



Orange County, California
Registrar of Voters (ROV)
Performance Audit

Final Report

July 2023



TABLE OF CONTENTS

COVER LETTER 1

EXECUTIVE SUMMARY 2

BACKGROUND INFORMATION 2

AUDIT SCOPE 2

AUDIT OBJECTIVES 2

AUDIT METHODOLOGY 2

AUDIT OBSERVATIONS 3

ADMINISTRATION 6

 ACCOUNTING 6

 BUDGET 9

 HUMAN RESOURCES 11

 PROCUREMENT 18

OPERATIONS 22

 FACILITIES MANAGEMENT 22

 INFORMATION TECHNOLOGY 24

COVER LETTER

July 26, 2023

Lilly T. Simmering
County of Orange
400 W. Civic Center Drive, 5th Floor
Santa Ana, CA 92701

Dear Ms. Simmering:

MGT of America Consulting, LLC (MGT) is pleased to submit our audit report of the Orange County (County) Registrar of Voters (ROV or Department) performance audit. The County contracted with MGT to conduct a performance audit of the ROV administrative operations including accounting, budgeting, facilities management, human resources, information technology, procurement and non-administrative functions supported in the service areas.

MGT conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS), except for obtaining management's response and including it in the final audit report. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. MGT believes that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

This report provides the County with an independent and objective analysis that presents information concerning the activities reviewed. Although MGT exercised due professional care in the performance of this audit, this should not be construed to mean that unreported noncompliance or irregularities do not exist. Audit procedures alone, even when carried out with professional care, do not guarantee that fraud or abuse will be detected.

MGT appreciates the cooperation and professional courtesies extended to the team.

Sincerely,

MGT of America Consulting, LLC

MGT
TAMPA, FLORIDA

EXECUTIVE SUMMARY

BACKGROUND INFORMATION

The Department is responsible for conducting elections in Orange County, the fifth largest voting jurisdiction in the United States with 1.8 million registered voters. ROV is a County agency, which receives funding from the County's General Fund and periodic reimbursement from the federal government, the State of California, and local jurisdictions. ROV staff includes 67 full-time staff and numerous extra help employees who support various election related positions representing the broad spectrum of Orange County's population. The Department is responsible for all components of election management, including voter registration, Vote Center staff and location recruitment, ballot creation, voting system security, ballot processing and vote tallying, community outreach and education, and candidate services such as candidate filing and campaign finance.

AUDIT SCOPE

The County contracted with MGT to conduct a performance audit of the ROV administrative operations including accounting, budgeting, facilities management, human resources, information technology, procurement, and non-administrative functions supported in the service areas. This report presents the results of our performance audit.

AUDIT OBJECTIVES

The performance audit had the following primary objectives:

- ◆ Review of the current organizational structure and operations and make recommendations for enhanced efficiency within existing resources; this includes review of the administrative functions of the ROV and the working relationships between each of the units to identify any areas for streamlining operations.
- ◆ Review of ROV service areas and the level of working knowledge between administrative services and other service areas to identify opportunities to streamline operations and improve quality of internal customer service delivery.
- ◆ Review policies, practices, and procedures and identify opportunities for streamlining and reducing costs, expanding efficiencies, and applying best practices. Include any estimated costs/savings for recommendations, if applicable.
- ◆ Review current use of technology and make recommendations for improvements and enhanced efficiency.
- ◆ Review of the departmental and industry standards and metrics against the Department's metrics.

AUDIT METHODOLOGY

- ◆ Coordinated with the CEO's Office to gain an understanding of the scope and objectives of the audit.
- ◆ Obtained and documented an understanding of the ROV and its functions.
- ◆ Held fraud discussions with management.
- ◆ Interviewed key personnel, reviewed policies and procedures, and flowcharted processes to gain an understanding of relevant internal controls.

- ◆ Evaluated relevant internal controls.
- ◆ Interviewed appropriate personnel and conducted surveys to gain an understanding of the working knowledge between the administrative functions and the service areas.
- ◆ Interviewed members of the ROV management team⁽¹⁾ and reviewed policies and procedures to gain an understanding of performance metrics used by the functions under audit to assess performance.
- ◆ Performed research to obtain an understanding of industry standards and metrics used to assess performance for the functions under audit.
- ◆ Analyzed a listing of invoices processed from January 1, 2022, through December 31, 2022, to gain an understanding of the amount of time it takes the ROV's accounting function to process invoices. Selected 10 invoices for additional audit testing.
- ◆ Interviewed members of the ROV staff and obtained and reviewed the Budget Performance Budgeting (PB) Instructions and Budget Calendar to gain an understanding of the budget process.
- ◆ Analyzed a listing of hirings from January 1, 2022, through December 31, 2022, and permanent position vacancies as of December 31, 2022, to gain an understanding of the amount of time it takes for ROV's human resources function to hire permanent and temporary employees.
- ◆ Obtained and reviewed the ROV's current organizational chart.
- ◆ Discussed the ROV's organizational structure and operations with a subject matter expert.
- ◆ Analyzed a listing of facilities related work orders processed from January 1, 2022, through December 31, 2022, to gain an understanding of the amount of time it takes the ROV's facilities management function to close work orders. Selected 10 facilities work orders for additional audit testing.
- ◆ Analyzed a listing of procurement requisitions processed from January 1, 2022, through December 31, 2022, to gain an understanding of the amount of time it takes the ROV's procurement function to process procurement requisitions. Inquired with management about certain requisition types that take longer to close.
- ◆ Analyzed a listing of IT related work orders processed from January 1, 2022, through December 31, 2022, to gain an understanding of the amount of time it takes the ROV's IT function to close work orders. Selected 10 IT work orders for additional audit testing.
- ◆ Evaluated and documented audit procedures results.

AUDIT OBSERVATIONS

The audit observations associated with each audit objective are presented in Exhibit 1 below, specific details and recommendations are included in the applicable section of the report.

(1) –When referencing the members of the ROV management team, we are referring to the Registrar of Voters, Deputy Director of Administration, Deputy Director of Operations, IT Manager, and Election Logistics and Warehouse Manager

**Exhibit 1 – Audit
Observations**

FUNCTIONAL AREA	AUDIT OBSERVATIONS
Accounting	<ol style="list-style-type: none"> The accounting team audits billable charges to ensure they are in-line with the contract and validates received status of goods/services prior to payment. However, there are opportunities for improvement as it relates to the communication between the accounting function and managers of the service areas and the overall satisfaction of the accounting function’s internal customers. Although the Deputy Director of Administration’s goal is to process invoices for payment within seven days, the accounting function does not have any formal performance metrics to evaluate whether the function is meeting its goals. Additionally, an analysis disclosed that approximately 12 percent of invoices received during January 1, 2022, through December 31, 2022, were processed for payment by the ROV within seven days of receiving it.
Budget	<ol style="list-style-type: none"> The Budgeting Function collaborates with County Budget to create the yearly budget for the ROV. However, there is opportunity for improvement as it relates to communication between the budget function and managers of the service areas and the overall awareness of the budget by the managers of the service areas. The budget function has not established formal performance metrics to evaluate the performance of the function.
Human Resources	<ol style="list-style-type: none"> The human resources function collaborates with the County’s Central HR regarding hiring and performance reviews. Currently, the Department hires full time employees faster than the industry average. However, there is opportunity for improvement as it relates to communication and training between the human resources functions and managers of the services areas and the overall understanding of the function by the service areas. The Human Resource Function should work with the County’s Central HR to develop a plan that would decrease the overall time it takes to have a recruiter assigned to the ROV for hiring a permanent employee. Although the human resources function does have a stated performance metric regarding hiring temporary employees, this metric is not measurable by the Department. The Department should consider developing performance metrics that are measurable for the different responsibilities within the human resources function. The current organizational structure is not clear in representing employee’s reporting structure. The dotted lines between the managers add complexity and confusion to the organizational structure.

