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Key Performance Indicators (KPIs) Fiscal Year 2018-19

*ACIS has established 18 KPIs to measure and manage
the value and cost effectiveness of our services
and alignment with Board priorities.*

“Faster – Cheaper – Better”



BOARD OF SUPERVISORS

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FIRST DISTRICT

Mark Ridley-Thomas
SECOND DISTRICT

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THIRD DISTRICT

Janice Hahn
FOURTH DISTRICT

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FIFTH DISTRICT

LOS ANGELES COUNTY AUDITOR-CONTROLLER

AUDIT DIVISION
Robert Smythe, Division Chief

COUNTYWIDE MONITORING DIVISION
Aripino Alonso, Division Chief

OFFICE OF COUNTY OF INVESTIGATIONS
Robert Campbell, Division Chief

FACT SHEET

Key Performance Indicators (KPIs) Fiscal Year 2018-19

The Auditor-Controller's three divisions that provide audit, contract monitoring, and investigative services (ACIS) are committed to continuously providing high-quality, cost effective, and responsive services.

Balanced Scorecard

Our three ACIS divisions plan to adopt the Balanced Scorecard framework to measure our performance in the following four perspectives, or categories. The purpose is to have a "balanced" view of our overall performance and to continually enhance our strategic performance and results.

- Providing Client-Centric Services
- Ensuring Service Quality
- Assuring Cost Effectiveness
- Fostering Innovation

Key Performance Indicators

Key Performance Indicators (KPIs) measure an organization's success by comparing quantifiable performance targets to actual results. KPIs should be:

1. Measurable
2. Achievable
3. Relevant

We will measure and monitor how we are doing in each of the four Balanced Scorecard perspectives by evaluating KPIs in each of the categories. For example, our ACIS divisions will use results of Client Satisfaction Surveys to help measure performance in Providing Client-Centric Services. We will also be comparing actual to "target" results in areas such as timely follow-up reviews, average hours per audit, and professional training for employees, which will help us to measure performance in the Ensuring Service Quality, Assuring Cost Effectiveness, and Fostering Innovation perspectives.

We will internally monitor many of the KPIs monthly and quarterly, and will annually share the results of the KPIs and our overall Balanced Scorecard performance with the Audit Committee.

FAST FACTS

The Balanced Scorecard is a strategic framework divided into four areas, or perspectives, that are critical to business success.

Providing Client-Centric Services:

Are we providing valued services to clients?

Ensuring Service Quality:

Do we provide high-quality services?

Assuring Cost Effectiveness:

Are our services cost effective?

Fostering Innovation:

Are we continuing to strive to be the best in the Country?

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Balanced Scorecard Key Performance Indicators Fiscal Year 2018-19

The **Auditor-Controller's Audit Division (Audit or Division)** assists the County's Board of Supervisors (Board) and management to achieve their goals and objectives by evaluating and reporting on the County's system of internal controls. In addition, Audit consults with management on the efficiency of their business processes and the effectiveness of their client services. County management relies on internal control systems to:

- Protect County resources;
- Assess the efficient and effective use of resources;
- Monitor compliance with applicable laws, regulations, and standards;
- Ensure significant financial, managerial, and operating information is accurate, reliable, and timely.

Audit operates as an independent, objective assurance and consulting activity designed to add value and improve the County's operations, while also providing transparency of County operations via its issuance of publicly available reports to the Board and to County management. The Division helps the Board and management accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. To that end, we measure our performance through the following **Key Performance Indicators** in the four Balanced Scorecard perspectives to continuously monitor and improve our assurance services.

A. PROVIDING CLIENT-CENTRIC SERVICES

1. **Client Satisfaction Surveys**

Target: Achieve an average rating of 80% or better in each category surveyed.

We request that departments complete a client satisfaction survey at the conclusion of each audit to provide feedback on the effectiveness of our engagement. The survey focuses on the usefulness and relevance of our audit, the effectiveness of our communication throughout the audit, the professionalism of our audit staff, and the clarity of the audit report. We use the results of these surveys to enhance the quality of our audit services.



