



Proposed 2014 Work Plan

**Presented to the
Joint Legislative Audit
and Review Commission**

May 13, 2013

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Summary of Proposed 2014 Annual Work Plan By Project Area

Project Area	Budget
SPECIAL PROJECTS	11,575
JUDICIAL BRANCH	995
EXECUTIVE DEPARTMENTS	80,500
Executive Offices	900
Administration	905
Agriculture and Forestry	600
Commerce and Trade	4,050
Education	1,525
Education - Higher Education Institutions	35,645
Finance	15,760
Health and Human Services	9,580
Natural Resources	700
Public Safety	3,535
Technology	1,320
Transportation	5,465
Veterans Affairs and Homeland Security	475
INDEPENDENT AGENCIES	6,930
LOCAL GOVERNMENTS, CLERKS, AND COURTS	19,100
CYCLED AGENCIES	<u>6,000</u>
TOTAL WORK PLAN HOURS	<u><u>125,100</u></u>

Special Projects Proposed Budget

Required by Legislation, Statute, or Appropriation Act

Project Title	Objectives	Reference	Budget
Maintaining Commonwealth Data Point	<ul style="list-style-type: none"> • Compile and maintain a searchable database on the Auditor of Public Accounts Internet website. • Include certain state expenditure, revenue, and demographic information in the database as specified in the <u>Code of Virginia</u>. • Update database annually by October 15th for the 10 most recently ended fiscal years of the Commonwealth. 	Section 30-133 of the <u>Code of Virginia</u>	2,175
Review of Performance Measures	<ul style="list-style-type: none"> • Determine that state agencies are providing and reporting appropriate information on financial and performance measures. • Review the accuracy of the management systems used to accumulate and report the results. 	Section 30-133B of the <u>Code of Virginia</u>	700
APA Annual Report	<ul style="list-style-type: none"> • Describe the work performed by the Auditor of Public Accounts during the fiscal year, and the significant findings. 	Section 30-133 of the <u>Code of Virginia</u>	100
MEI Project Approval Commission	<ul style="list-style-type: none"> • Assist the Major Employment and Investment Project Approval Commission. 	Section 30-311 of the <u>Code of Virginia</u>	100
Financial and Operational Audit of CGI Relative to Enhanced Collections	<ul style="list-style-type: none"> • Review all management agreements between CGI and Executive Department agencies and institutions pursuant to the Enterprise Applications Master Services Agreement Statements of Work 6 and 7. • Review CGI and its subcontractors' performance with regard to measured service levels. 	Chapter 806 of the 2013 Acts of the Assembly, Item 427.A.3	500
Capital Projects Cash Flow Requirements	<ul style="list-style-type: none"> • Report annually to the Governor, Speaker of the House of Delegates, President Pro-Tempore of the State Senate, and the Chairmen of the House Appropriations and Senate Finance Committees on the adherence to the cash flow requirements for each capital project and any deviation in project appropriation and allotment, which results in a project delay. 	Chapter 806 of the 2013 Acts of the Assembly, Item C-39.40 – A.12	180