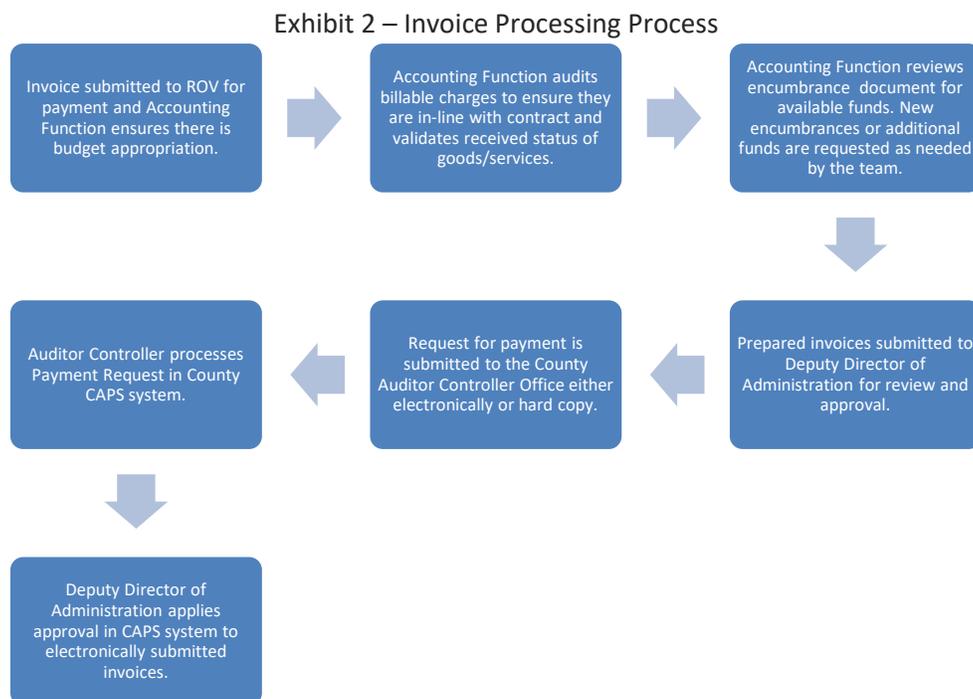
FUNCTIONAL AREA	AUDIT OBSERVATIONS
Procurement	<ol style="list-style-type: none"> 1. Procurement requisitions go through a review process to ensure that there is sufficient budget to account for the expenditure and the proposed purchase complies with applicable policies and procedures and laws and regulations. However, there are opportunities for improvement as it relates to the communication and working knowledge between the procurement function and managers of the service areas. 2. Although the Deputy Director of Administration’s goal is to assign procurement requisitions to one of the two Deputy Purchasing Agents within two days of received, the procurement function does not have any formal performance metrics to evaluate whether the function is meeting its goals. Additionally, an analysis disclosed that approximately 86 percent of requisitions received during January 1, 2022, through December 31, 2022, were completed within seven days of being assigned to a buyer.
Facilities Management	<ol style="list-style-type: none"> 1. The facilities management function completed 83 percent of the work orders during the period January 1, 2022, through December 31, 2022, within seven days, which is the goal set by the Deputy Director of Operations. However, the function has not established formal policies and procedures and performance metrics.
Information Technology	<ol style="list-style-type: none"> 1. The Department’s information technology function provides support for all software in production and assists in troubleshooting operating system and network connectivity issues. However, there are opportunities for improvement as it relates to the overall satisfaction of the information technology function internal customers. 2. Although the IT Manager’s goal is to review IT work orders within hours of being received, the information technology function does not have any formal performance metrics to evaluate whether the function is meeting its goals. Additionally, an analysis disclosed that approximately 68 percent of the work orders closed during January 1, 2022, through December 31, 2022, were completed within seven days of being received.

ADMINISTRATION

ACCOUNTING

Background

The Deputy Director of Administration oversees the accounting function. The function is comprised of the Senior Accounting Auditor, Accounting Auditor II, and Sr Accounting Specialist. The accounting function is responsible for performing the accounts payable, accounts receivable, and payroll related activities. During the period January 1, 2022, through December 31, 2022, the accounting team processed 1,627 invoices for payment. Exhibit 2 below presents a high-level overview of the invoice processing process.



Source: Created by MGT and confirmed by the Deputy Director of Administration

Audit Procedures & Conclusions

MGT interviewed key personnel, reviewed relevant internal policies and procedures, and reviewed supporting documents to gain an understanding of the processes within the accounting function. MGT also conducted a survey to gain an understanding of the quality of internal customer service delivered by the accounting function. A total of seven managers responded to the accounting-related survey questions. The results of the surveys were as follows:

- ◆ 29% (2 out of 7) of the managers indicated that they are satisfied with the accounts payable function of the ROV.
- ◆ 57% (4 out of 7) of the managers indicated that they are satisfied with the performance of the payroll function of ROV.
- ◆ 43% (3 out of 7) of the managers indicated that they are satisfied with the accounting function overall.
- ◆ A respondent included a comment that he/she is not aware of the functions, roles, and responsibility of the accounting team and sends everything directly to the Deputy Director of Administration.

MGT also interviewed the Deputy Director of Administration to gain an understanding of the performance metrics currently being used to assess the performance of the accounting function. Per the Deputy Director of Administration, there are currently no formal performance metrics being used to assess the performance of the accounting function; however, the desire is to process invoices for payment within seven days. Furthermore, MGT obtained a listing of invoices paid through the period January 1, 2022, through December 31, 2022. E-commerce transactions accounted for 129 out of the 1,627 invoices processed for payment by the ROV during the scope period. E-commerce transactions from Staples and Office Depot are automatically sent to the Auditor Controller's Office for payment by the vendor and the ROV's electronic approvals are pulled to confirm the order (no processing is required from the ROV). An analysis of the remaining 1,498 invoices listing disclosed the following information:

- ◆ 12% (180 out of 1,498) of the invoices were processed by ROV for payment within seven (7) days.
- ◆ 10% (153 out of 1,498) of the invoices were processed for payment by the ROV between 8 to 14 days.
- ◆ 34% (512 out of 1,498) of the invoices were processed for payment by the ROV between 15 to 30 days.
- ◆ 44% (653 out of 1,498) of the invoices were processed for payment by the ROV after 30 days of receiving it.

In addition, MGT selected 10 invoices out of the 1,165 invoices that took longer than 14 days to process for audit testing. For the 10 invoices, MGT inquired with management to gain an understanding of the reason(s) that it took these invoices longer than usual to process.

In response to the survey results, the Registrar of Voters stated that he is working with the management team to establish new management expectations and culture, which has likely resulted in members of the management team wanting to gain more understanding of all processes within the Department. During the first year of his tenure, the Registrar of Voters introduced his expectations for his management team but postponed significant work on updating the Department culture as the department conducted four elections from June 2022 through January 2023. As it relates to the timing for processing invoices, Deputy Director of Administration indicated that there are cases in which the original invoice was not received by the Department on the data listed in the data, due to data entry errors that were identified when gathering the data for the audit and there are cases in which the accounts payable team experienced a delay in processing some of the invoices.

Lack of communication between the accounting function and the service areas increases the risk that service area managers do not fully understand the accounting function and how proper use of accounting resources can help increase efficiencies throughout the ROV. Additionally, not having key performance indicators increases the risk that the accounting function does not identify areas in which the function is not performing well, and customer satisfaction is relatively low.

Recommendations

- ◆ Consideration should be given to increasing accounting related training among ROV staff to ensure that all members of the ROV are aware of appropriate accounting policies and procedures to enhance the process and working knowledge. The accounting function should also periodically conduct surveys to evaluate the satisfaction of their internal customers and obtain feedback for process improvement.
- ◆ MGT recommends the Accounting Function implements key performance metrics, including days payable outstanding, invoice cycle time, invoice exception rate, payment error rate, and customer

satisfaction. In addition, the Accounting Function should enhance procedures to ensure that invoices are processed in a timely manner as desired by ROV management.

