Finance Department

The mission of the Eau Claire County Finance Department is to facilitate the effective and efficient use of County resources and to provide a record and accountability for those resources. The Finance Department provides administrative support to the county board and county departments for payroll functions, accounts payable, accounts receivable, budgeting, accounting, and financial reporting on a timely and accurate basis. The Finance Department is responsible for the overall accounting, payroll, budgeting, and auditing functions of the county as well as central County Purchasing. In addition, the department coordinates capital borrowing and debt management as well as providing technical assistance on financial management to all stakeholders of the County. The goal of the department is to provide accurate and timely data that provides insight and contributes to the overall fiscal management of Eau Claire County.

Program Performance Management Outcomes

The primary programs for the Finance Department includes: General Accounting, Budgeting Administration, Fiscal Oversight and Purchasing. The department strives to be an effective business partner to the various departments within the County. During 2019 the department made significant strides in increasing the interaction between staff and departments as well as committees, particularly working more closely with fiscal employees working within departments through the assignment of a Finance partner to each department

The processing and support of Accounts Payable during 2019 has transitioned to become more focused on internal auditing of department invoice entry and processing. The accounts payable process continues to be evaluated for process improvements and effective cash management. During 2019, the department issued 13,376 checks and processed 375 form 1099s by the appropriate due dates. The number of checks written in 2019 was relatively flat to the number written in 2018.

During 2019, the payroll team completed the county implementation of the new time and attendance tool: NetTime. By the middle of 2019, all County departments, were fully operational with NetTime. During 2019, Payroll processed paychecks and W-2s in accordance within the deadlines established. Response time to employee questions was timely and any issues were resolved efficiently.

Starting in 2019, the Finance department assumed responsibility for the Purchasing function and Purchasing was no longer considered a separate department. In support of this transition, the county contracted with the City of Eau Claire for a .5FTE Purchasing Manager to assist in the management. The Purchasing focus in 2019 was the establishment of operational metrics, the streamlining of procurement processes and an emphasis on vendor management and increased internal control.

2019 Accomplishments

The Finance Department during 2019 made considerable progress on the objectives for 2019, particularly with regards to establishing consistent and timely financial reporting to departments as well as the County Board. Overall, the department was able to establish sound working relationships with fiscal support staff within departments as well as provide additional finance support to oversight committees. The continued monthly extended fiscal staff meetings provided additional opportunity to strengthen extended finance relationships as well as provide a forum for discussion of relevant financial policies, practices, and creation of greater consistency in handling of financial matters.

The major initiatives accomplished by the Finance department during 2019 includes:

1. Establishment and implementation of a consistent monthly close process and timely release of finance reporting.
2. Establishment of consistent quarterly finance management reporting for each department, oversight committees, and the County Board.
3. Continued process improvement in the budget process, reducing duplicate meetings and providing more analytical time for review.
4. Establishment of Finance SharePoint sites to provide common points of access for financial information.
5. Increased automation of monthly allocation processes for purchasing card, phone, and copier charges through use of a SharePoint site.
6. Internal completion of all external financial reporting for 2018 financials.
7. Successful completion of the 2018 external audit with fewer audit entries then the prior year.
8. Continued financial partnership with departments, providing financial guidance and support for financial matters relevant to their department.
9. Implementation of formalized quarterly investment and cash reviews and increased cash awareness to departments and the County Board.
10. Implementation of key purchasing metrics and assessment of purchasing processes for improvement and efficiencies where possible.
11. Update of the purchasing card policy and implementation of annual training for purchasing card users.
12. Implementation of a monthly internal auditing of purchasing card transactions.
13. Implementation of new rules for establishment of purchasing vendors to support increased internal control.

Alignment with Strategic Plan

Funding & Revenue Generation: The Finance Department continues to work on improving monthly and quarterly financial reporting information in partnership with departments and the County board. In addition, the implementation of a consistent quarterly reporting package provides continuity to the Finance & Budget Committee, oversight committees, and ultimately, the County Board. In addition, the Finance Department continues to review and evaluate current department procedures in order to implement more efficient data handling. This includes clearer

financial policies, streamlined reconciliation processes, and more reliance on capabilities within the Alio software.

Communication: Members of the Finance Department have been conducting regular monthly meetings with department fiscal support employees to foster more collaboration and interaction with Finance. The monthly meetings provide a mechanism to strengthen the business partnerships between Finance and the departments.

