

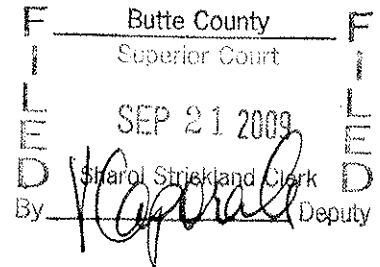
GENERAL SERVICES DEPARTMENT

INTEROFFICE MEMORANDUM

RICH HALL
Director -- General Services
rhall@buttecounty.net
Telephone: (530)-538-7064
Fax: (530)-538-6760

August 6, 2009

Honorable James F. Reilley, Presiding Judge
c/o Court Administration
Superior Court of California, County of Butte
1 Court Street
Oroville, CA 95965



Dear Judge Reilley:

This memorandum contains my responses to the findings and recommendations contained in the Final Report of the 2008-09 Grand Jury.

Findings

F1. *"The Department Director and the Contracts Manager are acutely aware of the overwhelming need to rewrite the outdated Contracts/Purchasing Policy and Procedure Manual, for the purpose of centralizing information, creating easier access, saving time, and most importantly, saving revenue for the County."*

The respondent agrees with this finding.

F2. *"There is a lack of standardization and consistency in the County's contract language."*

The respondent agrees with this finding, recognizing that the diverse nature of County operations requires some variation in contract language.

F3. *"There is a lack of electronic transmission, approval, management and tracking of contracts."*

The respondent agrees with this finding.

F4. *"The DGS is not always involved before contracts are issued by individual departments."*

The respondent agrees with this finding; current procedures allow for a variety of processes, depending upon the type of contract.

F5. *"There is an immediate need for the Manual to be completed and approved by the Board of Supervisors."*

The respondent agrees with this finding. This is currently the Contract Manager's primary priority.

F6. *“There is no timeline for approval at each step in the ratification of a contract. Presently, it takes four to six weeks for contract approval.”*

The respondent partially agrees with the finding. The respondent agrees that there is no timeline for approval at each step in the approval of a contract. The respondent disagrees that it takes four to six weeks for contract approval. The majority of contracts, which are routine and do not require Board approval, takes approximately two weeks. Contracts requiring Board approval or those requiring extensive modifications, take four to six weeks on average.

Recommendations

R1. *“A dedicated clerical position should be tasked with the compilation of the new contracts Manual.”*

The implementation of this recommendation is not reasonable at this time due to the extreme financial difficulties currently existing in the County. It should be noted, however, that clerical assistance will be assigned as needed to help move the process along, and that most of the work required to revise the Manual is not clerical, but professional analysis and issue-vetting required to resolve issues of concern.

R2. *“Develop standardized, write-protected, department-specific templates for use in the majority of contractual relationships, eliminating lengthy, individual document review.”*

It is anticipated that this recommendation will be implemented in the current fiscal year as part of the revision to the Manual. In order to be of broadest use, standardized templates will follow types of contracts, rather than being department-specific.

R3. *“An electronic processing program specific to expediting the contract process needs to be developed and implemented as soon as possible.”*

The implementation of this recommendation will require a significant investment of resources for hardware, software, set-up, and training, and is therefore, not reasonable at this time due to the financial difficulties currently existing in the County. We anticipate that the benefits of implementing this recommendation will allow for its implementation as soon as it is feasible.

R4. *“Each department seeking a contract for goods or services should work collaboratively with DGS, utilizing the aforementioned templates, and implementing a streamlined electronic contract process.”*

This recommendation has already been implemented to the extent that the General Services Department collaborates with departments on many of the higher risk contracts (large dollar or high complexity). It is anticipated that the need for collaboration will be further defined in the revisions to the Manual, based on the level of need.

R5. *“The new Manual should be reviewed and approved with any appropriate modifications by the Board of Supervisors as soon as completed.”*

It is anticipated that this recommendation will be implemented in the current fiscal year.

R6. *“Procedures should be established to enhance the expediency and efficiency of the contract approval process.”*

It is anticipated that this recommendation will be implemented in the current fiscal year as part of the revision of the Manual.

Sincerely,

A handwritten signature in cursive script, appearing to read "Grant Hunsicker".

Grant Hunsicker
Assistant Director – General Services Department
For Richards L. Hall

Richards L. Hall, Director
General Services Department

cc: Andy Pickett