

**EL DORADO COUNTY CALIFORNIA**

*Chief Administrative Office*

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August 13, 2007

Memo To: Board of Supervisors

From: Laura S. Gill, Chief Administrative Officer

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BOARD OF SUPERVISORS  
EL DORADO COUNTY

*Laura S. Gill*

Subject: Enforcement of BOS Policy B-1  
(August 14, 2007 BOS Meeting, Agenda Item #55)

I recommend that the Board of Supervisors receive and file this report concerning the enforcement of BOS Policy B-1 as requested by the Board at its July 3, 2007 meeting. I also recommend that the Board direct the Auditor-Controller and me to return on September 18, 2007 with proposed revisions to Policy B-1.

Background

At its July 3 meeting, the Board directed me "to agendize Policy B-1 for discussion at the next department head meeting and return to the Board on August 14, 2007 with any advice on how to change and enforce said Policy." I held a discussion on the requirements of Policy B-1 with department heads on Friday, August 3, 2007.

Issues

I started the discussion with an overview of Policy B-1, which describes the responsibilities of department heads and the Chief Administrative Officer to ensure that department heads maintain expenditures within appropriations and collect the full amount of revenues budgeted in order to remain at net county cost. The department heads present at the meeting indicated their understanding of their responsibilities under the policy.

The department heads asked that the policy be amended in two areas to reflect the control of departmental expenditures at the class level (i.e., salaries and employee benefits, services and supplies, fixed assets):

- Section 1 a (1): Lower the expenditure level to maintain overall expenditures within the budgeted amount for the ~~line item~~ expenditure class.
- Section 2: It shall be the responsibility of the Auditor/Controller's Office to not allow payment to be processed and disbursed when over-expenditures of ~~individual line item accounts~~ have an expenditure class has occurred, or will be caused to occur, and no adequate increase of appropriation has been approved individually by the Auditor/Controller and the County Chief Administrative Officer.

In a separate discussion with the Auditor-Controller, we both agreed that Policy B-1 needs to be updated to reflect current practice. The Auditor-Controller's memo of August 13, 2007 outlines a number of areas where current practice is in conflict with Policy B-1.

Actions to be taken:

- The Auditor-Controller and I will prepare revisions to Policy B-1 and share those revisions with department heads at the August 24 department heads meeting.
- The proposed revisions will be presented to the Board at its September 18 meeting.

I remain available to answer any questions you may have concerning this agenda item.