Special Projects Proposed Budget

Risk-Based Analysis

Project Title	Objectives	Budget
Status Report on Electronic Health and Human Resources (eHHR) Program – Virginia’s Medicaid Modernization program	<ul style="list-style-type: none"> • Provide a report on the Commonwealth’s progress relative to implementing its new Medicaid eligibility system by the October 1, 2013, Affordable Care Act deadline. 	800
Study of the Usage of Sub-recipient Schedule of Expenditure of Federal Awards (SEFA)	<ul style="list-style-type: none"> • Determine if state agencies are using sub-recipient audited SEFA’s as required in their oversight of federal funds by: <ul style="list-style-type: none"> ▪ Reviewing and comparing sub-recipient SEFA’s to the state agency’s disbursements. ▪ Investigating any differences and making adjustments as needed. 	400
Statewide Review of Teleworking Data Risks	<ul style="list-style-type: none"> • Consider the use of non-Commonwealth issued devices and related teleworking risks and security around employees accessing agency networks from the outside. • Evaluate current teleworking policies and procedures for all Commonwealth agencies compared to best practices. • Determine if these policies and procedures have been implemented and are being followed. 	500
Statewide Review of Mobile Devices	<ul style="list-style-type: none"> • Perform a review of mobile devices (cellphones, tablets, and laptops) and the plans they use, including voice, text, and data, and the related costs. • Determine whether VITA has implemented adequate guidance over the management of these devices, and whether agencies are following the guidance and using the most cost effective plans. • Determine whether there are any other devices, such as pagers, that are obsolete but are still in use. 	600
Progress Report on Commonwealth Data Standards	<ul style="list-style-type: none"> • Provide an update on the Secretary of Technology’s progress in developing data standards. • Evaluate the final plan to develop data standards. 	350
Study of the Bureau of Facilities Management	<ul style="list-style-type: none"> • Review the Department of General Service’s Bureau of Facilities Management (BFM) project management services to tenants of state owned buildings. • Evaluate the effectiveness of the process and procedures in place for agencies to obtain this service and for BFM to manage the service provided. • Determine whether there have been any recent changes in the process and if it is self-supporting. • Determine the charges/costs for these services and how they are recorded. 	600

Special Projects Proposed Budget

Risk-Based Analysis – Continued

Project Title	Objectives	Budget
Comparative Report for Higher Education	<ul style="list-style-type: none"> Provide financial comparison and analysis of the various public institutions of higher education in Virginia, considering the size and type of institution, and utilizing techniques such as ratio analysis to further analyze and compare financial information. Transition this information into an annual report to aid decision makers and improve transparency and comparability for citizen-users of financial information. 	400
Higher Education Alternative Financing Study	<ul style="list-style-type: none"> Identify and evaluate the various alternative financing arrangements currently utilized by colleges and universities to fund projects across the Commonwealth. Report on financing arrangements other than projects utilizing state bond programs to include agreements with Foundations, and other related entities. 	600
Statewide Review of Travel	<ul style="list-style-type: none"> Review and analyze travel activities and administration within the Commonwealth, including a review of existing travel regulations, expenses, and management functions. Consider the need for travel and the availability of alternative meeting tools to potentially reduce costs. Consider whether the Commonwealth could realize efficiencies and better ensure compliance with state travel regulations by having one central entity make travel arrangements. 	450
Study of Costs for Operating Court System	<ul style="list-style-type: none"> Compile, analyze, and report financial data regarding the total costs to fund the district and circuit courts. 	150
State of Information Security in the Commonwealth of Virginia	<ul style="list-style-type: none"> Provide periodic summary report of system security findings issued for agencies and higher education institutions. 	480
Progress Report on Selected Systems Development Projects in the Commonwealth	<ul style="list-style-type: none"> Provide a periodic summary report of ongoing monitor activities over the systems development process for major systems to determine the projects are on schedule, on budget, and provide required functionality. This report will include systems development projects for the various departments, agencies, and higher education institutions. 	1,470

Special Projects Proposed Budget

Risk-Based Analysis – Continued from Prior Year

Project Title	Objectives	Budget
Review of Capital Outlay Funding and Cash Flow Processes	<ul style="list-style-type: none"> Determine the status of the Department of General Services' (General Services) implementation of a capital project IT solution required in the 2008 Capital Outlay Bond Act. Review the effectiveness of the Commonwealth's process to determine which projects to move to the construction phase in the capital outlay process and the feasibility of a statewide prioritization system. Recommend ways to improve General Services' process to develop construction draw schedules, and communicate that information to the Department of Treasury to determine bond issuance timing. 	300
Review of Surplus Procedures for Electronic Devices with Storage	<ul style="list-style-type: none"> Review the Commonwealth's process to surplus (or return to vendor) electronic devices that contain storage capability, such as a hard disk. 	250
Security of Internet Facing Websites	<ul style="list-style-type: none"> Determine whether agencies' internet facing websites are adequately protected to ensure data confidentiality, integrity, and availability. Focus on web sites that have access to confidential (PII, HIPAA, FERPA, etc.) and mission critical data. Review the Commonwealth's security standard and whether it adequately addresses industry best practices for web site security. 	470

Special Projects Total

11,575

Agencies and Institutions Proposed Budget

By Branch and Secretariat

JUDICIAL BRANCH

Financial related audits of these agencies ensure the adherence to state laws and regulations and proper recording, internal controls, and management of funds. The audit of Supreme Court includes the Office of the Executive Secretary of the Supreme Court, the Clerk of the Supreme Court, the Clerk of the Court of Appeals, and the Judicial Inquiry and Review Commission.

