented – Recommendation restated**

TTC continues to use the County performance appraisal form to complete performance evaluations of TTC employees. Managers personalize these forms by writing comments to address the employee’s individual strengths and weaknesses. We noted that evaluations are completed in a timely manner, with only 1 of 34 evaluations overdue at the time of this report. Although, we believe that manager comments and timely completion of evaluations are important, we maintain that the employee evaluation process could be improved.

In the prior audit, we found that the TTC performance appraisal process provided little useful feedback regarding employees’ specific contribution towards Department goals. The County performance appraisal form does not specifically address Department issues or take advantage of workload information accomplished by employees that the Department has access to. We continue to believe that the employee performance evaluation process would be more meaningful if it were tied to Department goals and measured the employee’s contribution to the goals. This could be accomplished by individualizing the evaluation criteria applied to employees and tying the criteria to Department goals. We, therefore, restate our recommendation.

### **Current Audit Recommendation No. 8**

The TTC should consider instituting a meaningful performance evaluation process that includes consideration of each employee’s contribution to accomplishing Department workload or Department goals and provides meaningful feedback for performance improvement.

**PRIOR AUDIT RECOMMENDATION NO. 18 – *The Treasurer/Tax Collector Department should continue to consider and plan for the orderly succession of the Chief Investment Officer position to the extent practical.***

**IMPLEMENTATION STATUS: Implemented**

**Current Status:**

The TTC has adequately considered the impact of an abrupt loss of the current Chief Investment Officer and has maintained on-going succession plans.

In the prior audit, we noted that the depth of quality personnel in the Department was not completely sufficient to maintain operations should the Chief Investment Officer (CIO) position suddenly become vacant. We recommended that the TTC consider and have plans in place in the event this should occur. This issue rises in importance as the Department prepares to transfer to a new Treasurer/Tax Collector Administrator and transitional plans are put in order.

Succession plans are based on the three main functions of the CIO position. These functions are 1) The mechanical processing of purchases and sales of investments, 2) Compliance with County Investment Policies, and 3) High level decision making as to the selection of specific investments and portfolio management. The TTC relies on the training of staff in the duties related to the first two categories. However, meeting the requirements of high level investment decision making would involve consultation with other counties, city and state finance offices, as well as the private sector financial community. The TTC would prefer to start any new CIO at least 6 months before the current CIO would plan to leave. This would allow for an effective training period and orderly transition of duties.

The current CIO has indicated staying in his position until 2014, which should allow time for a planned transition. However, if the position should become suddenly vacant, the TTC has sufficient contingency plans in place to maintain normal operations until a new CIO is identified, hired and in place. These contingency plans include relying on the Assistant Treasurer/Tax Collector to carry out CIO duties on a temporary basis and/or expanding the amount of Treasury funds that are invested with other agencies, such as the Local Agency Investment Fund (LAIF) and Cal-Trust.

**Current Audit Recommendation**

None

#### **4. Key Business Processes**

TTC operations rely on several key processes to complete its work of collecting, processing and investing County resources. These processes should be clear, well defined, timely and efficient. The prior audit had 2 recommendations related to the key processes of the Department. The results of our examination follow:

**PRIOR AUDIT RECOMMENDATION NO. 19 – *The Treasury/Tax Collector Department should ensure staff members are appropriately supervised to ensure procedures are followed and quality control of key functions.***

**IMPLEMENTATION STATUS: Partially implemented**

##### **Current Status:**

The Department has implemented supervisory improvements. However, as stated above, the supervisory structure of the Public Service and Accounting Divisions still needs to be clarified. We, therefore, find this recommendation to be partially implemented.

In the prior audit, we were made aware of several past serious mistakes, inappropriate actions, and failures to accomplish work in a timely manner. We concluded that those instances were mostly the result of a failure of one staff member to follow established procedures, and a failure of supervision to ensure procedures were being followed.

In this follow-up audit, we noted improvements to the supervisory structure that have been implemented such as, the development of written procedures for key functions in the Accounting Division, cross-training across the Department and the addition of a Clerical Supervisor III position in the Treasury Division. We also reviewed Departmental performance evaluations for staff and found them to be completed on a timely manner. In interviews with managers and staff, we were not informed of any notably serious mistakes or errors caused by staff.

