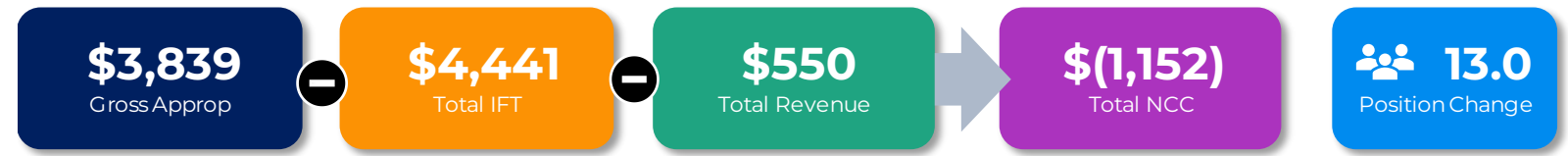




Department Budget Request: Budget Priorities

Listed in order of priority, Amounts in \$Thousands



Mission

To provide the County with financial leadership, oversight, and expert advice on a wide range of fiscal matters, and advocate for financial integrity and accountability in County government.

Mandatory & Major Duties

- Countywide Accounting and Budget Functions; State Reports (e.g., ACFR)
- Financial, Compliance, and Board-Ordered Audits
- Social Services Contracts Monitoring
- Countywide Disbursements Services
- Countywide Payroll Services
- Criminal and Administrative Investigations of Fraud and Misconduct
- Ombudsperson for Youth in Short-Term Residential Therapeutic Programs
- Fiscal, Payroll, and Procurement Services for 21 Client Departments
- Mandated Property Tax Functions
- Development and Support to a Variety of Countywide Financial Systems

Department Strategic Plan Exists?

No Strategic Plan

2024-25 Budget (\$Thousands)

As of Supplemental Budget Phase

EXPENDITURES/APPROPRIATIONS	
Total Salaries & Employee Benefits	\$ 116,747
Total Services & Supplies	\$ 16,963
Other Charges	1,799
Cap Assets – Equip	-
Other Financing Uses	-
TOTAL GROSS APPROP	\$ 135,509
Intrafund Transfers	70,626
TOTAL NET APPROP	\$ 64,883
Revenue	27,687
NET COUNTY COST¹	\$ 37,196
TOTAL BUDGETED POSITIONS	636

¹ Includes restricted and unrestricted locally generated revenues

#	Request Title/Short Descriptor	Fund Source	Gross Approp	less IFT	less Revenue	= NCC	Position Change	Board Priority	Directed By	Metrics Plan?
1	Accounting Services for Measure A and LACAHSAs	RO	366	275	91	-	2.0	Homeless Initiative	Statute, Motion	N
2	Auditing and Oversight Activities Required for Measure A	RO	1,250	1,250	-	-	-	Homeless Initiative	Statute	N
3	Enterprise Security and Privacy Manager	RO	320	263	57	-	1.0	-	Motion	N
4	Los Angeles County Enterprise System (LACES) – Financial and Human Resource Management Upgrade Project.	RO	492	450	42	-	2.0	-	Statute	N
5	Audit Funding for General Fund Departments	NCC	-	(2,078)	-	2,078	-	-	Statute, Motion	Y
6	eTAX Project and Legacy Mainframe	NCC	416	-	58	358	1.0	-	Statute	N
7	Office of County Investigations	RO	879	779	100	-	4.0	-	Statute	Y
8	Annual Comprehensive Financial Report	NCC	489	-	-	489	2.0	-	Statute	N
9	Countywide Payroll Training	RO	210	172	38	-	1.0	-	Statute	N
10	Other Adjustments	RO	88	250	(162)	-	-	-	n/a	N
*	<i>Other Ministerial Changes</i>		(671)	3,080	326	(4,077)	-	-	n/a	N
TOTAL			\$ 3,839	\$ 4,441	\$ 550	\$ (1,152)	13.0			

LEGEND	Primary Use of Funding
	Service Delivery to the Public Service Delivery to Other Departments Administration
	Funding Source RO: Revenue Offset NCC: Net County Cost Change AFB: Available Fund Balance DAFB: Department Available Fund Balance CO: Carryover Other - SBI: State Budget Impact



Budget Challenge/Pressure

Source

Impact Summary

- **OVERSIGHT RESOURCES INSUFFICIENT TO MEET CURRENT DEMANDS** due to the creation of new County programs and departments, significant expansions in high-risk areas such as homelessness-related spending, and overall growth in the complexity and size of County government, the demands on our auditing and oversight resources have increased significantly. However, resources for audits and oversight have been curtailed.

Internal

Under resourced oversight functions increase the risk of fraud, waste, and abuse, and impair accountability and compliance across County government.

- Curtailment of Board-ordered ongoing funding for Audits at General Fund departments has impacted talent acquisition.
- Proposed curtailments to NCC for general fund department audits will result in the elimination of all audits at critical and high-risk departments including the Sheriff, Probation, District Attorney, Assessor, Treasurer and Tax Collector, and CEO.
- Lack of sufficient investigative resources may result in increased fraud, waste, and abuse, and of fraud schemes continuing for longer or going undetected.
- Expanding homelessness-related programs and oversight related to wildfire recovery will increase demands on oversight programs already stretched thin.

- **INCREASED COSTS OF MANAGING SHARED SERVICES** due to increases in client activity and demand for services, Shared Services operates at a significant deficit. Based on our detailed and granular workload statistics, the A-C is receiving \$10,420,000 of funding via a combination of NCC and direct payments, for services that cost \$11,486,000 to provide. While participation in Shared Services is not mandatory for any department, we are required to provide compliant and timely services for all SSD clients in key administrative areas such as accounts receivable, accounts payable, grants, payroll, etc.

Internal

- Only 5 out of 20 (excluding A-C) departments that Shared Services Supports are fully billable
- Annual deficit of \$1,066,000 where the cost of services provided exceeds the cost paid by clients
- Budget and staffing challenges have resulted in increasing overtime costs to support clients
- Proposed curtailments to NCC, if taken, will further reduce Shared Services resources and staffing, and will reduce the available overtime budget we rely on to meet basic client service needs. This will significantly impact our ability to deliver timely and quality services to these departments. This might further have a downstream impact of non-compliance to mandatory operations.