

Date: January 2006

To: Performance Audit Committee, Bob Terwilliger, and Carolyn Ableman
CC: Tom Fitzpatrick, Dave Gossett, John Koster, Jim Del Ciello, Ed Moats

From: Kymber Waltmunson, Performance Auditor

Subject: 2005 Annual Report

Performance Indicators

Resources allocated to Performance Auditing in 2005:

- 1 full time Performance Auditor
- \$54,856 budget
- 2924 hours of actual work (1.4 FTE equivalent)

1. Reports Issued- **EXCEEDED**

The capacity of the PAD varies from year to year based on budget, staffing and availability of interns and extra help. Our goal is to produce four reports at a minimum and increase the number of reports produced as capacity increases.

We more than doubled our goal for number of reports issued in 2005.

Reports Issued			
	Audits	Audit Follow Ups	Total
Goal	4		
Completed	5	4	9
In Progress	1	1	2

2. Percent of Recommendations Pursued - **EXCEEDED**

Our goal is to see 75% of PAD recommendations pursued by decision makers. This criterion will not be used as a screening method for which recommendations are made in each audit.

This Performance Indicator will be responsive to the current Performance Auditor's work when it is calculated at the end of 2006. 100% (3 of 3) of the previous Performance Auditor's recommendations were followed. 6% (5 of 78) of the external auditor's recommendations were followed.

Recommendations Followed in 2005

Audit Follow Ups Completed in 2005					
	# Recs	# Followed	# Partially Followed	# Not Followed	# Unclear
Executive Staffing	0				
Healthcare	2	2			
Siezure/Forfeiture	1	1			
ILPP (external audit)	78	5	5	47	21
Totals	81	8	5	47	21

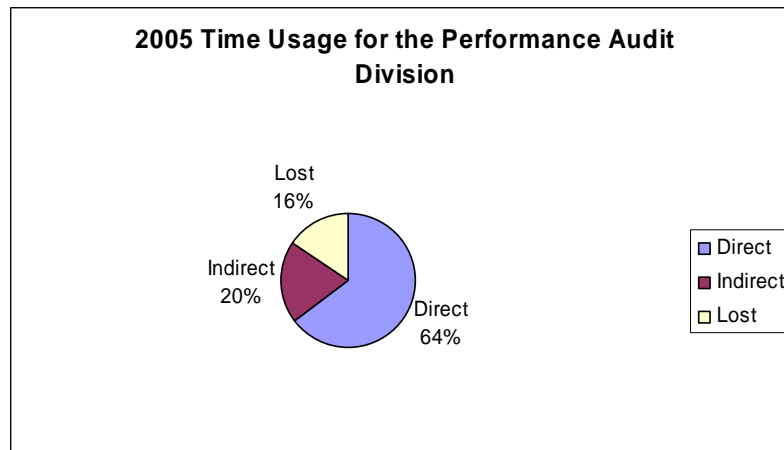
110 recommendations were made in 2005 as opposed to the previous auditor's 3 recommendations in 2004. This may be due to a combination of the types of audits done in the two years and differing approaches to performance auditing.

Recommendations Made in 2005	
Public Disclosure	20
Office of Public Defense	21
Facilities Contract Closeout	6
HRIS	1
Code Enforcement	62
Total	110

3. Percent of Direct vs. Indirect Time - **NEARLY MET**

Our goal is to spend 70% of work time directly tied to audit projects, as capacity permits.

Due to the Performance Auditor's maternity leave we did not meet this goal; however, we came very close at 64% direct time.



4. Report Target vs. Issue Dates - **NOT MET**

Our goal is to issue 80% of projects on the target date.

All of our report timelines have been extended. We are educating ourselves to ensure that we improve at estimating completion dates.

5. Peer Review – **SCHEDULED FOR 2006**

Our goal is to receive a "Full Compliance" rating every three years from the NALGA Peer Review team.



Published Reports

Electronic copies of all reports are available on the webpage:

http://www1.co.snohomish.wa.us/Departments/Auditor/Divisions/Perf_Auditor/

Audits:

Public Disclosure

We identified the costs of public disclosure to Snohomish County and made recommendations to decrease these costs and improve the process.

Public Defense

We reviewed the efficiency and effectiveness of the provision of public defense services by OPD and made recommendations for improvements.

Capital Construction Contract Close Out

We identified best practices in contract close out for Facilities' use as they closed out construction projects with Mortenson and made recommendations for implementation.

HRIS/ATS

We reviewed a sample of contract billings for HRIS and made recommendations.

Past Audit Follow Up:

ILPP, Executive Staffing, Healthcare, Seizure/Forfeiture

We reviewed past audits to determine the level of implementation of previous recommendations.

Code Enforcement

We reviewed the efficiency and effectiveness of Code Enforcement and made recommendations for improvement.

Active Projects

Audit:

Equipment Repair and Replacement

Background: This audit will review ER&R usage by Solid Waste, Road Maintenance and the Sheriff with a focus on entity vs. ER&R owned and entity vs. ER&R maintained vehicles.

This project is in progress. We project completion in the first quarter of 2006.

Audit Follow Up:

Capital Construction Project Closeout

Background: This project will assess whether Facilities followed our recommendations in regard to closeout.

This follow up is in progress and expected to be completed in the first quarter of 2006.



Non-Audit Activities

2006 Workplan

We are in the process of evaluating 12 proposals for audit projects for the 2006 workplan. Our decision making process will be complete on January 30.

Policy and Procedure

New Policy and Procedure has been written for the division based on GAS and NALGA auditing standards.

Extra Help

1594 hours of extra help were provided by temporary workers, interns and volunteers. Most of this was paid time.

Training and Certification

Audit staff has been attending regular trainings to assure that we are providing skilled and cutting edge performance audit services to the county. I have successfully completed the first portion of the audit certification (CIA).