Local Fines and Fees Reversion Calculation	25
Supreme Court	650
Virginia Board of Bar Examiners	100
Virginia State Bar	220

EXECUTIVE DEPARTMENTS

Executive Offices

Financial related audits of these agencies ensure the adherence to laws and regulations and proper recording, internal controls, and management of funds to support the executive management of the Commonwealth. Office of the Governor includes the Office of the Lieutenant Governor, Cabinet Secretaries, and Selected Agency Support Services, which include the Secretary of the Commonwealth, Interstate Organization Contributions, Virginia-Israel Advisory Board, Office for Substance Abuse Prevention, and Citizens Advisory Council.

Attorney General and Department of Law	500
Governor, Lieutenant Governor, Cabinet Secretaries	400

Administration

Financial related audits of these agencies ensure the adherence to state laws and regulations and proper recording, internal controls, and management of funds to support central service agency operations.

Department of General Services	275
Department of Human Resource Management	250
Department of Minority Business Enterprises	380

Agriculture and Forestry

This financial related audit ensures the adherence to state laws and regulations and proper recording, internal controls, and management of funds to support agricultural and consumer protection programs. It also includes the operations of the 16 commodity boards.

Department of Agriculture and Consumer Services	600
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EXECUTIVE DEPARTMENTS, continued**Commerce and Trade**

The audit of the Virginia Employment Commission supports the Comprehensive Annual Financial Report (CAFR) audit and Statewide Single Audit of federal funds. Financial related audits of the remaining agencies satisfy various Code of Virginia requirements and ensure the adherence to laws and regulations and proper recording, internal controls, and management of funds to support commerce and trade programs.

Department of Business Assistance	300
Department of Housing and Community Development	400
Racing Commission	250
State Board of Accountancy	200
Virginia Economic Development Partnership	370
Virginia Employment Commission	2,350
Virginia Tourism Authority	180

Education

Financial statement audits of the two and four year institutions of higher education satisfy bond and reaccreditation requirements. The financial related audit of the Department of Education supports the CAFR audit and ensures the adherence to laws and regulations and proper recording, internal controls, and management of funds to support education related programs.

Department of Education	1,065
Virginia Biotechnology Research Park Authority	460
Christopher Newport University	1,550
George Mason University	1,890
James Madison University	1,600
Longwood University	1,630
Norfolk State University	2,240
Old Dominion University	1,790
Radford University	1,720
The College of William and Mary	1,950
University of Mary Washington	1,650
University of Virginia	3,500
University of Virginia Medical Center	2,400
Virginia Commonwealth University	2,780
Virginia Community College System	4,480
Virginia Educational Institute	100
Virginia Military Institute	1,455
Virginia Polytechnic Institute and State University	2,700
Virginia State University	2,250

EXECUTIVE DEPARTMENTS, continued**Finance and Statewide Single Audit**

Audits of the Finance agencies support the CAFR; Statewide Single Audit of federal funds; and the debt management, investing, budgeting, and revenue collection functions of the Commonwealth. Department of the Treasury includes the Virginia Public Building Authority, Virginia Public School Authority, Virginia College Building Authority, and the Local Government Investment Pool.