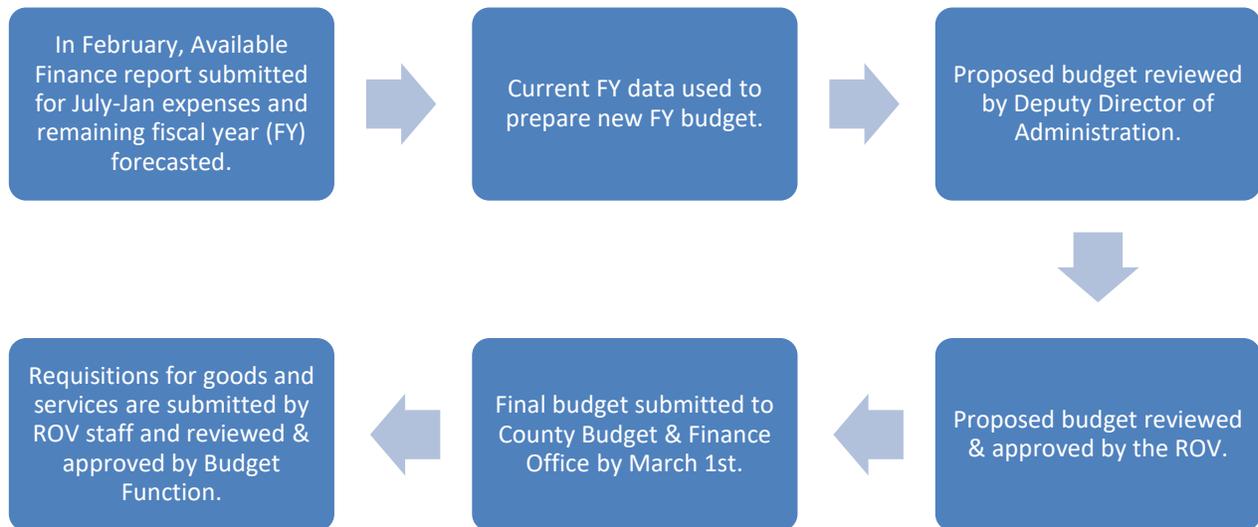
BUDGET

Background

The Deputy Director of Administration oversees the budget function. The function is comprised of the Deputy Director of Administration, Senior Accountant Auditor, and Accountant Auditor I. The budget function is responsible for budget creation, forecasting, and reviewing the budget prior to submission to the County. The Deputy Director of Administration attends weekly manager meetings in which upcoming needs are discussed and uses this information to plan for upcoming expenditures.

ROV creates an overall budget based on needs and historical trends. The budgeted amount for certain expense items (i.e., internal service funds, salaries, and benefits) are given by the County’s Budget & Finance Office. Prior to the creation of a new fiscal year budget, current fiscal year expenses are reviewed, and remaining expenses are forecasted. Midway through the year, a second Available Finance report for the current fiscal year is submitted to the County’s Budget & Finance Office for review. The ROV budget team utilizes this data from the current fiscal year to prepare for the upcoming fiscal year budget. Final budget recommendations are reviewed and approved by the Registrar of Voters prior to submission to the County. The deadline for the budget to be submitted to the County is March 1st of each year. Exhibit 3 below presents a high-level overview of the budgeting process.

Exhibit 3 – Budgeting Process



Source: Created by MGT and confirmed by the Deputy Director of Administration

In the current budget process, the Department does not break down its budget to the different areas and functions. For example, the administration, IT and facilities management areas do not have separate budgets that can be tracked at the area level. Instead, the Department is allocated an amount that can be used for all activities causing area level managers to be unaware of budget expectations for their particular area.

Audit Procedures & Conclusions

MGT interviewed key personnel, reviewed relevant internal policies and procedures, and reviewed supporting documents to gain an understanding of the budget process. MGT also conducted a survey to gain an understanding of the quality of internal customer service delivered by the budget function. A total of seven managers responded to the budget process related survey questions. The results of the surveys were as follows:

- ◆ 14% (1 out of 7) of the managers indicated that they are satisfied with the communication during the budget process.
- ◆ 14% (1 out of 7) of the managers indicated that they are satisfied with their involvement during the budgeting process, including providing feedback as to department needs and an appropriate/inappropriate budget amount.
- ◆ 14% (1 out of 7) of the managers indicated that they are aware of the overall budget of their service area.
- ◆ 14% (1 out of 7) of the managers indicated that they receive updated budget feedback during the year, including the amount remaining in the budget for their service area.
- ◆ 14% (1 out of 7) of the managers indicated that they were satisfied with the budget function overall.
- ◆ Via additional comments, multiple managers indicated that they are not part of the budget process and feel they should be.

MGT interviewed the Deputy Director of Administration to gain an understanding of the performance metrics currently being used to assess the performance of the budget function. Per the Deputy Director of Administration, there are currently no formal performance metrics being used to assess the performance of the budget function.

In response to the survey results, the Deputy Director of Administration indicated that they will work on establishing performance metrics for the budget function.

Lack of communication between the Budgeting Function and other service areas increases the risk that service area managers do not fully understand the ROV budget and pursue initiatives that cannot be funded or do not comply with applicable policies and procedures. Furthermore, the lack of key performance indicators increases the risk that the budget function does not identify a decrease in performance and customer satisfaction within the budget process and key performance red flags go undetected.

Recommendations

- ◆ Consideration should be given to increasing budgeting related training among ROV staff to ensure that all members of the Department are aware of appropriate budget policies and procedures to enhance the process and working knowledge between the administrative functions and the service areas. Additionally, the budget function should periodically communicate updated budget information to the managers of the service areas. The budget function should also conduct surveys to evaluate the satisfaction of their internal customers and obtain feedback for process improvement.
- ◆ MGT recommends the budget function implements key performance metrics. An example of a key performance metric that can be implemented is budget vs actual variance by service area. The updated budgeted amounts should be communicated to the managers of the service areas throughout the year to ensure that the service areas have an understanding of the funds available throughout the year.

HUMAN RESOURCES

Background

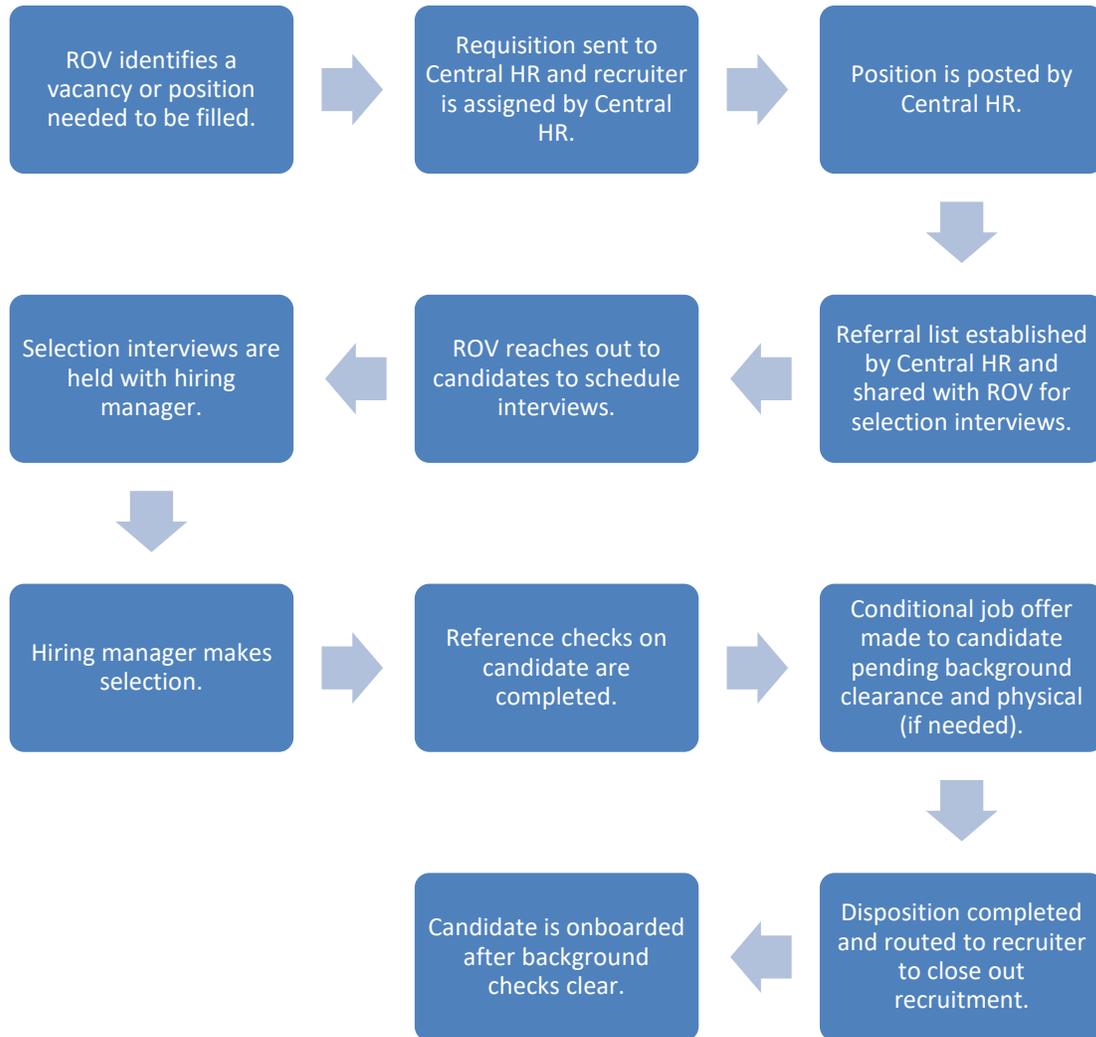
The Deputy Director of Administration oversees the human resources function. The human resources function is comprised of the Deputy Director of Administration and the Executive Assistant for the ROV with the Deputy Director of Administration working with the County's Central HR Department as needed.