2. *Responsiveness to Board of Supervisors and Audit Committee Special Requests*

Target:

- 1) Start audit work on Board and Audit Committee requests within two weeks of the request, unless otherwise agreed upon, and
- 2) Release a draft report within six months of the request or within another agreed-upon timeframe.

The Board or Audit Committee may direct the application of audit or assurance services to a specific priority or initiative. The responsiveness of Audit's services ensures the Board has vital information for effective decision-making, often about issues of substantial importance to the community.

3. *Breadth of Audit Coverage*

Target: Have an audit presence in 40% of the County's 37 departments each fiscal year.

Our goal is to have an audit presence in 40% of County departments each year. An audit presence refers to audits, follow-up reviews, technical assistance, and consulting engagements. This audit presence reduces the County's overall risk by increasing client management's awareness of the value of compliance testing and their responsibility for an effective system of internal control.

4. *Transparency of Audit Function*

Target: Post all non-confidential Board reports to the Internet within two business days of issuance.

This goal ensures the transparency of Audit Division's reports by making sure the results of non-confidential audits addressed to the Board are readily available to the public.

5. *Referrals to the Office of County Investigations (OCI)*

Target: Refer observations of potential fraud, waste, and abuse to OCI within 90 days of discovery.

Timely referrals to OCI allow for timely investigations, when evidence is still fresh and documents are more likely to be available. Timely referrals also increase the likelihood of preventing further fraud, waste, and abuse.



B. ENSURING SERVICE QUALITY

6. ***Audit Recommendations Agreed to by Management***

Target: 80% of recommendations partially or fully agreed to by management at time of report issuance.

Audits conducted with effective client engagement should result in recommendations that add value to client service delivery as evidenced by management's agreement with each recommendation.

7. ***Audit Recommendations Implemented/Closed***

Target: 50% of recommendations addressed to County departments implemented or closed by completion of the first follow-up review.

Audit benefits are derived most significantly from implementation of our recommendations. Timely implementation of recommendations ensures control concerns are addressed, thereby expediting efficiencies and reducing relative risks.

8. ***Audit Plan Approved by Audit Committee***

Target:

- 1) Annual Audit Plan is approved by the Audit Committee, and
- 2) Substantive updates to the Audit Plan are approved by the Audit Committee.

The Audit Division prepares the Audit Plan based on an assessment of relative risks, Board initiatives, and client requests. The resulting Audit Plan is submitted to the Audit Committee for review and approval. Any substantive changes to the risk-based Audit Plan will be submitted for review and approval by the Audit Committee.

9. ***Quality Assessment Reviews***

Target: Complete an external quality assessment review at least once every five years, resulting in an opinion of *Generally Conforms*.

A quality assessment review compares our internal audit activities against the International Standards for the Professional Practice of Internal Auditing (the Standards). Compliance with the Standards builds stakeholder confidence, and speaks to the effectiveness and efficiency of our internal audit services.



10. *Timely Audit Follow-ups*

Target: 75% of audit follow-ups initiated within twelve months of original report issuance.

Follow-up reviews ensure client management directs the level of resources necessary to provide timely corrective actions, and ensures heightened transparency about the status of each recommendation. In addition to following up on recommendations in Audit reports, the Division will also follow up on recommendations OCI makes to departments to correct internal control findings they become aware of during fraud investigations.

11. *Allegation Assessment and Disposition – KPI NOT APPLICABLE TO AUDIT*

12. *Timely Report Issuance*

Target: Complete 75% of routine, structured audits (excluding consulting engagements) within six months, as measured from the start of fieldwork to issuance of draft report to the client department.

A shorter timeframe for issuing draft reports to client departments can be an indicator of more effective engagement management, and provides client departments with more timely recommendations to expedite greater controls and efficiencies.

C. ASSURING COST EFFECTIVENESS

13. *Percentage of Chargeable Audit Time*

Target: 80% of staff Productive Work Hours charged to audits or consulting engagements.

Time charged to audits and consulting engagements is a relative indicator of efficient staff utilization, thus minimizing non-chargeable or “overhead” hours by audit staff whose positions are not identified as overhead.

14. *Jobs Completed Within Approved Budget*

Target: 80% of audits completed within 125% of approved budget.

Effective audit engagement oversight includes ensuring that budgeted hours and budget adjustments are justified and approved.



