



HUMAN SERVICES FINANCE DIVISION

Presented to the Board of County
Commissioners
April 19, 2011

OVERVIEW

Several events have converged to help drive our decision making in shaping the organizational structure of the Finance Division for the consolidated Human Services Agency.

Reactive events include:

- ◉ Giving Tree
- ◉ Mecklenburg Open Door
- ◉ Shelter Plus Care
- ◉ Single Audit findings

Proactive steps include:

- ◉ Financial Management Services Assessment
- ◉ Transfer of management of DSS Finance to County Finance
- ◉ Transfer of management of AMH Finance to County Finance
- ◉ Strengthening of Internal Audit
- ◉ Creating new policies including financial management, risk management and procurement

Focus on developing compliance efforts:

- ◉ Strengthen internal controls
- ◉ Improve consistency and accountability over financial management activities
- ◉ Expand the scope of financial management activities

OVERVIEW

Compliance varies by department:

- ⦿ Processes and procedures
- ⦿ Financial acumen and management capacity of department staff
- ⦿ The level of understanding of County policies
- ⦿ The level of accountability for compliance with County policies

Primary goal:

- ⦿ To build and enhance a high performing financial management operation

Requirements:

- ⦿ Increase capabilities of staff
- ⦿ Develop and implement consistent compliance practices
- ⦿ Document these practices to increase transparency of performance

AREAS OF FOCUS

Procurement & Invoice Processing:

- The human services agency processes more than 20,000 invoices annually
- Requires the skills to insure that these transactions are properly supported and processed
- Proper documentation for disbursements and ability to recognize anomalies are critical to insuring compliance

Revenue Recognition:

- Accounting for revenues from our numerous funding sources
- Revenue reimbursements must be requested timely
- Revenue must be deposited and properly recorded on the general ledger

Contract Processing and Monitoring:

- The human services agency manages more than 550 contracts annually
- Requires processes and procedures to insure that statutes and policies are properly followed
- Requires analysis to insure providers have the resources and acumen to provide the required services
- Requires on-going monitoring to insure compliance with the contract provisions

Budgeting and Financial Reporting:

- Ensure that revenue streams are maximized, the use of County dollars is minimized, and that spending is consistent with approved budgets