The human resources functions of ROV serves the following main purposes: 1) collaborate with Central HR to hire permanent, 2) hire temporary employees, 3) yearly performance reviews, 4) employee relations, 5) employment records, 6) leave management (FMLA, CFRA Workers Compensation, accommodations, and restrictions), and 7) handling employee complaints and disciplinary actions. Employee complaints, disciplinary actions and other sensitive matters are typically coordinated with the County's Central Human Resources. In addition to contacting Central Human Resources, unionized employees are also able to report any issues to their union representative. For this section of the report, MGT will mainly focus on the hiring process of permanent and temporary employees and the yearly performance reviews process.

Hiring Process

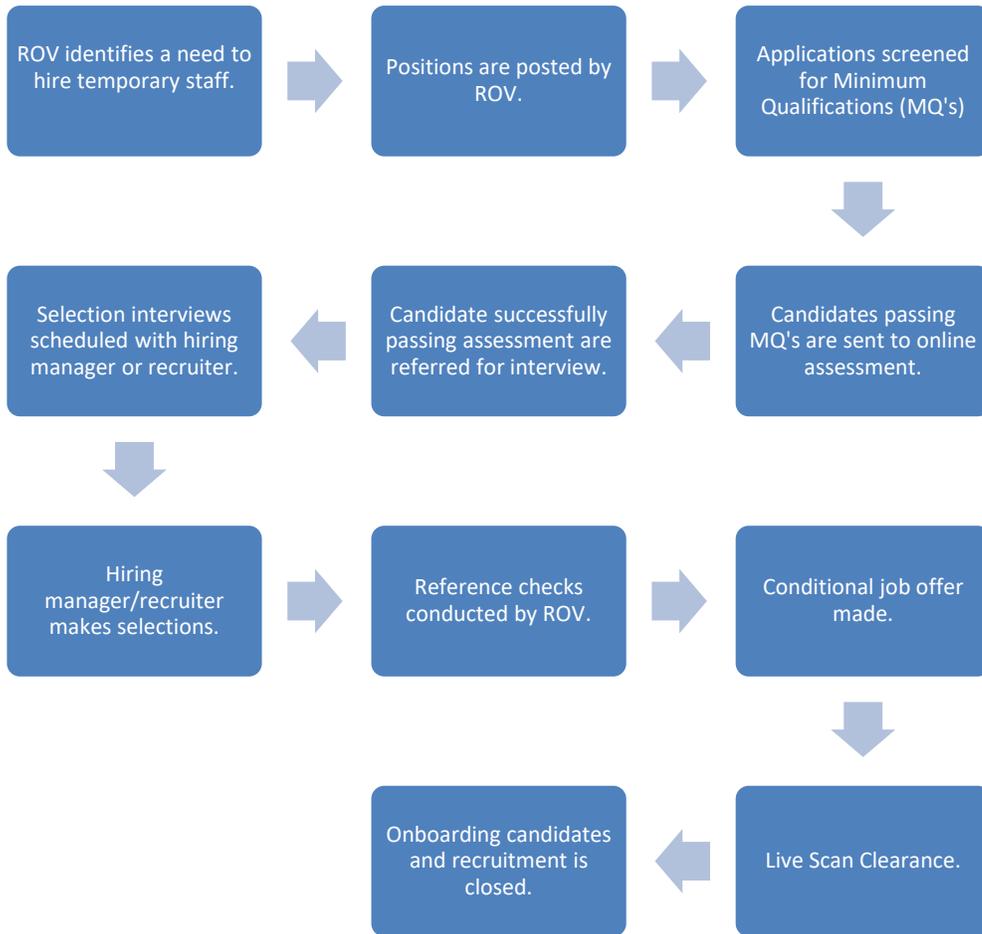
The Department hires two types of employees: permanent employees, which are hired as full-time employees to fill vacancies and help run the daily operations of the Department, and temporary employees, which are hired for a specified amount of time typically to assist the ROV in running elections. Temporary employees are classified as "Extra Help" and are given hourly wages without benefits. These employees are hired for jobs such as Office Assistants, Staff Assistants, Vote Center Customer Service Representatives, Utility Workers, Data Entry Technicians, and Systems Technicians all of which have specific roles in assisting ROV in the preparation, running, and closing of election cycles. These "Extra Help" employees are hired to assist the ROV during election periods and the quantity of employees hired under this classification depends on the size and number of elections held during the period. Exhibits 4 and 5 below present a high-level overview of the processes by which the ROV hires permanent and temporary employees, respectively.

Exhibit 4 – Permanent Employee Hiring Process



Source: Created by MGT and confirmed by the Deputy Director of Administration

Exhibit 5 – Temporary Employee Hiring Process



Source: Created by MGT and confirmed by the Deputy Director of Administration

Performance Review Process:

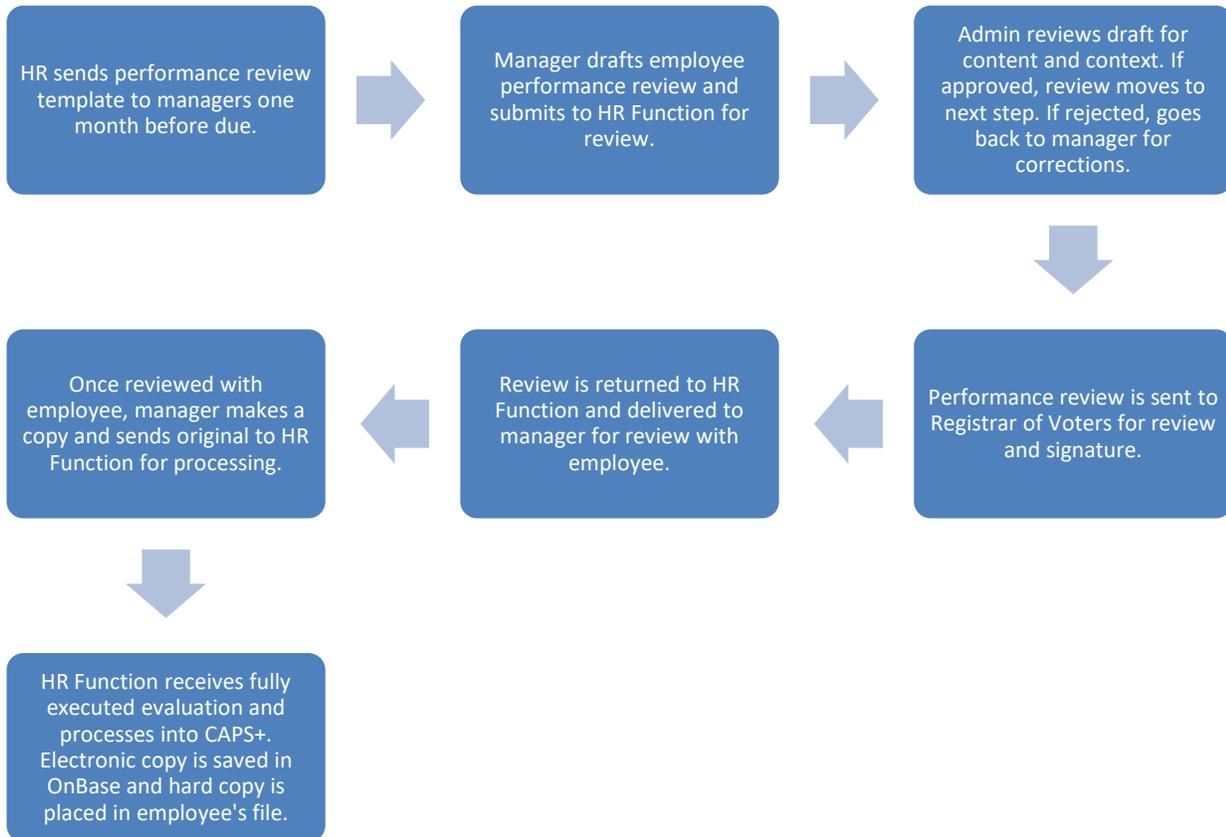
The human resources function maintains a master list of performance review due dates for each permanent employee, including managers. A performance review template is sent to managers one month before the performance review is due. Throughout the review process, weekly status reports are shared with managers to give an update on their employee’s performance review.

