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### **INTERNAL CONTROL AUDIT:**

## COUNTYWIDE FEE DEVELOPMENT **MONITORING PROCESS**

**Critical Impact Audit** 

For the Year Ending June 30, 2009

**County Departments/Agencies** generated \$461 million in revenue during FY 08/09 from non-property tax sources

During FY 2008/2009, the County received \$461 million in fee revenue for services provided to the public. We audited internal controls over the Countywide Fee Development Monitoring Process to ensure county fees are developed in compliance with County Accounting Manual No. R-3, Policy Requirements Responsibility. & Compliance with this policy ensures proposed revenues are related to services provided and do not exceed estimated costs of providing the services. The County Executive Office, Auditor-Controller and Clerk of the Board provide oversight of department/agency fee requests that are submitted to the Board of Supervisors for approval.

We found that monitoring and oversight processes are generally adequate to ensure fees are developed in compliance with County Accounting Manual No. R-3, Revenue Policy Requirements & Responsibility. However, we identified eight (8) Control Findings resulting in eight (8) recommendations to ensure continued compliance with the fee development policy.

> AUDIT NO: 2922 REPORT DATE: APRIL 20, 2010

Director: Dr. Peter Hughes, MBA, CPA, CIA Deputy Director: Eli Littner, CPA, CIA Senior Audit Manager: Michael Goodwin, CPA, CIA Audit Manager: Michael Dean, CPA, CIA Senior Internal Auditor: Lisette Free, CPA, CFE

#### **RISK BASED AUDITING**

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2008 Association of Local Government Auditors' Bronze Website Award





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**RISK BASED AUDITING** 

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OC Fraud Hotline (714) 834-3608

### Letter from Dr. Peter Hughes, CPA



#### **Transmittal Letter**



Audit No. 2922 April 20, 2010

**TO:** Thomas G. Mauk, County Executive Officer David E. Sundstrom, Auditor-Controller Darlene J. Bloom, Clerk of the Board of Supervisors

**FROM:** Dr. Peter Hughes, CPA, Director Internal Audit Department

**SUBJECT:** Internal Control Audit:

Countywide Fee Development Monitoring Process

We have completed an Internal Control Audit of the Countywide Fee Development Monitoring Process for the year ending June 30, 2009. We performed this audit in accordance with our *FY 2009-10 Audit Plan and Risk Assessment* approved by the Audit Oversight Committee and the Board of Supervisors. Our final report is attached for your review.

Please note we have a structured and rigorous **Follow-Up Audit** process in response to recommendations and suggestions made by the Audit Oversight Committee (AOC) and the Board of Supervisors (BOS). As a matter of policy, our **first Follow-Up Audit** will begin at <u>six months</u> from the official release of the report. A copy of all our Follow-Up Audit reports is provided to the BOS as well as to all those individuals indicated on our standard routing distribution list.

The AOC and BOS expect that audit recommendations will typically be implemented within six months and often sooner for significant and higher risk issues. Our **second Follow-Up Audit** will begin at <u>six months</u> from the release of the first Follow-Up Audit report, by which time **all** audit recommendations are expected to be addressed and implemented.

At the request of the AOC, we are to bring to their attention any audit recommendations we find still not implemented or mitigated after the second Follow-Up Audit. The AOC requests that such open issues appear on the agenda at their next scheduled meeting for discussion.

We have attached a **Follow-Up Audit Report Form**. Your department should complete this template as our audit recommendations are implemented. When we perform our first Follow-Up Audit approximately six months from the date of this report, we will need to obtain the completed document to facilitate our review.

### Letter from Dr. Peter Hughes, CPA



Each month I submit an **Audit Status Report** to the BOS where I detail any material and significant audit findings released in reports during the prior month and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Accordingly, the results of this audit will be included in a future status report to the BOS.

As always, the Internal Audit Department is available to partner with your staff so that they can successfully implement or mitigate difficult audit recommendations. Please feel free to call me should you wish to discuss any aspect of our audit report or recommendations.

Additionally, we will request your department complete a **Customer Survey** of Audit Services. You will receive the survey shortly after the distribution of our final report.

#### **ATTACHMENTS**

Other recipients of this report are listed on the **OC Internal Auditor's Report** on page 5.

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Audit No. 2922

**April 20, 2010** 

TO: Thomas G. Mauk, County Executive Officer

David E. Sundstrom, Auditor-Controller

Darlene J. Bloom, Clerk of the Board of Supervisors

FROM: Dr. Peter Hughes, CPA, Director,

Internal Audit Department

SUBJECT: Internal Control Audit: Countywide Fee Development

Monitoring Process

### **Audit Highlight**

We audited internal controls over the Countywide Fee Development Monitoring Process to ensure departmental and agency fees charged to the public are developed in compliance with County Accounting Manual No. R-3, Revenue Policy Requirements & Responsibility. Compliance with this policy ensures proposed revenues are related to services provided and do not exceed estimated costs of providing the services.

We found that monitoring and oversight processes are generally adequate to ensure fees are developed in compliance with the County policy. However, we identified eight (8) Control Findings and recommendations to ensure continued compliance with the policy.

#### **OBJECTIVES**

The Internal Audit Department conducted an Internal Control Audit of the Countywide Fee Development Monitoring Process, which included an evaluation of monitoring and oversight controls; compliance with department and County policies; and evidence of process efficiencies and effectiveness. Our audit was conducted in conformance with professional standards established by the Institute of Internal Auditors. The two objectives of our audit were:

- 1. Compliance with County Accounting Manual No. R-3, Revenue Policy Requirements & Responsibility: Evaluate internal controls of the countywide fee development monitoring process to ensure fees are developed in compliance with County Accounting Manual (CAM) No. R-3, Revenue Policy Requirements & Responsibility. The County Executive Office (CEO), Auditor-Controller (A-C) and Clerk of the Board (COB) monitor and provide oversight of the fee development process.
- Fee Development Process Efficiency/Effectiveness: Evaluate the
  efficiency and effectiveness of the countywide fee development
  monitoring process to determine if there are backlogs, duplication of
  work, or manual processes that could benefit from automation.

#### **BACKGROUND**

All County departments, agencies, commissions and special districts can generate revenue from non-property tax sources wherever possible as long as the fees are related to services provided, and do not exceed the required estimated amount required to provide the service (i.e. *cost-recovery* basis). County revenues are derived from <u>taxes</u>; <u>licenses</u>, <u>permits</u>, <u>and franchises</u>; <u>fines</u>, <u>forfeitures</u>, <u>and penalties</u>; <u>intergovernmental charges</u>; and <u>charges for services</u>. All fees schedules, except fees fixed by statue, are subject to approval by the Board of Supervisors. For the objectives of this audit, we included two fee categories that require approval by the Board of Supervisors – **Licenses**, **Permits**, and **Franchises**; and **Charges for Services**.



