



COUNTY OF EL DORADO

Tsung-Kuei Hsu

Final Classification Study Report

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Submitted by: Tameka Usher
County of El Dorado
Human Resources Department
330 Fair Lane
Placerville, CA 95667
530.621.5565

Table of Contents

Background/Introduction	3
Overview of Study Tasks	3
Classification Framework.....	3
General Guideline and Definitions.....	3
Allocation Factors	4
Classification Analysis	5
Supervisor/Manager Comments.....	7
Comparator Analysis	7
Findings	9

Background/Introduction

The Human Resources Department (HR) conducted a limited classification study of a single position assigned to the Internal Auditor classification, encumbered by Ms. Tsung-Kuei Hsu. Ms. Hsu works in the Auditor-Controller's Office and reports to Joe Harn, Auditor-Controller.

By way of background, the County of El Dorado (County) retained Koff & Associates (K&A) to conduct a County-wide classification study to ensure current classification specifications are consistent with industry standards and that employees are in the correct classifications based on the duties and responsibilities assigned. K&A provided a final classification report in May 2017. Ms. Hsu did not complete a position description questionnaire (PDQ) in the County-wide classification study; therefore, there was no recommendation for her classification. In February 2018, the Auditor-Controller requested a classification study for Ms. Hsu's position.

Overview of Study Tasks

In conducting the classification study, HR:

1. Conducted a detailed analysis of the incumbent's PDQ. *[completed]*
2. Conducted a desk audit with the incumbent and Mr. Robert Toscano, Chief Assistant Auditor-Controller, to affirm and clarify information in the PDQ. *[completed]*
3. Analyzed all of the information gathered, job descriptions, and interview notes to identify the scope and level of work performed as well as the typical duties and the requisite knowledge, skills, abilities, and other job-related characteristics required to perform the work. *[completed]*
4. Identified an appropriate classification. *[completed]*
5. Developed a Draft Classification Study Report. *[completed]*
6. Developed a Final Classification Study Report. *[completed]*

Classification Framework

The classification analysis for this study relies upon sound principles of job evaluation and classification. The approach identifies classifications that reflect distinct differences in levels and types of work as determined through the use of established allocation factors and classification concepts. This section of the report presents the conceptual framework for the methods used by HR in analyzing a classification recommendation for this study position.

General Guideline and Definitions

Point in Time Analysis

A classification study primarily captures the essential nature of positions at a single point in time. Therefore, recommendations cannot be based upon all possible future changes, particularly in a rapidly changing environment where organizational needs, technologies, and skill requirements are continuously evolving.

Whole-Job Analysis

For purposes of this study, HR used a whole-job analysis approach. This methodology analyzes the job as a whole, rather than by individual factors, by evaluating the core duties and responsibilities, the nature and level of work performed, and the minimum qualifications which are required to perform the work. This approach compares jobs with one another on the basis of an overall evaluation of difficulty or performance. The entire position, including the skills required, the decision-making authority, the scope, the magnitude of work, and the accountability for results, is compared as a whole to other positions.

Preponderant Duties

Classification studies often find that positions are assigned a wide range of duties and that incumbents have various levels of responsibility at any one time. Therefore, the positions must be analyzed based on their preponderant duties. Preponderance is a measure of importance; the most preponderant duties of a position are those that support the primary purpose of the position. Sometimes the most time-consuming duties of a position are preponderant; however, consideration must sometimes be given to the responsibility and complexity of certain duties that do not occupy the majority of the incumbent's time. Overall, the determination of preponderance is a judgment call based on a consistent set of factors.

Level and Not Volume of Work

Position classification is a reflection of the level of work performed by an employee; and thus, it is generally independent of volume. For example, if one employee processes double the work of another, yet the percentages of time spent on those tasks and other duties are comparable, a single classification should be appropriate for both positions. In fact, study questionnaires do not ask for, and HR would not consider, the relative productivity of employees when evaluating positions. Likewise, classifications are not distinguished by the amount of time spent by incumbents on tasks or the volume of work assigned to positions since problems of excessive workload are properly solved by redistributing work or adding employees, and not by creating new classifications.

Determining Classification Breadth and Depth

Classification plans generally establish classifications based on a determination of "sufficient similarity". However, within an individual organization, sufficient similarity can be interpreted to coincide with the goals and philosophy of the organization. For example, a broad interpretation recognizes positions that share a core set of duties, but accepts substantial variation between positions, resulting in varied assignments within each classification. In contrast, a narrow interpretation might create separate narrow classifications to address such variations.

Allocation Factors

Allocation factors are standards that are used to measure job requirements of individual positions. These factors can be compared in order to measure the similarities and differences among positions. The common allocation factors used to evaluate this study position included:

- Decision Making - Consists of [a] the decision-making responsibility and degree of independence or latitude that is inherent in the position, and [b] the impact of the decisions.
- Scope and Complexity - Defines the breadth and difficulty of the assigned function or program responsibility inherent in the classification.

- Contact with Others Required by the Job - Measures [a] the types of contacts, and [b] the purpose of the contacts.
- Supervision Received and Exercised - Describes the level of supervision received from others and the nature of supervision provided to other workers. It relates to the independence of action inherent in a position.
- Knowledge, Skills, and Abilities - Defines the knowledge, skills, and abilities necessary to perform assigned responsibilities.

Classification Analysis

Ms. Hsu has been employed by the County and in her current position for approximately 13 years. She is currently classified as an Internal Auditor and performs complex (various Governmental Accounting Standards Board [GASB] pronouncements, the amount of data that must be reconciled and presented, and the changes in the way depreciation is handled) financial, budgetary, systems, and other management analyses in support of the County’s financial management; provides subject matter expertise in reviewing and evaluating financial, budgetary, and related systems to make recommendations; assists in the development and implementation of County-wide policies, procedures, and controls related to accurate reporting of revenues, expenditures, and fund equities in compliance with generally accepted accounting principles (GAAP). Specific duties presented in the following Table are taken from the PDQ completed by Ms. Hsu.

ESSENTIAL JOB FUNCTIONS		
Task #	Tasks	Percentage of Time
1	Act as liaison with County departments and the Auditor-Controller’s Office regarding accounting matters; coordinate with County departments to provide accurate reporting of revenues, expenditures, and year-end fund balances; work with individual department staff regarding appropriate methods to improve the accuracy of departmental reporting; consult with and advise County staff regarding accounting, financial and technical procedures, and legal requirements.	8%
2	Plan, develop, and implement procedures and controls regarding departmental reporting of program or fund revenues, expenditures, and equities to ensure adherence to applicable laws, regulations, and guidelines; evaluate alternative courses of action and make recommendations.	10%
3	Administer the County's electronic accounting system; plan and monitor daily/monthly/annual activities; provide professional analysis as a subject matter expert in the County’s Enterprise Resource Planning system. - Refers to functioning as a subject matter expert with Fenix implementation.	8%

ESSENTIAL JOB FUNCTIONS		
Task #	Tasks	Percentage of Time
4	<p>Develop and implement policies, procedures, and standards to ensure accurate reporting of the County’s financial position in compliance with GAAP.</p> <ul style="list-style-type: none"> - GASB number 51 did not apply to the County until the ERP. Ms. Hsu had to read the draft policy and develop internal policies and procedures to determine how to assess internal options and compliance County-wide. 	10%
5	<p>Manage the Auditor-Controller’s Reporting Division to ensure that daily accounting system and banking activities are performed properly and that accurate information is reported in the County’s Basic Financial Statements, Schedule of Expenditures of Federal Awards, and Cost Plan.</p> <ul style="list-style-type: none"> - Ms. Hsu functions as a direct supervisor over one professional staff member and provides management oversight of the tasks and responsibilities assigned. 	40%
6	<p>Review and analyze departmental and County accounting methods and procedures for conformance with laws, regulations, and accurate reporting standards.</p>	10%
7	<p>Prepare complex schedules for the County’s budget book (parts related to the fund balance presentation); prepare and review a variety of complex analytical, narrative, and financial reports, and correspondence required by County administration as well as federal and state agencies.</p>	10%
8	<p>Interpret and apply legal and administrative concepts to various accounting functions.</p>	5%
9	<p>Work with the Chief Assistant Auditor-Controller to determine the reasons for significant variances of revenues/expenditures between the current fiscal year and the prior fiscal year.</p> <ul style="list-style-type: none"> - Identifies reasons (why charges for services increased or decreased) related to variances and provides explanations concerning variances to independent auditors and State auditors. 	5%
10	<p>Oversee, coordinate, and work with State auditors and independent auditors in their audit of the County’s financial records.</p>	5%
11	<p>Maintain current knowledge of accounting principles affecting County accounting practices and procedures.</p>	5%

Ms. Hsu’s position required a classification analysis because she doesn’t believe the Internal Auditor classification is appropriate for the duties and responsibilities that she performs. According to Ms. Hsu,

the Internal Auditor classification was created with the goal of having an auditor (financial accounting and reporting) for all County departments. In 2013, GAAP standards changed and the Auditor Controller's staff was no longer eligible to perform independent audits of departments and small special districts. To ensure the appropriate separation of duties, an outside auditor was retained; therefore, although she works with and provides assistance, she does not primarily function in an internal auditor role for the County.

Ms. Hsu indicated that the Principal Financial Analyst is consistent with her duties and responsibilities.

Supervisor/Manager Comments

Mr. Toscano attended the desk audit with Ms. Hsu and affirmed the duties and responsibilities communicated by Ms. Hsu. In addition, he confirmed that Ms. Hsu's predominate duties are not consistent with the Internal Auditor classification specification. Instead, he believes her duties and responsibilities are closely aligned to the Principal Financial Analyst. Mr. Toscano noted that the department has another Principal Financial Analyst position (encumbered by Anne Billingsley). Despite performing different duties and responsibilities (Ms. Billingsley handles the cost plan and Ms. Hsu handles financial statements), both employees supervise professional staff.

Comparator Analysis

Principal Financial Analyst Comparator Interviews

As previously stated, the Auditor-Controller's Office has one Principal Financial Analyst position encumbered by Anne Billingsley; a comparator interview was conducted with Ms. Billingsley to understand the scope of her duties and responsibilities.

Ms. Billingsley has been in her position for approximately three years and provides direct supervision to one Sr. Department Analyst position. The duties assigned to Ms. Billingsley are noted below:

- Prepare, analyze, and review various financial statements, specifically, review departments' indirect cost rate proposals (ICRP) and budget estimates the ICRPs are based on; Community Services and Development Grant Audit Report (CSD) review.
- 2CFR Part 200 Cost Plan preparation, analysis, review, and submission to the State Controller's Office; Public Safety sales tax monthly review and annual educational revenue augmentation fund (ERAF) reporting; TDA quarterly and annual reports.
- Prepare court traffic fine revenues and sheriff parking fines; MOE 50/50 split.
- Treasury transactions audits and check fraud controls.
- Develop department procedures and processes; assessments of internal controls.

Within the scope of Ms. Billingsley duties and responsibilities, she makes several decisions independently. An example of the type of decisions she makes independently includes the 2CFR Part 200 Cost Plan preparation, analysis, review, and submission to State Controller's Office and development of department procedures. Ms. Billingsley was asked to provide an example of the type of decisions she refers to management. She stated that typically decisions are collaborative relating to the best way to handle difficult reporting/accounting transactions.

Ms. Billingsley indicated that the Principal Financial Analyst is consistent with her duties and responsibilities.

Below is a summary of the classification specifications analyzed within the scope of this classification analysis.

Classification Specification Content – Internal Auditor (Appendix A)

Current Classification Specification

Performs complex fiscal, financial, compliance, operational, and performance audits to ensure compliance with established requirements and program goals; performs the full range of internal management audits; and determines audit objectives, designs audit programs, and performs internal audits for various departments.

The “Examples of Typical Duties” section within the job description further articulates the associated duties and responsibilities assigned to this classification.

Recommended Classification Specification

Under general direction, performs complex fiscal, financial, compliance, operational, and performance audits to ensure compliance with established requirements and program goals. This is an advanced level professional class in the auditing series responsible for performing internal financial and performance audits. Incumbents serve as a professional-level resource for organizational, managerial, and operational analyses and studies. Performance of the work requires the use of considerable independence, initiative, and discretion within established guidelines.

The “Examples of Typical Duties” section within the job description further articulates the associated duties and responsibilities assigned to this classification.

Classification Specification Content – Principal Financial Analyst (Appendix B)

Current Classification Specification

Performs complex and difficult financial, budgetary, systems, statistical and other management analyses in support of the County’s financial management; makes recommendations for action and assists in County-wide policy, procedure and controls related to accurate forecasting of revenues, expenditures and fund balances, purchasing, and special revenue fund transactions. Ensures accuracy in the forecasting of revenues, expenditures and fund balances, accuracy in the County’s Special Revenue Fund accounts, appropriate procedures and controls for managing County procurements, and other related issues. The incumbent has considerable latitude for the exercise of independent judgment and decision-making.

The “Examples of Typical Duties” section within the job description further articulates the associated duties and responsibilities assigned to this classification.

Recommended Classification Specification

Under general direction, performs complex financial, budgetary, systems, statistical, and other management analyses in support of the County’s financial management; administers the County’s investment portfolio; models and forecasts periodic revenues, expenditures and both general and special fund balances; assists in the development and implementation of Countywide policies, procedures and controls related to accurate cash and investment management. This management classification serves as a professional-level resource for organizational, managerial, and operational analyses, studies, and external audits. Performance of the work requires the use of considerable independence, initiative, and discretion within established guidelines.

The “Examples of Typical Duties” section within the job description further articulates the associated duties and responsibilities assigned to this classification.

Findings

After review and analysis of the duties and responsibilities assigned to the position encumbered by Ms. Hsu, HR has determined that (i) the current classification to which the position is assigned, Internal Auditor, is not reflective of the work performed because Ms. Hsu does not perform, nor function, as a County internal auditor; (ii) the current preponderant duties are to oversee and handle complex financial statements, supervise one Accountant/Auditor (professional) classification, and serve as the primary contact and subject matter expert for external auditors; and (iii) Ms. Hsu’s scope and complexity of duties and responsibilities, in addition to the decision making, initiative, and discretion related to such, are not consistent with that of an Internal Auditor classification.

In reviewing and analyzing the two classification specifications (current and recommended in the County-wide classification study), the data provided by the incumbent and the supervisor against the allocation factors noted on pages 4 and 5, and the current duties and responsibilities, HR finds that Principal Financial Analyst is the appropriate classification. However, HR recommends some additional revisions to the recommended Principal Financial Analyst classification specification.