Report on Secretary of Finance Agencies	200
Department of Accounts/CAFR	8,235
Statewide Single Audit Report	1,120
Department of the Treasury	2,255
Department of Planning and Budget/Appropriations	550
Department of Taxation	3,200
Revenue Stabilization Fund	200

Health and Human Resources

Audits of the HHR agencies support the Statewide Single Audit of federal funds; CAFR; and reviews the agencies efforts to prepare for Healthcare Reform. Report on Secretary of Health and Human Resources Agencies includes the Departments for the Blind and Vision Impaired, for the Deaf and Hard-of-Hearing, of Health Professions, the Board for People with Disabilities, and the Office of Comprehensive Services for At-Risk Youth and Families, as well as the agencies below. The budget hours for the Office of Comprehensive Services for At-Risk Youth and Families are included within the Department of Education since they serve as the fiscal agent for this program.

Report on Secretary of Health and Human Resources Agencies	1,100
Department of Aging and Rehabilitative Services	560
Department of Behavioral Health and Developmental Services	1,200
Department of Health	1,420
Department of Medical Assistance Services	2,400
Department of Social Services	2,900

Natural Resources

These financial related audits ensure the adherence to laws and regulations and proper recording, internal controls, and management of funds to support natural resource programs at each agency.

Department of Game and Inland Fisheries	620
Potomac River Fisheries Commission	80

Public Safety

Financial related audits of these agencies ensure the adherence to state laws and regulations and proper recording, internal controls, and management of funds to support the public safety programs at each agency. The financial statement audit of the Department of Alcoholic Beverage Controls supports the CAFR audit and satisfies various legislative requirements.

Department of Alcoholic Beverage Control	1,440
Department of Corrections	1,375
Department of Criminal Justice Services	280
Department of Emergency Management	440

EXECUTIVE DEPARTMENTS, continued**Technology**

The financial related audit of VITA ensures adherence to state and federal laws and regulations and proper recording, internal controls, and management of funds to support information technology related programs of the Commonwealth. The financial statement audit of IEIA/CIT satisfies bond and Code of Virginia requirements.

Virginia Information Technology Agency	920
Innovation and Entrepreneurship Investment Authority/Center for Innovative Technology	400

Transportation

Financial related audits of these agencies support the CAFR audit and ensure adherence to laws and regulations and proper recording, internal controls and management of funds to support statewide transportation programs. The results of these audits are included in the Report on the Secretary of Transportation Agencies.

Report on Secretary of Transportation Agencies	275
Department of Aviation	175
Department of Motor Vehicles	1,225
Department of Rail and Public Transportation	350
Department of Transportation	3,380
Motor Vehicle Dealer Board	60

Veterans Affairs and Homeland Security

This financial related audit ensures the adherence to laws and regulations and proper recording, internal controls, and management of funds and covers both the Department of Veterans Services and the Veterans Services Foundation.

Veterans Services	475
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INDEPENDENT AGENCIES

Financial statement and financial related audits of these agencies support the CAFR audit, ensure adherence to state laws and regulations and proper internal controls, and satisfy various legislative requirements.

Assistive Technology Loan Fund Authority	120
State Corporation Commission	550
State Lottery Department	1,550
Tobacco Indemnification and Community Revitalization Commission	270
Virginia College Savings Plan	1,100
Virginia Healthy Workforce Development Authority	100
Virginia Office for Protection and Advocacy	200
Virginia Retirement System	2,435
Virginia Small Business Financing Authority	240
Virginia Foundation for Healthy Youth	200
Wireless E-911 Service Board	165

LOCAL GOVERNMENTS, CLERKS, AND COURTS

Compliance audits of these local government entities and constitutional officers ensure adherence to state laws and regulations and accountability for state funds.

State Accounts (132)	4,100
Judicial Entities: Circuit Courts (120), District Courts (209), General Receivers (10)	12,400
Comparative Report and Quality Reviews	2,600

CYCLED AGENCIES

The following agencies are subject to audit testing when identified using various risk assessment tools and the results of prior audits. We audit these agencies on a one, two, or three-year cyclical basis considering the identified risk. Financial related audits of these agencies ensure adherence to laws and regulations and proper recording, internal controls, and management of funds for the programs they administer.

