

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 11/9/2022

Staff Report No. 22-571

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Contra Costa Sheriff Department Audit

ACTION ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

Consider receiving an audit report regarding the current Contra Costa Sheriff's contract; and consider exercising two 1-year options, contained in the current contract, to extend the agreement through December 31, 2024. [Requested by Director Beckles - 6/23/21]

Staff Contacts:

Chris Andrichak, Chief Financial Officer
Alan Parello, Manager of Internal Audit

STRATEGIC IMPORTANCE:

Goal - Safe and Secure Operations
Initiative - Financial Efficiency and Revenue Maximization

Review of the audit report will help to evaluate the Sheriff's performance in the current contract, including compliance with financial terms, and assist in determining whether two 1-year options should be exercised to extend the contract through December 31, 2024.

BUDGETARY/FISCAL IMPACT:

The two 1-year contract options contain an annual not-to-exceed limit of \$2,926,766 or \$5,853,532 for the two years ending on December 31, 2024.

BACKGROUND/RATIONALE:

In July 2021, the Board requested an outside audit of the Contra Costa Sheriff's contract. The Board was informed earlier this year of the difficulties encountered in securing an audit firm, and the consulting arm of Crowe, LLP, was then selected to perform this assessment. The engagement is now complete, and an audit report has been prepared to help evaluate the Sheriff's performance under the contract, including financial terms, and assist in determining whether two 1-year options should be exercised to extend the contract through December 31, 2024.

Notable findings and recommendations in the report include:

- Enhance District access to Sheriff Office reports - Reports produced by the Sheriff's Office, including daily incident and County Monthly Report for Protective Services should be stored on a shared site to allow AC Transit staff easy access.
- Report Sheriff Office response times - The Sheriff's Office should include response times in their regular reporting to AC Transit.
- Require continuous 24-hour Sheriff Office coverage - There is currently a 3-hour gap in coverage from 3am to 6am.
- Provide Sheriff's Office access to AC Transit cameras - Sheriff's Office deputies should have continuous access to AC Transit security cameras on a real time basis.
- Refine Sheriff's Office communications and vehicle charges invoicing methodology - Sheriff Office monthly charges for communications and vehicle expenses require more detail.
- Expand Sheriff Office work performed reporting - The Sheriff should provide more detail of work performed by deputies in their monthly reports.
- Allow AC Transit more timely feedback to Sheriff Office personnel - A mechanism should be developed to allow AC Transit staff to provide Sheriff with regular feedback on services provided.
- Develop AC Transit policies and procedures for Sheriff's Office Contract - Policies and Procedures relating to the management of the Sheriff Office contract need to be developed.
- Explore Options for Additional Services - The District might consider the option of additional outside services to enhance overall quality of Contra Costa county protective services.

District staff has reviewed the recommendations outlined in Crowe's assessment and wholeheartedly agrees with the findings and recommendations. In addition, staff has already begun taking steps to implement some of the recommendations outlined above and is partnering with other District departments and the Contra Costa Sheriff's Office to assist in the process. Staff believes that the recommendations in the report are achievable and requests that the current contract with the Contra Costa Sheriff's Office be extended for two years through December 31, 2024.

ADVANTAGES/DISADVANTAGES:

Advantages - Review of the audit report will help AC Transit evaluate the performance of the Contra Costa County Sheriff in their current contract and assist in determining whether two 1-year contract options should be exercised.

Disadvantages - There are no notable disadvantages to reviewing the Contra Costa Sheriff audit report.

ALTERNATIVES ANALYSIS:

There are no other recommended alternatives than those considered in the report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 21-360 -- Contra Costa Sheriff Contract Audit
SR 21-360a - Contra Costa Sheriff Contract Audit

ATTACHMENTS:

1. AC Transit Contra Costa Sheriff's Office Assessment

Prepared by:

Alan Parello, Manager of Internal Audit

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Jill A. Sprague, General Counsel/Chief Legal Officer

Salvador Llamas, Chief Operating Officer