As reported in the County CAFR for the year ending June 30, 2009, revenues from Licenses, Permits and Franchises totaled about \$18 million, and Charges for Services totaled \$443 million with a combined total revenue of \$461 million.

#### **County Policy on Revenues and Fees**

The County has two County Accounting Manual (CAM) Procedures that were established by the Auditor-Controller related to revenue policy and billing rates:

- CAM No. R-3, Revenue Policy Requirements & Responsibility, establishes the CEO's, A-C's and COB's roles and responsibilities regarding monitoring and oversight of the countywide fee development monitoring process. The primary purpose of this policy is to ensure proposed revenues are reasonably related to services provided and do not exceed the estimated costs of providing the services.
- CAM No. B-2, *Billing Rates and Direct Costs*, provides basic guidelines for calculating department/agency billing rates and indirect costs.

This audit evaluates <u>controls and processes to ensure compliance with CAM No. R-3</u> and includes a <u>limited review of CAM No. B-2 policy requirements</u> relating to the preparation of department/agency fee studies and requests. We plan on conducting fee audits in selected departments/agencies in the future which pertain to requirements stated in CAM No. B-2. According to CAM No. R-3, the CEO, A-C and COB play a critical role in the monitoring and oversight of the fee development process prior to BOS approval of new and/or revised fees. These responsibilities are discussed below.

#### **County Executive Office**

The County Budget Office (referred to as CEO/Budget in this report) has the following responsibilities and duties related to oversight and monitoring of the countywide fee development process:

- Examining revenue policies of departments for compliance with budget requirements, full cost recovery and other BOS policies.
- Reviewing budgetary impact of revenue estimates/revenue requests.
- Reporting on the budget to the BOS.
- Coordinating fees, service charges and cost allocations between departments.
- Monitoring all legislation that affects County revenue.
- Performing a limited review of new and/or revised fee data, including fee schedules, to determine the required Fee Checklist Form (see Attachment E) is complete and that the data and justification in the Agenda Staff Report (ASR) appears reasonable.

#### **Auditor-Controller**

The Auditor-Controller/Cost, Revenue & Budget Unit (referred to as A-C/Revenue & Budget in this report) has the following responsibilities and duties:

- Monitoring and reviewing actual revenue.
- Preparing the Countywide Cost Allocation Plan (CWCAP), calculating various cost recovery fees/charges, and preparing cost studies for certain fees and rates.
- Performing a limited review of new and/or revised fee data, including fee schedules, to determine the required Fee Checklist Form is complete and that the data and justification in the Agenda Staff Report (ASR) appears reasonable.



#### **Clerk of the Board**

The Clerk of the Board (COB) is responsible for assisting departments in meeting the notice requirements for new and/or revised fees under *California Government Code Section 66016* which currently requires that the COB notify any interested parties with a written request on file (14) fourteen days prior to the Board meetings and that a copy of the fee study be available for public review for at least (10) ten days prior to a Board meeting. Certain fees have additional noticing requirements that are the responsibility of the department working with County Counsel to identify.

#### **Departments/Agencies**

Departments/agencies are responsible for updating existing fees/rates to ensure full cost recovery. Whenever feasible, these rates should be updated annually, or at least every three years for any exceptions. CAM No. B-2 provides guidelines for calculating department/agency billing rates and fees. CAM No. R-3 requires that all new and revised department/agency fees (with some exceptions) presented to the Board must be accompanied by a Fee Checklist Form. Departments/agencies complete fee studies and submit required documentation and Fee Checklist Forms to A-C/Revenue & Budget, CEO/Budget and the Clerk of the Board in accordance with County policy.

#### SCOPE

Our audit evaluated internal controls of the countywide fee development monitoring process to ensure compliance with County Accounting Manual (CAM) No. R-3, *Revenue Policy Requirements & Responsibility* for the period from July 1, 2008 through June 30, 2009. In addition, we performed a <u>limited review</u> of CAM No. B-2 – *Billing Rates and Indirect Costs policy requirements* pertaining to fee studies and requests. We also evaluated efficiency/effectiveness of fee monitoring and oversight by observing for backlogs, duplication of work, and manual processes that could be automated.

#### **SCOPE EXCLUSIONS**

This audit did not evaluate processes and controls in the departments/agencies to ensure compliance with CAM No. B-2, *Billing Rates and Indirect Costs*. We plan on conducting future audits where we assess selected departments/agencies methodologies, assumptions and fee study calculations for propriety, completeness, accuracy and compliance with County policy. In this audit, we did not validate the propriety of information in the departmental fee studies we tested, except to verify that fee studies were performed and submitted as required by CAM No. R-3.

#### **RESULTS**

We found that monitoring and oversight processes are generally adequate to ensure fees are developed in compliance with County Accounting Manual No. R-3, Revenue Policy Requirements & Responsibility. However, we identified **eight (8) Control Findings** resulting in **eight (8) recommendations** to ensure continued compliance with the fee development policy as discussed in the *Detailed Observations, Recommendations and Management Responses* section of this report. See *Attachment A* for a description of Report Item Classifications.



Based on our audit, we noted the following:

- Objective #1 Oversight and Monitoring Controls to Ensure Compliance with County Accounting Manual (CAM) No. R-3, Revenue Policy Requirements & Responsibility: Evaluate internal controls over the countywide fee development monitoring process to ensure processes are adequate to ensure fees are developed in compliance with CAM No. R-3.
- Results: We found internal controls are in place to ensure fees are developed in compliance with CAM No. R-3. We noted five (5) Control Findings in the areas of A-C and CEO monitoring and oversight of fee requests and Fee Checklist Forms, fee development policies and procedures, departmental submission of Fee Checklist Forms, and requirements for Agenda Staff Report (ASR) submission. (See Observation Nos.1 through 5 below)
- Objective #2 Process Efficiency/Effectiveness: Evaluate the efficiency and effectiveness of the countywide fee development monitoring process to determine if there are backlogs, duplication of work, or manual processes that could benefit from automation.
- Results: We did not note any backlogs, duplication of work, or manual processes that could benefit from automation. We noted three (3) Control Findings to enhance existing fee policy with guidelines for preparing department/agency fee requests, preparing fee studies in unstable economic times, and maintaining a comprehensive master listing of County fees. (See Observation Nos. 6 through 8 below)

#### **Management's Responsibilities for Internal Controls**

In accordance with the Auditor-Controller's County Accounting Manual section S-2 - Internal Control Systems, "All County departments/ agencies shall maintain effective internal control systems as an integral part of their management practices. This is because management has primary responsibility for establishing and maintaining the internal control system. All levels of management must be involved in assessing and strengthening internal controls. Control systems shall be continuously evaluated and weaknesses, when detected, must be promptly corrected." The criteria for evaluating an entity's internal control structure is the Committee of Sponsoring Organizations (COSO) control framework. Our Internal Control Audit enhances and complements, but does not substitute for County Executive Office's, Auditor-Controller's and Clerk of the Board's continuing emphasis on control activities and self-assessment of control risks.