However, under Prior Audit Recommendations No. 14 and 15, we note the clarification of the supervisory roles in the Public Service and Accounting Divisions is still needed.

##### **Current Audit Recommendation**

*Please refer to Current Recommendations No.6 and 7.*

**PRIOR AUDIT RECOMMENDATION NO. 20 – *The Treasurer/Tax Collector Department should consider focusing efforts on developing updated and detailed step-by-step procedures for the Accounting Division’s key functions.***

**IMPLEMENTATION STATUS: Partially implemented**

**Current Status:**

Accounting Division has developed step-by-step procedures for its main key functions. However, as we noted under Prior Audit Recommendations No. 1 and 6, improvements to both the written procedures and the development of written procedures should be made.

In the prior audit we noted that written procedures for many of the Accounting Division’s key functions were undocumented. This was mostly due to the relatively short tenure of the Accounting Division Manager, limited supervisory structure, staff turnover, and the need to focus on replacing the remittance processing equipment.

The Accounting Division has since successfully passed through the transitional period it was in during the last review, and has developed written procedures for key functions. The development of the written procedures coincides with other positive developments in the Division such as the on-time production of the Trust Reconciliation reports and the Collection reports.

However, as we site under Prior Audit Recommendations No. 1 and 6, improvements should be made in the approval and dissemination of written procedures. Also, more detailed information pertaining to individual Trust accounts should be also be documented.

**Current Audit Recommendation**

*Please refer to Current Recommendations No.1 and 2.*

## Schedule of Follow-Up Audit Results and Management Responses

| RESULTS OF PREVIOUS TTC AUDIT - ISSUED 2007  |  | RESULTS OF FOLLOW-UP AUDIT - ISSUED JULY 2010  |   | MANAGEMENT RESPONSES |
|--|--|--|---|----------------------|
| Prior Audit Recommendations Requiring Corrective Action  | Status of Recommendations                      | Current Audit Recommendations Requiring Additional Corrective Action   | New Recommendations   |                      |
| Description  |  |  |   |                      |
| <p><b>1</b></p> <p><b>Recommendation 1:</b> Written policies and procedures for the Accounting Division should be updated to reflect the acquisition and incorporation of new technologies in tax payment processing. Also, the following procedures should be fully documented and made available to management and staff:</p> <ul style="list-style-type: none"> <li>• Monthly Reconciliation of Trust Accounts,</li> <li>• Preparation of Cash Collection Reports provided for the Auditor Controller for their use in annual reconciliations,</li> <li>• Processing of Tax Payments by Tape, and</li> <li>• Bankruptcy Processing Procedures.</li> </ul> | Partially Implemented. Recommendation revised. | 1. The Department should strengthen the approval and dissemination processes of the written procedures. The Department should also investigate new technologies for the development and management of Departmental written procedures. | <p><b>Response:</b> Management will review the approval and dissemination processes for written procedures. Management will investigate new technologies for the development and management of Departmental written procedures.</p> <p><b>Estimated Completion Date:</b> Jan 2012 - after discussions with the new Treasurer Tax Collector.</p> |                      |
| <p><b>2</b></p> <p><b>Recommendation 2:</b> Management should consider the development of an internal risk assessment process, such as an internal survey questionnaire, for the identification and assessment of risk of Department business processes.</p>   | Implemented.                                   | None.  |   |                      |
| <p><b>3</b></p> <p><b>Recommendation 3:</b> Management should establish criteria for accessing cash deposits to replenish the cash drawer for making change at the Treasury window for other County Departments. The criteria should then be documented in the form of written policies and procedures governing and controlling these functions.</p>  | Implemented.                                   | None.  |   |                      |
| <p><b>4</b></p> <p><b>Recommendation 4:</b> Specific language restricting investment wire transfers to the Ventura County Investment Account and the Wells Fargo Custody Bank Account should be included in the banking agreement with Wells Fargo Bank.</p>   | Implemented.                                   | None.  |   |                      |
| <p><b>5</b></p> <p><b>Recommendation 5:</b> To improve internal controls, responsibility for the reconciliation of the Bankruptcy Trust and Trust/Parcel Map Trusts should be reassigned to individuals not directly managing the accounts.</p>  | Implemented.                                   | None.  |   |                      |

