



CITY OF PORTLAND

Office of City Auditor LaVonne Griffin-Valade

1221 S.W. 4th Avenue, Room 140, Portland, Oregon 97204
phone: (503) 823-4078
web: www.portlandoregon.gov/auditor



October 4, 2010

To: Financial Planning
Mayor Sam Adams
Commissioner Amanda Fritz
Commissioner Nick Fish
Commissioner Dan Saltzman
Commissioner Randy Leonard

From: City Auditor LaVonne Griffin-Valade

Re: Fall Budget Monitoring Report

The Auditor's Office Fall Budget Monitoring Report shows that the Auditor's Office is within the spending plan for Personal Services and under budget in both External and Internal Materials and Services for FY2009-10.

Encumbrance Carryover

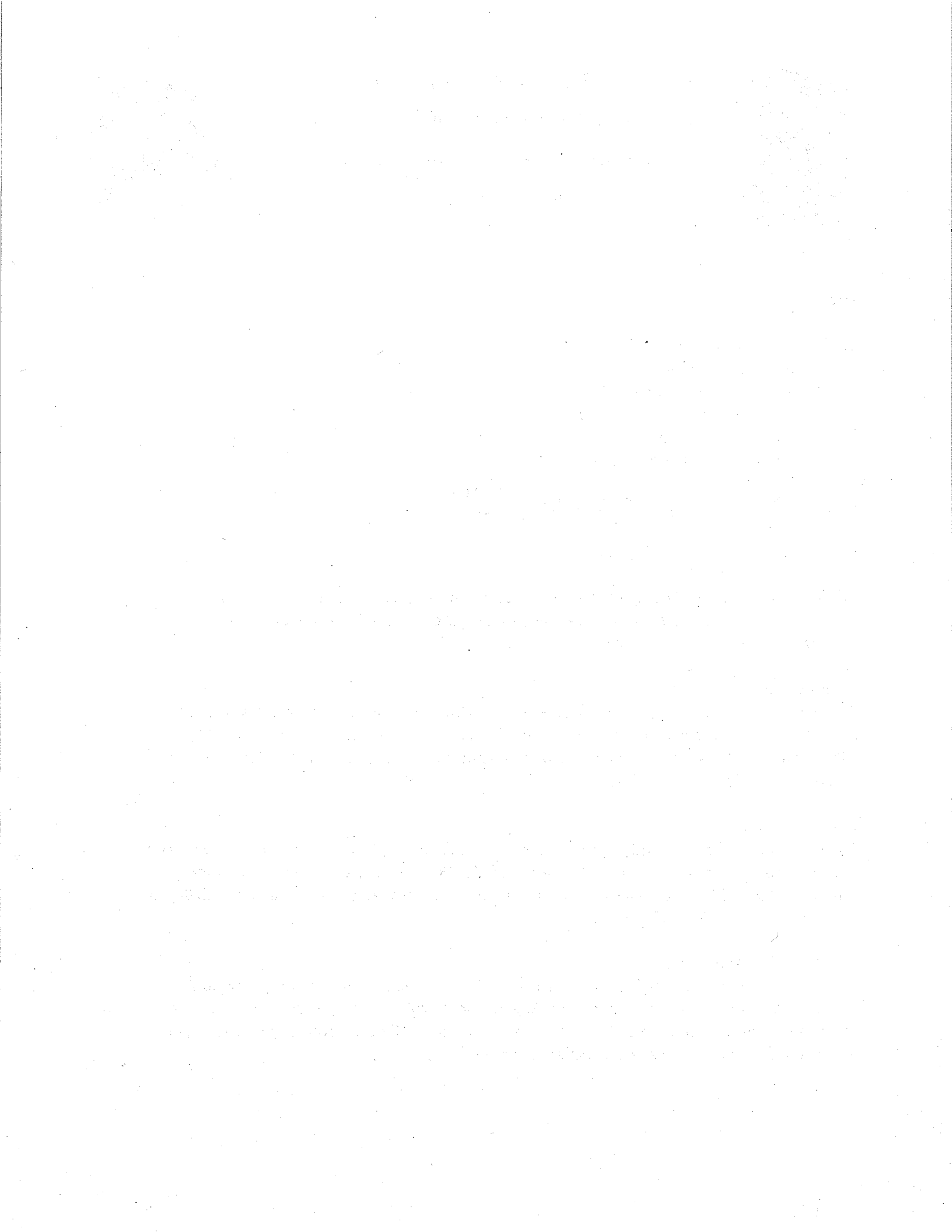
The Auditor's Office requests that seven Purchase Orders be carried over in the amount of \$186,351. These purchase orders are for specific multi-year contracts, including the City's external auditor. Most of the work for these contracts was completed in FY2009-10 but not billed and paid for until FY2010-11.

