



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 09/23/13)

Board Clerk Use Only

Meeting Date: 12/12/13
Agenda Item #: R.4
Est. Start Time: 10:20 am
Date Submitted: 11/26/13

Agenda Title: RESOLUTION Acknowledging a budget violation incurred in fiscal year 2013 and describing the Sheriff's Office Corrective Action Plan as prescribed in ORS 297.466.

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: December 12, 2013 **Time Needed:** 5 Minutes

Department: MCSO **Division:** Fiscal Unit

Contact(s): Wanda Yantis, Drew Brosh

Phone: (503) 988-4455 **Ext.** x84455 **I/O Address:** 503/3/MCSO

Presenter

Name(s) &

Title(s): Sheriff Daniel Staton and Business Services Division Chief Deputy Drew Brosh

General Information

1. What action are you requesting from the Board?

Approval for the resolution on MCSO's corrective action plan for the FY13 budget violation in the amount of \$508,000 over-spending in the General Fund.

Language per ORS 297.466 – procedure for determining and correcting deficiencies

Upon receipt of an audit report under ORS 297.465 the governing body of a county or city shall determine the measures it considers necessary to correct any deficiencies disclosed in the report. The governing body shall adopt a resolution setting forth the corrective measures it proposes and the period of time estimated to complete them.

(3) Within 30 days after a county or city files a copy of its audit report with the Secretary of State under ORS 297.465 a copy of the resolution prepared under subsection (2) of this section shall also be filed. Upon receipt of the audit report and the resolution, the Secretary of State shall either acknowledge the city or county's plans to correct deficiencies cited in the audit report or notify the county or city of those deficiencies which, if not corrected, could result in withholding of funds under this section. At the request of the governing body of the city or county the Secretary of State shall make suggestions for correcting those deficiencies. If the governing body of the county or city does not agree with the notification by the Secretary of State, it shall be granted an opportunity for a conference regarding the notification, audit determinations or corrective measures to be

taken.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The budget violation in the General Fund was primarily due to an unprecedented increase in personnel overtime costs due to suicide watch hour requirements for the Corrections Division which was not adequately identified in Fiscal Unit forecasts. For FY13, the suicide watch totaled 13,000 hours above the budgeted hours which cost roughly \$1 million dollars in unbudgeted overtime spending,

MCSO is required to develop a corrective action plan to address budget violations noted in the external auditor's report. The corrective action plan is presented to the Board and the resolution documents the Board's acknowledgement of the corrective action plan. The Board's approval of this resolution is required by the Secretary of State, Audits Division within 30 days of the filing the CAFR with the State.

In order to prevent future occurrences of noncompliance, Sheriff's Office management has improved both financial and operational reporting, is conducting formal monthly reviews of expenditures and revenues to ensure potential over-spending is identified early allowing time to develop a corrective action plan or take other necessary measures. The Sheriff's Office recognizes we are accountable to the Board for any over-spending and that any corrective action plan or requests for budget modifications will be initiated by Sheriff's Office management.

3. Explain the fiscal impact (current year and ongoing).

The over-expenditure is a violation of Oregon Budget Law ORS 294.100: It is unlawful for any public official to expend any moneys in excess of the amounts provided by law, or for any other or different purpose than provided by law. The Sheriff's Office corrective action plan to prevent future over-spending is addressed in the Board resolution. There is no immediate fiscal impact.

4. Explain any legal and/or policy issues involved.

No County Policy to reference, however, this over-expenditure violates ORS 294.100 and ORS 297.466 requires the County file the approved Board resolution with the Secretary of State.

5. Explain any citizen and/or other government participation that has or will take place.

None.

Required Signature

**Elected
Official or
Department**

Director: Daniel Staton by (Drew Brosh) \s\

Date: 11/26/13

Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.