

GOVERNMENT & ADMINISTRATION COMMITTEE

Chief Administrative Officer's Contract

Citizen Complaint #C44-02/03

Reason for the Report

The complainant believes that the County Charter was violated because the Chief Administrative Officers (CAO) contract did not identify a contract administrator, nor were useable fingerprints submitted or a background check performed prior to the starting date of the contract.

Scope of the Investigation

The Grand Jury interviewed the following:

- Complainant;
- County Counsel, El Dorado County ;
- Chief Administrative Officer (CAO);
- Sheriff, El Dorado County;
- All five members of the Board of Supervisors, individually.

The Grand Jury also reviewed the following items:

- Complaint;
- Contract between the Board of Supervisors and the CAO;
- El Dorado County Charter;
- Interoffice memo regarding policies and procedures.

Background:

The complainant alleged that the CAO contract violated the County Charter since the contract did not specify the contract administrator.

The allegation is of questionable merit since much as this issue could have been easily resolved with a short addendum to the contract specifying the Board of Supervisors as the contract administrator.

The complainant further has a difference of opinion with the contract concerning severance pay and hours of leave that were negotiated. The complainant was not a party to the contract and these conditions were agreed upon unanimously by the Board of Supervisors prior to the approval of the contract.

The complainant also specifies several differences of a financial nature concerning salary, leave compensation, and the deferred compensation plan provided in the contract. In addition the contract

makes mention of the PERS contributions which the County agreed to pay. The Board of Supervisors in negotiating the contract had the benefit of an outside firm with general knowledge of emoluments, benefits, and remuneration granted to other public officials in similar positions within the State of California. In interviews with Board members, the Committee accepts that both parties negotiated this contract in good faith. While the committee may differ with the details of any contract, there appears to be no basis to the charge that the Board of Supervisors acted inappropriately. Finally the complainant alleges that fingerprints of the CAO were not received in a timely matter. As a matter of fact, the fingerprints had to be taken four different times, through no fault of the applicant, and the requirement has been satisfied.

Findings

F1. The contract as it stands does not specify a contract administrator.

Response to F1: The respondent agrees with the finding. It is unclear whether Charter Section 602 applies to a contract of this type.

F2. The contract was negotiated for the County by the Chairman of the Board of Supervisors, assisted by County Counsel.

Response to F2: The respondent agrees with the finding.

F3. After also asking at least one other elected officials' opinion and getting his endorsement the contract was endorsed unanimously by the full Board.

Response to F3: The respondent agrees with the finding.

F4. Fingerprints of the applicant were taken and are on file.

Response to F4: The respondent agrees with the finding.

Recommendations

R1. An addendum should be added to the contract to make the Board of Supervisors the contract administrator.

Response to R1: The recommendation will not be implemented because it is not warranted. The person for whom the contract was developed no longer works for El Dorado County, so there is no reason to amend the contract. It is not clear whether Charter Section 602 applies to a contract of this nature.

R2. The Board of Supervisors should continue to find ways to work in the best interest of the County through the establishment of a positive working relationship with the CAO.

Response to R2: The recommendation has been implemented. The County is currently operating with the Assistant Chief Administrative Officer working in an Interim capacity.

The Board of Supervisors has enjoyed a cooperative relationship with the Interim during this transition. Once a permanent Chief Administrative Officer is appointed the Board will continue to work to create a cooperative environment.

- R3. The CAO should be aware of his or her responsibility among other things. Recognize that El Dorado County is in a state of transition. While we cling to our history, we are also confronted with the reality of change.

Response to R3: The recommendation has been implemented. The respondent agrees that El Dorado County is in a state of transition. It is experiencing accelerated population growth, dealing with development issues, requiring infrastructure growth, and realizing business expansion. At the same time we are seeing our financial base eroded by the State, working with potentially costly state court administration changes, maintaining law enforcement needs, and more. Recognizing the need for a top-notch executive to assist the Board in formulating and implementing policies, manage County programs, and provide a vision for the future, the Board of Supervisors hired a professional executive search firm. The Interim CAO is aware of these realities; they will be elements to consider when choosing a permanent one.

- R4 The Board of Supervisors shall not authorize payment of money or other compensation for performance of any service or function by a private entity except pursuant to a written contract meeting all applicable requirements of law pertaining to contracts of the County.

- (a) The Board of Supervisors should not authorize expenditure of County funds for membership dues or assessments in any private organization, unless the Board of Supervisors makes findings of specific public benefits anticipated to accrue to the County as a result of acquiring or renewing the membership. The text of these proposed findings shall be published in the agenda for any meeting at which such an expenditure will be considered.
- (b) If such a membership is to be at a cost level above the minimum membership level, these findings shall include a detailed explanation of the additional public benefits to the County that are anticipated to accrue from the additional expenditure. If the additional public benefits include a particular program or service, the Board of Supervisors shall enter into a written contract with the private entity to assure conduct of the program or performance to the service during the period of the membership.
- (c) This provision applies to all membership purchased by the County, regardless of whether the membership is in the name of the County or in the name of an officer or employee of the County.

No Board of Supervisors response is required.