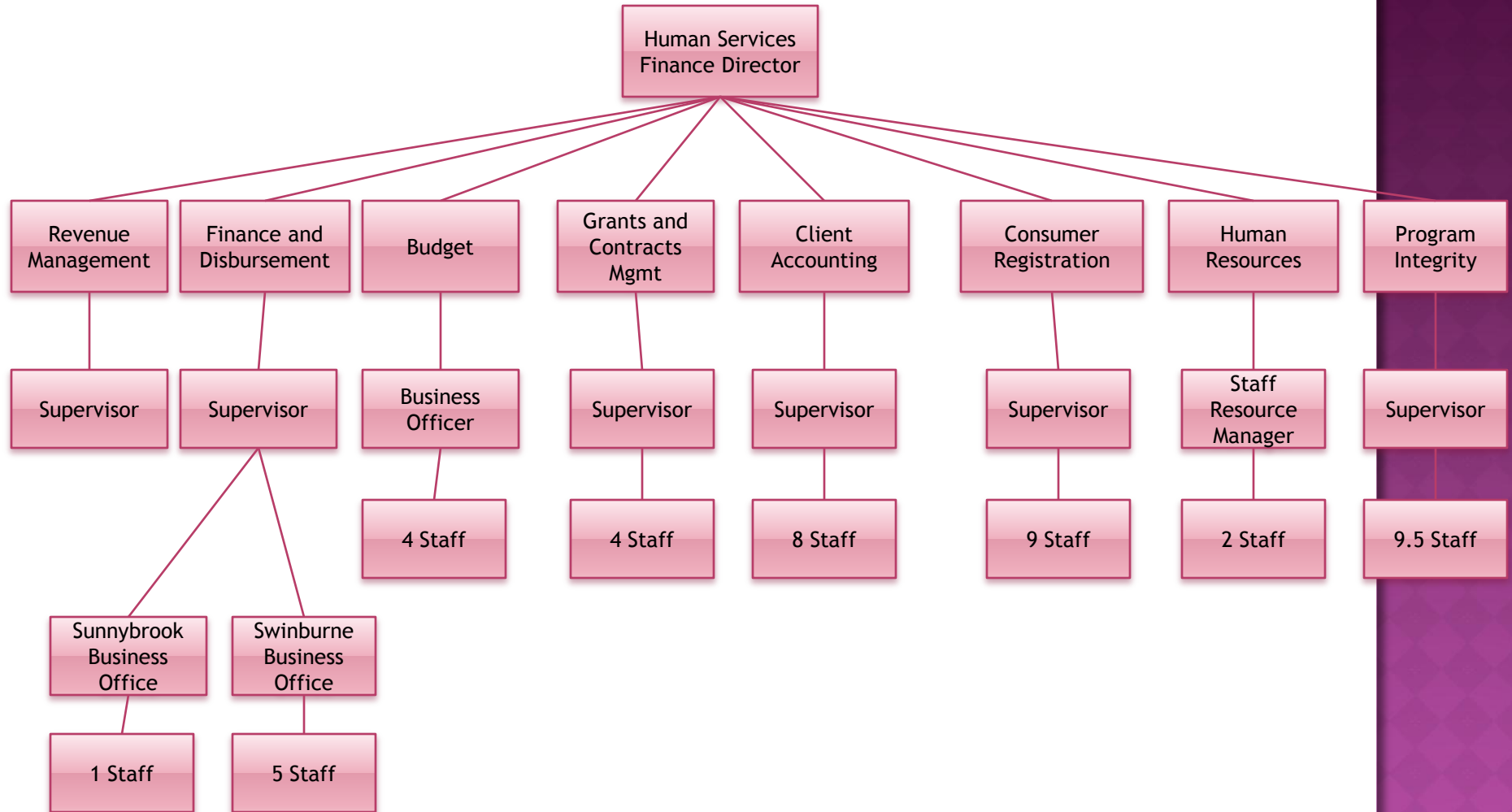
IMPACT & COST

- ◉ Maintained some elements of the existing structure and positions
- ◉ Re-classifying several existing lower level positions to create new positions that require higher levels of education, experience and skills
- ◉ Will result in the elimination of 20 current positions, with these positions subject to a Reduction-in-Force
- ◉ Twenty positions will be replaced with new positions at higher classifications
- ◉ The division will increase by 12 positions
- ◉ Consistent with our RIF policy, all affected employees will be eligible to apply for the new positions and will retain their RIF rights on any County vacancies for up to one year

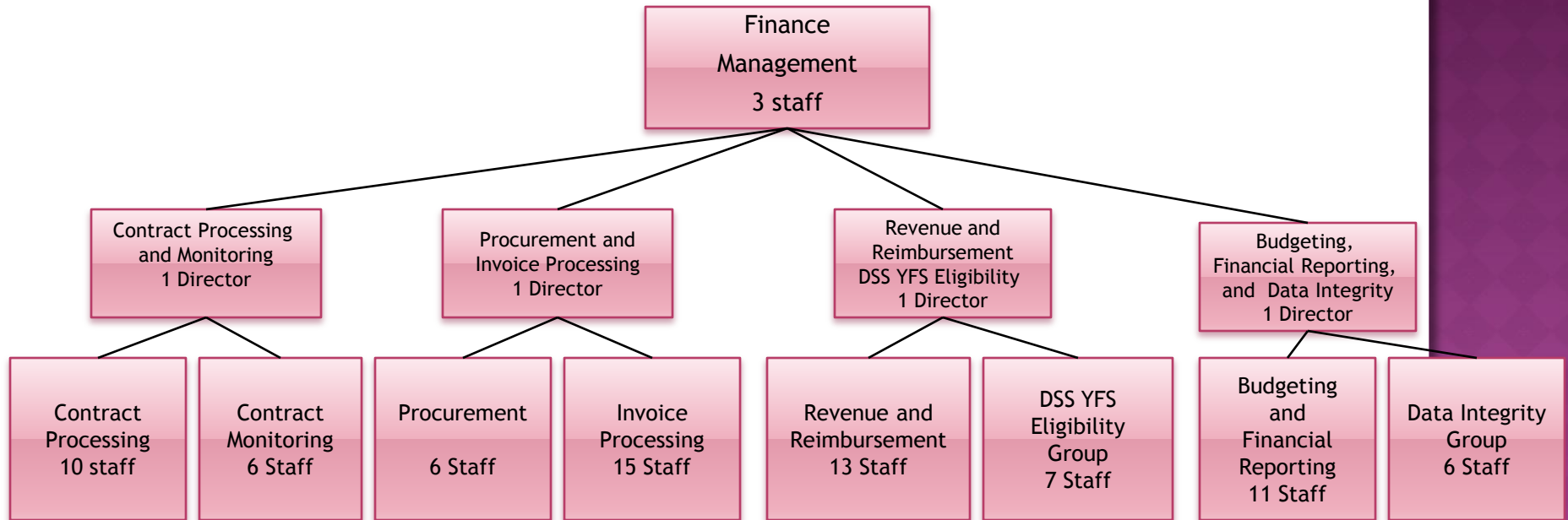
Current Cost: \$4.4 million

Additional Cost: \$1.2 million

WAKE COUNTY HUMAN SERVICES BUSINESS FUNCTIONS ORGANIZATIONAL CHART



HUMAN SERVICES FINANCE DIVISION ORGANIZATION



HUMAN SERVICES FINANCE DIVISION STAFFING ORGANIZATION CHANGES

Job Classification	Current	New Division
Director, Division Director I and Deputy Division Director II	0	6
Fiscal and Sr. Fiscal Administrators	8	1
Sr Fiscal Analysts	9	9
Fiscal Analysts and Asst. Fiscal Analysts	14	23
Fiscal Support Assistant III	9	12
Fiscal Support Assistant II	12	0
Contract Specialists	4	8
Contracts Manager	1	1
Contract Compliance Manager	0	1
Compliance Auditors	0	5
YFS Eligibility	7	7
Data Integrity	4	6
Grants	0	1
Administrative Support III	<u>2</u>	<u>2</u>
TOTAL	70	82

NEXT STEPS

- ◉ Select staff for new positions
- ◉ All employees will complete FY2011 in current positions
- ◉ Begin to craft processes for combining the activities of the four separate finance units
- ◉ Identify and initiate needed training for staff

Effective Date: July 29, 2011

IN SUMMARY

Goals of the Human Services Finance Division:

- ◉ Build a high performing financial management operation
- ◉ Increase financial acumen and management capacity
- ◉ Strengthen compliance
- ◉ Standardize processes and build best practices
- ◉ Eliminate redundancy