

NEVADA COUNTY BOARD OF SUPERVISORS RESPONSES TO

2024 Nevada County Civil Grand Jury Report

Report on responses to the 2023-2024 Grand Jury Report: *Follow the Money: Fire Safe Council's Accountability Problems from 2022 Continue... and Appear to Worsen*

DATED April 8, 2024

In accordance with California Penal Code § 933.05(b), the Nevada County Board of Supervisors is responding to the Nevada County Civil Grand Jury FY 2023/24 Report entitled *Follow the Money: Fire Safe Council's Accountability Problems from 2022 Continue... and Appear to Worsen*. The responses to findings and recommendations are based on examination of official County records, review of the responses by the County Executive Officer, County Counsel, Director of the Information and General Services Agency, Deputy Purchasing Agent, and County staff.

A. RESPONSES TO FINDINGS

Finding 10: It appears that the county has awarded multiple contracts to Fire Safe Council (FSC), without verifying that FSC had required licenses.

Partially disagree.

Professional service contracts are thoroughly vetted for specific license and/or certification requirements based on the specific work to be performed prior to the execution of contracts. Vetting is conducted by departments managing the specific service contract as well as Purchasing staff. License requirements are also clearly stated in competitive procurement solicitations when applicable to the specific type of work requiring license and/or certification. County staff are constantly engaged with the Contractors State License Board ensuring required licenses are in place for vendors prior to the initiation of service contracts and maintain this practice moving forward.

The County issued several contracts with FSC with a variety of scope and requirements. The County staff wrote each contract with the requirements known at the time. Staff are engaged in gaining clarification around the nuances of the variety of vegetation management services that require licensing.

Finding 11: The county has not been sufficiently diligent about confirming the validity of the contractors' invoices.

Disagree.

All invoices received from contractors are thoroughly vetted and reviewed by department staff managing the contract, agency fiscal staff, and Auditor/Controller staff prior to processing payments. There are a minimum of three layers of reviews within account payable processes. This includes, but is not limited to, review of contract deliverables, proofing invoicing, review of timecards, etc. Any errors or required additional information are reported back to the contractor to make corrections and resubmit for review. These processes are constantly being reviewed for enhancements to contract and invoice accountability with each department, agency, through budget processes, contract improvement team, and grants team.

B. RESPONSES TO RECOMMENDATIONS

Recommendation 12: The county should ensure that contractors have required licenses before awarding contracts.

The recommendation has been implemented.

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Recommendation 13: The county needs to reestablish regular processes for auditing invoices on county contracts.

The recommendation has been implemented.

All invoices received from contractors are thoroughly vetted and reviewed by department staff managing the contract, agency fiscal staff, and Auditor/Controller staff prior to processing payments. There are a minimum of three layers of reviews within account payable processes. This includes, but not limited to, review of contract deliverables, proofing invoicing, review of timecards, etc. Any errors or required additional information are reported back to the contractor to make corrections and resubmit for review. These processes are constantly being reviewed for enhancements to contract and invoice accountability with each department, agency, through budget processes, contract improvement team, and grants team. Review and enhancements to contract and

associated invoicing accountability will continue to be conducted as a standard practice to proactively implement process improvements.

Recommendation 14: The county should require nonprofit corporations that receive county money to agree to operate consistently with the Brown Act.

The recommendation will not be implemented for reasons as explained.

The Brown Act does not apply to the FSC as the County no longer has a member of the Board of Supervisors appointed to its board of directors.

“The Brown Act applies to the legislative bodies of local agencies. It defines “legislative body” broadly to include just about every type of decision-making body of a local agency... [including] [t]he governing body of any **private organization** either: (1) created by the legislative body in order to exercise authority that may lawfully be delegated by such body to a private corporation, limited liability company or other entity; or (2) that receives agency funding and whose governing board includes a member of the legislative body of the local agency appointed by the legislative body as a full voting member of the private entity’s governing board. These include some nonprofit corporations *created by local agencies*.

[However] [i]f a local agency contracts with a private firm for a service (for example, payroll, janitorial, or food services), the private firm is not covered by the Brown Act. [The Brown Act does not] apply when a private organization merely receives agency funding.” (OPEN & PUBLIC V: A GUIDE TO THE RALPH M. BROWN ACT, emphasis added.)