Cycled Agencies	6,000
<ul style="list-style-type: none"> A.L. Philpott Center Commonwealth Health Research Fund Commonwealth's Attorneys' Services Council Compensation Board Department of Conservation and Recreation Department of Criminal Justice Services Department of Environmental Quality Department of Fire Programs Department of Forensic Science Department of Forestry Department of Health Professions Department of Historic Resources Department of Juvenile Justice Department of Labor and Industry Department of Military Affairs Department of Mines, Minerals, and Energy Department of Minority Business Enterprise Department of Professional and Occupational Regulation Department of State Police Gunston Hall 	<ul style="list-style-type: none"> Frontier Culture Museum of Virginia Indigent Defense Commission Jamestown-Yorktown Foundation Library of Virginia Marine Resources Commission New College Institute Rappahannock River Basin Commission Roanoke River Basin Commission Science Museum of Virginia Southern Virginia Higher Education Center Southwest Virginia Higher Education Center State Board of Elections State Council for Higher Education in Virginia Virginia Commission for the Arts Virginia Criminal Sentencing Commission Virginia Museum of Fine Arts Virginia Museum of Natural History Virginia School for the Deaf and Blind Workers Compensation Commission

Agency Officials

Martha S. Mavredes
Auditor of Public Accounts

Staci A. Henshaw
Deputy Auditor of Public Accounts

Directors and Managers by Specialty Area

Acquisitions and Contract Management	J. Michael Reinholtz, Director
Budgeting and Performance Management	Linda C. Wade, Director
Capital Asset Management	DeAnn B. Compton, Director
Compliance Assurance	George D. Strudgeon, Director
Comprehensive Annual Financial Report	LaToya D. Jordan, Director
Data Analysis	April V. Gunn, Director
Higher Education Systems	Eric M. Sandridge, Director
Human Resources and Business Operations	Roland N. Turner, Director Carnell N. Bagley, Procurement Manager Berkeley A. R. Wolford, Human Resources Manager Jennifer D. Eggleston, PeopleSoft Manager
Local Government and Judicial Systems	Laurie J. Hicks, Director
Information Systems Development	Karen K. Helderan, Director
Information Systems Security and Office Technology	Goran G. Gustavsson, Director Wendi T. James, Office Technology Manager
Reporting and Standards	Staci A. Henshaw, Director
Strategic Risk Management	Jennifer P. Bell Schreck, Director

Salary Scales

Letter Requesting Approval of Salaries



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

May 13, 2013

Members, Joint Legislative Audit and Review Commission
General Assembly Building
Capitol Square
Richmond, Virginia 23219

Members:

Pursuant to Sections 2.2-2901 and 30-132 of the Code of Virginia, the Commission establishes the scales of pay and number of positions for this Office. The Commission last established the scales and positions on May 9, 2011. In accordance with Item 468 P.3. of Chapter 806 of the 2013 Acts of the Assembly, we request that our minimum salaries be increased by two percent and maximum salaries be increased seven percent plus an additional \$1,950 effective on July 25, 2013, as shown on the proposed salary scales. This will cover implementation of the two percent salary increase in Item 468 P.1. and the salary compression compensation adjustment in Item 468 S.

While we do not anticipate exceeding the authorized number of positions, the foregoing is subject to the usual understanding that this Office retains the flexibility to staff in excess of the authorized number of positions so long as the costs remain within our appropriation.

Sincerely,

Martha S. Mavredes
Auditor of Public Accounts

Salary Scales
Proposed Salary Scales

COMMONWEALTH OF VIRGINIA
AUDITOR OF PUBLIC ACCOUNTS

PROPOSED SALARY SCALES

Position	Number of Positions		Present Scale	Proposed Scale
	2013	2014		Effective July 25, 2013
Deputy Auditor	1	1	\$89,456 - \$154,384	\$91,245 - \$167,141
Project Leader	14	14	68,481 - 142,678	69,851 - 154,616
Auditor	88	88	45,870 - 92,095	46,788 - 100,491
Staff	<u>27</u>	<u>27</u>	28,218 - 61,693	28,782 - 67,962
Total	<u>130</u>	<u>130</u>		