

COUNTY OF LOS ANGELES
PROBATION DEPARTMENT
DIRECTIVE

No.	1178
Issued:	11/26/08
Post Until:	12/26/08

SUBJECT: EFFECTIVE OVERSIGHT OF CONTRACTED SERVICES

The purpose of this Directive is to provide information and guidelines that define the oversight and processing of contracts assigned to the Department, and to assign individual responsibility for each vendor's provision of services. This Directive is intended to ensure an effective internal control structure and management oversight of available funding to sustain service levels without exceeding Board of Supervisors approved contract amounts or contract periods.

Once available funds have been identified, the Bureau Chief will assign contract/grant responsibilities to the appropriate Program Manager. Within the first quarter of the contract period, the Bureau Chief will ensure that the Program Manager has received or will receive Departmental mandated training that provides an overview of the County's contract administration process with an emphasis on authority and compliance with contract terms and conditions.

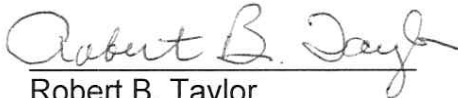
Responsibilities of the Program Manager include:

- ensuring that the objectives of the contract are understood and met and deliverables are provided;
- meeting with Contractor's Project Director on a quarterly basis;
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor;
- reviewing and approving monthly invoice expenditures
- ongoing tracking of approved program service units and invoices as a periodic early indicator of spending trends in conjunction with available funding;
- ensuring services do not extend beyond or precede contract periods, and
- ensuring service levels and unit costs are in compliance with contract terms.

Fiscal Services will provide each Bureau with estimated-actual reports beginning the fourth month of the fiscal year and every month thereafter through the end of each fiscal year. The estimated-actual reports provide encumbrance amounts, known to-date expenditures (based upon invoiced amounts) against each encumbrance, and a projection of anticipated total annual spending. Ad hoc encumbrance and expenditure reports or spreadsheets can be developed upon request.

Probation Managers, Fiscal, Contracts and Grant, and Contract Monitoring will meet quarterly to review established controls and to determine if the need exists to exercise the Department's contract modification authority. The Contracts Director will determine if delegated contract modification authority exists and provide guidance including a timeline, and the anticipated contracted amount increase. If delegated authority does not exist, thus

requiring approval of the Board of Supervisors, managers are to notify the Contracts Director in writing at least 120-days in advance or upon becoming aware to ensure adequate time to obtain Chief Executive Office (CEO) approval and schedule the item for the Board's agenda. All requests for delegated authority or contract modification are to be made utilizing the attached form.


Robert B. Taylor
Chief Probation Officer