## Schedule of Follow-Up Audit Results and Management Responses

| RESULTS OF PREVIOUS TTC AUDIT - ISSUED 2007   |  | RESULTS OF FOLLOW-UP AUDIT - ISSUED JULY 2010  |   | MANAGEMENT RESPONSES |
|---|--|--|---|----------------------|
| Prior Audit Recommendations Requiring Corrective Action   | Status of Recommendations                      | Current Audit Recommendations Requiring Additional Corrective Action   | New Recommendations   |                      |
| <p><b>6</b></p> <p><b>Recommendation 6:</b> Written policies and procedures for the reconciliation of Trust accounts should be developed and include descriptions of accounts and any unique procedures or transactions pertaining to the management of individual accounts. Written procedures should be sufficient to guide new staff or management through successfully completing the procedures.</p>   | Partially Implemented. Recommendation revised. | <p><b>2.</b> Procedures for the reconciliation of Trust Accounts could be improved by including specific procedures pertaining to individual Trust accounts.</p> | <p><b>Response:</b> Management will review the written procedures and make the necessary improvements.<br/><b>Estimated Completion Date:</b> Jan 2012 - after discussions with the new Treasurer Tax Collector.</p> |                      |
| <p><b>7</b></p> <p><b>Recommendation 7:</b> The Treasurer/Tax Collector Department should develop and document formal written policies and procedures for development of Collection reports. Written procedures should be sufficient to guide new staff or management through successfully completing the procedures.</p>   | Implemented.                                   | None.  |   |                      |
| <p><b>8</b></p> <p><b>Recommendation 8:</b> Formal and specific training in producing the Collection reports should be considered. Training should emphasize the deadlines for each report, therefore raising the awareness of management and staff towards the importance of these reports. Although the Treasurer/Tax Collector is ultimately responsible and should be held accountable for timely submittals, the Auditor-Controller should also consider more formal means of communication in addressing the issue of late Collection reports. A formal letter, copied to the Treasurer/Tax Collector would ensure the issue of late Collection reports would be addressed as a high priority matter.</p> | Implemented.                                   | None.  |   |                      |
| <p><b>9</b></p> <p><b>Recommendation 9:</b> Treasury/Tax Collector Department management should review all inactive Trust accounts for relevancy according to the purposes for which they were created. A determination should then be made on whether the Trust account should de-indexed or closed.</p>   | Implemented.                                   | None.  |   |                      |

## Schedule of Follow-Up Audit Results and Management Responses

| RESULTS OF PREVIOUS TTC AUDIT - ISSUED 2007             |   | RESULTS OF FOLLOW-UP AUDIT - ISSUED JULY 2010      |   | MANAGEMENT RESPONSES   |
|---|---|--|---|--|
| Prior Audit Recommendations Requiring Corrective Action | Description   | Status of Recommendations                          | Current Audit Recommendations Requiring Additional Corrective Action<br>New Recommendations   |  |
| 10  | <b>Recommendation 10:</b> The Treasurer/Tax Collector should consider formally defining and communicating its mission and key strategic goals as well as developing a five-year strategic plan and annual business plans.   | Partially Implemented.<br>Recommendation revised.  | 3. The TTC should consider formally defining and communicating its key strategic goals as well as developing a five-year strategic plan and annual business plans.  | <b>Response:</b> Management will examine the Mission Statement and Strategic Goals of the Office in order to maintain the successes that we have achieved and to continue to improve where possible.<br><b>Estimated Completion Date:</b> Jan 2012 - after discussions with the new Treasurer Tax Collector.   |
| 11  | <b>Recommendation 11:</b> The Treasurer/Tax Collector Department should continue its efforts to improve organizational operations and consider expanding those efforts.   | Implemented.                                       | None.   |  |
| 12  | <b>Recommendation 12:</b> The Treasurer/Tax Collector Department should consider developing and utilizing a list of issues and action items to focus discussions and track progress during weekly management meetings   | Partially Implemented.<br>Recommendation restated. | 4. The Treasurer/Tax Collector Department should consider developing and utilizing a list of issues and action items to focus discussions and track progress during weekly management meetings                                    | <b>Response:</b> Management has fully implemented this practice into our weekly meetings.<br><b>Completed:</b> July 2010   |
| 13  | <b>Recommendation 13:</b> The Treasurer/Tax Collector Department should consider developing a comprehensive set of performance indicators, tied to Department strategic goals, to facilitate the monitoring and reporting of organizational performance.            | Partially Implemented.<br>Recommendation restated. | 5. The Treasurer/Tax Collector Department should consider developing a comprehensive set of performance indicators, tied to Department strategic goals, to facilitate the monitoring and reporting of organizational performance. | <b>Response:</b> Management will continue to develop additional performance indicators.<br><b>Estimated Completion Date:</b> Jan 2012 - after discussions with the new Treasurer Tax Collector.  |
| 14  | <b>Recommendation 14:</b> The Treasurer/Tax Collector Department should formally clarify the supervisory structure of the Public Service Division and explore with County Human Resources alternative methods of rewarding longevity and preservation of knowledge. | Not Implemented.<br>Recommendation revised.        | 6. The TTC should formally clarify the supervisory structure of the Public Service Division and explore with County Human Resources alternative solutions such as a deeper career ladder.   | <b>Response:</b> Management believes that the relatively small size of the office allows for the current supervisory structure to work well regardless of the individual supervisors.<br><b>Auditor Rejoinder:</b> We continue to believe that requiring TTC employees to formally report to two supervisors on an on-going basis violates basic organizational management principles, potentially diffusing supervisory responsibility and accountability and provides for potential organizational conflict. TTC management should explore alternatives. |