#### **Inherent Limitations in Any System of Internal Control**

Because of inherent limitations in any system of internal controls, errors or irregularities may nevertheless occur and not be detected. Specific examples of limitations include, but are not limited to, resource constraints, unintentional errors, management override, circumvention by collusion, and poor judgment. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or the degree of compliance with the procedures may deteriorate. Accordingly, our audit would not necessarily disclose all weaknesses in the County Executive Office's, Auditor-Controller's or Clerk of the Board's operating procedures, accounting practices and compliance with County policy.



#### Acknowledgment

We appreciate the courtesy extended to us by CEO/Budget, A-C/Revenue & Budget, and Clerk of the Board staff. If we can be of further assistance, please contact me directly; or Eli Littner, Deputy Director at 834-5899, or Michael Goodwin, Senior Audit Manager at 834-6066.

#### **Attachments**

Distribution Pursuant to Audit Oversight Committee Procedure No. 1:

Members, Board of Supervisors
Members, Audit Oversight Committee
Bob Franz, Deputy CEO, Chief Financial Officer
Frank Kim, County Budget Officer, CEO/Budget Office
Michelle Aguirre, Administrative Manager, CEO/Budget Office
Shaun Skelly, Senior Director, Accounting & Technology, Auditor-Controller
Jan Grimes, Director, Central Accounting Operations, Auditor-Controller
Kathy Permenter, Manager, Cost, Revenue & Budget, Auditor-Controller
Susan Long, Manager, Cost, Revenue & Budget, Auditor-Controller
Susan Novak, Chief Deputy Clerk of the Board of Supervisors
Robin Stieler, Board Services Manager, Clerk of the Board of Supervisors
Foreperson, Grand Jury

## **AUDIT OBJECTIVE NO. 1 – Oversight and Monitoring Controls to Ensure Compliance with CAM No. R-3, Revenue Policy Requirements & Responsibility**

Our objective was to evaluate internal controls over the monitoring of department/agency fees to ensure they are developed in compliance with County Accounting Manual (CAM) No. R-3, *Revenue Policy Requirements & Responsibility*. The County Executive Office (CEO), Auditor-Controller (A-C) and Clerk of the Board (COB) monitor and oversee the fee development process. CAM R-3 describes the tasks performed by the CEO, A-C and COB.

For our testing, we selected **ten (10)** department/agency requests for new and/or revised fees/charges submitted for approval by the Board of Supervisors as shown below:

Originating Department	Fee Type	Expected Revenue
John Wayne Airport	Parking Rates	\$32,389,178
OC Community Resources	Animal License Fees	\$8,996,400
Health Care Agency	Drinking Driver Prog. Fee	\$202,388
Health Care Agency	Alcohol & Other Drug Fee	\$54,691
Sheriff-Coroner	Fee for Responding to	\$28,677
	False Alarms	
District Attorney	DNA Collection Fee	\$ na *
District Attorney	Real Estate Fraud Fee	\$1,600,000
OC Public Works	Building & Planning Fees	\$ na *
Treasurer-Tax Collector	Fee for Processing	\$169,475
	Unpaid Negotiable Paper	
Treasurer-Tax Collector	Parcel Map Processing	\$38,913
Total		\$43,479,722

<sup>\*</sup> Expected revenue was not reported – see Observation No.5.

#### Conclusion

Our audit found internal controls are generally in place to ensure fees are developed in accordance with CAM No. R-3; but should be enhanced to ensure all required fee supporting documentation is included with all fee requests submitted for Board approval.

#### **Oversight and Monitoring Control Strengths**

Oversight and monitoring control strengths noted during our audit include:

- ✓ CEO/Budget, A-C/Revenue & Budget, and COB staff are knowledgeable regarding the fee development process.
- ✓ Department/Agency fee inventories are included in the annual budget documents and are reviewed by CEO/Budget.
- ✓ CEO/Budget and A-C/Revenue & Budget staff perform documented limited reviews of fee studies and other documents supporting new and/or revised fees, and review Fee Checklist Forms when they receive them from the department requesting the new and/or revised fee.
- ✓ COB makes copy of fee studies available for public review at least 10 days prior to the
  applicable Board meeting, assists departments in meeting any publishing requirements
  and notifies any interested party with written request on file at least 14 days prior to the
  Board meeting.
- ✓ Each Agenda Staff Report (ASR) for new and/or revised fees contains detailed information concerning costs to be covered by the new and/or revised fees and the expected amount of revenue to be generated.

#### **Observations**

The following are our observations where we believe monitoring and oversight controls should be enhanced in the areas of the CEO's and Auditor-Controller's monitoring and oversight of fee requests and *Fee Checklist Forms*; fee development policies and procedures; departmental submission of *Fee Checklist Forms*; and requirements for Agenda Staff Report (ASR) submission to the Board of Supervisors.

## Observation No. 1 – Auditor-Controller Receipt of Departmental Fee Studies and Fee Checklist Forms (Control Finding)

Our audit found that A-C/Revenue & Budget staff does not receive <u>all</u> new and/or revised fee requests that are submitted to the Board of Supervisors. <u>Of the eighteen (18) new/revised fee requests submitted for Board approval during FY 2008/09, only seven (7) had concurrence by the Auditor-Controller.</u> When departments do not submit the ASR, *Fee Checklist Form* and fee cost study to A-C/Revenue & Budget for review prior to submission to the Board of Supervisors, they are unaware of the fee request requiring review. Therefore, departments/agencies need to be reminded of their responsibility in this area. In addition, both CEO/Budget and Clerk of the Board should ensure there has been Auditor-Controller concurrence on <u>all</u> new/ revised fee requests prior to their approval and concurrence.