Managers will draft an employee’s performance review and submit it to the Deputy Director of Administration for review. At this point, the Registrar of Voter’s Executive Assistant and Deputy Director of Administration review of the performance review is conducted to ensure the content and context follows the standards set by the County. If incomplete, the performance review is returned to the manager for updates as needed.

Once the performance review is approved by the Deputy Director of Administration, it is sent to the Registrar for review and signature. The Registrar will then review and sign off on the review and return it to the Deputy Director of Administration to be delivered back to the manager who performed the review to share with the employee being evaluated. Once the review has been discussed with the employee, the manager will make

copies and routes original back to the ROV’s human resources function for processing into CAPS+ and an electronic copy is saved to OnBase and hard copy is placed in the employee’s file.

Exhibit 6 – Performance Review Process



Source: Created by MGT and confirmed by the Deputy Director of Administration

Audit Procedures & Conclusions

MGT interviewed key personnel, reviewed relevant internal policies and procedures, reviewed supporting documents, and researched current industry standards to gain an understanding of the processes within the human resources function. MGT also conducted a survey to gain an understanding of the quality of internal customer service delivered by the human resources function. A total of seven managers responded to the human resources-related survey questions. The results of the surveys were as follows:

- ◆ 29% (2 out of 7) of managers indicated that they are satisfied with the recruitment process as implemented by the human resources function.
- ◆ 29% (2 out of 7) of managers indicated that they are satisfied with the performance evaluation process of the human resources function.
- ◆ 29% (2 out of 7) of managers indicated that they were overall satisfied with the human resources function.

In response to the survey results, the Deputy Director of Administration indicated that currently there is no formal training on how to complete performance reviews. Employees do receive manuals from the County on how to complete the reviews but there is the potential these manuals are not reviewed by the managers.

As noted in the hiring flow chart for permanent employees, ROV must wait for the County’s Central HR Department to assign a recruiter near the beginning of the hiring process. During our interview with the Deputy Director of Administration, it was noted that it can take a few weeks before a recruiter is assigned to the ROV. During this time, ROV can draft the bulletin that will be posted but waiting for a recruiter to be assigned can put the hiring process on hold for multiple weeks which adds to the overall time it takes to hire employees.

The lack of having dedicated recruiters at Central HR for the ROV increases the time it takes for the ROV’s human resources function to hire new permanent employees which can lead to inefficiencies as employees take on additional responsibilities to account for the vacant positions.

MGT also interviewed the Deputy Director of Administration to gain an understanding of the performance metrics currently being used to assess the performance of the human resources function. Per the Deputy Director of Administration, there is currently one formal performance metric being used to assess the performance of the human resources function. The stated metric is “Meeting target recruitment numbers for long term extra help and CSR positions.” MGT asked the Deputy Director of Administration for clarification on if there was a stated number of days or timeframe set by the ROV to hire for this position, she replied that the target changes as different positions have different constraints and the ROV adjusts accordingly. Therefore, the ROV currently does not have any measurable performance metrics to be compared.

The lack of key performance indicators increases the risk that the human resources function does not identify a decrease in performance and customer satisfaction within all aspects of the services provided to internal customers.

MGT was provided with data regarding the overall time it takes for the Department to hire certain positions and data on the time certain positions have been vacant in the ROV. See table 1 below for the data.

Table 1 – ROV Hiring Statistics

Category	Number of Positions	Average Days to Hire / Average Days Vacant
Permanent – Hires	8	126
Permanent – Vacant	6	178
Temporary – Hires Primary Election	1610	43
Temporary – Hires General Election	1599	58

Source: Created by MGT, data provided by the Department

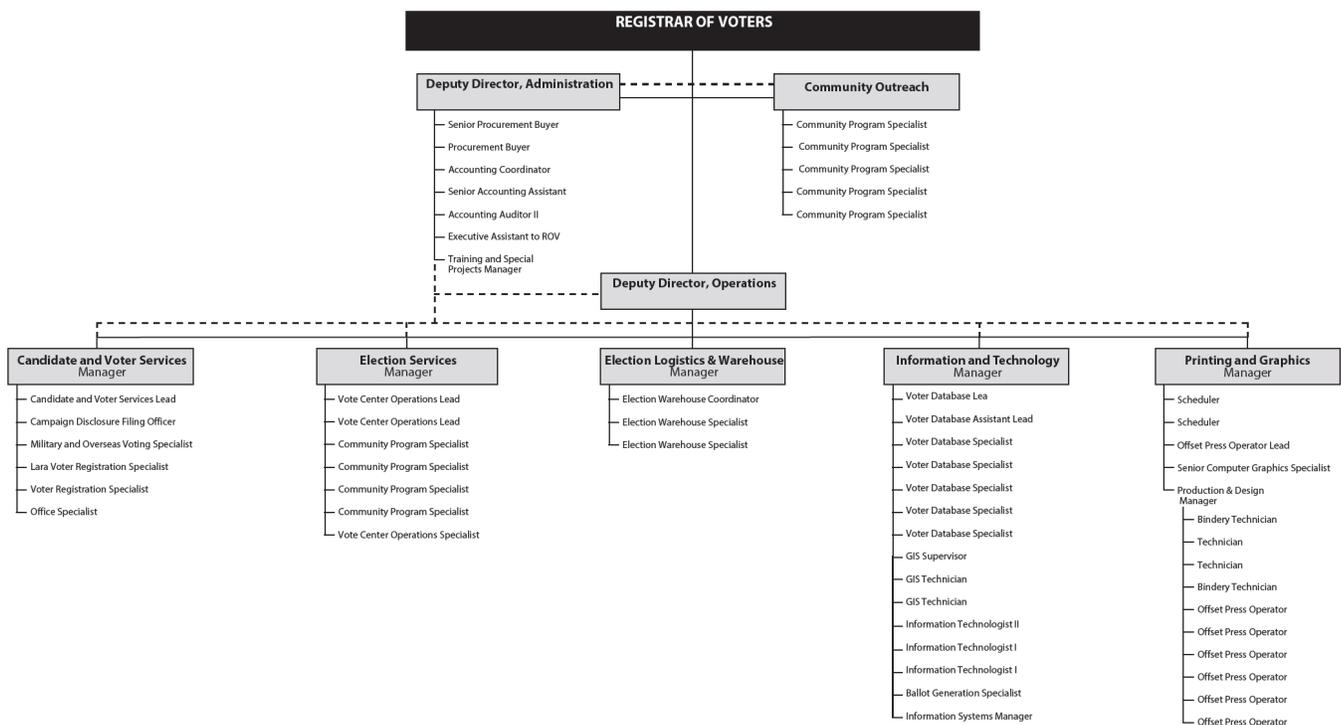
MGT reviewed various sources when attempting to compare the ROV’s current statistics to current industry standards. MGT was unable to find a source that was able to provide an “apples to apples” comparison to the ROV’s statistics, but MGT was able to locate the following information that would provide insight when comparing the ROV to the industry.

In reviewing an article published by NEOGOV, a public sector human resources solutions provider, called “Public Sector Time-to-Hire is 3x as Long as the Private Sector,” the 2020 article noted that state governments were seeing an average of 96 days to fill positions, while local governments were seeing an

average of 130 days. The Department is currently achieving better results than the local government average with an average day to hire permanent staff at 126 days. Articles from 2022 and 2023 published from outlets such as HRDive and Forbes noted that governmental agencies, specifically state and local governments, have continued to see an increase in the amount of time it takes to hire employees since 2020, though they provided no statistics for average days to hire. These articles highlight facts such as a decrease in qualified applicants, lower pay when compared to private sector positions, and work schedule flexibility as some of the reasons for which the time to hire for government positions keep increasing.

As part of the review of the ROV’s human resources function, MGT also reviewed the current organizational structure and operations. To gain an understanding of the organizational structure and operations, MGT obtained and reviewed the current organizational chart, interviewed key personnel and obtained guidance from a human resources subject matter expert employed by MGT. See Exhibit 7 for the ROV’s organizational chart.

Exhibit 7 – ROV’s Organizational Chart



Source: Provided by the Office of the CEO.

The ROV’s current organization chart is not clear in reporting structure. The dotted lines between the managers add complexity and confusion as to the current reporting structure. Additionally, it is not clear whether all staff members within a certain service area report directly to the manager of the service area. For example, it is not clear if the IT Assistant Lead and Database Specialists are direct reports of the Database Lead or the IT Manager.

In response to audit inquiries, the Registrar of Voters indicated that the prior Registrar of Voters added the dotted lines. During his tenure, the current Registrar of Voters has communicated to the ROV managers how he applies the reporting structure.

Lack of a clear reporting structure within the ROV’s organizational structure can cause confusion and

inefficiencies as managers are not sure who they report to and who to go to when issues arise.

Recommendations

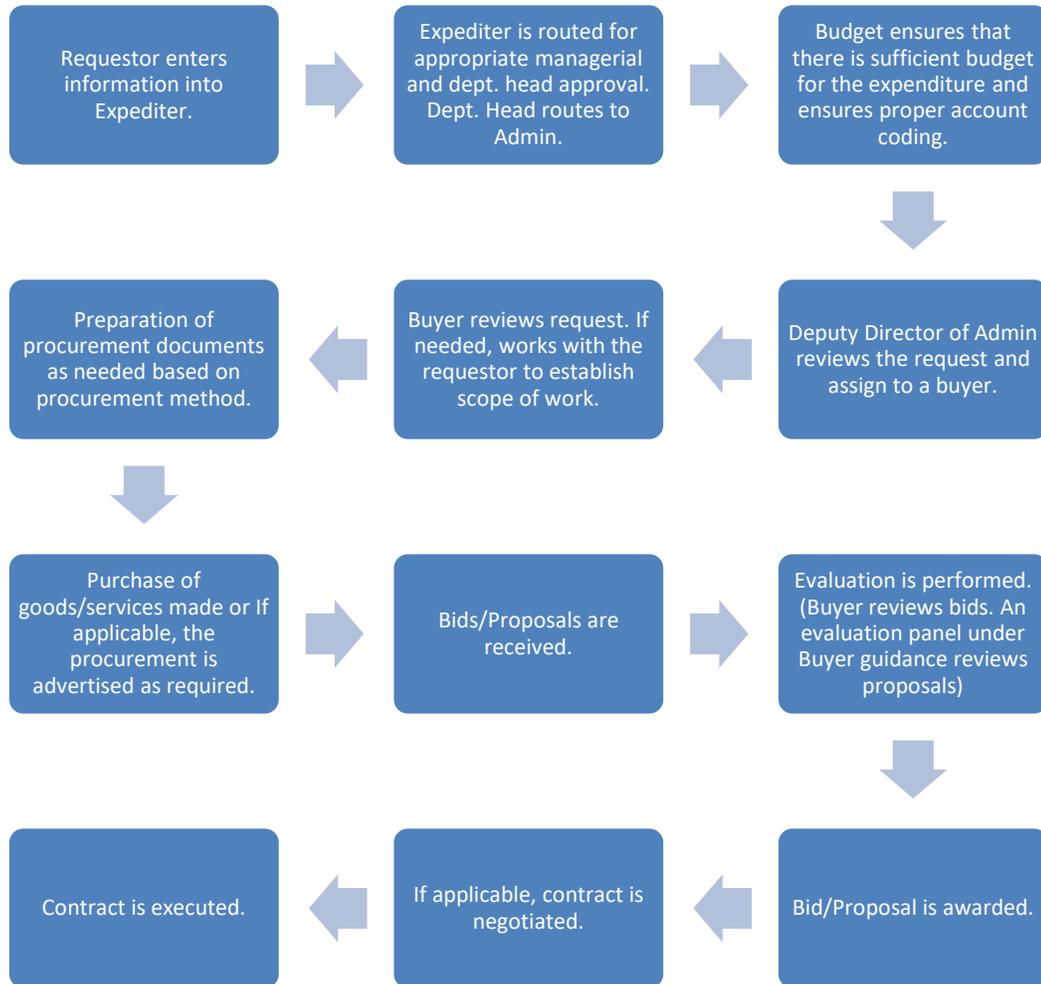
- ◆ Consideration should be given to increasing human resources-related training and communication among ROV staff to ensure that all members of the ROV are aware of appropriate policies and procedures to enhance the process and working knowledge between the administrative functions and the service areas. The human resources function should also periodically conduct surveys to evaluate the satisfaction of their internal customers and obtain feedback for process improvement.
- ◆ MGT recommends the ROV work with the County's Central HR Department in developing a plan to decrease the time it takes to have recruiters assigned to their job openings. This would be a proactive effort on the ROV's side to work with Central HR and identify solutions to better meet the needs of the ROV's internal customers. The ROV could potentially ask Central HR for one or two dedicated recruiters that would work closely with the ROV. These recruiters could work with other departments when ROV is not actively hiring new positions; however, when ROV is actively hiring, these recruiters could be made available and could keep the process moving forward, thus streamlining, and potentially decreasing the overall time it takes to hire new permanent employees. Also, having dedicated recruiters in Central HR could potentially lead to great efficiencies as these recruiters will be able to build an understanding of the candidates that would best fit the needs of the ROV.
- ◆ MGT recommends the human resources function implements key performance metrics. Days to hire permanent and temporary positions and total acceptable number of performance evaluations that are returned to managers for additional comments or revisions each year are examples of human resources related performance metrics that the ROV can implement. The human resources function's performance and activities should be communicated to the service areas managers throughout the year to ensure that the service areas understand the human resources function's performance and activities at any given time for their service areas.
- ◆ MGT recommends the ROV update its current organizational chart by possibility removing the dotted lines from the chart. The ROV should consider moving the Deputy Director of Operations to the same level as the Deputy Director of Administration and the Community Outreach Manager and display the reporting lines for all employees under the manager's levels.

PROCUREMENT

Background

The Deputy Director of Administration oversees the procurement function. The procurement function is comprised of the Procurement Buyer and Senior Procurement Buyer. Both buyers are Deputy Purchasing Agents who are authorized to procure services and commodities on behalf of the ROV. Each DPA is assigned requisitions and is responsible for procuring the necessary items, including creation of bids and/or RFPs, assisting in obtaining quotes, aiding in the development of the scope of work, and negotiations with vendors. Exhibit 8 below presents a high-level overview of the purchase requisition process.

Exhibit 8 – Purchase Requisition Process



Source: Created by MGT and confirmed by the Deputy Director of Administration

Audit Procedures & Conclusions

MGT interviewed key personnel, reviewed relevant internal policies and procedures, and reviewed supporting documents to gain an understanding of the processes within the procurement function. MGT conducted a survey to gain an understanding of the quality of internal customer service delivered by the procurement function. A total of seven managers responded to the procurement-related survey questions. The results of the surveys were as follows:

- ◆ 57% (4 out of 7) of the managers indicated that their procurement related issues/requests are resolved in a timely manner.
- ◆ 14% (1 out of 7) of the managers indicated that they received appropriate training in their procurement process.