General Fund Carryover

The Auditor's Office also requests that a General Fund carryover in the amount of \$29,000 be approved for the installation of automated doors for the Auditor's Office first floor suite (Room 140) and third floor suite (Room 310) in City Hall. These doors increase accessibility to our offices for members of the public.

Increase BTS Interagency

The Auditor's Office also requests an increase in the interagency with BTS in the amount of \$145,000 for the Lien Accounting System Replacement Project. This project was agreed to and commenced in late June 2010. The increase expense will be covered by an increase in interagency revenue from the LID Construction fund.



BUDGET AMENDMENT REQUEST

Office of the City Auditor

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

AU_001 - Increase LID IA to Auditor for Lien Replacement

Increase LID Interagency to Auditor by \$145,000 for increase in BTS costs related to the Lien Accounting System Replacement Project. This project was agreed to and entered into in June 2010. Increased interagency expense will be covered by transfer from LID fund contingency.

Dollar Amount: \$0
Type: New Request
Resources: Bureau Contingency

AU_002 - Increase Auditor IA to BTS for Lien Replacement

Increase Auditor Interagency to BTS by \$145,000 for costs related to the Lien Accounting System Replacement Project. This project was agreed to and entered into in June 2010. Increased costs will be covered by interagency reimbursement from the LID Construction Fund.

Dollar Amount: \$145,000
Type: New Request
Resources: New Revenues

AU_003 - Reclassify Maintenance Expense for PARC

Reclassify \$213,866 from expense account 651301 to account 651306 as requested by Facilities Management for the Portland Archives and Records Center.

Dollar Amount: \$0
Type: Technical Adjustment
Resources: Internal Transfer

AU_004 - Encumbrance Carryover Auditor's Office

The Auditor's Office requests to carryover encumbrances from FY 09-10 in the total amount of \$186,351. The request is for the following: 1) PO 22001498, \$518 to Donna Silverberg for Independent Police Review (IPR) arbitration; 2) PO 22014336, \$10,800 to Insight Knowledge for Trim/Efiles support on a contract extended through June 2011; 3) PO 22000376, \$3,555 to LNS Captioning for services rendered through June 2010 and payment made in July 2010; 4) PO 22038119, \$52,894 to Michael Gennaco for the report on the In-Custody Death of James Chasse; 5) PO 22021025, \$61,350 to Moss Adams LLP to conduct the CAFR; 6) PO 22004530, \$324 to Portland Habilitation Center for services conducted through June 2010 but paid in July 2010; 7) PO 22001265, \$56,910 to Net Assets for public web access to lien information.

Dollar Amount: \$186,351
Type: Encumbrance Carryover Request
Resources: General Fund Discretionary

BUDGET AMENDMENT REQUEST

Office of the City Auditor

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

AU_005 - Carryover for Automated, Accessible Doors

This is a carryover request for \$29,000 to pay for installation of automated, accessible doors for the Auditor's Office and Independent Police Review program in City Hall. The project was originally scheduled and budgeted to be completed in FY 2009-10. Actual project completion was August 2010. The Auditor's Office did not learn that the project would not be complete in FY 2009-10 until after the Spring BuMP process was complete; therefore, no carryover request was made at that time.

