



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: County Executive
Office
Department No.: 012
For Agenda Of: May 7, 2019
Placement: Administrative
Estimated Time: NA
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: Dennis Bozanich, Deputy County Executive Officer

SUBJECT: Agreement for Services of Independent Contractor with KPMG LLP to Perform Department Financial, Organizational and Operational Reviews

County Counsel Concurrence

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 an Agreement for Services of Independent Contractor with KPMG LLP to perform department financial, organizational and operational reviews, between May 14, 2019 and June 30, 2020, in an amount not-to-exceed \$1,200,000; and
- b) Determine that the above action is not a “project” within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), because it is a government organizational or administrative activity that will not result in direct or indirect physical changes in the environment.

Summary Text:

As a part of Renew 22, the County identified the need to optimize services given existing and projected revenues. Departmental reviews conducted by a third party were proposed to compare Santa Barbara County with other counties, develop performance measures, identify evidence-based best practices, and make findings and recommendations on staffing, workload, and efficiencies.

A Request for Proposal process was conducted during October and November 2018 for a contractor to perform a comprehensive financial, organizational and operational performance review of County departments. KPMG LLP was selected as the most qualified, following a multi-round interview process.

Under this agreement, KPMG will conduct nine department reviews designed to provide a high-level assessment of the County departments, identify strengths, opportunities and weaknesses, compare financial and operational areas with similar jurisdictions, as well as identify baseline and enhanced levels of service and recommend evidence based best practices for implementation.

Background:

A Request for Proposal process was conducted during October and November 2018 for a contractor to perform a comprehensive financial, organizational and operational performance review of County departments. The Request for Proposal generated twelve responses. A multi-round interview process was conducted. KPMG LLP was determined to be the most qualified to conduct a series of nine departmental reviews between May 2019 and June 2020.

KPMG will perform financial, organizational and operational performance reviews of nine County departments to assist the Board of Supervisors in identifying its budgetary priorities and allocations and operational effectiveness opportunities.

The purpose of the review is to provide the County Executive Officer with a high-level assessment of the County departments, identify strengths, opportunities and weaknesses, compare financial and operational areas with similar jurisdictions, as well as identify baseline and enhanced levels of service and recommend evidence based best practices for implementation. The Department reviews will provide foundational information to support the development of intermediate term (3-7 year) department development plans.

KPMG will examine, analyze, and make findings and recommendations focusing on staffing, workload and identification of efficiencies and opportunities for reinvestment. KPMG will review budget, existing and enhanced department service levels, prepare a cost benefit (if needed) and prepare a priority-based phasing of recommended improvements. KPMG will also provide service delivery performance measures and benchmarks. A final report will be written for each department review.

The nine departments included in this agreement are:

- County Executive Office;
- Human Resources;
- General Services;
- Public Health;
- Planning and Development;
- Sheriff-Coroner;
- Probation;
- District Attorney, and;
- Public Defender.

Performance Measure:

NA

Contract Renewals and Performance Outcomes:

NA

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Funding Sources	Current FY Cost:	Annualized On-going Cost:	Total One-Time Project Cost
General Fund			\$ 1,200,000.00
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ 1,200,000.00

Narrative: Funds appropriated for FY 2018-19 through the County Budget process. The FY 2019-20 County Recommended Budget will include funding for the contract.

Key Contract Risks:

The CEO’s Office views this contract as low risk because the County is only required to pay following satisfactory completion of each report.

Staffing Impacts:

Legal Positions: **FTEs:**

NA

Special Instructions:

Please send one copy to Dennis Bozanich.

Attachments:

Attachment A – Agreement for Services of Independent Contractor with KPMG LLP

Authored by: Dennis Bozanich, Deputy County Executive Officer, 805-568-3400

cc: