

Sauk County, Wisconsin  
**Accounting Department Annual Report**

**2018 Mission:** To facilitate the effective and efficient use of County resources and to provide a record and accountability for those resources. The Sauk County Accounting Department provides financial expertise and leadership, maintains financial records, satisfies the County’s financial obligations, and prepares managerial, financial and agency reports. To serve County Board Supervisors, managers, citizens, other governmental units, and funding agencies through consultation and information dissemination, maintenance of an accounting system according to established accounting principles, and coordination of budget preparation and implementation.

**Departmental Program Summary:** The Accounting Department provides the day-to-day verification, processing and accumulation of financial transactions for all County departments. This includes issuing accounts payable checks to our vendors, payroll checks to our employees, and maintenance of a general ledger to track these transactions. The Accounting Department also orchestrates the development of the County’s annual budget, assists in planning processes, monitors departments’ compliance with the intent of the budget and takes appropriate actions when deviations are found. In addition, the Department performs audits of County departments as necessary, coordinates the County’s general financial audit and assists in audits of specific programs. Finally, departmental staff provide financial analysis of actions considered by the County Board.

**2018 Goals Review**

**2018 GOALS REVIEW**

OBJECTIVE	WAS THIS OBJECTIVE REACHED IN 2018?
	Yes or No (If no, please provide comment)
Refinement of the grant policy to specify approval levels. Development of a tracking database.	No, draft of policy update distributed to department heads for review, and draft of tracking database in progress
Number of new and recurring audit findings is less than three	Yes, zero for 2017 audit
The budget document receives the Government Finance Officers Association Distinguished Budget Presentation Award	Yes, for the 16 <sup>th</sup> consecutive year
One to two new or revised financial policies are adopted based on nationally recognized recommended practices	Yes, updates to Mileage Reimbursement and Employee Reimbursement policies
The Comprehensive Annual Financial Report (CAFR) receives the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting	Yes, for the 6 <sup>th</sup> consecutive year

## 2018 GOALS REVIEW

OBJECTIVE	WAS THIS OBJECTIVE REACHED IN 2018?
	Yes or No (If no, please provide comment)
Provide the option of direct deposit of accounts payable	No. Focus on departmental processes
Award of Special Capital Recognition by Government Finance Officers Association for budget document	No. Special Capital Recognition award not received.
Award of Special Performance Measure Recognition by Government Finance Officers Association for budget	No. Special Performance Measure Recognition award not received.

### **Changes / Accomplishments:**

Our most prestigious accomplishments in 2018 were receipt of two Government Finance Officers Association awards. The Distinguished Budget Presentation Award was earned for the sixteenth year in a row for the County’s 2018 budget. Also during 2018, the County received the Certificate of Achievement for Excellence in Financial Reporting for the sixth consecutive year for its Comprehensive Annual Financial Report (CAFR). These awards acknowledge the County’s commitment to sound financial planning and full disclosure, and are positive factors in information dissemination and credit rating reviews.

The County’s financial system was transitioned from being self-hosted to cloud-based. This also included a major version upgrade and replacement of the ad hoc report writer from Crystal Reports to Sequel. Replacement of the forms printing function is also in progress. All these required a great deal of time to run processes in parallel, verify functionality, and rewrite a number of the existing ad hoc reports. All this also led to rewrite of our instruction manual for employees.

The 2018 budget included creation of an Accountant position. While greatly assisting with day-to-day processes, duties have included research and drafting updates to a grant policy, creation of a grants database, updating the purchasing policy, and development of popular annual financial report.

Another important accomplishment in 2018 was removal of the significant deficiency in internal controls. A significant deficiency means the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. The deficiency related to documentation and implementation of a consistent process across county departments for approval of invoice payments. While the County has earned an unqualified “clean” audit opinion for many, many years, removal of the significant deficiency solidifies our status as a low-risk auditee, translating into a lower cost for future audits.