Dollar Amount: \$29,000

Type: Carryover Request

Resources: General Fund Discretionary

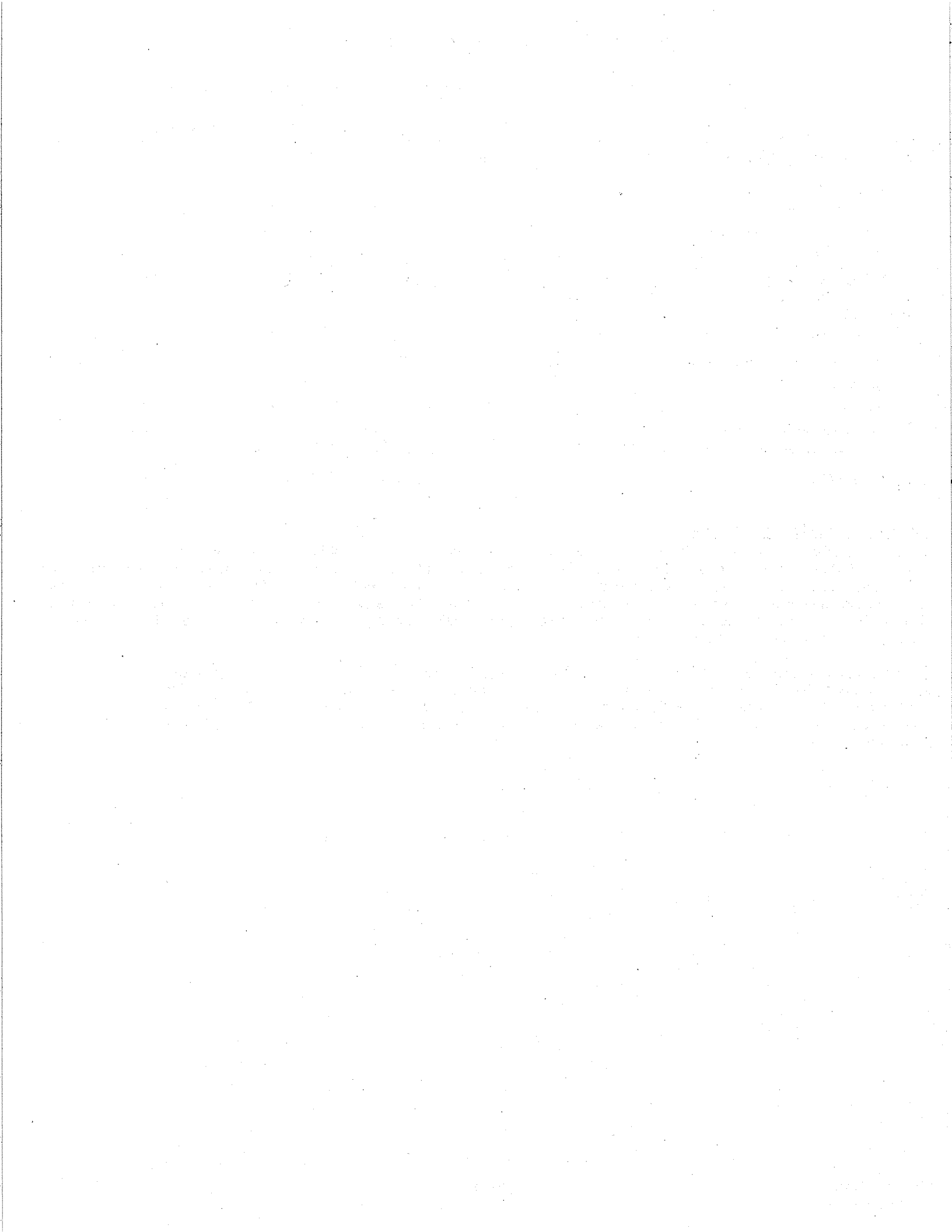
Prior Year Business Area Reconciliation Report

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised
Office of the City Auditor			
EXPENDITURES			
Personal Services	\$4,797,637	\$4,734,891	99%
External Materials and Services	\$1,669,205	\$1,021,770	61%
Internal Materials and Services	\$2,335,404	\$2,022,922	87%
TOTAL EXPENDITURES	\$8,802,246	\$7,779,584	88%
REVENUES			
Charges for Services	\$75,900	\$309,872	408%
Intergovernmental Revenues	\$219,456	\$0	0%
Interagency Revenue	\$1,038,927	\$795,300	77%
Miscellaneous	\$15,000	\$6,456	43%
General Fund Discretionary	\$4,149,662	\$0	0%
General Fund Overhead	\$3,303,301	\$0	0%
TOTAL REVENUES	\$8,802,246	\$1,111,628	13%

Bureau Reconciliation Narrative

The Auditor's Office expenditures for FY2009-10 are within a 1% variance for Personal Services. The Auditor's Office underspent by 39% in External Materials and Services. Some of this difference is attributable to lower lien search activity and, therefore, fewer charges for that service in the Assessment, Finance, and Foreclosure program. For the Auditor's Office as a whole, expenditures on professional services, supplies, and travel were limited and contributed to the variance. The bureau also had a 13% variance in Internal Services, of which the largest contributor was savings on printing, mailing and postage in the Audit Services division resulting from a scaled down community survey.

