

**#85  
Independent Reviews  
of County Operations  
As Directed By the  
Board of Supervisors  
through its Audit  
Committee**

## Department Overview

The Board of Supervisors defines the role of independent audit function to assist in determining the manner in which policies, programs, and resources authorized by the Board are being deployed by management, and whether they are consistent with the intent of the Board and in compliance with all appropriate statutes, ordinances, and directives.

The Office of Financial and Program Auditor (OFPA) came into existence in March 1997. The three-person office is under the direction of the Audit Committee of the Board of Supervisors. The Audit Committee determined that it would meet quarterly, and that the Office of Financial and Program Auditor would submit four status reports annually, timed to coincide with the quarterly Audit Committee meetings. Working together, the Audit Committee and the Office of Financial and Program Auditor determine the areas to be reviewed by the OFPA.

# Office of the Financial and Program Auditor

## Department Resources

Category	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted
<b>FUNDING</b>			
<u>Expenditures:</u>			
Compensation	\$225,560	\$215,769	\$335,797
Operating Expenses	12,707	15,095	32,166
<b>Total Expenditures</b>	<b>\$238,267</b>	<b>\$230,864</b>	<b>\$367,963</b>
General Fund Revenue	\$0	\$0	\$0
<b>Net Cost/(Savings) to General Fund</b>	<b>\$238,267</b>	<b>\$230,864</b>	<b>\$367,963</b>
<b>POSITIONS</b>			
<i>Authorized Positions/Full-Time Equivalents (FTEs)</i>			
<u>Positions:</u>			
Regular	3 / 3	3 / 3	3 / 3
<b>Total Positions</b>	<b>3 / 3</b>	<b>3 / 3</b>	<b>3 / 3</b>

## Lines of Business Summary

LOB #	LOB Title	FY 2016 Adopted	
		Disbursements	Positions
85	Independent Reviews of County Operations As Directed By the Board of Supervisors through its Audit Committee	\$367,963	3
<b>Total</b>		<b>\$367,963</b>	<b>3</b>

## Lines of Business

LOB #85:

### **INDEPENDENT REVIEWS OF COUNTY OPERATIONS AS DIRECTED BY THE BOARD OF SUPERVISORS THROUGH ITS AUDIT COMMITTEE**

#### **Purpose**

Working under the guidance and direction of the Audit Committee, the Financial and Program Auditor provides an independent means for determining the manner in which policies, programs and resources authorized by the Board of Supervisors are being deployed by management and whether they are consistent with the intent of the Board and in compliance with all appropriate statutes, ordinances and directives.

#### **Description**

In this LOB, OFPA plans, designs, and conducts audits, surveys, evaluations and investigations of County agencies as assigned by the Board of Supervisors, or the Audit Committee acting on behalf of the Board of Supervisors. For each audit it conducts, the agency focuses primarily on the County's Corporate Stewardship vision element. The agency does this by developing, whenever possible, information during its audits that can be used to maximize County revenues or reduce County expenditures.

#### **Benefits**

As part of its annual performance measurement goals, OFPA strives to save money amounting to at least 200 percent of its budget. The savings achieved by audits will vary depending on the type of audits undertaken and the conditions found. During FY 2015, the agency completed 25 studies which contained 27 recommendations. All recommendations were accepted by the Audit Committee and Board of Supervisors. The agency's studies resulted in the identification of \$5.6 million in additional fiscal resources/cost mitigation.

OFPA also conducts follow-up work on studies previously performed. The objectives of the after program are:

- Identify findings that require immediate management attention, as well as any other findings for which follow up is necessary, and inform management.
- Identify and provide status of each recommendation:
  - Implemented: Auditee fully implemented the recommendation, either as described in the report or in a manner that resolved the underlying issue.
  - In Progress: Auditee has specific plans to begin, or has begun, to implement and intends to fully implement the recommendation.
  - Partially Implemented: Auditee implemented the recommendation in part, but is not making efforts to fully implement it.
  - Not Implemented: Auditee has not implemented the recommendation and indicates that it will not do so.

# Office of the Financial and Program Auditor

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The methodology includes working with management, prior to completion of the study, to develop a timeline for the implementation any corrective actions related to the audit recommendations. As part of the follow-up work conducted, OFPA reviews the management's action plan.

## Mandates

This Line of Business is not mandated.

## Trends and Challenges

Identify that policies, programs and resources authorized by the Board of Supervisors are being deployed by management consistent with the intent of the Board and in compliance with all appropriate statutes, ordinances and directives.

## Resources

As this line of business encompasses all activities of the agency, please refer to the table in the Department Resources section above.

## Metrics

Metric Indicator	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate
Quarterly Reports Issued to the Board	4	4	4	4	4
Fiscal Resources/Cost Mitigation Identified as a Percent of Agency Expenditures	2,976%	2,728%	2,438%	200%	200%

As part of its performance measurement goals, the Office strives to save money amounting to at least 200 percent of its own budget. The amount saved as a result of the Office's reviews since March 1997 is approximately \$36.71 million. In FY 2015, the cost of operating the Office was just under \$231,000, while savings/cost mitigation of \$5.6 million was achieved during that timeframe, resulting in nearly \$25 in savings/cost mitigation for every \$1 spent.

Below details a table which summarizes savings between fiscal years 2011 and 2015.

# Office of the Financial and Program Auditor

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## OFFICE OF FINANCIAL AND PROGRAM AUDIT - SAVINGS AND FINANCIAL RESOURCES IDENTIFIED Fiscal Years 2011 through 2015

Report Date	Study Topic	Cost Savings/Additional Financial Resources Identified
May 2015	Library Department Gift Fund	\$2,386
May 2015 <i>(Follow-Up)</i>	Housing Cash Proffers (Remaining Balance)	\$568,942
November 2014	General Fund Cost Allocations	\$1,500,000
May 2013 <i>(July 2015 Follow-Up)</i>	County Rate of Return on Investments	\$1,359,816
November 2012	Park Authority Budget Review	\$3,463,002
October 2012 <i>(January 2013 Follow-Up)</i>	General Fund Cost Allocations	\$5,000,000
February 2012 <i>(Follow-Up)</i>	Future Construction Escrows	\$4,494,539
March 2011	Cable Communications Fund Review	\$1,358,981
May 2013 <i>(Follow-Up)</i>	Cable Revenue Verifications	\$458,888
November 2011	Technology Infrastructure Fund	\$1,000,000
March 2011	Solid Waste Funds Reserves Review	\$1,700,000
November 2011	Telecommunications Budget Review	\$1,500,000
<b>TOTAL</b>		<b>\$22,406,554</b>

Additionally, some other areas of which monetary impact has not extrapolated but are of importance to the Board and management stewardship of the County include, but are not limited to:

- Virginia Freedom of Information Act (FOIA) Request Management;
- Fairfax County Relocation Package Agreement;
- Safety and Claims/Risk Management;
- Implementation of Fairfax County Unified System (FOCUS) Modules; and,
- Participants Covered Under Fairfax County Sponsored Health Plans.

OFPA staff will continue to work with the full Board of Supervisors and management to identify areas of concerns and address process gaps for timely remedy.