A-C/Revenue & Budget management also indicated they need sufficient time to review fee information <u>prior</u> to departments inputting information into the Comprehensive Agenda Management System (CAMS) to conduct their fee study reviews timely. The policy should be evaluated for timeframe requirements of A-C/Revenue & Budget's fee reviews and the policy should be revised accordingly.

#### **Recommendation No. 1**

Auditor-Controller evaluate ways to ensure they receive all fee studies and *Fee Checklist Forms* timely from departments/agencies in order to fulfill their review responsibilities.

#### **Auditor-Controller Management Response:**

**Concur.** We will evaluate ways to ensure we receive all fee studies and Fee Checklist forms timely from departments/agencies in order to fulfill our review responsibilities.

## Observation No. 2 – Auditor-Controller Review of Departmental Fee Studies and Fee Checklist Forms (Control Finding)

Fee Checklist Forms contain signature lines to show A-C/Revenue & Budget's and CEO/Budget's review of the forms. Our audit found the A-C/Revenue & Budget does not sign the Fee Checklist Forms to document their review and concurrence of the new and/or revised fees submitted by departments/agencies. Instead, they submit a memo to the requesting department/agency informing them a "limited review" of the fee information was performed. CAM R-3 requires both the A-C and CEO to "perform a limited review to ensure that the checklists are signed off and that the data and justification contained in the AIT are reasonable."

A-C/Revenue & Budget does not sign the *Fee Checklist Forms* because they are only required to perform limited reviews, not detailed audits, and do not want to give the impression of a more detailed review. However, we noted these memos are not always attached with the ASRs submitted for Board approval resulting in no evidence of A-C review.

Signing the *Fee Checklist Form* provides assurance to the Board that the information has been reviewed by A-C staff. There may be a perception by the Board and departments/agencies that more detailed reviews are conducted than are actually occurring.

#### **Recommendation No. 2**

Auditor-Controller evaluate the appropriate level of review required for fee studies and *Fee Checklist Forms*, document their level of review to comply with CAM R-3 and ensure their reviews of *Fee Checklist Forms* are documented with each submission to the Board of Supervisors.

#### **Auditor-Controller Management Response:**

**Concur**. We have evaluated the appropriate level of review required for fee studies and Fee Checklist Forms and it is our opinion that our current limited review is appropriate and is in compliance with County Accounting Manual No. R-3, Revenue Policy Requirements & Responsibility. We will revise both CAM R-3 and the Fee Checklist form to clarify the level of review performed. Further, we will work with the County Executive Office and Clerk of the Board to ensure the signed Fee Checklist Forms are included with each submission to the Board of Supervisors.

#### Observation No. 3 – CEO Review of Fee Checklist Forms (Control Finding)

Similar to A-C/Revenue & Budget, CEO/Budget is also required by policy to "perform a limited review to ensure that the checklists are signed off and that the data and justification contained in the Agenda item transmittal (AIT) are reasonable." In 3 of 10 new and/or revised fees we tested, CEO/Budget staff did not document their review by signing the *Fee Checklist Form* as required. Signing the *Fee Checklist Form* provides assurance to the Board of Supervisors that the information has been reviewed by CEO staff.

#### **Recommendation No. 3**

CEO/Budget ensure it signs all Fee Checklist Forms to document their review and approval.

#### **County Executive Office Management Response:**

**Concur**. All Agenda Staff Reports (ASRs) that contain new and/or revised fees are reviewed by CEO/Budget for reasonableness and justification. The policy will be reviewed with staff to ensure that Fee Checklist Form is signed and included as an attachment to each ASR.

## Observation No. 4 – Fee Checklist Forms Not Presented to the Board of Supervisors (Control Finding)

CAM R-3 requires "all new and revised department/agency fees (except those listed in Section 3.5.3) presented to the Board on AIT must be accompanied by a completed checklist." Our testing disclosed in 2 of 10 new and/or revised fees reviewed, the requesting department did not submit or complete a Fee Checklist Form. In 5 of 10 instances, the completed Fee Checklist Form did not accompany the AIT/ASR and was not presented to the Board of Supervisors.

Fee Checklist Forms are important documents that support new and/or revised fees, and provide assurance to the Board of Supervisors that the information has been reviewed by CEO and A-C staff. The Fee Checklist Forms should always accompany the ASR when required. Although departments/agencies have primary responsibility for completing the checklists, it is the oversight responsibility by the CEO and A-C to ensure checklists are included. The Clerk of the Board is the final backstop in ensuring all required checklists are

#### **Recommendation No. 4**

submitted.

The County Executive Office, Auditor-Controller, and the Clerk of the Board jointly ensure that departmental *Fee Checklist Forms* accompany ASRs as required for applicable new and/or revised fees.

#### **County Executive Office Management Response:**

**Concur**. All Agenda Staff Reports (ASRs) that contain new and/or revised fees are reviewed by CEO/Budget for reasonableness and justification. The policy will be reviewed with staff to ensure that the Fee Checklist Form is signed and included as an attachment to each ASR.

#### **Auditor-Controller Management Response:**

**Concur**. We will work with the County Executive Office and Clerk of the Board to ensure the signed Fee Checklist Forms accompany Agenda Staff Reports as required for applicable new and/or revised fees.

#### **Clerk of the Board Management Response:**

**Concur.** COB will not agendize for Board consideration any ASRs for new and/or revised fees unless the department provides a Fee Checklist form.

#### **Observation No. 5 – Required Information Not in ASRs (Control Finding)**

CAM R-3 requires ASRs to contain the **amount of revenue expected** to be generated from the new and/or revised fee; and contain a statement that the item is **exempt from** compliance with the **California Environmental Quality Act** (CEQA). Both CEO/Budget and the Clerk of the Board have oversight responsibility to ensure compliance in these areas. In 2 of 10 new and/or revised fees we audited, the ASR did not include the expected amount of revenue to be generated for the new and/or revised fees; and 1 of 10 ASRs did not contain the required statement concerning exemption from compliance with CEQA.

#### **Recommendation No. 5**

County Executive Office and Clerk of the Board jointly ensure ASRs for new and/or revised fees document the amount of revenue expected to be generated and contain the required CEQA exemption disclosure.

#### **County Executive Office Management Response:**

**Concur.** CEO/Budget has reviewed CAM R-3 and the fee development monitoring process with staff to ensure full compliance with the policy.

#### **Clerk of the Board Management Response:**

**Concur.** COB will work with CEO in review of ASRs to ensure revenue expected to be generated from new and/or revised fees is included. COB will work with County Counsel in review of ASRs to ensure they include appropriate CEQA disclosure.

#### AUDIT OBJECTIVE NO. 2 – Fee Development Process Efficiency/Effectiveness

Our audit included an evaluation of efficiency and effectiveness review of CEO/Budget, A-C Revenue & Budget and Clerk of the Board's fee monitoring and oversight responsibilities, such as for backlogs, duplication of work, and manual processes that could be automated Our audit did not find any of these instances; however, we have the following observations concerning the effectiveness of existing fee policy:

#### **Observation No. 6 – Enhancement of Fee Development Policy (Control Finding)**

CAM R-3, Revenue Policy Requirements & Responsibilities, governs the fee development process. CAM B-2, Billing Rates and Indirect Costs, provides guidelines for charging the costs of County services to outside agencies, businesses, and individuals for full cost recovery whenever possible.

Based on our audit, we believe the policy can be enhanced to provide additional guidance to departments/agencies on conducting fee studies in the following areas:

- CAM No. R-3 requires CEO/Budget and A-C/Revenue & Budget to perform a "limited review" of fee study documentation (see Observation Nos. 1 and 2 above). The extent of the A-C and CEO's review should be clearly defined in the policy so there is a understanding of the extent of their oversight and monitoring roles. Without such a statement, there may be a perception by County management and the Board of Supervisors that more detailed reviews of fee requests are occurring by the CEO and A-C.
- Although CAM No. B-2 provides guidance in determining billing/fee rates and indirect
  costs, they do not include instructions for departments/agencies to use when
  creating fee studies. Uniform fee study templates and instructions would guide
  departments on fee study preparation; provide standardized documentation; and
  could decrease the amount of time CEO and A-C staff spends providing fee study
  related customer service.

#### **Recommendation No. 6**

Auditor-Controller, in conjunction with the County Executive Office, take measures to revise CAM No. R-3 to clearly identify the extent of reviews performed on department/agency fee studies and requests submitted for Board approval. Also, the Auditor-Controller and County Executive Office should evaluate whether CAM No. B-2 should be enhanced to include standardized instructions and templates for conducting department/agency fee requests and studies.

#### **Auditor-Controller Management Response:**

**Concur.** We will work with the County Executive Office to revise CAM No. R-3 to clearly identify the extent of reviews performed on department/agency fee studies and requests submitted for Board approval. Further we will evaluate whether CAM No. B-2, Billing Rates and Indirect Costs, should be enhanced to include standardized instructions and templates for conducting department/agency fee requests and fee studies.

#### **County Executive Office Management Response:**

**Concur.** Fee studies can be complex and often require the dedication of significant resources for the department to complete. The CEO/Budget review as required by CAM R-3 is at a summary level to verify that reasonable assumptions were used and that the fee is justified. The review does not encompass a validation of the calculation nor does it include a detailed review of the supporting working papers. Our office concurs that a definition of a "limited review" would improve the understanding of the extent of our oversight and monitoring. The recommendation to develop a uniform template requires further analysis and discussion of the Auditor-Controller.

#### Observation No. 7 – Fee Policy During Economic Downturns (Control Finding)

CAM No. R-3 requires departments/agencies to update cost recovery rates at least once each year. If this is not feasible or cost-effective, they can be updated every three years. Historically, fees have increased because the economy was doing well and costs of services were increasing. However, the economy changed in FY 2007-08 and continues to have significant budgetary impact on the County. Although we did not audit for department/agency compliance with CAM No. B-2, we noted where the policy could be enhanced with guidelines when requesting **fee increases** during economic downturns. Policy issues for consideration include:

- Evaluating whether prior year cost data going back 3-5 years is the best or most prudent method for assessing future program costs given the turbulent economic situation of the past years. Other economic factors may need to be applied to reflect any impact on anticipated revenues and expenses based on the current economical condition.
- Evaluating whether negotiated merit or general salary increases should be included in fee setting calculations in a time of economic uncertainty with departments faced with potential budget cuts and layoffs.
- 3. Explaining how the Consumer Price Index (CPI) index should be used in fee setting. Yearly CPI indexes are determined in two ways: (1) Calendar year percentage and (2) Annual basis. For example, the CPI index calculations from December 2007 to December 2008 were significantly different; the calendar year percentage showed a 0.1% increase versus a 3.5% increase based on the annual basis. The Bureau of Labor Statistics does not recommend one methodology over another, but cautions the user to be aware of the different outcomes based on the stability or volatility of the economy.

We acknowledge it is difficult for County departments/agencies to predict the continued impact in the County based on the current economy. In setting fees, it is not known whether there will be further cuts or whether merit/general salary increases will be granted. Therefore, it is management's responsibility to use its best estimates in projecting costs for fee increases. Providing additional policy guidelines in these areas will help ensure more consistency in how departments/agencies prepare fee studies and requests.

#### **Recommendation No. 7**

Auditor-Controller, in conjunction with the County Executive Office, enhance the fee setting policy to address issues impacting fee setting strategies and calculations of future costs in times of economic instability, specifically in the areas of using prior year cost data, projected merit and general salary increases, and CPI indexes used for establishing fees.

#### **Auditor-Controller Management Response:**

**Concur**. In conjunction with the County Executive Office we will evaluate existing fee setting policy in CAMs R-3 and B-2 to enhance the fee setting policy to address issues impacting fee setting strategies and calculations of future costs in times of economic instability.

#### Observation No. 8 – Comprehensive Listing of Fees (Control Finding)

Several years ago, A-C/Revenue & Budget maintained a master list of all County fees, but this practice was discontinued due to workload and staffing issues. CEO/Budget currently maintains a list of County fees prepared from data provided by departments annually; however, CEO/Budget staff informed us the list is incomplete.

A comprehensive listing of County fees could be used as a monitoring tool by CEO and A-C to ensure departments update their fees regularly. In addition, a current list of all County fees would provide the public with useful information.

#### **Recommendation No. 8**

County Executive Office and Auditor-Controller evaluate whether preparing and maintaining a comprehensive master listing of County fees would be cost-beneficial and a useful management tool for monitoring and oversight of the countywide fee development.

#### **County Executive Office Management Response:**

**Concur** that an evaluation should be implemented. The existing CEO policy requires an annual certification from each department head stating that they have reviewed their department's fees and updated those fees that are out of date. Although a master list of fees would allow for an additional level of oversight, this duplication of review is not justified at a time when all departments are struggling to maintain core service levels. As staffing resources can be restored in the future, this recommendation will be revisited.

