

**SANTA BARBARA COUNTY  
BOARD AGENDA LETTER**



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

**Agenda Number:**  
**Prepared on:** 5/22/03  
**Department Name:** Auditor-Controller  
**Department No.:** 061  
**Agenda Date:** 6/3/03  
**Placement:** Administrative  
**Estimate Time:**  
**Continued Item:** NO  
**If Yes, date from:**

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**TO:** Board of Supervisors  
**FROM:** Robert W. Geis, CPA  
Auditor-Controller  
**STAFF CONTACT:** Mike Struven  
Financial Reporting Division Chief  
**SUBJECT:** Authority to approve contract changes with KPMG and Stoltey CPAs

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**Recommendation(s):**

That the Board of Supervisors:  
Grant authority to the Auditor-Controller to authorize total additional payments of \$19,400 related to the County's financial audit contract with the joint venture of KPMG LLP and Stoltey CPAs (a local vendor) for a total contract of \$116,400 for the fiscal year 2001-2002.

**Alignment with Board Strategic Plan:**

The recommendation(s) are primarily aligned with Goal No. 3. A Strong, Professionally Managed County Organization.

**Executive Summary and Discussion:**

This audit contract is for a three-year period and Section 3 of the contract specified the scope of services and made provision for adjusting the maximum fee in the event of circumstances that require additional services beyond the normal scope of auditing services. The implementation of GASB 34 in fiscal year 2001-2002 required extensive services beyond the specified scope of services. This recommendation grants authority to the Auditor-Controller to authorize payments for the additional services within the terms of the contract. This brings the total amount payable under the contract for fiscal year 01-02 to \$116,400:

Original contract amount	\$ 92,000
Contract amendment (6/4/02)	5,000
Additional 10% (6/4/02)	9,700
Additional 10% (6/3/03)	<u>9,700</u>
Total	\$116,400

**Mandates and Service Levels:**

Government Code Section 25250, Health and Safety Code 33080, Penal Code Sections 925 and 926

**Fiscal and Facilities Impacts:**

Recommendation (a) will result in additional general fund expenditures \$9,700 in 2002-03 in Auditor-Controller department 061, program 2010, account 7324.

Payments on this contract are budgeted as services and supplies in the Financial Reporting Cost Center (page D-322 in the 2002-2003 Proposed Budget).

**Special Instructions:**

**Concurrence:**

None