## Schedule of Follow-Up Audit Results and Management Responses

| RESULTS OF PREVIOUS TTC AUDIT - ISSUED 2007             |   | RESULTS OF FOLLOW-UP AUDIT - ISSUED JULY 2010     |  | MANAGEMENT RESPONSES  |
|---|---|---|--|---|
| Prior Audit Recommendations Requiring Corrective Action | Description   | Status of Recommendations                         | Current Audit Recommendations Requiring Additional Corrective Action<br>New Recommendations  |   |
| 15  | <b>Recommendation 15:</b> The Treasurer/Tax Collector Department should consider strengthening the supervisory structure of the Accounting Division and assigning specific responsibilities for all Accounting Division staff.  | Partially Implemented.<br>Recommendation revised. | 7. The TTC should consider strengthening the supervisory structure of the Accounting Division by assigning and delegating specific supervisory responsibilities in the Accounting Division.  | <b>Response:</b> Management believes that the relatively small size of the office allows for the current supervisory structure to work well regardless of the individual supervisors.<br><b>Auditor Rejoinder:</b> We reiterate that TTC management should consider strengthening the supervisory structure of the Accounting Division. |
| 16  | <b>Recommendation 16:</b> The Treasurer/Tax Collector Department should consider adopting the Public Service Division's formal designation of lead and backup/trainee staff members for each of the Department's key functions.   | Implemented.                                      | None.  |   |
| 17  | <b>Recommendation 17:</b> The Treasurer/Tax Collector Department should consider instituting a meaningful performance evaluation process that includes consideration of each employee's contribution to accomplishing Department workload or Department goals and provides meaningful feedback for performance improvement. | Not Implemented.<br>Recommendation restated.      | 8. The Treasurer/Tax Collector Department should consider instituting a meaningful performance evaluation process that includes consideration of each employee's contribution to accomplishing Department workload or Department goals and provides meaningful feedback for performance improvement. | <b>Response:</b> Management will evaluate County Policies regarding this Recommendation and will work with Human Resources to improve the process.<br><b>Estimated Completion Date:</b> Jan 2012 - after discussions with the new Treasurer Tax Collector.  |
| 18  | <b>Recommendation 18:</b> The Treasurer/Tax Collector Department should continue to consider and plan for the orderly succession of the Chief Investment Officer position to the extent practical.  | Implemented.                                      | None.  |   |
| 19  | <b>Recommendation 19:</b> The Treasury/Tax Collector Department should ensure staff members are appropriately supervised to ensure procedures are followed and quality control of key functions.  | Partially Implemented.                            | See Current Recommendations No. 6 and 7.   | <b>Response:</b> See Management Responses to Current Recommendations No. 6 and 7.   |
| 20  | <b>Recommendation 20:</b> The Treasurer/Tax Collector Department should consider focusing efforts on developing updated and detailed step-by-step procedures for the Accounting Division's key functions.   | Partially Implemented.                            | See Current Recommendations No. 1 and 2.   | <b>Response:</b> See Management Responses to Current Recommendations No. 1 and 2.   |