

**Priority:** Accountability  
**Program Offer Type:** Existing Operating  
**Related Programs:**

**Lead Agency:** County Management  
**Program Contact:** Mindy Harris

**Program Characteristics:**

**Executive Summary**

The General Ledger (GL) program manages central financial accounting and reporting, including the annual external financial audit, Federal cost allocation plan, contract fiscal compliance as well as general accounting support and assistance Countywide.

**Program Description**

The GL program supports and monitors the County's financial accounting activity by performing regular accounting functions, including account reconciliations, review / approval of accounting transactions, and preparing required financial reports. The primary product is the County's Comprehensive Annual Financial Report (CAFR), which includes all activities associated with the required annual external financial audits. The CAFR has received the Government Finance Officer's Association (GFOA) award for excellence in financial reporting for 22 consecutive years. This award indicates management has prepared financials that meet the reporting standards and requirements noted by GFOA in their excellence in financial reporting model. Approximately 3% of government entities in the US receive this award annually. The GL program's fiscal compliance unit performs site reviews and financial statement analyses on County human service contracts in order to maintain compliance with Federal, State and County laws and regulations. GL also prepares the County's cost allocation plans needed to recover central and departmental overhead and administrative costs. Maintaining internal controls and the chart of accounts are other functions performed by GL.

**Program Justification**

The GL program contributes to the Accountability priority by providing sound financial accounting and reporting as well as effective internal controls. GL provides the County and its citizens with audited financial reports that provide information to monitor and track the County's financial performance. These reports are utilized by many agencies and organizations such as bankers, investment and bond rating agencies, debtors, grantor agencies and citizens. The program's regular review and reconciliation of the County's enterprise system is a key function for proper financial accounting, effective internal controls, reporting and budgeting. In addition the program's fiscal compliance unit performs Countywide contractor fiscal monitoring required by Federal and State regulations, grants and financial assistance agreements. This provides accountability to funding agencies and citizens while improving the performance and achieving the goals of the County programs.

**Performance Measures**

Measure Type	Primary Measure	Previous Year Actual (FY05-06)	Current Year Purchased (FY06-07)	Current Year Estimate (FY06-07)	Next Year Offer (FY07-08)
Output	# of fiscal compliance site visits performed in a fiscal year (FY)	0	0	75	100
Outcome	Decrease in non-compliance review issues as a result of fiscal site visits	0.0%	0.0%	60.0%	70.0%
Outcome	Receive a "clean" audit opinion from external auditors	1	1	1	1
Outcome	# of misstated general ledger accounts @ year-end per external auditors	0	5	5	5

**Performance Measure - Description**

Output: Fiscal compliance unit performs site reviews and issues reports on County funded human services (HS) contracts (excluding contracts with hospitals, school districts and other municipalities). Outcome: As a result of receiving a site review report, a majority of HS providers implement stronger compliance and accounting practices. This is quantified by a decrease in non-compliance review issues noted from the preliminary site visit report to the final site visit report. Outcome: A "clean" audit opinion or an unqualified audit opinion means that the County's financial statements are presented fairly & in conformity with US Generally Accepted Accounting Principles (GAAP) and there were no qualifications to the audit opinion issued. Outcome: In the County's external financial audit, the auditors will analyze and audit our general ledger accounts. Fewer general ledger accounts identified with misstatements will indicate a high degree of accuracy of the financial statements.

## Legal/Contractual Obligation

Oregon Revised Statutes (ORS), Chapter 297 ~ Audits of Public Funds and Financial Records ~ requires governments to have an external audit performed and submit the audited financials to the Secretary of State - audits division. The Office of Management and Budget Circular A-133 requires entities receiving Federal funds and passing those funds on to other organizations (such as non-profits) to be in compliance with performing grant fiscal monitoring on those contracts with pass-through funding.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2007	2007	2008	2008
Personnel	\$720,322	\$0	\$820,112	\$0
Contracts	\$10,300	\$0	\$0	\$0
Materials & Supplies	\$22,600	\$0	\$29,200	\$0
Internal Services	\$82,851	\$0	\$97,388	\$0
Subtotal: Direct Exps:	<b>\$836,073</b>	<b>\$0</b>	<b>\$946,700</b>	<b>\$0</b>
Administration	\$67,504	\$2,237	\$69,203	\$12,883
Program Support	\$10,146	\$0	\$10,992	\$0
Subtotal: Other Exps:	<b>\$77,650</b>	<b>\$2,237</b>	<b>\$80,195</b>	<b>\$12,883</b>
Total GF/non-GF:	<b>\$913,723</b>	<b>\$2,237</b>	<b>\$1,026,895</b>	<b>\$12,883</b>
Program Total:	<b>\$915,960</b>		<b>\$1,039,778</b>	
Program FTE	8.73	0.00	8.98	0.00
<b>Program Revenues</b>				
Fees, Permits & Charges	\$1,597	\$0	\$0	\$0
Program Revenue for Admin	\$2,810	\$0	\$12,883	\$0
<b>Total Revenue:</b>	<b>\$4,407</b>	<b>\$0</b>	<b>\$12,883</b>	<b>\$0</b>

## Explanation of Revenues

This program is supported by General Fund revenues. Central financial accounting & fiscal compliance services are included in the County's indirect cost allocation plan.

## Significant Program Changes

**Last year this program was:** #72004A, General Ledger

Prior year's general ledger program offer included PERS, deferred compensation and tax (1099) reporting (PDT). This function has been transferred to payroll in FY08 and included in that program offer.