

# Audit of Treasurer's Office Performance Measures

May 10, 2022



# Audit of Treasurer's Office Performance Indicators

- **Council Direction & Agency Selection**
- Utah Code Ann. § 17a-19-206 states a county auditor, *“shall, under the direction and supervision of the county legislative body . . . provide performance audit services for a county office, department, division, or other county entity;”*
- **Salt Lake County Council Resolution:**
- *“1) The Salt Lake County Council hereby directs the Salt Lake County Auditor to provide certain performance auditing services... regarding “outcomes and indicators”...*
- *2) The Salt Lake County Council may provide the Salt Lake County Auditor with a list of offices, departments, divisions, and their respective programs selected for performance audits ...”*

# Scope and Objectives

- January 1, 2018, through December 31, 2020
- The objective of the audit included internal controls and procedures for collecting, calculating, and reporting performance indicator data to:
  - Determine if performance indicator data is accurate, relevant, and reliable.
  - Determine if performance indicator data is reported effectively to stakeholders and the public.

# Strengths and Accomplishments

- ✓ Cashier Daily Cash Receipt Reports were saved and archived.
- ✓ Cash balance sheets and bank deposit receipts were reviewed daily by the Collections Specialist or Senior Accountant.
- ✓ Tax Relief Supervisor and staff saved and archived sufficient documentation of tax relief applications and tax relief adjustments either as electronic or physical copies.
- ✓ Knowledgeable staff.
- ✓ Written procedures on calculating the number of tax relief applicants and dollar amount of tax relief reported to the State.

# GASB Suggested Performance Reporting Characteristics

*The Governmental Accounting Standards Board (GASB) established suggested characteristics for evaluating performance data reporting by state and local governmental entities. According to GASB, the suggested performance reporting characteristics should be used to assess the usefulness of performance data reporting for ensuring accountability and transparency to the public, and the overall effectiveness of accurately communicating actual performance results.*

## GASB Suggested Performance Reporting Characteristics

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Relevance</li><li>• Reliability</li><li>• Understandability</li></ul> | <ul style="list-style-type: none"><li>• Comparability</li><li>• Consistency</li><li>• Timeliness</li></ul> |
|---|--|

# Audit Criteria

Audit Criteria and Definitions	
Criterion	Definition
<b>Accuracy</b>	Performance indicator data was recalculated, and audit procedures were performed to determine if the recalculated data was within a +/- 5% margin of error compared to reported performance results.
<b>Relevance</b>	<ul style="list-style-type: none"><li>• Pertinent</li><li>• Complete</li><li>• Timely</li><li>• Understandable</li></ul>
<b>Reliability</b>	<ul style="list-style-type: none"><li>• Impartial</li><li>• Clearly Defined</li><li>• Consistent</li></ul>

# Performance Indicator Rating

Performance Indicator Ratings and Definitions	
Rating	Definition
✓	Performance indicator is <b>accurate, relevant, or reliable</b> – no issues or only minor issues noted.
☑	Performance indicator is <b>accurate, relevant, or reliable</b> – some minor or moderate issues that agency management should address.
✗	Performance indicator is <b><u>NOT</u> accurate, relevant, or reliable</b> – significant issues were identified, and agency management should take corrective actions to address the issues as soon as possible.

*Performance indicators were rated in three difference categories: accuracy, relevance and reliability.*

# Audit Criteria Results

Audit Criteria Results County Treasurer			
Performance Indicator	Accuracy	Relevant	Reliable
<b>Property Tax Collection Rate:</b> Maintain the percentage of property taxes collected at 98 percent annually.	✓	☑	✓
<b>Number of Tax Relief Applicants:</b> Reporting the number of tax relief applicants approved annually	✓	✗	☑
<b>Increase EBill Notification:</b> Increase the annual number of emails receiving a property tax notice via EBill.	✗	✗	✗
<b>Non-PTIF Investment Returns:</b> Amount of interest income earned when investing in accounts other than PTIF (2018 only).	☑	☑	☑



# Overall Conclusions

Findings	Performance Indicators involved	Impacted Relevance	Impacted Reliability
<b>Finding 1- Performance Indicators Did Not Include Clear Targets.</b> <i>A clear target includes <u>ownership responsibility</u> for each performance indicator and actual performance results. Targets should include <u>realistic targets</u> based on resources needed and timelines, <u>clear ownership</u> and <u>clear-trade offs</u>.</i>	All	●	●
<b>Finding 2– Lack of Written Procedures</b> <i>For collecting, calculating, and reporting each performance indicator.</i>	Ebill & Non-PTIF		●
<b>Finding 3 – Supporting Documentation Not on File</b> <i>Agency maintains sufficient support documentation and records for each performance indicator, including both summary level documentation and detailed (source) data records.</i>	Ebill & Non-PTIF		●
<b>Finding 4 –Performance Indicators Were Not Clearly Defined</b> <i>Each performance measure articulates what is measured, how it is measured, and why it is important to measure</i>	All	●	●

# Overall Conclusions *continued...*

Findings	Performance Indicators involved	Impacted Relevance	Impacted Reliability
<b>Finding 5 – Lack of a Written Strategic Plan</b> <i>Documentation that ties each performance indicator to a specific goal (outcome), objective, strategy, or activity.</i>	Ebill, Tax Rate, Tax Collection Rate	●	
<b>Finding 6 – No documented review and approval of Performance Measures</b> <i>Agency has established a data <u>review and approval</u> process for each performance indicator.</i>	All		●
<b>Finding 7 –Performance Indicators Not Publicly Available</b> <i>Best Practice in Performance Measurement in Government per the National State Auditors Association, Mission Statements: Part 1: Developing Performance Measures: 4. Enable the public to understand why public dollars are being spent on these efforts</i>	All	●	

Questions?