The underexpenditure noted above in Assessment, Finance, and Foreclosure also caused a reduction in interagency revenues since the Auditor's Office bills the Local Improvement District Fund via interagency for actual expenditures. The discrepancies in Charges for Services, Intergovernmental, and Miscellaneous revenues are due to differences in SAP between how charges are billed and how they are received. Combined, these three categories show the Auditor's Office within a 2% Budget to Actual variance.



**Office of the City Auditor
FY 09-10 Decision Package Report
October 4, 2010**

1. **1st Mandatory Reduction, \$83,776.** This reduction package reduced funding among all the program areas within the Auditor's Office.

Status Report: This reduction package limited our ability to hire outside experts on contract, reduced funding for computers, software and other technology needs, and reduced funding for training and out of town travel.

2. **2nd Mandatory Reduction, \$83,776.** This second reduction package reduced funding among most of the programs within the Auditor's Office, including a half-time Complaint Investigator within the Independent Police Review program, funds for technical support of the Lobbyist and Efiles programs, funds available for seasonal and work study students at the Archives and Records Center, supplies for archival processing and funds to hire outside experts on contract.

Status Report: This reduction reduced a half-time Complaint Investigator within the Independent Police Review program, reduced funds for technical support of the Lobbyist and Efiles programs, reduced funds available for seasonal and work study students at the Archives and Records Center, reduces supplies for archival processing and reduces funds to hire outside experts on contract.

3. **Archives Center Operations, \$85,190 (\$89,704 requested).** This decision package requested ongoing funds for Operations and Maintenance at the new Archives and Records Center located on the PSU campus. The Archives and Records Center now has more square footage resulting in increased operational costs. These ongoing expenses for electricity, water, heat, janitorial service and security at the new location were not built into the Auditor's Office budget.

Status Report: The Auditor's Office moved to the new facility on the PSU campus in April 2010. These funds for Operations and Maintenance were expended through the spring of 2010.

4. **Assistant Archivist Positions, \$78,004 one-time only funded (\$182,468 requested).** The Auditor's Office requested two full-time Assistant Archivist positions and one ½ time Records Center assistant. The Adopted Budget included funding for a one-year, limited term Assistant Archivist position.

Status Report: The limited-term Assistant Archivist position was filled on August 10, 2009. The position assisted with the move from the North Columbia SPARC facility to the new Archives and Records Center on the PSU campus. The position was also trained to provide reference and research assistance to the public and other bureaus after the move was completed and the new facility was opened

in May 2010. This position was made permanent through realignment in the FY 2010-11 budget.

5. **Efiles/Trim software purchases for Accounting and the Bureau of Planning and Sustainability. \$69,800.** The Auditor's Office requested appropriation to purchase additional licenses/seats for these bureaus.

Status Report: The Auditor's Office purchased 250 additional licenses/seats for General Fund bureaus. These seats are being deployed to POEM, the Fire Bureau, the Bureau of Human Resources, Accounting, the OMF Leadership team and designated OMF divisions. The Auditor's Office plans to deploy Trim/Efiles to the Bureau of Planning and Sustainability in FY 2010-11.

6. **City Council Agenda and Software. \$41,000.** The Auditor's Office requested \$41,000 to purchase Council Agenda and Minutes software to improve the City's legislative process.

Status Report: The Auditor's Office reviewed the current process and procedures for Council Agenda preparation, completed a needs assessment and reviewed other governmental agencies with similar functions. No off-the-shelf products were identified that would meet our needs. We are currently working with the Bureau of Technology Services to potentially develop a solution in-house. Funds for this project were not spent. Additional resources may be requested in the future to develop a software solution for the Council Clerk.



