



## **Presentation of Annual Work Plan Proposed Salary Scales**

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## **Overview**

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- Strategic Planning
- Other Activities
- Staffing
- Prior Work Plan Results
- Work in Progress
- Proposed 2014 Work Plan
- Proposed Salary Scales

## **Strategic Planning Initiative**

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- Management and select staff met in March and April to revisit Office's 2010 to 2015 Strategic Plan
- Identified seven areas to address in strategic planning

## **Strategic Planning Areas**

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- Office Structure
- Work Plan Development and Staffing
- Focus on Staff
- Project Processes
- Innovative Audit Approaches
- Reporting and Communicating Results
- Methods of Communication

## Other Activities

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- Respond to proposals for changes to accounting and auditing standards
- Make presentations to General Assembly and local government groups
- Maintain *Commonwealth Data Point*
- Participate in peer reviews of other state audit organizations
- Perform quality control reviews of CPA firms auditing Virginia local governments

## **Other Activities – Governor’s Mandate Task Force Participation**

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- Asked to explore changes to the Local Government Comparative Report to relieve some of the preparation burden for local governments
- Presented to task force in July 2012 and March 2013
- Organized advisory group of users and preparers to explore changes

## **Other Activities – Governor’s Mandate Task Force Participation**

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- Recommended elimination of some of the information currently provided by localities representing 30 percent reduction in local government efforts
- APA updated website to provide additional information to users and preparers

## **Other Activities – Implemented PeopleSoft**

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- **Implemented PeopleSoft**
  - Financials module effective July 2012
  - Human Resources module effective April 2013
- **Implemented solely using in-house resources including network operations and audit staff**

## **Staffing Overview**

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- Approved 130
- Actual staff
  - June 1, 2010 106
  - June 1, 2011 105
  - June 1, 2012 109
  - June 1, 2013 111

## **Prior Work Plan Results**

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- **Issued 564 Reports**
  - Including financial statement, financial related and special reviews
  - Including audit of the Commonwealth's financial statements (CAFR) and federal programs (Single Audit)

## **Prior Work Plan Results: Key Reports**

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- Study on Feasibility of Using CPA Firms
- Norfolk State University
- Progress Report on Commonwealth Data Standards
- Electronic Health and Human Resources (eHHR) Program – Virginia’s Medicaid Modernization Solution

## **Prior Work Plan Results: Key Reports**

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- Agencies of Secretary of Finance
- Agencies of Secretary of Health and Human Resources
- Commonwealth Court Operations
- Commonwealth Court Collections Review
- Continue to review and investigate frauds and other complaints

## **Prior Work Plan Results: System Findings**

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- **Systems/Data Backup and Restoration**
- **Database Security**
- **Disaster Recovery Planning**
- **Application Access Controls**

## **Study on Feasibility of Using CPA Firms**

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- Performed study in response to request from Chairman O'Bannon and Delegate Wilt
- Purpose of the review was to determine the feasibility of procuring the services of auditing firms to carry out duties of APA

## **Study on Feasibility of Using CPA Firms: Report Contents**

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- Overview of work the APA currently performs
- Information on extent of outsourcing in other states
- Address the issues in the request letter

## Study on Feasibility of Using CPA Firms: Report Contents

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- Report provides ten *decision points* for the General Assembly to address when evaluating outsourcing options
- Report recommends the General Assembly determine its overall objective for outsourcing audits prior to addressing the *decision points*

## **Study on Feasibility of Using CPA Firms**

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- Discussed report with Delegate Wilt in February
- Delegate Wilt requested APA to provide a list of potential audits for outsourcing
- Would like JLARC's input and approval prior to moving forward with this request

## **Work in Progress**

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- Review of Sales and Use Tax Collection and Distribution – Phase 2
- Review of Capital Outlay Funding and Cash Flow Processes
- Study of VDOT Asset Management System
- Review of Surplus Procedures for Electronic Devices with Storage
- Security of Internet Facing Websites

## **Proposed 2014 Work Plan**

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- Annual work plan = work performed during most of fiscal year 2014
- CAFR, Statewide Single Audit, mandatory and special projects are major focus
- Risk model used to evaluate the audit work to be performed with remaining resources

## **Work Plan Comparison**

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Proposed FY 2014 Work Plan	125,100
Prior Year Work Plan	<u>126,345</u>
Decrease	1,245

FY 2014 work plan allows for less experienced staff and completion of projects carried forward from the prior year

## **Total Hours by Function**

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### Statewide and Agency Projects:

Special Projects	11,575
Judicial Branch	995
Executive Departments	80,500
Cycled Agencies	6,000
Independent Agencies	6,930

### Local Governments, Clerks, and Courts

<u>19,100</u>
<u><u>125,100</u></u>

### **TOTAL WORK PLAN**

## **Hours by Executive Departments**

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Executive Offices and Administration	1,805
Agriculture and Forestry	600
Commerce and Trade	4,050
Education (including Higher Ed)	37,210
Finance	15,760
Health and Human Resources	9,580
Natural Resources	700
Public Safety	3,535
Technology	1,320
Transportation	5,465
Veterans Affairs and Homeland Security	<u>475</u>
<b>Total Hours by Executive Departments</b>	<b><u>80,500</u></b>

## **Types of Special Projects**

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- **Projects Required by Legislation, Statute, or Appropriation Act**
- **Projects Determined by an Analysis of Risk**

## **Special Projects: Required by Legislation, Statute, or Appropriation Act**

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- Maintaining *Commonwealth Data Point* Internet Database
- Review of Performance Measures
- APA Annual Report
- MEI Project Approval Commission

## **Special Projects: Required by Legislation, Statute, or Appropriation Act**

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- Financial and Operational Audit of CGI Relative to Enhanced Collections
- Capital Project Cash Flow Requirements

## **Special Projects: Risk Based Analysis**

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- Status Report on Electronic Health and Human Resources Program – Virginia’s Medicaid Modernization Solution
- Study of the Usage of Sub-recipient Schedule of Expenditure of Federal Awards

## **Special Projects: Risk Based Analysis**

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- Statewide Review of Teleworking Data Risks
- Statewide Review of Mobile Devices
- Progress Report on Commonwealth Data Standards
- Study of the Bureau of Facilities Management

## **Special Projects: Risk Based Analysis**

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- Comparative Report for Higher Education
- Higher Education Alternative Financing Study
- Statewide Review of Travel

## **Special Projects: Risk Based Analysis**

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- Study of Costs for Operating Court System
- State of Information Security in the Commonwealth
- Progress Report on Selected Systems Development Projects in the Commonwealth

## **Salary Scales**

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- Adjustments reflect changes in 2013 Appropriation Act effective July 25, 2013
- Minimum scales increase 2% and maximum scales increase 7% plus \$1,950
- Bonuses may also be given during the year to reward exceptional performance or passing professional exams
- Raises may be given within the salary bands and will follow our compensation plan and budget

# Salary Scales

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<u>Position</u>	<u>Number of Positions</u>	<u>Present Scale</u>	<u>Proposed Scale</u>
Deputy Auditor	1	\$89,456 - \$154,384	\$91,245 - \$167,141
Project Leader	14	68,481 - 142,678	69,851 - 154,616
Auditor	88	45,870 - 92,095	46,788 - 100,491
Staff	<u>27</u>	28,218 - 61,693	28,782 - 67,962
<b>Total</b>	<b><u>130</u></b>		

## **Requested Actions**

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- Approval of the Overall Work Plan
- Approval of the Salary Scales