



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: CEO
Department No.: 012
For Agenda Of: June 16, 2020
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Director(s) Mona Miyasato, County Executive Officer
Contact Info: Jeff Frapwell , Assistant County Executive Officer

SUBJECT: **Amendment No. 2 to the Agreement for Services of Independent Contractor with KPMG LLP to Perform Department Financial, Organizational, and Operational Reviews**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute Amendment No. 2 to the Agreement for Services of Independent Contractor with KPMG LLP to
 - i. extend the term of the agreement to perform department management, organizational, and operational reviews to December 31, 2020; and
 - ii. add additional services in the amount of \$181,199 for a total contract amount not to exceed \$1,416,199; and
- b) Determine that the proposed actions are administrative activities that will not result in direct or indirect physical changes in the environment, and are therefore not a project as defined by State California Environmental Quality Act Guidelines section 15378(b)(5).

Summary Text:

KPMG LLP is contracted to perform management, organizational and operational performance reviews of County departments to assist in identifying operational effectiveness opportunities. In the course of the reviews of the County Executive Office and General Services, more in-depth analysis was requested for certain functions. KPMG LLP will expand the depth of the review of (1) the County's multi-departmental assessment appeals process, including current and future state process maps and

recommendations for process improvements; and (2) General Services Department’s internal purchasing operating structure, policies, and practices, as well as the County’s broader decentralized procurement model, through an analysis of current processes, development of future state process mapping and operating model options and development of a supporting implementation plans.

Background:

The original KPMG contract (\$1.2 million) is to provide Operational Performance Review reports for the County Executive, General Services, Human Resources, Public Health, Planning and Development, Sheriff, Public Defender, District Attorney and Probation departments. Findings and recommendations will be brought to the Board at the appropriate intervals. The contract with KPMG ends on June 30, 2020; due to the COVID-19 emergency and other factors, the reviews have been delayed. Therefore, a contract extension to December 30, 2020 for this first set of departments is requested. It is the CEO’s intent to have all departments reviewed over a four-year period. Staff is currently working on further phases of the contract with KPMG and identifying the next departments to be reviewed.

Previously, the Board approved Amendment 1 to the contract to broaden the depth of understanding of the Planning and Development process and help address the current, and eliminate the future, backlog of cannabis permits.

Additional assessments are now requested to broaden the evaluation of the County’s multi-departmental assessment appeals process and our countywide procurement practices. It is expected that these more in-depth evaluations, and the ensuing recommendations, will provide a clear path for the County to improve the efficiency and effectiveness of these processes by developing current and future state process maps. The Assessment Appeals review is anticipated to take three weeks and cost \$28,329. The Procurement review is anticipated to take 8 weeks and cost \$152,870.

Fiscal and Facilities Impacts:

Budgeted: Yes **Fiscal Analysis:**

<u>Funding Sources</u>	<u>FY 2020-21 Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 181,199.00		\$ 181,199.00
State			
Federal			
Fees			
Other:			
Total	\$ 181,199.00	\$ -	\$ 181,199.00

Narrative: Funding for Amendment No. 2 will be appropriated through the FY 2020-21 County Budget Process.

Special Instructions:

Please send one copy to Wesley Welch.

Attachments:

Attachment A: Amendment No. 2 to the Agreement for Services of Independent Contractor with KPMG LLP

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Attachment B: Agreement for Services of Independent Contractor with KPMG LLP

Attachment C: Amendment No. 1 to the Agreement for Services of Independent Contractor with KPMG LLP

Authored by:

Wesley Welch, Business Manager