#### **Auditor-Controller Management Response:**

**Concur**. It is our understanding that the CEO currently receives fee information in conjunction with the budget. A complete master listing of County fees would provide a useful management tool for monitoring and oversight. However with reduced staffing levels it is not feasible to provide this extra service at this time. This recommendation will be revisited when additional resources become available.

### **ATTACHMENT A: Report Item Classifications**

For purposes of reporting our audit observations and recommendations, we will classify audit report items into three distinct categories:

#### Material Weaknesses:

Audit findings or a combination of Significant Issues that can result in financial liability and exposure to a department/agency and to the County as a whole. Management is expected to address "Material Weaknesses" brought to their attention immediately.

#### Significant Issues:

Audit findings or a combination of Control Findings that represent a significant deficiency in the design or operation of processes or internal controls. Significant Issues do not present a material exposure throughout the County. They generally will require prompt corrective actions.

#### Control Findings:

Audit findings concerning <u>internal controls</u>, <u>compliance</u>, or <u>efficiency/effectiveness issues</u> that require management's corrective action to implement or enhance processes and internal controls. Control Findings are expected to be addressed within our follow-up process of six months, but no later than twelve months.

## **ATTACHMENT B: County Executive Office Management Responses**



County Executive Office

Memorandum

RECEIVED

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April 13, 2010

To: Peter Hughes, Director, Internal Audit

From: Robert J. Franz, Chief Financial Officer

Subject: Response to Draft Report on Internal Control Audit of Countywide Fee

**Development Monitoring Process** 

The following is our response to the recommendations contained in the Draft Report on Internal Control Audit of Countywide Fee Development Monitoring Process.

#### Observation No. 3 – CEO Review of Fee Checklist Forms (Control Finding)

Similar to A-C/Revenue & Budget, CEO/Budget is also required by policy to "perform a limited review to ensure that the checklists are signed off and that the data and justification contained in the Agenda item transmittal (AIT) are reasonable." In 3 of 10 new and/or revised fees we tested, CEO/Budget staff did not document their review by signing the Fee Checklist Form as required. Signing the Fee Checklist Form provides assurance to the Board of Supervisors that the information has been reviewed by CEO staff.

#### Recommendation No. 3

CEO/Budget ensures it signs all Fee Checklist Forms to document their review and approval.

#### **County Executive Office Management Response:**

Concur. All Agenda Staff Reports (ASRs) that contain new and/or revised fees are reviewed by CEO/Budget for reasonableness and justification. The policy will be reviewed with staff to ensure that the Fee Checklist Form is signed and included as an attachment to each ASR.

## Observation No. 4 – Fee Checklist Forms Not Presented to the Board of Supervisors (Control Finding)

CAM R-3 requires "all new and revised department/agency fees (except those listed in Section 3.5.3) presented to the Board on AIT must be accompanied by a completed checklist." Our testing disclosed in 2 of 10 new and/or revised fees reviewed, the requesting department did not submit or complete a Fee Checklist Form. In 5 of 10 instances, the completed Fee Checklist Form did not accompany the AIT/ASR and was not presented to the Board of Supervisors. Fee Checklist Forms are important documents that support new and/or revised fees, and provide assurance to the Board of Supervisors that the information has been reviewed by CEO and A-C staff. The Fee Checklist Forms should always accompany the ASR when required. Although departments/agencies have primary responsibility for completing the checklists, it is the

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### ATTACHMENT B: CEO Management Response Continued

oversight responsibility by the CEO and A-C to ensure checklists are included. The Clerk of the Board is the final backstop in ensuring all required checklists are submitted.

#### Recommendation No. 4

The County Executive Office, Auditor-Controller, and the Clerk of the Board jointly ensure that departmental Fee Checklist Forms accompany ASRs as required for applicable new and/or revised fees.

#### County Executive Office Management Response:

Concur. All Agenda Staff Reports (ASRs) that contain new and/or revised fees are reviewed by CEO/Budget for reasonableness and justification. The policy will be reviewed with staff to ensure that the Fee Checklist Form is signed and included as an attachment to each ASR.

#### Observation No. 5 - Required Information Not in ASRs (Control Finding)

CAM R-3 requires ASRs to contain the **amount of revenue expected** to be generated from the new and/or revised fee; and contain a statement that the item is **exempt from** compliance with the **California Environmental Quality Act** (CEQA). Both CEO/Budget and the Clerk of the Board have oversight responsibility to ensure compliance in these areas. In 2 of 10 new and/or revised fees we audited, the ASR did not include the expected amount of revenue to be generated for the new and/or revised fees; and 1 of 10 ASRs did not contain the required statement concerning exemption from compliance with CEQA.

#### Recommendation No. 5

County Executive Office and Clerk of the Board jointly ensure ASRs for new and/or revised fees document the amount of revenue expected to be generated and contain the required CEQA exemption disclosure.

#### **County Executive Office Management Response:**

Concur. CEO/Budget has reviewed CAM R-3 and the fee development monitoring process with staff to ensure full compliance with the policy.

# Observation No. 6 – Enhancement of Fee Development Policy (Control Finding) CAM R-3, Revenue Policy, Requirements & Responsibilities, governs the fee development process. CAM B-2, Billing Rates and Indirect Costs, provides guidelines for charging the costs of County services to outside agencies, businesses, and individuals for full cost recovery whenever possible. Based on our audit, we believe the policy can be enhanced to provide additional guidance to departments/agencies on conducting fee studies in the following areas:

CAM No. R-3 requires CEO/Budget and A-C/Revenue & Budget to perform a "limited review" of fee study documentation (see **Observation Nos. 1 and 2** above). The extent of the A-C and CEO's review should be clearly defined in the policy so there is an understanding of the extent of their oversight and monitoring roles. Without such a statement, there may be a perception by County management and the Board of Supervisors that more detailed reviews of fee requests are occurring by the CEO and A-C.

Although CAM No. B-2 provides guidance in determining billing/fee rates and indirect costs, they do not include instructions for departments/agencies to use when creating fee studies.

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### **ATTACHMENT B: CEO Management Response Continued**

Uniform fee study templates and instructions would guide departments on fee study preparation; provide standardized documentation; and could decrease the amount of time CEO and A-C staff spends providing fee study related customer service.

#### Recommendation No. 6

Auditor-Controller, in conjunction with the County Executive Office, takes measures to revise CAM No. R-3 to clearly identify the extent of reviews performed on department/agency fee studies and requests submitted for Board approval. Also, the Auditor-Controller and County Executive Office should evaluate whether CAM No. B-2 should be enhanced to include standardized instructions and templates for conducting department/agency fee requests and studies.

#### **County Executive Office Management Response:**

Concur. Fee studies can be complex and often require the dedication of significant resources for the department to complete. The CEO/Budget review as required by CAM R-3 is at a summary level to verify that reasonable assumptions were used and that the fee is justified. The review does not encompass a validation of the calculation nor does it include a detailed review of the supporting working papers. Our office concurs that a definition of a "limited review" would improve the understanding of the extent of our oversight and monitoring. The recommendation to develop a uniform template requires further analysis and discussion with the Auditor-Controller.

#### Observation No. 8 – Comprehensive Listing of Fees (Control Finding)

Several years ago, A-C/Revenue & Budget maintained a master list of all County fees, but this practice was discontinued due to workload and staffing issues. CEO/Budget currently maintains a list of County fees prepared from data provided by departments annually; however, CEO/Budget staff informed us the list is incomplete. A comprehensive listing of County fees could be used as a monitoring tool by CEO and A-C to ensure departments update their fees regularly. In addition, a current list of all County fees would provide the public with useful information.

#### Recommendation No. 8

County Executive Office and Auditor-Controller evaluate whether preparing and maintaining a comprehensive master listing of County fees would be cost-beneficial and a useful management tool for monitoring and oversight of the countywide fee development.

#### **County Executive Office Management Response:**

Concur that an evaluation should be completed. The existing CEO policy requires an annual certification from each department head stating that they have reviewed their department's fees and updated those fees that are out of date. Although a master list of fees would allow for an additional level of oversight, this duplication of review is not justified at a time when all departments are struggling to maintain core service levels. As staffing resources can be restored in the future, this recommendation will be revisited.

cc: Frank Kim, County Budget Office Michelle Aguirre, County Budget Office

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### ATTACHMENT C: Auditor-Controller Management Responses



#### AUDITOR-CONTROLLER COUNTY OF ORANGE

HALL OF FINANCE AND RECORDS 12 CIVIC CENTER PLAZA, ROOM 200 POST OFFICE BOX 567 SANTA ANA, CALIFORNIA 92702-0567

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WILLIAM A. CASTRO SATELLITE ACCOUNTING OPERATIONS

PHILLIP T. DAIGNEAU

DIRECTOR INFORMATION TECHNOLOGY

RECEIVE 至 ب:

DAVID E. SUNDSTROM, CPA AUDITOR-CONTROLLER

April 9, 2010

TO: Peter Hughes, Director Internal Audit Department

SUBJECT: Draft Report on Internal Control Audit of Countywide Fee Development

Monitoring Process

Following is our response to the recommendations pertaining to the Auditor-Controller contained in the Draft Report on Internal Control Audit of Countywide Fee Development Monitoring process. The County Executive Office and the Clerk of the Board will respond separately.

Recommendation No. 1: Auditor-Controller evaluate ways to ensure they receive all fee studies and Fee Checklist Forms timely from departments/agencies in order to fulfill their review responsibilities.

Auditor-Controller Response: Concur. We will evaluate ways to ensure we receive all fee studies and Fee Checklist Forms timely from departments/agencies in order to fulfill our review responsibilities.

Recommendation No. 2: Auditor-Controller evaluate the appropriate level of review required for fee studies and Fee Checklist Forms, document their level of review to comply with CAM R-3 and ensure their review of Fee Checklist forms are documented with each submission the Board of Supervisors.

Auditor-Controller Response: Concur. We have evaluated the appropriate level of review required for fee studies and Fee Checklist Forms and it is our opinion that our current limited review is appropriate and is in compliance with County Accounting Manual No. R-3, Revenue Policy Requirements & Responsibility. We will revise both CAM R-3 and the Fee Checklist Form to clarify the level of review performed. Further, we will work with the County Executive Office and Clerk of the Board to ensure the signed Fee Checklist Forms are included with each submission to the Board of Supervisors.

## **ATTACHMENT C: Auditor-Controller Management Responses** (continued)

Peter Hughes, Director, Internal Audit Department April 9, 2010 Page 2

Recommendation No. 4: The County Executive Office, Auditor-Controller, and the Clerk of the Board jointly ensure that departmental Fee Checklist Forms accompany ASRs as required for applicable new and/or revised fees.

**Auditor-Controller Response:** Concur. We will work with the County Executive Office and Clerk of the Board to ensure the signed Fee Checklist Forms accompany Agenda Staff Reports as required for applicable new and/or revised fees.

Recommendation No. 6: Auditor-Controller, in conjunction with the County Executive Office, take measures to revise CAM No. R-3 to clearly identify the extent of reviews performed on department/agency fee studies and requests submitted for Board approval. Also, the Auditor-Controller and County Executive Office should evaluate whether CAM No. B-2 should be enhanced to include standardized instructions and templates for conducting department/agency fee requests and studies.

**Auditor-Controller Response:** Concur. We will work with the County Executive Office to revise CAM No. R-3 to clearly identify the extent of reviews performed on department/agency fee studies and requests submitted for Board approval. Further we will evaluate whether CAM No. B-2, Billing Rates and Indirect Costs, should be enhanced to include standardized instructions and templates for conducting department/agency fee requests and studies.

**Recommendation No. 7:** Auditor-Controller, in conjunction with the County Executive Office, enhance the fee setting policy to address issues impacting fee setting strategies and calculations of future costs in times of economic instability, specifically in the areas of using prior year cost data, projected merit and general salary increases, and CPI indexes used for establishing fees.

**Auditor-Controller Response:** Concur. In conjunction with the County Executive Office we will evaluate existing fee setting policy in CAMs R-3 and B-2 to enhance the fee setting policy to address issues impacting fee setting strategies and calculations of future costs in times of economic instability.

**Recommendation No. 8:** County Executive Office and Auditor-Controller evaluate whether preparing and maintaining a comprehensive master listing of County fees would be cost-beneficial and a useful management tool for monitoring and oversight of the countywide fee development.

## **ATTACHMENT C: Auditor-Controller Management Responses** (continued)

Peter Hughes, Director, Internal Audit Department
April 9, 2010
Page 3

Auditor-Controller Response: Concur. It is our understanding that the CEO currently receives fee information in conjunction with the budget. A complete master listing of County fees would provide a useful management tool for monitoring and oversight. However with reduced staffing

revisited when additional resources become available.

