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Agenda Item No. 5  
June 27, 2007 Agenda

**DATE:** June 11, 2007  
**TO:** Children and Families Commission of Orange County  
**FROM:** Michael M. Ruane, Executive Director   
**SUBJECT:** **Commission Audit and Grantee Monitoring Program**

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**SUMMARY:**

The Children and Families Commission of Orange County has maintained a comprehensive grantee audit program since 2001 and an expanded grantee monitoring program since 2004 through a slate of qualified on-call audit firms. Program audits are performed to verify that grantees perform services in accordance with contract requirements; expanded grantee monitoring projects are initiated for grantees that may be experiencing administrative or budgetary/fiscal challenges. The current on-call audit firms have provided services under contracts due to expire on June 30, 2007.

On March 16, 2007, a Letter of Interest to submit qualifications related to the Commission's Program Audit and Grantee Monitoring Program was sent to 18 certified public accounting (CPA) firms serving Orange County. Four CPA firms responded to the Letter of Interest and were sent the Request for Qualifications (RFQ) document on April 2, 2007 and those four CPA firms submitted qualifications on May 1, 2007. Following a panel review process, the following three qualified audit firms are proposed to provide on-call audit and expanded grantee monitoring services for the period July 1, 2007 through June 30, 2010 at an annual combined cost of \$225,000.

1. Diehl, Evans & Company, LLP.
2. Moreland & Associates, Inc
3. Vavrinek, Trine, Day & Co, LLP

**STRATEGIC PLAN & FISCAL SUMMARY:**

The proposed Agreements have been specifically reviewed in relation to the Strategic Plan, and are consistent with the goal area of Professional and Technical Services.

This funding request is for the annual amount of \$225,000 per year for up to three years commencing on July 1, 2007. Funding for this item is included in the adopted FY 07/08 budget.

**RECOMMENDATIONS:**

1. Approve the recommended slate of three audit firms to provide on-call audit and expanded grantee monitoring services for the period July 1, 2007 through June 30, 2010 at an annual combined cost of \$225,000.

2. Adopt Resolution (Attachment 1) authorizing the Executive Director, or designee, to negotiate and enter into contracts PS-37 with Moreland & Associates, LLP; PS-38 with Vavrinek, Trine, Day & Co., LLP; and PS-39 with Diehl, Evans & Company, LLP to perform program audit and expanded grantee monitoring services on an “on-call basis” in amounts not to exceed a combined annual cost of \$225,000 for the period July 1, 2007 through June 30, 2010.

**Attachment:**

1. Resolution authorizing Executive Director to negotiate and enter into contracts for program audit and expanded grantee monitoring services.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY**

**RESOLUTION NO. \_\_\_-07-C&FC**

**June 27, 2007**

**A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE EXECUTIVE DIRECTOR AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE FINAL FORM OF AGREEMENTS WITH DESIGNATED ORGANIZATIONS AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH**

**WHEREAS**, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the "Act") implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County ("Commission"); and

**WHEREAS**, the Commission adopted a Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

**WHEREAS**, the Executive Director and Commission Counsel have prepared a form Master Agreement for Professional/Consulting Services ("Master Agreement"); and

**WHEREAS**, the Commission desires to enter into Agreement PS-37 with Moreland & Associates, LLP; PS-38 with Vavrinek, Trine, Day & Co., LLP; and PS-39 with Diehl, Evans & Company, LLP for the period July 1, 2007 through June 30, 2010 in a combined annual cost not to exceed \$225,000 to provide program audit and expanded grantee monitoring services as specified in the June 27, 2007 staff report for this Agenda Item, which services promote the purposes of the Act and the Strategic Plan; and

**WHEREAS**, Commission has reviewed the June 27, 2007 Staff Report for this Agenda Item relating to the Scope of Services to be provided and hereby finds and determines that the proposed Agreements are in furtherance of and consistent with the Commission's Strategic Plan; and;

**WHEREAS**, all actions required by applicable law with respect to the proposed Agreements have been taken in an appropriate and timely manner.

**NOW, THEREFORE BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:**

**Section 1** Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

**Section 2** Commission authorizes the Executive Director to prepare and negotiate the final form of Agreements PS-37 with Moreland & Associates, LLP; PS-38 with Vavrinek, Trine, Day & Co., LLP; and PS-39 with Diehl, Evans & Company, LLP for the period July 1, 2007 through June 30, 2010, for a combined annual cost not to exceed \$225,000, to provide program audit and expanded grantee monitoring services consistent with the June 27, 2007 staff report for this Agenda Item and scope of services referenced therein, in support of the Act and the Strategic Plan;

**Section 3** The form of the Agreements with Moreland & Associates, LLP, Vavrinek, Trine, Day & Co., LLP, and Diehl, Evans & Company, LLP shall be substantially similar to the form of the approved Master Agreement, subject to minor, non-substantive revisions as reviewed and approved by the Executive Director. The approval by the Executive Director, or designee, of the final form of the Agreements shall be conclusively evidenced by the execution of such agreements by the Executive Director and delivery thereof to the Commission Clerk.

**Section 4** Commission hereby approves Agreements PS-37 with Moreland & Associates, LLP; PS-38 with Vavrinek, Trine, Day & Co., LLP; and PS-39 with Diehl, Evans & Company, LLP for the period July 1, 2007 through June 30, 2010 in a combined annual cost not to exceed \$225,000 to provide program audit and expanded grantee monitoring services consistent with the June 27, 2007 staff report for this Agenda Item and scope of services referenced therein, in support of the Act and the Strategic Plan.

**Section 5** The Executive Director and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Agreements on behalf of the Commission.

**Section 6** A copy of the final form of the Agreements with Moreland & Associates, LLP, Vavrinek, Trine, Day & Co., LLP, and Diehl, Evans & Company, LLP when executed by the Executive Director and attested by the Clerk of the Commission shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Agreements shall be placed on file in the office of the Clerk of the Commission.

**Section 7** In addition to the authorization of Sections 2, 3, and 5 above, the Executive Director (or his designee) is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreements, (ii) to cause the issuance of warrants, (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreements, and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreements in the furtherance thereof.

**Section 8** The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on June 27, 2007 to wit:

AYES           Commissioners: \_\_\_\_\_

NOES:           Commissioner(s): \_\_\_\_\_

EXCUSED:       Commissioner(s): \_\_\_\_\_

ABSTAINED:    Commissioner(s) \_\_\_\_\_

\_\_\_\_\_  
CHAIR

STATE OF CALIFORNIA)  
                                  )  
COUNTY OF ORANGE )

I, DARLENE J. BLOOM, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

**IN WITNESS WHEREOF**, I have hereto set my hand and seal.

\_\_\_\_\_  
DARLENE J. BLOOM  
Clerk of the Commission, Children and Families Commission of  
Orange County, County of Orange, State of California

Resolution No: \_\_-07--C&FC

Agenda Date: June 27, 2007

Item No.



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

DARLENE J. BLOOM, Clerk of the Commission

By: \_\_\_\_\_  
Deputy

**EXHIBIT A TO RESOLUTION OF COMMISSION**

(Attach copy of final executed Agreements PS-37 with Moreland & Associates, LLP; PS-38 with Vavrinek, Trine, Day & Co., LLP; and PS-39 with Diehl, Evans & Company, LLP)