15. Average Hours per Audit

Target: 85% of routine audits completed in an average of 850 staff hours or less.

Hours devoted to an audit can be an indicator of more efficient utilization of audit resources. The target of 850 hours serves as a high-water mark, and should be adjusted based on the relative complexity of the review.

16. Notifying Departments of Budget Changes – KPI NOT APPLICABLE TO AUDIT

D. FOSTERING INNOVATION

17. Percentage of Managers with Professional Certifications or Advanced Degrees

Target: Our goal is for 50% of audit managers (Principal Accountant-Auditors and above) to have a relevant professional certification and/or an advanced degree.

The Audit Division is committed to ensuring staff pursue subject matter expert-level knowledge and skill in the fields of auditing and accounting, and to cultivating these staff to create high-quality work products for our clients. By employing staff with certifications and advanced degrees, we are providing clients with greater assurance of value-added services. The training requirements to maintain certifications ensure staff skill sets keep pace with new or emerging professional standards and best practices.

18. Professional Training for Employees

Target: Employees complete an average of 20 hours of professional development training each year. Training may be in the form of attending conferences or seminars.

Training ensures each employee's skill set remains current and relevant.

19. Professional Development for Managers

Target: At least one Audit Division manager at the level of Chief Accountant-Auditor or higher will delivery on one or more of the following each year:

- 1) Attend a professional conference,
- 2) Participate in a professional society, board, or committee, or
- 3) Conduct a training workshop for a professional society or association.



Professional societies and associations include, but are not limited to, The Institute of Internal Auditors (IIA), Association of Local Government Auditors (ALGA), Association of Certified Fraud Examiners (ACFE), and the California State Association of County Auditors. Participation in professional societies and associations not only assists the advancement of the internal audit profession, but also develops our own capabilities by ensuring we keep up with professional best practices and innovations.

Balanced Scorecard Key Performance Indicators Fiscal Year 2018-19

The **Auditor-Controller's Countywide Contract Monitoring Division (CCMD)** was established to strengthen the County's ability to monitor social services contracts. CCMD conducts fiscal and contract compliance reviews of social service contractors, special reviews, and high priority audits requested by the Board of Supervisors (Board).

CCMD assists the Board and County Departments to fulfill their oversight function by auditing contractors and other related entities and reporting the results of the audits to the Board and the Audit Committee. The audit reports detail lapses in internal controls that create risk that the County may not achieve its objectives as well as misappropriation of County funds. The Audit Committee and departmental management use these reports to identify and correct the issues noted. To that end, we measure our performance through the following **Key Performance Indicators** in the four Balanced Scorecard perspectives to continuously monitor and improve our contract monitoring services.

A. PROVIDING CLIENT-CENTRIC SERVICES

1. **Client Satisfaction Surveys**

Target: Achieve an average rating of 80% or better in each category surveyed.

Our Division's objectives include conducting contract compliance monitoring reviews; fairly and objectively presenting findings and recommendations to facilitate meaningful and lasting corrective actions; and advising the Board and County executive management on risk. To measure client satisfaction with the quality of our services and work products, we ask each contractor to provide feedback to help us monitor how effective we have been in providing relevant and helpful services.

2. **Responsiveness to Board of Supervisors and Audit Committee Special Requests**

Target:

- 1) Start audit work on Board and Audit Committee requests within two weeks of the request, unless otherwise agreed upon, and
- 2) Release a draft report within six months of the request or within another agreed-upon timeframe.

The Board or Audit Committee may direct the application of audit or assurance services to a specific priority or initiative. The responsiveness of CCMD's services



ensures the Board has vital information for effective decision-making, often about issues of substantial importance to the community.

3. *Breadth of Audit Coverage – KPI NOT APPLICABLE TO CCMD*

4. *Transparency of Audit Function*

Target:

- 1) Post all non-confidential Board reports to the Internet within two business days of issuance, and
- 2) Within 60 days of year end, issue a summary report to the Board of all reports issued directly to Department Heads during the year.

These goals ensure the transparency of CCMD reports by making sure the results of CCMD's non-confidential audits are readily available to the public, either at the time the reports are initially released or when they are included in annual summaries to the Board.