- ◆ 57% (4 out of 7) of the managers indicated that they are satisfied with the overall performance of the procurement function.
- ◆ An additional comment about the performance of the procurement function indicated that there are opportunities for improvements including clarification on the function and job duties, communication, and training and written policies and procedures to help ROV staff understand how items are procured.

MGT obtained a listing of procurement requisitions submitted to ROV through the period January 1, 2022, through December 31, 2022. The listing included details on 1,242 total requests initiated during 2022. Table 2 below provides a breakdown of the requisitions by type.

Table 2 – Requisitions by Type

Requisition Type	Count of Req. Type	% of Total Requestion
Capital Assets	4	0%
Commodities	765	62%
Computer Hardware/Software/Maintenance	24	2%
Encumbrance	159	13%
Memberships and Educational & Professional Reimbursement	1	0%
Petty Cash	3	0%
Professional Services	96	8%
Public Works	1	0%
Publishing Services	172	14%
Subscriptions/Professional Licenses	1	0%
Travel/Training	16	1%
Grand Total	1,242	100%

Source: created by MGT from data provided by the Deputy Director of Administration

An analysis of the listing disclosed the following information:

- ◆ 68% (841 out of 1,242) of the requisitions were assigned to a buyer within two days of initiation.
- ◆ 92% (1,144 out of 1,242) of the requisitions were assigned to a buyer within 7 days of initiation.
- ◆ 86% (1,073 out of 1,242) of the requisitions were completed within 7 days of being assigned to a buyer.
- ◆ 92% (1,148 out of 1,242) of the requisitions were completed within 7 days of being assigned to a buyer.

Table 3 below presents the average number of days it took to complete a requisition after it has been assigned to a buyer based on requestion type.

Table 3 – Average Time to Close Requisitions by Type

Requisition Type	Average of Days Assigned to Buyer to Completion Date
Capital Assets	29
Commodities	5
Computer Hardware/Software/Maintenance	11
Encumbrance	2

Requisition Type	Average of Days Assigned to Buyer to Completion Date
Memberships and Educational & Professional Reimbursement	48
Petty Cash	1
Professional Services	12
Public Works	0
Publishing Services	1
Subscriptions/Professional Licenses	7
Travel/Training	7

Source: created by MGT from data provided by the Deputy Director of Administration

MGT inquired with management about the survey results, performance metrics and to gain an understanding of the reasons why certain (e.g., capital assets; computer hardware/software/maintenance; memberships and education; and travel/training) requisition types take longer to process. In response to the survey results, the ROV management indicated that it can be more about familiarity with the procurement process and when they engage in the process they may not understand it correctly. As it relates to the time it takes to complete procurement requisitions, ROV management indicated that there are cases in which a buyer cannot be assigned because even though the requisition request has been initiated in the system it is not complete and a buyer cannot be assigned until the request has been completed by the requesting manager. ROV management also mentioned the following reasons as to why certain requisition types take longer to process:

- ◆ Capital Assets are typically solicited via either an IFB or RFP which automatically adds time to the requisition. Additionally, depending on the item the ROV typically sees much longer lead times on the actual delivery of the item for manufacturing/shipping times.
- ◆ Computer Hardware is similar to capital assets, the ROV must have valid quotes that take time to get and often delay the process.
- ◆ Memberships and education, Professional Reimbursement typically represent the tuition reimbursement program that requires an employee to request approval prior to enrollment, complete the class/training and then requires a passing grade to close out.
- ◆ Travel and Training is similar to professional reimbursement, often requested in advance for planning purposes, then closed out when completed.

Lack of understanding of appropriate procurement-related policies and procedures by the managers of the service areas increases the risks that managers submit procurement requests that are not in compliance with applicable policies and procedures causing delays in the process and frustration among the staff. Additionally, not benchmarking against key performance indicators increases the risk that the procurement function does not identify a decrease in performance and customer satisfaction with the procurement process and key performance red flags go undetected.

Recommendations

- ◆ Consideration should be given to increasing procurement-related training among ROV staff to ensure that all members of the ROV are aware of appropriate procurement policies and procedures to enhance the process and working knowledge between the administrative functions and service areas. The procurement function should also periodically conduct surveys to evaluate the satisfaction of their internal customers and obtain feedback for process improvement.

- ◆ The procurement function should implement key performance metrics to assess performance. Key performance metrics that can be implemented include average time to assign procurement requisitions to a buyer, average time to execute contracts by procurement method, percentage of procurement requisitions executed on time, percentage of unit staff trained in procurement procedures, and customer satisfaction.

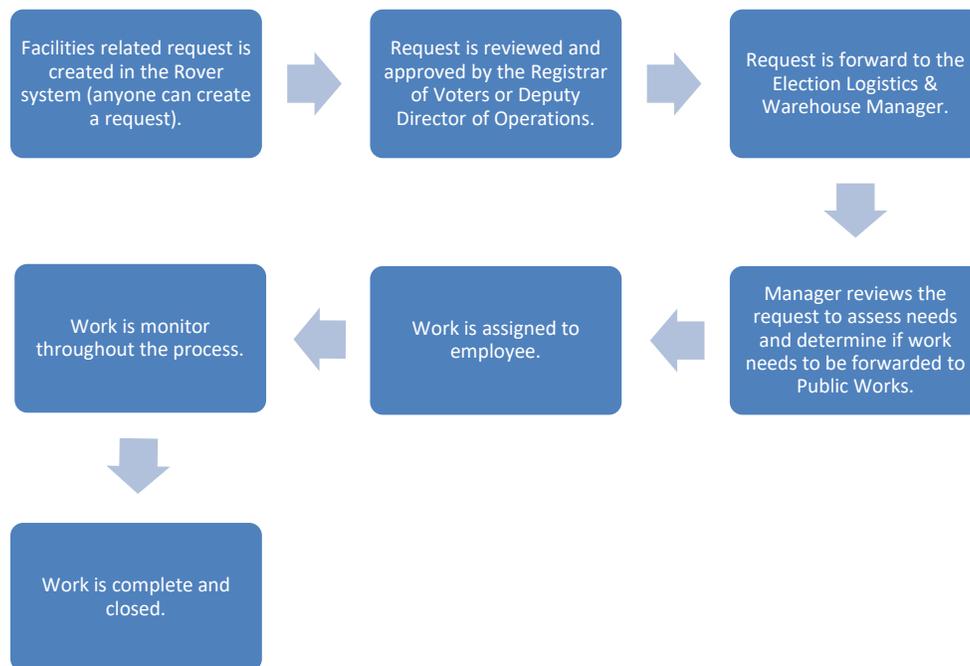
OPERATIONS

FACILITIES MANAGEMENT

Background

The Deputy Director of Operations oversees the facilities management function. The facilities management function is comprised of the Election Logistics & Warehouse Manager, Election Warehouse Coordinator, and two Election Warehouse Specialist. The facilities management core focus is elections logistics and simple facilities related work like moving desks, air conditioner adjustments, keyboard tray removal, glass partition adjustments, etc. Any work that requires specialty skills such as electrical and plumbing is performed by the County's Public Works Department through coordination with the ROV's facilities management function. The ROV's facilities related work order are submitted through an internal system (i.e., Rover). During the period January 1, 2022, through December 31, 2022, the facilities management function received 283 work order requests. Exhibit 9 below presents a high-level overview of the facilities' work order process.

Exhibit 9 – Facilities Work Orders Process



Source: Created by MGT and confirmed by the Election Logistics & Warehouse Manager

Audit Procedures & Conclusions

MGT interviewed key personnel and flowcharted the process to gain an understanding of the processes within the facilities management function. MGT also conducted a survey to gain an understanding of the quality of internal customer service delivered by the facilities management function. A total of six managers responded to the facilities management-related survey questions. The results of the surveys were as follows:

- ◆ 83% (5 out of 6) of the managers indicated that they are satisfied with the maintenance function of facilities management.
- ◆ 83% (5 out of 6) of the managers indicated that their facilities related issues/requests are resolved in a timely manner.
- ◆ 83% (5 out of 6) of the managers indicated that they are satisfied with the overall performance of the facilities management function.

