

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS

ACTION AGENDA SUMMARY

DEPT: General Services Agency

BOARD AGENDA # \*B-2

Urgent

Routine

AGENDA DATE March 22, 2011

CEO Concur with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval to Accept the Report of Multi-Department Contracts and Agreements for the Period July 2009 through June 2010 and to Modify the Contract Reporting Policy

STAFF RECOMMENDATIONS:

1. Accept the report of multi-departmental contracts and agreements for the period July 2009 through June 2010.
2. Approve to modify Contract Reporting Policy Number One to require Board approval for contracts and agreements where total cumulative compensation paid exceeds \$100,000 in a three-year review period consisting of the reporting year plus the two previous years.

FISCAL IMPACT:

The request to modify the existing Contracts Reporting Policy (Policy Number One) will streamline the review process by standardizing the review period to three fiscal years; therefore lessening staff workload by reducing the level of tracking and reporting. Currently, this policy (adopted by the Board in 2006) has a cumulative reporting requirement with a review period beginning July 1, 2003. The modification maintains the original intent of the policy to allow the Board review and approval of contracts exceeding the cumulative compensation of \$100,000 while refining the review period to a more appropriate level. There is no direct fiscal impact associated with this item.

BOARD ACTION AS FOLLOWS:

No. 2011-174

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

*Christine Ferraro*

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

## **DISCUSSION:**

### Multi-Department Contract Reporting

On January 24, 2006, the Board of Supervisors adopted 8 policies for the approval and reporting of contracts and agreements (each a Contract Reporting Policy). Contract Reporting Policy Number Three requires the Purchasing Agent to, "at least annually ....prepare a report to the Board of Supervisors of all contractual services (except Personal Service Contracts) provided by vendors/contractors for more than one County Department during the fiscal year where the total exceeds \$50,000."

The attached report contains vendors/contractors not previously reported to the Board of Supervisors, where the payments cross more than one department and were greater than \$50,000 in the fiscal year beginning July 1, 2009 and ending June 30, 2010. Departments have reviewed and confirmed this report, and have removed items that have previously been reported to the Board of Supervisors.

The attached report fulfills the Purchasing Agent's requirement to report annually all contractual services, except Personal Service Contracts, provided by vendors/contractors for more than one County Department during the fiscal year where the total exceeds \$50,000, set by Board Resolution 2006-58.

### Contracting Policy – Number One Revised

Contract Reporting Policy Number One states, "Departments are required to obtain approval by the Board of Supervisors for any contract or agreement where the total cumulative compensation exceeds \$100,000." The related staff report refers to cumulative as "all compensation paid by an individual department since July 1, 2003 where there has been no break in contractual services over 6 months." The stated purpose of this policy is to allow the Board of Supervisors to review and approve any new contract, extension or amendment that causes the total compensation to exceed \$100,000.

Contract Reporting Policy Number One first went into effect with the 2006-2007 Proposed Budget and provided a look-back period of three years (i.e., 2003-2004, 2004-2005 and 2005-2006). Since then, the length of the reporting period has increased and, correspondingly, the complexity of the reporting has also increased. Currently, reporting in 2010-2011 encompasses a seven-year look-back period and this continues to expand.

In keeping with the original intent, the General Services Agency is recommending that Contract Reporting Policy Number One be revised to read as follows:

Departments are required to obtain approval by the Board of Supervisors for any contract or agreement where the total cumulative compensation exceeds \$100,000. For purposes of this policy, cumulative refers to the total compensation paid by an individual department in the reporting year and the two fiscal years immediately prior thereto, where there has been no break in contractual services over 6 months.

**POLICY ISSUES:**

Approval of the attached report and the proposed contract reporting policy revision is consistent with the Board's stated priority of Efficient Delivery of Public Services, ensuring that internal fiscal controls are examined and strengthened on an on-going basis.

**STAFFING IMPACT:**

The effort required in preparing the attached report included input from the General Services Agency – Purchasing Division, as well as other County Departments during the review and report development process. There are no additional staffing impacts associated with this item.

**CONTACT PERSON:**

Keith D. Boggs, Director, General Services Agency, (209) 652-1514

## Policies Regarding the Approval and Reporting of Contracts and Agreements

The following recommended policies are intended to clarify Stanislaus County's various policies regarding the approval and reporting of contracts and agreements. These policies are designed to provide clear and specific guidance for the negotiation, creation, and execution of contracts for goods and services. Contracts covered under these policies include Independent Contractor Services, Professional Services, Personal Services and Technology Services. An exception to these policies is contractual arrangements solely between county departments. Limited exceptions, described below, also apply to the acquisition of election materials by the County Elections Officer.

It is the intent of these policies to establish a framework that insures that the contractual relationships of the County are legal, appropriate, open to public scrutiny, avoid even the appearance of conflict of interest, and keep the Board of Supervisors appropriately informed. These policies establish the minimum reporting and approval thresholds. Departments are encouraged to err on the side of openness and Board of Supervisors' approval in instances of uncertainty as to how a particular matter may fit under these policies.

### **Policy #1 – Departments are required to obtain approval by the Board of Supervisors for any contract or agreement where the total cumulative compensation exceeds \$100,000.**

For purposes of this policy, cumulative refers to all total compensation paid by an individual department since July 1, 2003 in the reporting year and the two fiscal years immediately prior thereto, where there has been no break in contractual services over 6 months.

Sections 13001 and 14100 of the California Elections code provide an exception to the County Election Official in regard to the materials necessary for conducting an election. This exception is necessary in light of the need for the Election Official to be able to enter into contracts on short notice. The Elections Official shall make an annual presentation to the Board of Supervisors regarding the contracts necessary to fulfill the Election Official's legal obligations and will provide information regarding potential vendors and contract costs. Contracts that are not subject to Section 13001 or 14100 shall be subject to this Policy.

### **Policy #2 – Departments are required to provide a quarterly report to the Board of Supervisors for any new contract or agreement, contract extension, or amendment entered into during the quarter where the compensation exceeds \$50,000 and the contract has not been previously approved by the Board of Supervisors.**

The purpose of this policy is to keep the Board of Supervisor's informed of all contractual agreements entered into during the quarter that exceed \$50,000 but are under the cumulative \$100,000 threshold requiring actual Board approval.

### **Policy #3 – Purchasing Agent approval is required on all contracts (except Personal Services Contracts) under \$100,000. At least annually, the Purchasing Agent shall prepare a report to the Board of Supervisors of all contractual services (except Personal Service Contracts) provided by vendors/contractors not previously report to the Board of Supervisors for more than one County Department during the fiscal year where the total exceeds \$50,000.**

The reporting threshold is the same as in Policy # 2, but will only have an annual reporting requirement. The Purchasing Agent may choose to use the budget reports or an agenda item as the reporting mechanism. The Purchasing Agent should provide a copy of the report in advance to the departments involved for their review.

Sections 13001 and 14100 of the California Elections code provide an exception to the County Election Official in regard to the materials necessary for conducting an election. This exception is necessary in light of the need for the Election Official to be able to enter into contracts on short notice. The Elections Official shall make an annual presentation to the Board of Supervisors regarding the contracts necessary to fulfill the Election Official's legal obligations and will provide information regarding potential vendors and contract costs. Contracts that are not subject to Section 13001 or 14100 shall be subject to this Policy.

**Policy #4 – The common and preferred methods of compensation for contracting are on the basis of either time and materials or lump sum payment upon receipt of deliverables or scope of work. Agreements with a retainer form of compensation should only be used under special circumstances as approved by County Counsel and the Board of Supervisors.**

Retainer type agreements must have a sufficient scope of work to measure performance. The contracting Department is responsible to ascertain that work is progressing or completed prior to authorization of payment. Advance payments are strongly discouraged.

**Policy #5 – No County employee or elected official shall sign the name of another employee or person. County Contracts may only be signed by individuals authorized to do so.**

This policy also applies to electronic signatures.

**Policy #6 - No independent contractor with the County shall be provided with or entitled to use County-owned equipment, such as a cell phone, pager or computer, unless specifically authorized in the contract. The contractor must agree to comply with all county policies before receipt of the equipment.**

The policy clarifies that no independent contractor shall be provided with County-owned equipment unless the contract specifically provides for the use of such equipment during the contract period. The contract department will insure that all equipment is returned at the end of the contract.

This policy does not apply to County employees, poll-workers, or other persons assisting in the conduct of an election who are acting on behalf of the County Election Official.

**Policy #7 – County employees are prohibited from participating in a selection process for contracts for goods or services when they have a close personal, financial or business relationship with any person or private entity seeking the contract.**

This policy is in addition to the policy established by the Fair Political Practices Commission, which prohibits individuals from entering into a contract if they have a financial interest with any person or entity seeking a contract.

**Policy #8 - All contracts for goods, services and construction shall carry appropriate amounts and types of insurance coverage as determined by the Chief Executive Office Risk Management Division. Except as otherwise approved by the Board of Supervisors,**

**any request to modify or waive insurance and indemnity provisions in contracts shall be approved by the Chief Executive Office Risk Management Division, upon concurrence by the affected department head and review by the Office of County Counsel. Insurance policies submitted by vendors shall be reviewed and approved for compliance with contractual requirements.**



**STANISLAUS COUNTY  
GENERAL SERVICES AGENCY  
MULTI-DEPARTMENT CONTRACTS REPORT  
JULY 1, 2009 - JUNE 30, 2010**

**Vendor** CHAMPION INDUSTRIAL CONTRACTORS/MECHANICAL SVCS

Department		PO Number	PO Value	Description
Behavioral Health & Recovery Services		90361	\$810	MH SRC SS Adult Residential
		92573	\$1,287	MH SRC SS Adult Residential
	Behavioral Health & Recovery Services	Total	\$2,097	

Department		PO Number	PO Value	Description
Dept of Child Support Services		92220	\$3,276	DCSS Automation
	Dept of Child Support Services	Total	\$3,276	

Department		PO Number	PO Value	Description
Health Services Agency		86008	\$70,187	HSA Plant Operations
		88099	\$460	HSA Plant Operations
		90317	\$6,036	HSA Plant Operations
Health Services Agency	Total		\$76,683	

Department		PO Number	PO Value	Description
Sheriff		85616	\$56,377	SO Central Kitchen
	Sheriff	Total	\$56,377	

CHAMPION INDUSTRIAL CONTRACTORS/MECHANICAL SVCS Total \$138,433

**Vendor** CITY OF MODESTO

Department		PO Number	PO Value	Description
Chief Executive Office		73651	\$1,638	Kiernan Business Park-East
		76991	\$21,619	CEO Economic Development
		92691	\$15,708	OES SHSP Training 2008
Chief Executive Office	Total		\$38,964	

Department		PO Number	PO Value	Description
Dept of Public Works		90752	\$25,000	PW Local Transit
	Dept of Public Works	Total	\$25,000	

Department		PO Number	PO Value	Description
Probation		88675	\$40,000	PROB jjcpa 2009/2010
	Probation	Total	\$40,000	

CITY OF MODESTO Total \$103,964

**Vendor** COMPUCOM SYSTEMS INC

Department		PO Number	PO Value	Description
Animal Services Agency				

		85188	\$2,447	Animal Services Administration
	Animal Services Agency	Total	\$2,447	
<b>Department</b>	Assessor	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		92162	\$9,883	Assessor Administration
		92603	\$1,808	Assessor Administration
	Assessor	Total	\$11,691	
<b>Department</b>	Behavioral Health & Recovery Services	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		84837	\$65,620	MH GA Data Management Services
	Behavioral Health & Recovery Services	Total	\$65,620	
<b>Department</b>	County Counsel	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		90482	\$2,447	CC Administration
	County Counsel	Total	\$2,447	
<b>Department</b>	General Services Agency	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		84524	\$5,613	GSA Purchasing
	General Services Agency	Total	\$5,613	
<b>Department</b>	Public Defender	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		85185	\$576	PD Operations
	Public Defender	Total	\$576	
<b>Department</b>	Strategic Business Technology	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		83858	\$12,127	MIS General
	Strategic Business Technology	Total	\$12,127	
	COMPUCOM SYSTEMS INC	Total	\$100,521	
<b>Vendor</b>	INTERWEST CONSULTING GRP INC			
<b>Department</b>	Chief Executive Office	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		81775	\$12,100	CEO Animal Shelter at Crows Landing
	Chief Executive Office	Total	\$12,100	
<b>Department</b>	StanCOG	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		78114	\$6,345	StanCOG General
		89156	\$55,035	StanCOG General
	StanCOG	Total	\$61,380	
	INTERWEST CONSULTING GRP INC	Total	\$73,480	
<b>Vendor</b>	TELCION COMMUNICATIONS GROUP			
<b>Department</b>	Chief Executive Office	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		92506	\$19,105	CEO Office of Emergency Services
	Chief Executive Office	Total	\$19,105	
<b>Department</b>	Clerk Recorder	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>



		85873	\$29,948	CLK Automation
	Clerk Recorder	Total	\$29,948	
<b>Department</b>	District Attorney	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		90967	\$1,028	DA Special Projects
	District Attorney	Total	\$1,028	
<b>Department</b>	Health Services Agency	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		90977	\$1,401	HSA Information Technology
	Health Services Agency	Total	\$1,401	
<b>Department</b>	Probation	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		90966	\$35,011	Probation Administration
	Probation	Total	\$35,011	
<b>Department</b>	Strategic Business Technology	<b>PO Number</b>	<b>PO Value</b>	<b>Description</b>
		85797	\$75,485	MIS Telecommunications
		85874	\$9,621	MIS Telecommunications
		90966	\$28,063	MIS Telecommunications
		90968	\$1,417	MIS Telecommunications
		90969	\$226	MIS Telecommunications
		90977	\$5,180	MIS Telecommunications
		92561	\$10,000	MIS Telecommunications
		93513	\$43,745	MIS Telecommunications
	Strategic Business Technology	Total	\$173,737	
	TELCION COMMUNICATIONS GROUP	Total	\$260,230	