

June 21, 2002

Honorable Rodney S. Melville
Presiding Judge, Santa Barbara Superior Court
312-C East Cook Street
Santa Maria, CA 93456-5369

Mary Anne Harrison
Grand Jury Foreperson
1100 Anacapa Street
Santa Barbara, California 93101

**Board of Supervisor's Response to the 2001-02 Grand Jury Report on:
"Assessment of Santa Barbara County Business/Management Practices"**

Dear Judge Melville and Grand Jury Members:

During its regular meeting of June 18, 2002, the Board of Supervisors adopted the following responses as their responses to the findings and recommendations in the 2001-2002 Grand Jury's report on "Assessment of Santa Barbara County Business/Management Practices" to which the Board is required to respond. These responses are aligned with those provide by the County Administrator's Office, the Sheriff, the Auditor-Controller, the Clerk-Recorder-Assessor, and the Treasurer-Tax Collector-Public Administrator.

Finding 1: *Several of the agencies headed by elected officials choose not to participate in the Project reviews. These include the Sheriff, Auditor-Controller, County Clerk-Recorder-Assessor, and Treasurer-Tax Collector.*

Agree partially. Currently the Treasurer-Tax Collector-Public Administrator and the Sheriff each have one project in the Project Reporting System. Staff from those departments report on their respective projects at the project review meetings.

The Clerk-Recorder-Assessor and his staff have attended review meetings for the presentation of a capital facilities project for their office.

Recommendation 1: *The Board of Supervisors and the nonparticipating agency heads should evaluate participation in these reviews. The benefit of participation in these reviews outweighs any concern that elected department heads may feel about giving up control to the County Administrator's Office.*

The recommendation has been implemented. The Board of Supervisors and nonparticipating agency heads are evaluating and/or have evaluated participation in these reviews. As noted above, some department heads that had not participated previously have begun to participate at the project review meetings. Moreover, some Board of Supervisors' executive assistants also participate at the meetings.

The primary purpose of these meetings is information sharing for all departments. While there are additional opportunities, such as Operational Review Meetings, for the County Administrator's Office to review departmental projects in more depth, the project review meetings are a chance for executives and managers throughout the County to learn about on-going projects. The breadth of departments represented at the meeting creates unique opportunities for collaboration and problem solving. As more departments participate, the value of these meetings increases.

Finding 2: *The review format currently lacks information that is critical to controlling major projects.*

Agree partially. The Project Reporting System and project review meetings provide opportunities for high-level information sharing and issue identification. The System and the review meetings are not designed to be tools for detailed day-to-day project management. Project management and control are the responsibilities of the departments. County departments can use off-the-shelf software such as Microsoft Project to manage and control projects at that level.

The Project Reporting System contains current information on County projects' budgets, resources and schedules. This information is distributed at review meetings and generates discussion about project status, issues and concerns. These discussions alert County administration and participating departments to the impacts these projects may have on other County operations.

Recommendation 2: *The project review format should be modified for major projects to include earned value, risk assessment, budget estimate at completion and issues/concerns.*

A portion of the recommendation has been implemented in that risks are assessed and project issues and concerns are discussed at the project review meetings. Moreover, the Project Reporting System does, in fact, capture budget estimates at completion. These budget estimates are presented at the project review meetings.

The remainder of the recommendation will not be implemented because it is not warranted. The goal of the County Administrator's Office is to use the Project Reporting System and

project review meetings to collect basic project information from all departments and disseminate it throughout the organization. Gathering this data is an ongoing challenge, and requiring the level of detail necessary to calculate earned value might discourage participation. This does not rule out attempting to determine earned value on major projects in the future or on a trial basis with selected departments.

Recommendation 3: The County Administrator's Office should continue to nurture and encourage these practices to insure good fiscal accountability.

The recommendation has been implemented, as the County Administrator's Office will continue to nurture and encourage these business and management practices.

We appreciate the Grand Jury's support and suggestions regarding the business and management practices of the County. We will continue to strive to improve these systems and practices in order to ensure the efficiency and effectiveness of County government.

Respectfully submitted,

Gail Marshall
Chair, Board of Supervisors