CITY OF PORTLAND

Office of City Auditor LaVonne Griffin-Valade

1221 S.W. 4th Avenue, Room 140, Portland, Oregon 97204

phone: (503) 823-4078

web: www.portlandoregon.gov/auditor



October 2010 Update: Auditor's Office Service Improvement Plan for FY 09-10

The Office of the City Auditor identified the following goals to improve service during FY 2009-2010. The following memo describes these goals and provides a status update.

Goal One: Improve the usefulness of the Service Efforts and Accomplishments (SEA) report and reduce the number of staff hours spent each year on this project

The Auditor's goal is to revamp the SEA report by improving its usefulness to Council, bureaus and the public. Audit Services started an ongoing assessment of the quality of performance measures being reported. Beginning with the FY 09-10 SEA, the Auditor's Office will collect and report performance data on half of the participating bureaus one year and the other half of participating bureaus the following year. This alternating schedule should significantly reduce the staff time dedicated annually to this project, (which historically required 3500 to 4000 hours from Audit Services division alone). Our expectation is that bureaus will continue to capture and use performance data in the off-year of their SEA reporting cycle. Additionally, the annual community survey will become a report separate from the performance measures reported in the SEA.

10/10 Update: UNDERWAY

The FY 08-09 Service Efforts and Accomplishments report was issued on December 3, 2009, including performance data on approximately half of the bureaus (public safety and infrastructure, including Police, Fire, and Water) that have traditionally participated in the annual report. As noted above, the other half of participating bureaus (community services, including Parks, Neighborhood Involvement, Portland Development Commission, Planning and Sustainability) will be featured in the FY 09-10 report, scheduled to be released in December 2010. Staffing hours dedicated to this single project were reduced from prior years, allowing Audit Services to direct resources to additional audit topics in FY 2010/11.

The Auditor and Audit Services are in the process of examining the usefulness and effectiveness of the SEA report. This internal review will include discussions with the Mayor, Commissioners, and bureaus, in addition to a study of national models of benchmarking and performance measurement. Any significant changes to the SEA resulting from our review would not be implemented until after publication of the 2010 SEA report.

Goal Two: Improve the fraud reporting process and launch a tip line for anonymous reporting of suspected fraud and other misconduct

The Auditor's Office is in the process of developing a fraud policy to raise awareness of fraud and to clarify the fraud reporting process in the City. In conjunction with development of a fraud policy, we are preparing to launch a 24/7 tip line that will allow employees and the public to report suspected fraud and other misconduct. This effort will create an additional mechanism for reporting such concerns, and it will allow reporters to be anonymous if they choose. Research has shown that such tip lines are an effective and inexpensive way to detect fraud and other wrong doing.

10/10 Update: COMPLETE

The Auditor's Fraud Alert line was launched in February 2010 as a mechanism for 24/7 reporting concerns about suspected misconduct. The Fraud Alert Line is open to City employees and the public, and reports can be made online or by calling a toll free number. The administrative procedures guiding the Fraud Alert Line established a policy and process for reporting suspected fraud, waste or misuse of City resources, and abuse of position.

The Office of the Ombudsman in the Auditor's Office is the administrator of the Fraud Alert Line, which provides Ombudsman staff with another mechanism for receiving and responding to complaints from the public and employees. Since inception, the Fraud Alert Line has received 10 calls and 15 online notifications.

Goal Three: Build capacity for routine audits of information technology (IT) systems and ongoing reviews of the City's new SAP system

The Auditor's goal is to have at least one auditor with a specialty in IT auditing on staff and to further build capacity through training and technical assistance. This will allow us to begin routine audits and reviews of the multitude of IT systems used throughout the City, including the new SAP system. Given the inherent risk in large IT systems in particular, and the reliance on IT systems to sustain City operations, this is a timely and valuable service that the Auditor plans to implement as soon as possible.

10/10 Update: COMPLETE

In December 2009, the Audit Services Division hired a senior IT Auditor and initiated an audit of the SAP implementation project. This audit is the first of many planned reviews of City IT systems. We anticipate issuing a report on this audit in Fall 2010.

In addition to hiring a new senior IT Auditor, we intend to develop more capacity for IT auditing, including the use of audit analysis software in the office and increase the breadth and number of IT audits. All of our professional staff participated in in-house training in early FY 10-11 in new audit analysis software.

Office of the City Auditor

Performance Measures

Program and Performance Measure	Type	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals			
Administration & Support						
AU_0021 - Administrative costs: Goal is 10% or less of total budget	EFFICIENCY	8.0%	7.3%	0.0%	0.0%	0.0%
AU_0029 - Number of information requests processed for the Elections Program	WORKLOAD	950	0	0	0	0
Assessments, Finance & Foreclosure						
AU_0026 - Number of assessments per staff person	EFFICIENCY	1,527	1,272	0	0	0
AU_0013 - New liens assessed	WORKLOAD	3,053	2,543	0	0	0
Audit Services						
AU_0002 - Percent of report recommendations implemented	EFFECTIVE	90%	89%	0%	0%	0%
AU_0003 - Full cost per audit hour	EFFICIENCY	\$110	\$98	\$0	\$0	\$0
AU_0001 - Number of reports issued	WORKLOAD	13	9	0	0	0
City Recorder						
AU_0009 - Percent of requests provided within 24 hours	EFFECTIVE	100%	99%	0%	0%	0%
AU_0010 - Direct cost per retrieval and delivery of record from Records Center	EFFICIENCY	\$4.50	\$5.98	\$0.00	\$0.00	\$0.00
AU_0008 - Number of checks/deposit advices processed	WORKLOAD	235,000	229,526	0	0	0
AU_0028 - Number of new documents added by Efiles/Trim	WORKLOAD	148,934	105,345	0	0	0
Hearings Officers						
AU_0012 - Code and appeal hearings	WORKLOAD	858	832	0	0	0
Independent Police Review						
AU_0025 - Percentage of complainants who were satisfied with the thoroughness of the investigation	EFFECTIVE	30%	24%	0%	0%	0%
AU_0027 - Percent of cases closed within 150 days	EFFICIENCY	90%	92%	0%	0%	0%
AU_0004 - Number of citizen complaints	WORKLOAD	400	389	0	0	0
Ombudsman Office						
AU_0017 - Percentage of citizens who are satisfied or very satisfied with the service they received.	EFFECTIVE	70%	57%	0%	0%	0%
AU_0018 - Percentage of citizens who feel the office's response was timely.	EFFICIENCY	80%	93%	0%	0%	0%
AU_0016 - Number of complaints and requests	WORKLOAD	300	366	0	0	0
Progress Board						

Office of the City Auditor

Performance Measures

Program and Performance Measure	Type	FY 2009-10	FY 2009-10
		Revised Budget	Year-End Actuals

Progress Board

Performance Measure Variance Descriptions

Number of information requests processed for the Elections Program (AU_0029)

After setting this target, the Elections Program did not establish a method for counting information requests. The Auditor's Office decided not to report this measure because no reliable data exist to accurately estimate the number of information requests processed by the Elections Program.

Number of new liens assessed (AU_0013)

The Assessments, Finance and Foreclosure division reported 20% fewer new liens assessed than targeted; the division targeted 3,053 new lien assessments but actually assessed 2,543 in FY 09-10. This workload measure has a high degree of variance from year to year and is difficult to project.

Number of reports issued by Audit Services (AU_0001)

The Audit Services division issued 9 reports in FY 09-10; however, the division targeted 13 reports for the year. Due to the city hiring freeze, Audit Services did not rehire for an employee who retired and did not fill a newly-added position. These vacancies resulted in fewer reports released.

Direct cost per retrieval and delivery of records from Records Center (AU_0010)

The actual cost per retrieval of \$5.98 exceeded the target of \$4.50. This variance resulted from the higher overhead costs of the new Records Center and the decreased rate at which the division retrieved documents during the transition into the new building.

Number of new documents added to Efiles/TRIM (AU_0028)

The Archives and Records division added 105,345 to Efiles/TRIM, which was 43,000 less than expected, due primarily to slower deployment and installation of Efiles/TRIM software to bureaus. Also, unlike previous years, the division did not have a large, one-time import of bureau records from the FileNet system.

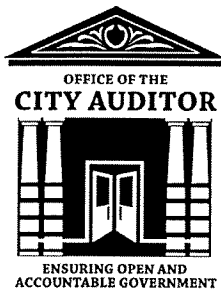
Percentage of complainants who were satisfied with the thoroughness of the IPR investigation (AU_0025)

The variance of this measure is likely due to the low response rate and the fewer number of respondents to IPR's complainant survey. Specifically, IPR received responses from 20% of complainants who were mailed a survey, totaling 68 completed surveys. Thus, the satisfaction percentage of complainants highly varies depending upon the perceptions of a small number of survey respondents.

Percentage of respondents who were satisfied with the service they received from Ombudsman Office (AU_0017)

Like the IPR complainant survey, the variance of this measure is likely due to the low response rate and the fewer number of respondents. The Ombudsman Office received only 14 responses to the survey sent to persons who had received their services. Thus, the satisfaction percentage highly varies depending upon the perceptions of only a few survey respondents.

Pymt Bdgt		Amt type		
Vendor Name	RefDocNo	350	Grand Total	
DONNA SILVERBERG	22001498	518	518	Request encumbrance carryover
DONNA SILVERBERG Total		518	518	
HEWLETT PACKARD COMPANY	20000240	0	0	Cancel
HEWLETT PACKARD COMPANY Total		0	0	
IN-ACCORD INC	22037299	570	570	Cancel
IN-ACCORD INC Total		570	570	
INSIGHT KNOWLEDGE	22014336	10,800	10,800	Request encumbrance carryover
INSIGHT KNOWLEDGE Total		10,800	10,800	
LNS CAPTIONING	22000376	3,555	3,555	Request encumbrance carryover
LNS CAPTIONING Total		3,555	3,555	
LOUISE NEILSON PROCESS CONSULT	22001897	96	96	Cancel
LOUISE NEILSON PROCESS CONSULT Total		96	96	
MICHAEL J GENNACO	22038119	52,894	52,894	Request encumbrance carryover
MICHAEL J GENNACO Total		52,894	52,894	
MOSS ADAMS LLP	22021025	61,350	61,350	Request encumbrance carryover
MOSS ADAMS LLP Total		61,350	61,350	
NET ASSETS	22001265	56,910	56,910	Request encumbrance carryover
NET ASSETS Total		56,910	56,910	
PORTLAND HABILITATION CENTER	22004530	324	324	Request encumbrance carryover
PORTLAND HABILITATION CENTER Total		324	324	
SUSAN M MCFADDEN ARBITRATOR	22001502	1,700	1,700	Cancel
SUSAN M MCFADDEN ARBITRATOR Total		1,700	1,700	
Grand Total		188,716	188,716	



CITY OF PORTLAND


Office of City Auditor LaVonne Griffin-Valade

1221 S.W. 4th Avenue, Room 140, Portland, Oregon 97204
phone: (503) 823-4078
web: www.portlandoregon.gov/auditor



October 4, 2010

TO: Financial Planning
Mayor Sam Adams
Commissioner Amanda Fritz
Commissioner Nick Fish
Commissioner Dan Saltzman
Commissioner Randy Leonard

FROM: Auditor LaVonne Griffin-Valade 

RE: FY 2010-11 Fall Budget Monitoring Report
LID Construction Fund (401), Assessment Collection Fund (201), Campaign
Finance Fund (214)

Following, please find the Auditor's Office submittal of the Fall Budget Monitoring Report for the LID Construction fund (401), the Assessments Collection fund (201), and the Campaign Finance fund (214). The current reporting indicates several variances in revenue and expenditure categories when compared to revised budget amounts. Although several of these variances may be significant for the LID Construction fund, they are not directly the result of operational activity, but are due to the general nature of the LID Construction process, the various LID projects that the City Council has approved, the level of assessment collection activity, and the degree at which LID district property owners finance their share of the cost of various City improvement projects.

As part of this budget submission we are making one new request to increase an interagency between the LID Construction fund and the Auditor's office for an increase in Bureau of Technology Services (BTS) costs for the Lien Accounting System Replacement Project. The Auditor's office entered into an agreement with BTS in late June 2010 to proceed with this project. The increase in LID interagency expense will be covered by a transfer from LID contingency.

BUDGET AMENDMENT REQUEST

Office of the City Auditor

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

AU_001 - Increase LID IA to Auditor for Lien Replacement

Increase LID Interagency to Auditor by \$145,000 for increase in BTS costs related to the Lien Accounting System Replacement Project. This project was agreed to and entered into in June 2010. Increased interagency expense will be covered by transfer from LID fund contingency.

Dollar Amount: \$0

Type: New Request

Resources: Bureau Contingency

**Prior Year Fund Reconciliation Report
LID Construction Fund**

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised
Local Improvement District Construction Fund			
EXPENDITURES			
External Materials and Services	\$10,000	\$4,625	46%
Internal Materials and Services	\$1,464,866	\$1,236,689	84%
Bond Expenses	\$25,691,187	\$25,553,160	99%
Fund Transfers - Expense	\$28,822,310	\$26,687,713	93%
Contingency	\$4,785,700	\$0	0%
TOTAL EXPENDITURES	\$60,774,063	\$53,482,187	88%
REVENUES			
Budgeted Beginning Fund Balance	\$6,358,902	\$0	0%
Charges for Services	\$806,320	\$957,321	119%
Fund Transfers - Revenue	\$7,264	\$7,264	100%
Bond and Note	\$42,395,677	\$40,074,261	95%
Miscellaneous	\$11,205,900	\$11,393,470	102%
TOTAL REVENUES	\$60,774,063	\$52,432,316	86%

Fund Reconciliation Narrative

Expenditures:

External Materials & Services were lower than budgeted since estimated costs related to the LID line-of-credit were not incurred. The amount budgeted is an estimate of costs that could be incurred for debt rebate reporting and for services related to obtaining or modifying the LID short term financing facilities.

Internal Materials & Services were less than budgeted due to lower billings for interagency services. Reimbursements to the Auditor's Office for personnel and operational costs and reimbursement billings by Debt Management were less than budgeted by approximately 26% and 22%, respectively. Of the \$228,177 variance, \$211,528 represents reduced billings by the Auditor's office for actual costs incurred.

Revenues:

Charges for Services were greater than budgeted due primarily to an increase in assessment collection program revenue. The increase in collection revenues is due primarily to the Bureau of Development Services Amnesty program, which provided for a discount to principal and interest balances if full payment or a payment plan is received on delinquent liens. In addition significant results were made under the foreclosure program resulting in increase revenues. Both of these programs created a significant number of payoffs on delinquent liens, which resulted in an increase in past due collect costs.

**Prior Year Fund Reconciliation Report
Assessment Collection Fund**

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised
Assessment Collection Fund			
EXPENDITURES			
Internal Materials and Services	\$411	\$411	100%
Fund Transfers - Expense	\$153	\$153	100%
Contingency	\$81,593	\$0	0%
TOTAL EXPENDITURES	\$82,157	\$564	1%
REVENUES			
Budgeted Beginning Fund Balance	\$79,157	\$0	0%
Miscellaneous	\$3,000	\$1,068	36%
TOTAL REVENUES	\$82,157	\$1,068	1%

Fund Reconciliation Narrative

Revenues:

Miscellaneous revenues were lower than budgeted due primarily to the decrease in earnings on investment revenue. The continued weakened economy has resulted in interest rates well below projected rates of return over the last year. Interest earnings were down approximately 57% from estimates for the year. In addition, there were no collections of lien revenues during the year, which resulted in approximately 16% reduction in estimated revenues. Since the assessments in this fund have no scheduled repayments, activity will vary from period to period and is the result of unanticipated partial payments or payoffs. Any revenue activity will be sporadic since the fund is relatively inactive and accounts for an insignificant liens receivable balance.

**Prior Year Fund Reconciliation Report
Campaign Finance Fund**

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised
Campaign Finance Fund			
EXPENDITURES			
External Materials and Services	\$748,061	\$143,745	19%
Internal Materials and Services	\$60,186	\$60,186	100%
Fund Transfers - Expense	\$552,753	\$552,753	100%
TOTAL EXPENDITURES	\$1,361,000	\$756,684	56%
REVENUES			
Budgeted Beginning Fund Balance	\$1,311,000	\$0	0%
Miscellaneous	\$50,000	\$11,170	22%
TOTAL REVENUES	\$1,361,000	\$11,170	1%

Fund Reconciliation Narrative

The variance in External Materials and Services expenditures is attributable to fewer candidates participating in the Campaign Finance program than anticipated. The variance in Miscellaneous revenues is due to lower investment interest and income than anticipated.