



COUNTY ADMINISTRATIVE OFFICE
MANAGEMENT & BUDGET TEAM
COUNTY OF HUMBOLDT

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INTEROFFICE MEMORANDUM

TO: BOARD OF SUPERVISORS
FROM: AMY S. NILSEN, COUNTY ADMINISTRATIVE OFFICER
SUBJECT: RESPONSES TO 2015-16 GRAND JURY REPORT *BEST PRACTICES IN PURCHASING/PROCUREMENT*
DATE: SEPTEMBER 2, 2016

Please find below the County Administrative Office response to the recommendations in the above-referenced report.

Recommendation No. R1: *The County Administrative Officer (Purchasing Agent) allocate a staff position responsible for training individual department personnel in contract management.*

This recommendation will not be implemented.

While this recommendation has merit, the County Administrative Office (CAO) does not have the funds available to allocate a new staff position to be responsible for training individual department personnel in contract management. However, the CAO will be updating the Purchasing Policy in the future in such a way that accommodates this request.

Recommendation No. R2: *The county Purchasing [Team] establish a county database to include a vendor evaluation field so that formal evaluations can be available to other county departments.*

This recommendation will not be implemented.

The county currently uses software that includes a database with vendor information that is available to all departments. Staff is currently evaluating a potential upgrade to this software that would include, among other things, an area for departments to submit evaluations. However, until the vendor improves the software itself this recommendation will not be implemented.

Recommendation No. R3: *The county Purchasing [Team] require written, evidence-based evaluations for vendor performance.*

This recommendation will not be implemented.

This recommendation would require staff to develop criteria for evaluations and would also require staff

to continually track the vendor's performance against those criteria before reporting. This represents a significant increased workload and would impact staff in every department of the county. The recommendation also represents a potential liability to the county as any evaluation that negatively affects a vendor's business would be subject to strong disagreement by the vendor and even potential litigation.

Recommendation No. R4: *The Humboldt County Civil Grand Jury supports the recommendation of the CAO's Mid-Year Budget [Report] to consolidate the Auditor-Controller and Treasurer-Tax Collector offices and remove Revenue Recovery from the County Administrative Office.*

This recommendation has been implemented.

Revenue Recovery was moved from the CAO to Treasurer-Tax Collector effective July 1, 2016. The Board of Supervisors placed, on the Nov. 8 General Election Ballot, the option to create the Department of Finance. The consolidation of the two offices is now up to the will of the voters.

Recommendation No. R5: *The Humboldt County Civil Grand Jury recommends the establishment of a consolidated Finance Department, headed by an appointed Director of Finance.*

This recommendation has been partially implemented.

The Board of Supervisors cannot appoint a Director of Finance unless the issue is approved by the voters of Humboldt County. The Board of Supervisors placed this issue on the Nov. 8 General Election Ballot. In addition, the Board did place a question on the ballot as to whether the Director of Finance should be an elected position.

Recommendation No. R6: *The Humboldt County Civil Grand Jury recommends the proposed Finance Department shall conduct annual audits.*

This recommendation has not been implemented, but will be implemented in the future, pending voter approval.

The Auditor-Controller's Office is currently responsible for conducting annual audits. The Finance Department, if approved by voters, would assume the responsibilities of both the Treasurer-Tax Collector's Office and the Auditor-Controller.