Issues and Challenges Ahead

The greatest challenge for the Finance Department in 2020 will be dealing with the anticipated revenue shortfalls that will occur as a result of the COVID pandemic. There will be an increased need for development of forecasting tools that don't currently exist and place a high need for monitoring the county fiscal and cash position. The shortage of staff will place an increased burden on remaining staff and require prioritization of objectives. The department continues to transition from a focus on transactional processing to a that of strategy and the future. Implementation of new technologies and training staff will continue to be a challenge given the fiscal constraints.

Overall, the continued fiscal challenges facing the County will require additional support and assistance from the Finance Department. Creating the time and resource availability to support financial sustainability will be a challenge for the department, especially considering the relatively short tenure of the staff and the limited opportunities for training.

Future Opportunities

The Finance Department is under-staffed by one position and will continue to balance workloads within the department to accomplish the objectives required. With the stability of financial leadership in place, the department staff will have leadership to provide priority and focus. The department will continue to work on enhancing the business partnerships that have been formed between Finance and the departments, with a focus on financial education, consistency, and business support.

In support of continuous process improvement in the department, a number of financial processes and procedures have been identified in which efficiencies can be improved through a greater dependence upon technology. In 2020, one focus will be on automating manual processes and working toward a paperless environment in processing Accounts Payable and archiving supporting data.

In addition, a focus in 2020 will be on fiscal oversight, taking the form of improved financial reporting as well as more structured financial analysis and awareness. The addition of new account segments to the chart of accounts for 2021 will provide opportunity to enhance the financial reporting granularity that isn't possibly with the current financial account structure.

The new financial reports created using these new account segments, as well as new processes and procedures, will support greater financial awareness to the oversight committees, the County Board, employees, and citizens and should assist in providing beneficial financial management reporting.

The Finance Department has been working closely with County Administration on highlighting financial sustainability and support of that initiative will be another area of focus in 2020, even more relevant as a result of the COVID pandemic. The current state of the County necessitates continued assessment of fiscal priorities to balance the needs of the County with the available resources. It will continue to be the County's goal to decrease its dependence on borrowing to finance capital projects and require continued research of alternative revenue sources.

The major initiatives for the Finance Department during 2020 include:

1. Implement the new account segment structure in preparation for the 2021 budget process and develop follow-on reporting to utilize the new structure.
2. Modify 2021 budget procedures and structure to utilize the new account segments.
3. Complete 2019 external audit with fewer audit adjustments than the previous year and with less external audit fees.
4. Prepare the 2019 financial statements internally with no outside assistance.
5. Develop and implement a set of base financial policies and modify existing County code structure as appropriate to support the policies.
6. Implement process/procedures for scanning, processing, and archiving of County invoices.
7. Develop and implement processes/procedures to transition to use of vendor payment terms within Alio.
8. Continue to assess transition of vendor payments to ACH where applicable.
9. Begin assessment of internal controls environment across departments.

Finance Performance Metrics			
Provide financial information and insight, budgetary assistance/training and purchasing support to all county departments, employees, elected officials, outside agencies, and other customers. Produce the annual financial statements and support the annual external audit and single audit reports as well as file the appropriate state and federal documentation as required. Support the financial internal controls for the County as well as financial policies and County code requirements.			
OUTPUTS			
General Finance	**2017**	**2018**	**2019**
Number of PBC (prepared by County staff/client) audit adjustments and value posted. (new measure)		19	N/A
Number of non-PBC audit adjustments and value posted. (new measure)		35	N/A
Number of policies drafted/adopted.	n/a	1	0
Percent of cash and accounts receivable accounts reconciled on an monthly/quarterly basis.	n/a	99.2%	100.0%
Number of journal vouchers posted during the year (new measure)			1,097
Number of new Alio accounts created during the year (new measure)			193
Number of vendor payments processed during the year. (new measure)	13,826	13,351	13,376
Number of 1099's issued during the year:		350	375
Payroll			
Number of paychecks processed	15,391	17,061	16,804
Number of payroll adjustments required (new measure)			626
Number of employee changes processed-new hires/terminations/changes (new measure)			369
Number of reports prepared and provided to other county departments, outside agencies, and other customers.		238	164
Purchasing			
Number & dollar amount of procurement bids processed during the year (new measure)		12/$2M	16/$2.6M
Number & dollar amount of RFPs processed during the year (new measure)		9/$6.7M	7/$2M
Number & Dollar amount of POs issued during the year (new measure)		517/$16.7M	574/$20.4M
Number of transactions and dollar amount of procurement card spending (new measure)		7054/$1.115M	6099/$1.019M
Number of new vendors added (jurors) during the year (new measure)		not measured	706
Number of new vendors added (non-jurors) during the year (new measure)		All - 678	730
Number of vendor change requests processed during the year (new measure)		361	739