5. *Referrals to the Office of County Investigations (OCI)*

Target: Refer observations of potential fraud, waste, and abuse to OCI within 90 days of discovery.

Timely referrals to OCI allow for timely investigations, when evidence is still fresh and documents are more likely to be available. Timely referrals also increase the likelihood of preventing further fraud, waste, and abuse.

B. ENSURING SERVICE QUALITY

6. *Audit Recommendations Agreed to by Management*

Target: 80% of recommendations partially or fully agreed to by County department management at time of report issuance.

Audits conducted with effective client engagement should result in recommendations that add value to client service delivery as evidenced by management's agreement with each recommendation.

7. *Audit Recommendations Implemented/Closed*

Target: 50% of recommendations addressed to County departments implemented or closed by completion of the first follow-up review.



Audit benefits are derived most significantly from implementation of our recommendations. Timely implementation of recommendations ensures control concerns are addressed, thereby expediting efficiencies and reducing relative risks.

8. *Audit Plan Approved by Audit Committee*

Target:

- 1) Annual Audit Plan is approved by the Audit Committee, and
- 2) Substantive updates to the Audit Plan are approved by the Audit Committee.

CCMD prepares an annual Audit Plan based on an assessment of relative risks, Board initiatives, and client requests. The resulting Audit Plan is submitted to the Audit Committee for review and approval. Any substantive changes to the risk-based Audit Plan will be submitted for review and approval by the Audit Committee.

9. *Quality Assessment Reviews*

Target: Complete an external quality assessment review at least once every five years, resulting in an opinion of *Generally Conforms*.

A quality assessment review compares our internal audit activities against the International Standards for the Professional Practice of Internal Auditing (the Standards). Compliance with the Standards builds stakeholder confidence, and speaks to the effectiveness and efficiency of our internal audit services.

10. *Timely Audit Follow-ups – KPI NOT APPLICABLE TO CCMD*

11. *Allegation Assessment and Disposition – KPI NOT APPLICABLE TO CCMD*

12. *Timely Report Issuance*

Target: Complete 75% of routine, structured contract monitoring reviews within six months, as measured from the start of fieldwork to issuance of a draft report to the client department.

A shorter timeframe for issuing draft reports to clients can be an indicator of more effective engagement management, and provides contractors and client departments with more timely recommendations to expedite greater controls and efficiencies.



C. ASSURING COST EFFECTIVENESS

13. *Percentage of Chargeable Audit Time*

Target: 80% of staff Productive Work Hours charged to audits or consulting engagements.

Time charged to audits and consulting engagements is a relative indicator of efficient staff utilization, thus minimizing non-chargeable or “overhead” hours by audit staff whose positions are not identified as overhead.

14. *Jobs Completed Within Approved Budget*

Target: 80% of audits completed within 125% of approved budget.

Effective audit and contract monitoring engagement oversight includes ensuring that budgeted hours and budget adjustments are justified and approved.

15. *Average Hours per Audit*

Target: 85% of routine contract monitoring reviews completed in an average of 500 staff hours or less.

Hours devoted to an audit can be an indicator of more efficient utilization of audit resources. The target of 500 hours serves as a high-water mark, and should be adjusted based on the relative complexity of the review.

16. *Notifying Departments of Budget Changes*

Target: Notify departments of needed revisions to Departmental Service Orders (DSOs) within 30 days of becoming aware of previously unforeseen work.

CCMD establishes DSOs with client departments to cover the anticipated cost of performing planned work for the fiscal year. However, CCMD sometimes needs to amend a DSO due to unforeseen work for a specific department. CCMD’s goal is to collaborate with affected departments to amend DSOs before performing the work. Notifying departments within 30 days of becoming aware of the previously unforeseen work is the first step in this collaboration.



D. FOSTERING INNOVATION

17. *Percentage of Managers with Professional Certifications or Advanced Degrees*

Target: Our goal is for 50% of audit managers (Principal Accountant-Auditors and above) to have a relevant professional certification and/or an advanced degree.

CCMD is committed to ensuring staff pursue subject matter expert-level knowledge and skill in the field of auditing and accounting, and to cultivating the ability to apply these staff to create high-quality work products for our clients. By employing staff with certifications and advanced degrees, we are providing clients with greater assurance of value-added services. The training requirements to maintain certifications ensure staff skill sets keep pace with new or emerging professional standards and best practices.

18. *Professional Training for Employees*

Target: Employees complete an average of 20 hours of professional development training each year. Training may be in the form of attending conferences or seminars.

Training ensures each employee's skill set remains current and relevant.

19. *Professional Development for Managers*

Target: At least one CCMD manager at the level of Chief Accountant-Auditor or higher will deliver on one or more of the following each year:

- 1) Attend a professional conference,
- 2) Participate in a professional society, board, or committee, or
- 3) Conduct a training workshop for a professional society or association.

Professional societies and associations include, but are not limited to, The Institute of Internal Auditors (IIA), Association of Local Government Auditors (ALGA), Association of Certified Fraud Examiners (ACFE), and the California State Association of County Auditors. Participation in professional societies and associations not only assists the advancement of the internal audit profession, but also develops our own capabilities by ensuring we keep up with professional best practices and innovations.

Balanced Scorecard Key Performance Indicators Fiscal Year 2018-19

The mission of the **Auditor-Controller's Office of County Investigations (OCI)** is to promote confidence and public trust in County government and support the County's strategic goals and initiatives by leading County efforts to prevent, detect, and deter fraud, waste, and abuse of resources.

Achieving this mission requires OCI to successfully operate in the complex and dynamic environment of fraud detection, prevention, and prosecution, while also providing work product and services that meet the needs of clients internal and external to the County. To that end, we measure our performance through the following **Key Performance Indicators** in the four Balanced Scorecard perspectives to continuously monitor and improve our investigative services.

A. PROVIDING CLIENT-CENTRIC SERVICES

1. **Client Satisfaction Surveys**

Target: Achieve an average rating of 80% or better in each category surveyed.

Our Division's objectives include conducting independent and relevant investigations; fairly and objectively presenting facts and findings to facilitate meaningful and lasting corrective actions; and advising the Board and County executive management on fraud and risk management. To measure client satisfaction with the quality of our services and work products, we ask each department to provide feedback to help us monitor how effective we have been in providing relevant and helpful investigative services.

2. **Responsiveness to Board of Supervisors and Audit Committee Special Requests**

Target:

- 1) Start audit work on Board and Audit Committee requests within two weeks of the request, unless otherwise agreed upon, and
- 2) Release a draft report within six months of the request or within another agreed-upon timeframe.

The Board or Audit Committee may direct the application of audit or assurance services to a specific priority or initiative. The responsiveness of OCI's services ensures the Board has vital information for effective decision-making, often about issues of substantial importance to the community.



3. **Breadth of Audit Coverage – KPI NOT APPLICABLE TO OCI**

4. **Transparency of Audit Function**

Target: Post all non-confidential Board reports to the Internet within two business days of issuance.

This goal ensures the transparency of OCI's reports by making sure the results of non-confidential audits addressed to the Board are readily available to the public.

5. **Referrals to Prosecutorial Agencies**

Target: Refer 50% of substantiated criminal cases to the appropriate prosecutorial agency one year or more (*depending on case complexity and applicable statute of limitations*) in advance of the statute of limitations for the alleged crimes.

Criminal justice authorities report that prosecution remains a strong deterrent to criminal activity. One of OCI's primary objectives is to promote public trust in County government by preventing and deterring fraud and abuse. Further, a key component of OCI's mission is the support of warranted prosecution of criminal conduct by employees, vendors, and/or contractors. Most criminal laws, including the financial crimes investigated by OCI, contain statute of limitations provisions for prosecution. In addition, other laws, such as the Peace Officers Bill of Rights, limit the time frame for which criminal prosecution can be pursued. Therefore, referral to prosecuting agencies, such as the Los Angeles County District Attorney's Office (LADA), City of Los Angeles City Attorney, federal agencies, etc., is critical to maximizing results of prosecution, and therefore, the deterrent value of prosecutions, of criminal offenses substantiated by OCI.

