



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

All Department/District Heads

At its meeting held September 19, 2000, the Board took the following action:

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David E. Janssen, Chief Administrative Officer, presented the attached report regarding a specific process of accountability for department contract management.

On motion of Supervisor Antonovich, seconded by Supervisor Burke, unanimously carried (Supervisor Yaroslavsky being absent), the Chief Administrative Officer and Auditor-Controller's attached joint report dated September 7, 2000, entitled County Policy/Procedures – Timely Submission of Contracts for Board Approval was adopted.

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Attachment

Copies distributed:
Each Supervisor

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County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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 (213) 974-1101

DAVID E. JANSSEN
 Chief Administrative Officer

Board of Supervisors

GLORIA MOLINA
 First District

YVONNE BRATHWAITE BURKE
 Second District

ZEV YAROSLAVSKY
 Third District

DON KNABE
 Fourth District

MICHAEL D. ANTONOVICH
 Fifth District

September 7, 2000

To: Supervisor Gloria Molina, Chair
 Supervisor Michael D. Antonovich, Chair Pro Tem
 Supervisor Yvonne Brathwaite Burke
 Supervisor Zev Yaroslavsky
 Supervisor Don Knabe

From: David E. Janssen
 Chief Administrative Officer

J. Tyler McCauley
 Auditor-Controller

COUNTY POLICY/PROCEDURES – TIMELY SUBMISSION OF CONTRACTS FOR BOARD APPROVAL (ITEM NO. 65, AGENDA OF SEPTEMBER 12, 2000)

On August 29, 2000, on motion of Chair Molina, the Board of Supervisors instructed the Chief Administrative Officer and the Auditor-Controller to provide a report for the September 12, 2000 agenda identifying 1) a specific protocol, including advance deadlines, for submitting contracts for Board approval prior to contract expiration, and 2) a process of accountability to ensure compliance. Via copy of this memorandum to all County department heads, the following policies and procedures (as may be modified by the Board) are effective immediately. (The term "contracts" refers to both contracts and agreements.)

Overall Policies

- Consistent with managing operations under their direction, all department heads are required to adequately plan for the timely solicitation and development of contracts, necessary review and approval of contracts, and appropriate deployment and monitoring of contracted resources.

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- For contracts requiring Board approval, departments may not accept, receive or perform such contract services without prior approval by the Board, except in the circumstances noted below.
- The Chief Administrative Office (CAO) will not approve for placement on a Board agenda any proposed contract which includes a retroactive effective date, except in the following circumstances:
 - 1) The relevant department head provides a compelling justification that the contract is of critical and urgent necessity to protect public health and/or safety; or
 - 2) The County is receiving funds (normally from a higher level of government); or
 - 3) Failure to proceed with filing the contract for the earliest agenda would result in a defined, severe consequence.
- Retroactive contracts submitted for Board approval not meeting one of the above criteria will be returned to the relevant department for appropriate revision of the contract term.

Specific Procedures

- Except in the circumstances noted above, contracts requiring Board approval must be filed no later than the Board agenda three weeks preceding the last agenda date at which the Board can act prior to the contract's effective date. This will allow the Board the opportunity to continue those items requiring additional review or additional information.
- By November 6, 2000, each department shall submit to the CAO (to the attention of their budget and operations analyst) **an inventory/tracking list** reflecting all the department's Board-approved contracts effective in the current fiscal year and/or planned to be submitted for Board approval through July 2001.

RETRO CONTRACTS

This inventory/tracking list must, at a minimum, include the following elements:

- ▶ Contract name
- ▶ Contracted service
- ▶ Contract amount (annual and total amount, if different)
- ▶ Funding source
- ▶ Contract term, including last Board approval date
- ▶ Automatic renewals, if any
- ▶ Whether or not renewals will be proposed to the Board
- ▶ **A tracking schedule reflecting the steps and necessary time frames** leading to submission of contract for Board approval, including (where applicable):
 - Development of solicitation documents and solicitation process;
 - Contract negotiation;
 - Necessary reviews (e.g., Auditor-Controller, County Counsel, Chief Information Officer, outside entities)
 - Board agenda filing requirements as referenced above

***Note:** A template of an Inventory/Tracking List will be provided to each department in the near future via e-mail to use or adapt for these purposes in the event they do not currently have a program which can provide this information.*

- Each department should update the inventory/tracking list regularly, as needed, and advise their CAO budget and operations analyst of any significant changes or circumstances where time frames will not be met. At least annually, and no later than August 1st of each year, each department must submit an updated inventory/tracking list to their CAO budget and operations analyst.
- Departments must relay to their CAO budget and operations analyst any significant changes to the inventory/tracking list, or any likelihood that time frames will not be met, as soon as possible.
- The elements noted above represent the minimum information to be reflected on the inventory/tracking list. However, based on the volume, type and complexity of your contract operations, it may be advantageous to reflect additional tracking and

reporting information consistent with other Board-ordered contracting policies and practices including:

- ▶ Required contractor performance reviews;
- ▶ Living Wage/Proposition A requirements (including Contractor Data Base web site posting requirements where applicable); and
- ▶ Office of Small Business web site posting requirements (for solicitations and awards).

Accountability

In all circumstances where a retroactive contract must be submitted for Board approval (as set forth above), the Board letter must specifically indicate if late submission was avoidable or was wholly outside the department head's control. If late submission was outside the department head's control, supporting justification must be provided.

The Auditor-Controller, consistent with periodic departmental audits, will determine if a department has engaged contract services prior to approval by the Board, where required.

Based on the results of these efforts, the Board may wish to incorporate compliance with these policies and procedures within department heads' annual performance agreements, either specifically or within a broader policy/procedure compliance goal.

Departments should direct any questions regarding these policies and procedures to their budget and operations analyst in the CAO.

DEJ:JTM
LS:MKZ:bjs

c: All Department Heads

RETRO CONTRACTS

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