- ◆ Additional comments indicated that the ROV’s internal facilities management function works well, but there are often delays on requests that required County assistance.

MGT also obtained a listing of facilities management related requests received by the ROV’s facilities management team from the period January 1, 2022, through December 31, 2022. The ROV facilities management function received 283 work orders during the audit period. An analysis of the work orders listing disclosed the following information:

- ◆ 65% (184 out of 283) of the work orders were completed within 2 days of being received.
- ◆ 27% (76 out of 283) of the work orders were completed in between 3 to 7 days after being received.
- ◆ 2% (6 out of 283) of the work orders were completed in between 8 to 14 days after being received.
- ◆ 3% (9 out of 283) of work orders were completed in between 15 to 30 days after being received.
- ◆ 3% (8 out of 283) of the work orders were completed after 30 days of being received.

MGT selected 10 work orders that took between 10 to 168 days to close. MGT inquired with the Election Logistics & Warehouse Manager to gain an understanding of the reasons that caused the work orders to take longer than usual to be closed. In response to audit inquiries, the Election Logistics & Warehouse Manager indicated that there are no formal procedures and that anyone within the ROV can submit a facility request and the Director and/or the Deputy Director approve or deny each request.

MGT interviewed the Election Logistics & Warehouse Manager to gain an understanding of the policies and procedures and performance metrics currently being used to assess the performance of the facilities management function. Per the Election Logistics & Warehouse Manager, there are currently no formal performance metrics being used to assess the performance of the facilities management function; however, the desire is to complete all work orders within 48 hours depending on the nature of the work order. For work orders forwarded to the Public Works Department, the Election Logistics & Warehouse Manager manages the work orders, and the desire is to complete simple work orders within a week or so. The Election Logistics & Warehouse Manager also indicated that they currently do not have any set performance metrics and feels developing these metrics would be good and can be done.

The lack of key performance indicators increases the risk that the facilities management function does not identify a decrease in performance and efficiency within the function and key performance red flags go undetected.

Recommendations

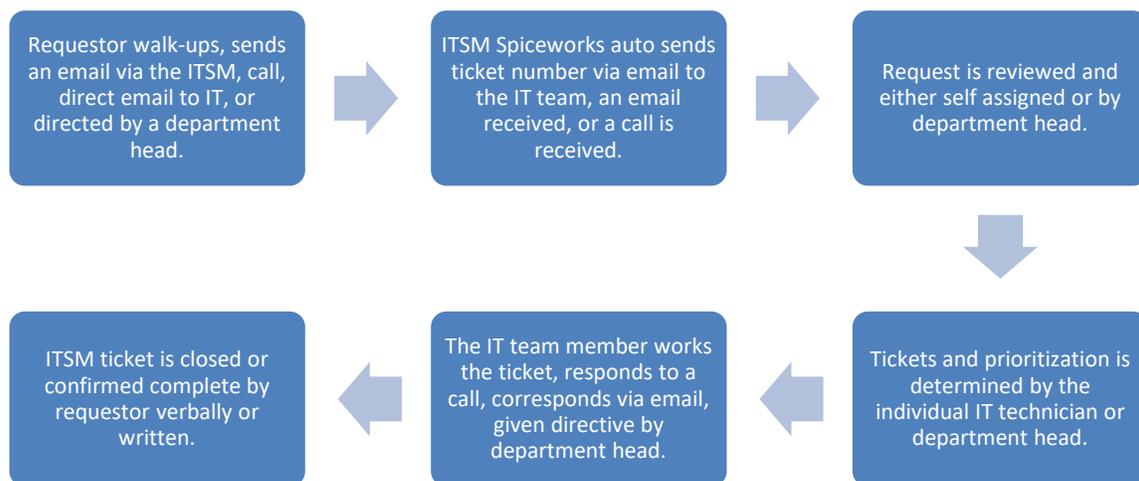
- ◆ MGT recommends the facilities management function establishes policies and procedures that can be used to provide guidance and implements key performance metrics including, active work orders, completed work orders, time to work order completion, and preventive vs reactive maintenance.

INFORMATION TECHNOLOGY

Background

The Deputy Director of Operations oversees the information technology function. The function is comprised of the Information Technology Manager and 15 staff members, including leads and supervisors. Department employees contact local ROV IT for issues with the use of an IT Service Management (ITSM) for internet connectivity, printing problems, computers, election infrastructure, mobility, etc. In turn, ROV IT staff gains support by submitting tickets to County contractor SAIC to resolve issues including firewall, voice, internet, web proxy, SOC, and NOC, IDS. This is done by contacting the County of Orange Central IT Helpdesk. IT related requests are created via emails sent to an ITSM provider Spiceworks. Staff will also receive phone calls, walk-ups, and requests via a department head, depending on building location and if they are telecommuting. During the period January 1, 2022, through December 31, 2022, ROV's IT ITSM system received 852 work order requests and does not include individual requests such as walk-ups, email, phone calls, and department head directives. Exhibit 10 below presents a high-level overview of the facility's work order process.

Exhibit 10 – Invoice Processing Process



Source: Created by MGT and confirmed by the Information Technology Manager

Audit Procedures & Conclusions

MGT interviewed key personnel, reviewed relevant internal policies and procedures, reviewed supporting documents, and flowcharted the process to gain an understanding of the processes within the information technology function. MGT conducted a survey to gain an understanding of the quality of internal customer service delivered by the information technology function. A total of six managers responded to the IT-related survey questions. The results of the surveys were as follows:

- ◆ 67% (4 out of 6) of the managers indicated that they are satisfied with the customer service they receive when they contact the ROV's IT function for assistance.
- ◆ 67% (4 out of 6) of the managers indicated that their IT related issues/requests are resolved in a timely manner.
- ◆ 67% (4 out of 6) of the managers indicated that they are satisfied with the IT function overall.
- ◆ Additional comments indicated that response time appears to be quicker when extra help (temporary) staff are on hand.

MGT obtained a listing of IT related requests received by the local ROV IT team from the period January 1, 2022, through December 31, 2022. An analysis of the listing disclosed the following information:

- ◆ 68% (583 out of 852) of the work orders completed by the ROV's IT team were completed within 7 days.
- ◆ 5% (43 out of 852) of the work orders completed by the ROV's IT team were completed within 7 to 14 days.
- ◆ 27% (226 out of 852) of the work orders completed by the ROV's It team were completed after 14 days of received.
- ◆ The number of days to complete the work orders ranged from 0 to 399 days with an average of 38.51 days.

Furthermore, MGT selected 10 work orders that took between 16 to 399 days to complete to gain an understanding of the reasons that caused the work orders to take longer than usual to be closed. In response to audit inquiries, the Information Technology Manager indicated that 6 of the 10 work orders selected were resolved on the same day but the ticket did not close because the system was not functioning properly. For the remaining 4 of the 10 work orders, the Information Technology Manager indicated that the technicians who completed the work orders are no longer with the ROV and are not able to respond to the audit inquiries. As it relates to the survey results, ROV management indicated that the results were specific to help desk support, which is a smaller percentage of the IT Function responsibilities and is all about balancing with the other responsibilities. Management also indicated that the IT team has already begun establishing a plan to complete work orders faster.

Lack of customer satisfaction increases the risk that other service areas staff loses trust in the information technology function ability to effectively manage service requests and attempt to resolve IT related issues themselves which can lead to a more vulnerable IT environment. Additionally, the lack of key performance indicators increases the risk that the information technology function does not identify areas in which performance and customer satisfaction are below desired results.

Recommendations

- ◆ The information technology function should also periodically conduct surveys to evaluate the satisfaction of their internal customers and obtain feedback for process improvement.
- ◆ MGT recommends the information technology function implements key performance metrics. Examples of IT related key performance metrics include resolution time, first contact resolution, customer satisfaction rating, support tickets opened vs solved, and transfer rate. In addition, the information technology function should enhance procedures to ensure that IT work orders are closed in a timely manner as desired by ROV management.