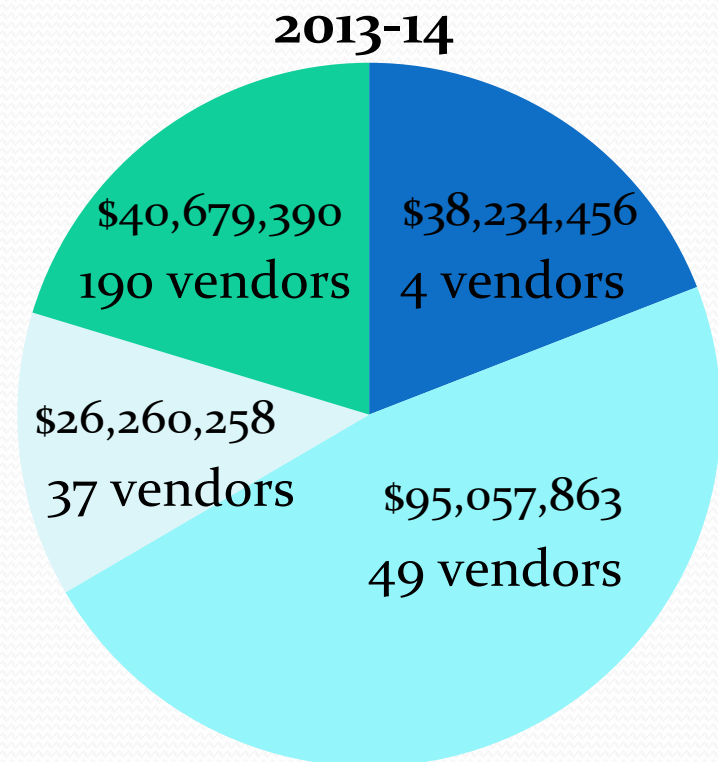
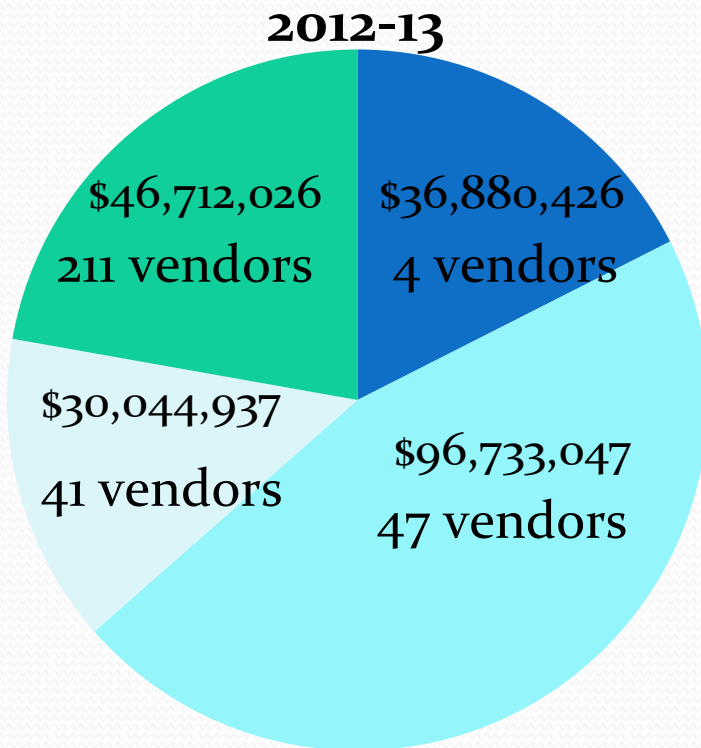


# County Service Contract Improvements and Vendor Payments > \$100,000

Presented by the Auditor-Controller's Office

# Payments to Vendors > \$100,000



■ > \$5M

■ \$1M - \$5M

■ \$500K - \$1M

■ \$100K - \$500K

# Payments to Vendors > \$100,000

Department Title	FY 12-13	FY 13-14
General Services	\$ 44,140,071	\$ 22,214,059
Public Works	43,892,308	35,069,162
Alcohol,Drug,&Mental Hlth Svcs	29,824,679	33,096,150
Social Services	18,797,372	18,921,724
Court Special Services	14,706,352	14,473,174
Public Health	13,899,624	9,941,854
Sheriff	11,814,545	13,602,715
County Executive Office	6,874,457	24,219,085
Probation	4,001,743	3,891,382
Housing/Community Development	3,835,271	6,672,644
Community Services	3,186,946	2,943,652
First 5, Children & Families	3,146,538	2,600,852
Parks	1,964,112	2,287,435
Clerk-Recorder-Assessor	1,656,594	1,448,634
Planning & Development	1,608,993	956,188
General County Programs	1,592,092	1,592,928
Human Resources	1,496,157	2,765,772
Fire	1,018,761	400,983
Child Support Services	709,138	761,595
Treasurer-Tax Collector-Public	560,705	453,928
Debt Service	406,168	406,168
Auditor-Controller	378,333	423,128
District Attorney	307,068	346,437
Agricultural Commissioner/W&M	247,741	241,941
Public Defender	188,598	121,225
County Counsel	83,329	349,628
Board of Supervisors	32,743	29,524
<b>Total</b>	<b>\$ 210,370,436</b>	<b>\$ 200,231,967</b>

# Contracting Improvements

- Service Contract & Grant Compliance Policy
  - Effective July 1, 2013
  - Provide direction in identifying contract risks
  - Improve communication of contracts with instances of non-compliance
- Trainings
  - One live training was made on policy implementation
  - Video training on risk assessment and performing contract monitoring are available on the Intranet
  - Future videos will include assessing a contractor's financial health and developing corrective action on compliance issues

# Contracting Improvements (Cont'd)

- Checklists and other tools to assist departments were developed and are available on the Intranet
- The Countywide contract standard terms and conditions were improved to limit County exposure to loss (audit clause, insurance indemnification)
- Internal meetings to discuss process improvements are held regularly
- Instances of non-compliance are reported to CEO, Auditor-Controller, County Counsel (initially reported through ORM process) then to Board of Supervisors through appropriate mechanisms
- Perform monitoring of departments/contracts through Internal Audit

# Results

- Identifying and correcting contract weaknesses earlier:
  - Inconsistencies in understanding the ongoing contract process (BOS delegation of contract signing to CEO for certain reoccurring contracts)
    - Distributed clarifying procedures
  - Services provided without formally executed contracts/agreements in place
  - Contractors with potential financial weaknesses and early planning and communication to mitigate risks
  - System weaknesses and are designing new processes to make improvements

# Recommendation

- Receive and file the fiscal year 2012-13 and 2013-14 Expenditure Summary Report of County Vendors paid over \$100,000