Specific to LADA referrals, meeting this target will include: 1) completion of a written preliminary prosecutorial summary that includes sufficient detail (e.g., allegation description, potential criminal violation listing, description of investigation and findings to date, etc.) to demonstrate why we believe crime(s) have been committed; and 2) a preliminary consultation with the LADA.

B. ENSURING SERVICE QUALITY

6. **Audit Recommendations Agreed to by Management**

Target: 80% of recommendations partially or fully agreed to by management at time of report issuance.



Audits conducted with effective client engagement should result in recommendations that add value to client service delivery as evidenced by management's agreement with each recommendation.

7. *Audit Recommendations Implemented/Closed*

Target: 50% of recommendations addressed to County departments implemented or closed by completion of the first follow-up review.

Audit benefits are derived most significantly from implementation of our recommendations. Timely implementation of recommendations ensures control concerns are addressed, thereby expediting efficiencies and reducing relative risks.

8. *Audit Plan Approved by Audit Committee – KPI NOT APPLICABLE TO OCI*

9. *Quality Assessment Reviews*

Target: Complete an external quality assessment review at least once every five years, resulting in an opinion of *Generally Conforms*.

A quality assessment review compares our internal audit activities against the International Standards for the Professional Practice of Internal Auditing (the Standards). Compliance with the Standards builds stakeholder confidence, and speaks to the effectiveness and efficiency of our internal audit services.

10. *Timely Audit Follow-ups – KPI NOT APPLICABLE TO OCI*

Audit Division will follow up on any recommendations OCI makes to departments to correct internal control findings they become aware of during fraud investigations.

11. *Allegation Assessment and Disposition*

Target: For 75% of the allegation(s) received by the Fraud Hotline, a supervisor at the level of Senior Investigator or higher will assess the risk level and recommend appropriate initial disposition of the allegation(s) within an average of three (3) business days.

Another key component to OCI's mission is the objective to promote accountability, integrity, and efficiency in County operations. County departmental management (and other entities to which OCI refers Hotline allegations) must be aware of potential ongoing losses and liability risks due to suspected fraud to be able to respond quickly and effectively to mitigate the losses/risks. To that end, OCI's



target is to have staff (ranked Senior Investigator or higher) with the appropriate experience and knowledge to review and assess the risk factors of newly reported allegations, and make well-informed disposition recommendations within an average of three business days. This turnaround will inform our clients of possible risk of loss in their department, so they may make prompt and informed decisions concerning investigation and corrective action(s).

12. *Timely Report Issuance*

Target: Issue the Fraud, Waste, and Abuse Hotline Semi-Annual Report within 90 days of the end of the reporting period.

OCI tracks and compiles the results of investigations into allegations received via the Fraud Hotline, which includes investigations completed by OCI and County departments. We issue these results of Fraud Hotline operations to the Board of Supervisors (Board) on a semi-annual basis, with reporting periods ending on June 30 and December 31 each year. For this information to be useful and relevant to the Board and County department management, they should receive this summary information within a time frame that enables them to take appropriate action as quickly as possible. To that end, we have established an initial goal of 90 days to issue the Semi-Annual Report, with the broader aim of reducing this time further in the next fiscal year.

C. ASSURING COST EFFECTIVENESS

13. *Percentage of Chargeable Audit Time*

Target: 80% of staff Productive Work Hours charged to audits/investigations.

Time charged to audits and investigations is a relative indicator of efficient staff utilization, thus minimizing non-chargeable or “overhead” hours by investigative staff whose positions are not identified as overhead.

14. *Jobs Completed Within Approved Budget*

Target: 80% of audits/investigations completed within 125% of approved budget.

To ensure resources are allocated in proportion to the potential risks and threats presented by the allegations OCI investigates, Division policy requires Investigators to prepare a details investigative plan that includes a time budget for each case, and to have that plan approved by Division management. Also, should the Investigator believe a case warrants additional time/resources beyond the initial budget, they must prepare and obtain approval for an Amended Plan with a



revised budget. Ensuring that each of OCI's investigations is being driven by a budget that has been agreed upon by both the staff and managers will allow the Division to monitor and shift resources in line with the changing risk environment we work in.

15. **Average Hours per Audit – KPI NOT APPLICABLE TO OCI**

16. **Notifying Departments of Budget Changes – KPI NOT APPLICABLE TO OCI**

D. FOSTERING INNOVATION

17. **Percentage of Managers with Professional Certifications or Advanced Degrees**

Target: Our goal is for 50% of audit managers (Principal Accountant-Auditors and above) to have a relevant professional certification and/or an advanced degree.

OCI is committed to ensuring staff pursue subject matter expert-level knowledge and skill in the field of fraud investigation and deterrence, and to cultivating the ability to apply these assets to create high quality work product for our clients. One measure of attaining such knowledge and skill is by earning a relevant professional certification (e.g., Certified Fraud Examiner, Certified Internal Auditor, Certified Information Systems Auditor, EnCase Certified Examiner, etc.) or advanced (master's level or higher) degree. By employing staff with these qualifications to investigate high-profile cases (i.e., Board-requested, executive-level subjects, media exposure, etc.), we are providing departments with our most skilled professional resources and, ultimately, the highest quality results.

18. **Professional Training for Employees**

Target: Have all investigative staff complete at least 20 hours of applicable and relevant investigation-related training annually. Training may be in the form of attending conferences or seminars.

The business of fraud investigation, mitigation, and deterrence is dynamic and complex, and it requires a high degree of specialized knowledge and skill to ensure a top-quality outcome for each investigative case. To increase the likelihood that OCI staff has the most current and relevant knowledge that will enable them to do their jobs well, the Division is committed to ensuring staff attend a minimum of 20 hours per year of training provided by expert sources, such as the Institute of Internal Auditors, the Association of Certified Fraud Investigators, etc.



19. Professional Development for Managers

Target: At least one Division manager at the level of Chief Accountant-Auditor or higher will deliver on one or more of the following each year:

- 1) Attend a professional conference,
- 2) Participate in a professional society, board, or committee, or
- 3) Conduct a training workshop for a professional society or association.

Professional societies and associations include, but are not limited to, The Institute of Internal Auditors (IIA), Association of Local Government Auditors (ALGA), Association of Certified Fraud Examiners (ACFE), and the California State Association of County Auditors. Participation in professional societies and associations not only assists the advancement of the internal audit profession, but also develops our own capabilities by ensuring we keep up with professional best practices and innovations.

Table 1 - SUMMARY OF KEY PERFORMANCE INDICATORS (KPIs)
FY 2018-19



PROVIDING CLIENT-CENTRIC SERVICES		Audit	CCMD	OCI
1	Client Satisfaction Surveys	X	X	X
2	Responsiveness to Board/Audit Committee Special Requests	X	X	X
3	Breadth of Audit Coverage	X	N/A	N/A
4	Transparency of Audit Function	X	X	X
5	Referrals to OCI or to Prosecutorial Agencies	X	X	X
ENSURING SERVICE QUALITY		Audit	CCMD	OCI
6	Audit Recommendations Agreed to by Management	X	X	X
7	Audit Recommendations Implemented/Closed	X	X	X
8	Audit Plan Approved by Audit Committee	X	X	N/A
9	Quality Assessment Reviews	X	X	X
10	Timely Audit Follow-ups	X	N/A	N/A
11	Allegation Assessment and Disposition	N/A	N/A	X
12	Timely Report Issuance	X	X	X
ASSURING COST EFFECTIVENESS		Audit	CCMD	OCI
13	Percentage of Chargeable Audit Time	X	X	X
14	Jobs Completed Within Approved Budget	X	X	X
15	Average Hours per Audit	X	X	N/A
16	Notifying Departments of Budget Changes	N/A	X	N/A
FOSTERING INNOVATION		Audit	CCMD	OCI
17	Percentage of Managers with Professional Certifications or Advanced Degrees	X	X	X
18	Professional Training for Employees	X	X	X
19	Professional Development for Managers	X	X	X

Table 2 - DETAILED OVERVIEW OF KEY PERFORMANCE INDICATORS (KPIs)
FY 2018-19



PROVIDING CLIENT-CENTRIC SERVICES		Audit	CCMD	OCI
1	Client Satisfaction Surveys	X	X	X
	All three divisions Average rating of 80% or better in each category.			
2	Responsiveness to Board/Audit Committee Special Requests	X	X	X
	All three divisions Start work on the request within two weeks, unless otherwise agreed upon. Release draft audit report within six months of the request or within another agreed-upon timeframe.			
3	Breadth of Audit Coverage	X	N/A	N/A
	Audit Have an audit presence in 40% of County departments each fiscal year.			
4	Transparency of Audit Function	X	X	X
	All three divisions Post all non-confidential Board reports to the Internet within two business days of issuance.			
	CCMD Within 60 days of year end, issue a summary report to the Board of all reports issued directly to Department Heads during the year.			
5	Referrals to OCI or to Prosecutorial Agencies	X	X	X
	Audit and CCMD Refer observations of potential fraud, waste, and abuse to OCI within 90 days of discovery.			
	OCI Refer 50% of substantiated criminal cases to the appropriate prosecutorial agency at least one year before the statute of limitations runs out.			

Table 2 - DETAILED OVERVIEW OF KEY PERFORMANCE INDICATORS (KPIs)
FY 2018-19



ENSURING SERVICE QUALITY		Audit	CCMD	OCI
6	Audit Recommendations Agreed to by Management	X	X	X
	All three divisions 80% of recommendations partially or fully agreed to by management at time of report issuance.			
7	Audit Recommendations Implemented/Closed	X	X	X
	All three divisions 50% of recommendations addressed to County departments implemented or closed by completion of first follow-up review.			
8	Audit Plan Approved by Audit Committee	X	X	N/A
	Audit and CCMD Annual Audit Plan approved by the Audit Committee. Substantive updates to Audit Plan approved by the Audit Committee.			
9	Quality Assessment Reviews	X	X	X
	All three divisions Complete an external quality assessment at least once every five years, resulting in an opinion of "Generally Conforms."			
10	Timely Audit Follow-ups	X	N/A	N/A
	Audit 75% of audit follow-ups initiated within twelve months of original report issuance.			
11	Allegation Assessment and Disposition	N/A	N/A	X
	OCI 75% of allegations received by the Fraud Hotline assessed and initial disposition recommended within an average of three (3) business days.			
12	Timely Report Issuance	X	X	X
	Audit 75% of routine audits completed within six months, from start of fieldwork to issuance of draft report. CCMD 75% of routine contract monitoring reviews completed within six months, from start of fieldwork to issuance of draft report. OCI Issue the Fraud, Waste, and Abuse Hotline Semi-Annual Report within 90 days of the end of the reporting period.			

Table 2 - DETAILED OVERVIEW OF KEY PERFORMANCE INDICATORS (KPIs)
FY 2018-19



ASSURING COST EFFECTIVENESS		Audit	CCMD	OCI
13	Percentage of Chargeable Audit Time	X	X	X
	All three divisions 80% of staff Productive Work Hours charged to audits/investigations.			
14	Jobs Completed Within Approved Budget	X	X	X
	All three divisions 80% of audits/investigations competed within 125% of the approved budget.			
15	Average Hours per Audit	X	X	N/A
	Audit 85% of routine audits completed in an average of 850 staff hours or less. CCMD 85% of routine contract monitoring reviews completed in an average of 500 hours or less.			
16	Notifying Departments of Budget Changes	N/A	X	N/A
	CCMD Notify departments of needed revisions to Departmental Service Orders (DSOs) within 30 days of becoming aware of previously unforeseen work.			

Table 2 - DETAILED OVERVIEW OF KEY PERFORMANCE INDICATORS (KPIs)
FY 2018-19



FOSTERING INNOVATION		Audit	CCMD	OCI
17	Percentage of Managers with Professional Certifications or Advanced Degrees	X	X	X
	All three divisions 50% of managers (Principals and above) have professional certification and/or an advanced degree.			
18	Professional Training for Employees	X	X	X
	All three divisions Employees complete an average of 20 hours of training related to professional competency each year. Training may be in the form of attending conferences or seminars.			
19	Professional Development for Managers	X	X	X
	All three divisions At least one manager from each division at the level of Chief Accountant-Auditor or higher will deliver on one or more of the following each year: 1) Attend a professional conference, 2) Participate in a professional society, board, or committee, or 3) Conduct a training workshop for a professional society or association.			