



COMPLIANCE AND ASSET MANAGEMENT
Candace MacLeod

Mission Statement:

- To conduct independent, objective assurance and consulting activities that add value and improve operations.
- To augment the effectiveness of the tax dollar in the purchase of materials and services within the requirements of city code and state law.
- To assist city departments with efficient and cost-effective warehousing, inventory control and disposal of surplus assets.

Department Description:

Compliance and Asset Management improves the effectiveness of risk management, control and governance processes by:

- Providing audit and consulting services to city departments to identify and minimize business risks, maximize efficiencies, improve internal controls and strengthen accountability to Glendale’s citizens.
- Working with city departments to ensure the procurement of goods and services is completed in a manner that is compliant with city code and state statutes.
- Providing logistical support to departments by procuring and maintaining a secure, just-in-time inventory of supplies for all city departments.
- Selling surplus city assets at the best available price.

FISCAL YEAR 2012

GOALS	
Goal	Allocate audit resources to the areas that pose the greatest risk to the city.
Related Council Goal	One community that is fiscally sound.
Activities	Develop a risk-based audit plan with focus on improved business processes.
Expected Outcomes (Perf. Measures)	A quarterly risk-based audit plan with focus on improved business processes.



Time Commitment	Ongoing review and adjustment of audit plan based on business risk.
Expected Challenges	None.
Goal	Ensure city assets are adequately safeguarded.
Related Council Goal	One community that is fiscally sound.
Activities	Centralize the ordering and storage of city assets under Materials Control.
Expected Outcomes (Perf. Measures)	Assets are properly tracked and controlled.
Time Commitment	Ongoing process to ensure that assets are transferred to Materials Control.
Expected Challenges	None.
Goal	Ensure the procurement code is current.
Related Council Goal	One community that is fiscally sound.
Activities	Update the procurement code to reflect changes that have occurred.
Expected Outcomes (Perf. Measures)	Procurement code is current.
Time Commitment	Ongoing.
Expected Challenges	Resources.

FISCAL YEAR 2011

Area of Innovation:

- Utilized audit software tools to effectively facilitate audit testing procedures.
- Streamlined procurement forms and processes to enhance communication and access to information.
- Centralized storage of utilities and janitorial inventory under Materials Control.

Accomplishments:

- Completed 10 performance and information technology audits and follow-ups and four contract audits.
- Performed 13 special projects at the request of management.
- Maintained over 200 contracts with an estimated value in excess of \$60 million.
- Generated revenue from the sale of surplus assets.

GOAL UPDATES	
Goal	Consider the effectiveness of the city's safety and security practices.
Related Council Goal	One community that is fiscally sound.
Was the goal met?	Yes.
What were the Performance Measures?	Every audit includes an assessment of compliance with laws and regulations.
Obstacles/Challenges	None.
Goal	Allocate audit resources to the areas that pose the greatest risk to the city.
Related Council Goal	One community that is fiscally sound.
Was the goal met?	Yes.
What were the Performance Measures?	Quarterly risk-based audit plan with focus on improved business processes.
Obstacles/Challenges	None.
Goal	Reduce the manual processes through increased use of PeopleSoft functionalities. Improve employee skill sets in using PeopleSoft functions.
Related Council Goal	One community that is fiscally sound.
Was the goal met?	Yes.
What were the Performance Measures?	The revision of the procurement code has been deferred until completion of the FY 2011 budget development process and implementation of a PeopleSoft upgrade.
Obstacles/Challenges	Resources.

FISCAL YEAR 2010

Area of Innovation:

- Audit continued to look for opportunities to increase efficiency and reduce costs by moving to a paperless environment. Work papers, reports and surveys are created, distributed and retained electronically. An increase in online training has allowed staff to obtain required professional education hours at a reduced cost.

Accomplishments:

- During FY 2010, 7 performance audits, 5 information technology audits, 15 special projects and 5 contract audits were completed.
- Audit staff serves on three committees and attended four city sponsored events.



GOAL UPDATES	
Goal	Allocate resources to the areas that pose the greatest risk to the city.
Related Council Goal	One community that is fiscally sound.
Was the goal met?	Yes.
What were the Performance Measures?	Quarterly risk based audit plan with focus on improved business processes.
Obstacles/Challenges	None.
GOAL UPDATES	
Goal	Consider the effectiveness of the city’s safety and security practices.
Related Council Goal	One community that is fiscally sound.
Was the goal met?	Yes.
What were the Performance Measures?	Every audit includes an assessment of compliance with laws and regulations.
Obstacles/Challenges	None.



**City of Glendale
Budget Summary by Department**

Compliance & Asset Mgt

FUND NUMBER / BUDGET BY PROGRAM	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
(1000) City Auditor	\$280,047	\$254,348	\$254,348	\$265,196	4%
(1000) Materials Control Warehouse	\$358,043	\$295,037	\$295,037	\$279,552	-5%
(1000) Materials Management	\$603,384	\$388,224	\$388,224	\$163,126	-58%
Total - Compliance & Asset Mgt	\$1,241,474	\$937,609	\$937,609	\$707,874	-25%

BUDGET BY CATEGORIES OF EXPENDITURES	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
Wages/Salaries/Benefits	\$1,194,682	\$929,263	\$929,263	\$728,531	-22%
Supplies and Contracts	\$16,540	\$25,705	\$25,705	\$26,773	4%
Internal Premiums	\$18,038	\$20,888	\$20,888	\$17,064	-18%
Internal Service Charges	\$12,214	\$11,616	\$11,616	\$10,162	-13%
Work Order Credits		(\$49,863)	(\$49,863)	(\$74,656)	50%
Total - Compliance & Asset Mgt	\$1,241,474	\$937,609	\$937,609	\$707,874	-25%

STAFFING BY PROGRAM	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
(1000) City Auditor	4.5	2	2.5	2.5	25%
(1000) Materials Control Warehouse	5.75	4.75	4.75	4.75	0%
(1000) Materials Management	5	4	2	2	-50%
Total -Compliance & Asset Mgt	15.25	10.75	9.25	9.25	-14%