

Combined Board of Supervisors and County Executive Office Response to Controls Self-Assessment Program Restart Report

R-01 The A-C and the CEO should document the roles and responsibilities for each of their organizations for the CSA and include them in the County Administrative Policy Manual.

Partially Concur. The roles and responsibilities of the Auditor-Controller and the CEO have been documented in the Internal Control Guidelines and Control Self-Assessment Program manual published by the Auditor-Controller and the County Executive Office. We will evaluate whether it would be duplicative to also include these in the Administrative Policy Manual.

R-02 The A-C and the Human Resources Director should jointly conduct a comprehensive study to resolve staffing, recruiting and retention issues in the Audit Department, and provide the results and recommendations to the CEO and BOS.

Do not concur: The Auditor-Controller's Office (A-C) has six budgeted internal auditor positions; four positions at Internal Auditor IV with a maximum base salary of \$74,672 and two positions at Internal Auditor III with a maximum base salary of \$66,250. The A-C has filled these positions as follows: The A-C has no Auditor IVs. Two of the budgeted Auditor IV positions are under-filled with one Auditor III and one Auditor I. The two budgeted Auditor III positions are under-filled with one Auditor II and one Auditor I.

The Human Resources Director in cooperation with the Auditor-Controller's Office, conducted a joint study of the issue. A total compensation salary study of governmental auditors consistent with those used in our Labor negotiations was conducted. The study indicated that the county's internal auditor classification to be within approximately two percent of the market in terms total salary and benefits. The study by the Human Resources Department of the internal auditor classification did not reveal the need for salary or classification adjustments because there do not appear to be any salary inequities or recruitment issues. Further, the most recent employment recruitment for the internal auditor series, Auditors I-III, ending March 2008, resulted in a total of 81 applicants, of which 64 were certified as eligible and referred to the A-C for interview. The A-C interviewed 50 candidates and hired four internal auditors. Three of the four successful candidates indicated a preferred salary on their employment application, ranging from \$55,000 to \$70,000, all within the established salary range. The A-C appointed two of the new hires at the entry level Internal Auditor I with a base salary of approximately \$42,000, and two new hires at the journey level Internal Auditor III with a base salary of approximately \$58,000. The two hired at the Auditor III level have since left County employment. One hired 5/4/08, resigned 7/1/08 for personal reasons. The other, hired 3/9/08, resigned

6/14/08 and returned to private industry. With the two recently vacated positions they have two out of six vacant again. The A-C chose to reopen the recruitment for all positions Auditor I through IV. The recruitment opened 7/28/08. As of 9/02/08 they have 84 applicants, 30 of whom have been referred to the Department for interview. It is our office's opinion that the current salary and classification status of the internal auditor series is appropriate and should allow the A-C to successfully recruit and retain personnel. If they are unsuccessful in filling their vacancies at the end of this recruitment we will work with the A-C to determine what other alternatives should be considered.

R-03 The A-C and the CEO should issue joint quarterly reports to the BOS regarding compliance of findings and recommendations for agency and department control issues. The report should be incorporated in quarterly reports of departmental compliance with the CSA to the BOS.

Concur. The second quarterly report is scheduled to be presented to the Board of Supervisors in mid-September.