**Statistical Summary:**

**OUTPUT MEASURES**

DESCRIPTION	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL
Accounts payable checks issued	8,619	8,744	8,382	8,630	8,725	8,976
1099's Issued to Vendors at Yearend	232	265	330 (newly includes medical services)	301	300	300
Payroll checks issued	3,876	3,346	2,058, or 11%	312, or 2%	304, or 2%	355, or 2%
Direct deposit advices issued	14,305	14,723	16,012 or 89%	17,603 or 98%	17,552 or 98%	17,377 or 98%
W2's issued to employees	807	822	833	854	850	896
Total County Payroll	\$27,176,408	\$27,748,128	\$30,102,422	\$30,705,664	\$31,562,656	\$32,876,856
Accounting Staff Full-Time Equivalents	4.0	4.0	4.0	4.5	4.5	5.0
Accounting Overtime Hours Paid	0	1.75	0	2.92	0	0
New Audit Findings - Financial Audit	0 Findings in 2013 audit, but material weakness for internal accounting controls	0 Findings in 2014 audit, but material weakness for internal accounting controls	0 Findings in 2015 audit, but material weakness for internal accounting controls	0 Findings in 2016 audit, but material weakness for internal accounting controls	0 Findings in 2017 audit	Not Yet Available
Unresolved Prior Years' Audit Findings - Financial Audit	0	0	1	1	1	Not Yet Available
New Audit Findings - Compliance Audits	1	2	2	1	0	Not Yet Available

**OUTCOME AND EFFICIENCY MEASURES**

DESCRIPTION	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL
Government Finance Officers Association (GFOA) Distinguished Budget Award received with "proficient" or "outstanding" ratings	Yes, for 2013 budget (11 <sup>th</sup> year) Proficient 43 of 81, 53% Outstanding 35 of 81, 43%	Yes, for 2014 budget (12 <sup>th</sup> year) Proficient 51 of 81, 63% Outstanding 30 of 81, 37%	Yes, for 2015 budget (13 <sup>th</sup> year) Proficient 62 of 81, 77% Outstanding 19 of 81, 23%	Yes, for 2016 budget (14 <sup>th</sup> year) Proficient 50 of 81, 62% Outstanding 29 of 81, 36%	Yes, for 2017 budget (15 <sup>th</sup> year) Proficient 57 of 81, 70% Outstanding 23 of 81, 28%	Yes, for 2018 budget (16 <sup>th</sup> year) Proficient 58 of 81, 72% Outstanding 21 of 81, 26%
New audit findings reported in the management letter prepared by the County's external auditors (Note: New	Zero for 2012 audit, not counting material	Zero for 2013 audit, not counting material	Zero for 2014 audit, not counting material	Zero for 2015 audit, not counting material	Zero for 2016 audit, not counting significant	Zero for 2017 audit

<b>DESCRIPTION</b>	<b>2013 ACTUAL</b>	<b>2014 ACTUAL</b>	<b>2015 ACTUAL</b>	<b>2016 ACTUAL</b>	<b>2017 ACTUAL</b>	<b>2018 ACTUAL</b>
audit finding for 2018 actual are from 2017's audit with results received in 2018.)	weakness related to internal accounting controls	weakness related to internal accounting controls	weakness related to internal accounting controls	weakness related to internal accounting controls	deficiency related to internal accounting controls	
GFOA Certificate of Achievement for Excellence in Financial Reporting received for Comprehensive Annual Financial Report (CAFR)	Yes for 2012 CAFR	Yes for 2013 CAFR	Yes for 2014 CAFR	Yes for 2015 CAFR	Yes for 2016 CAFR	Yes for 2017 CAFR
Preserve and enhance the County's bond rating as issued by Moody's	Rating not sought	Rating enhanced Aa2 to Aa1 July, 2014	Rating not sought	Rating affirmed at Aa1 June, 2016	Rating affirmed at Aa1 March, 2017	Rating not sought
Quantity and negative dollar impact of filing deadlines missed (payroll taxes, sales tax, real estate transfer tax)	Not tracked	1, and \$687.12	0, and \$0	0, and \$0	0, and \$0	0, and \$0
Quantity of auditor-generated material adjustments to financial statements	Not tracked	0 for 2013 audit	0 for 2014 audit	0 for 2015 audit	0 for 2016 audit	0 for 2017 audit