David E. Sundstrom Auditor-Controller

level, it is not feasible to provide this extra service at this time. This recommendation will be

cc: Shaun Skelly, Senior Director, A-C Accounting & Technology Jan Grimes, Director, A-C Central Accounting Operations Kathy Permenter, Manager, A-C Cost, Revenue & Budget

## ATTACHMENT D: Clerk of the Board Management Responses



### Clerk of the Board of Supervisors

333 W. Samta Ana Blv (N Shi 13 965 Santa Ana, CA 92701 (714) 834-2206 \*\* FAX (714) 834-4439

#### Darlene J. Bloom, CCB

Clerk of the Board

April 8, 2010

TO: Dr. Peter Hughes, CPA

Director, Internal Audit Department

SUBJECT: Response to Draft Report on Internal Control Audit of Countywide Fee

Development Monitoring Process

I appreciate the opportunity to review your report and am providing our required responses to the two recommendations impacting the Clerk of the Board.

#### Recommendation No. 4

The County Executive Office, Auditor-Controller, and the Clerk of the Board jointly ensure that departmental Fee Checklist Forms accompany ASRs as required for applicable new and/or revised fees.

#### Clerk of the Board Management Response:

Concur. COB will not agendize for Board consideration any ASRs for new and/or revised fees unless the department provides a Fee Checklist form.

#### Recommendation No. 5

County Executive Office and Clerk of the Board jointly ensure ASRs for new and/or revised fees document the amount of revenue expected to be generated and contain the required CEQA exemption disclosure.

#### Clerk of the Board Management Response:

Concur. COB will work with CEO in review of ASRs to ensure revenue expected to be generated from new and/or revised fees is included. COB will work with County Counsel in review of ASRs to ensure they include appropriate CEQA disclosure.

Should you have any questions or desire additional information, please contact me or Susan Novak, Chief Deputy, at 834-2206.

Darlene J. Bloom, Clerk of the Board

Cc: Michael Goodwin, IA

Thomas G. Mauk, CEO David E. Sundstrom, A/C Kathy Permenter, A/C Susan Long, A/C

Frank Kim, CEO Susan Novak, COB

### **ATTACHMENT E: Fee Checklist Form**

	FEE CHECK	KLIST FOR ASR SUBMISSION		
DEP:	T./AGENCY:	DAT	TE:	
DEP.	Г./AGENCY: AUTH. SIGNATURE:			
DEP.	T./AGENCY: CONTACT & PHONE NO.: _			
Desc	ription of proposed fee contained in ASR:			
Amo	unt of annual revenue related to this propos	al:		
Ansv	ver the following questions and check yes or	no answers:	YES	Check One
1.	Is this a new fee?			
2.	Is this a revision of an existing fee?			
3.	When was the fee last revised?			
	Attach a fee schedule that includes a cor	mparison between current and proposed fees.		
4.				
5.	Has the fee been coordinated with them?			
6.	List non-county government agencies/orgafee.	anizations, and/or communities impacted by this	;	
	a	_ Have they been notified?		
		Has the fee been coordinated with them?		
	b	_ Have they been notified?		
		Has the fee been coordinated with them?		
	c	_ Have they been notified?		
		Has the fee been coordinated with them?		
	d	Have they been notified?		
		Has the fee been coordinated with them?		
7.	7. Have all advisory board and public hearing concurrencies been finalized?		П	пп

### **ATTACHMENT E: Fee Checklist Form (continued)**

		OR ASR SUBMISSION GE 2	
			Check One
			YES NO N/A
8.	Is full cost recovery planned in the fee calculation?		
9.	Is agency/department overhead included in the fee c	alculation?	
10.	Is general County overhead included in the fee calcul	ation?	
11.	Has legal authority for the fee been reviewed?		
12.	Is the fee request consistent with the legal authority to	o levy?	
13.	Identify the legal authority of the fee.		<del></del>
14.	Is the proposed Board Resolution or ordinance (if req	uired) attached?	
15.	When will the new fee be implemented?		
16.	Identification of the costs related to this fee proposal:		
	Personnel (S.E.B.)		
	Services and Supplies		
	Equipment		
	Department Overhead		
	County Overhead		
	Other		
	Total	34 1700	
17.	*Current Fiscal Year	Annual Fiscal Year	
	Costs: \$Revenue: \$	Costs: \$Revenue: \$	<del></del>
	NCC: §	NCC: \$	
	* Costs, revenue, and NCC from implementation thro	ugh the end of the current fiscal ye	ar.

### **ATTACHMENT E: Fee Checklist Form (continued)**

Check One YES NO N/A  18. Revenue Coding: FUND - AGENCY - REVENUE SOURCE - REVENUE SUB SOURCE - ORG  The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence: Auditor-Controller Concurrence: Date: Date:			
PAGE 3  Check One  YES NO N/A  18. Revenue Coding:  FUND - AGENCY - REVENUE SOURCE - REVENUE SUB SOURCE - ORG  The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence:  Date:			
PAGE 3  Check One  YES NO N/A  18. Revenue Coding:  FUND - AGENCY - REVENUE SOURCE - REVENUE SUB SOURCE - ORG  The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence:  Date:			
Check One  YES NO N/A  18. Revenue Coding:  FUND - AGENCY - REVENUE SOURCE - REVENUE SUB SOURCE - ORG  The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence:  Date:		FEE CHECKLIST FOR PAG	RASR SUBMISSION
YES NO N/A  18. Revenue Coding:  FUND - AGENCY - REVENUE SOURCE - REVENUE SUB SOURCE - ORG  The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence:  Date:			
18. Revenue Coding:  FUND - AGENCY - REVENUE SOURCE - REVENUE SUB SOURCE - ORG  The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence:  Date:			Check One
FUND - AGENCY - REVENUE SOURCE - REVENUE SUB SOURCE - ORG  The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence: Date:			YES NO N/A
The ASR and the Fee Checklist must be reviewed by the CEO and Auditor-Controller prior to filing with the Clerk of the Board.  CEO Concurrence: Date:	18.		
of the Board.  CEO Concurrence: Date:		FUND - AGENCY - REVENUE SOURCE - REVENUE S	GUB SOURCE - ORG
CEO Concurrence:  Auditor-Controller Concurrence:  Date:  Date:  Date:		The ASR and the Fee Checklist must be reviewed by the of the Board.	e CEO and Auditor-Controller prior to filing with the Clerk
Auditor-Controller Concurrence: Date:		CEO Concurrence:	Date:
		Auditor-Controller Concurrence:	Date: