




Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer 

CONTACT: Lyz Hoffman, Public Information Officer (805-961-8819)

SUBJECT: Ratification of Expense for Services Provided

RECOMMENDATION:

Ratify an expense of \$5,959.50 paid to Irene Hoffman Design & Advertising, a graphic design company, for services provided from September 26, 2018 to March 8, 2019.

BACKGROUND:

In the Fiscal Year (FY) 2018-19 budget, funds were designated for the District to redesign the agency logo to increase brand awareness. During that fiscal year, District staff selected a local graphic design company, Irene Hoffman Design & Advertising (no relation to staff), to work on the redesign project.

DISCUSSION:

As stated in Irene Hoffman Design & Advertising's Scope of Work submitted to the District in advance of the project, the estimated cost due to the designer was \$5,800 plus \$100 per hour for any additional expenses. Payment terms required a 50% initial payment, followed by two separate 25% payments midway through and at the completion of the process and delivery of artwork. As stated by the designer, the District would assume full ownership of the files and art at the time of final payment.

The District uses County of Santa Barbara Purchasing as its Purchasing Agent for purchases, when one vendor over a fiscal year collectively totals more than \$3,500. Any combined payments made to a vendor exceeding \$3,500 during the fiscal year must have a contract in place. Irene Hoffman Design & Advertising provided services from September 26, 2018 through March 8, 2019; however, inadvertently a purchase order was not in place. Since the three individual invoices were less than \$3,500, Fiscal staff were unaware that the total exceeded the

\$3,500 threshold and that a contract should be executed. The ratification of expense for services provided is necessary to comply with current rules and procedures.

The District has taken the following steps to prevent this from occurring in the future:

- All District staff have been fully trained in purchasing procedures and rules.
- Fiscal staff created a document for all staff to aid in adhering to purchasing procedures and rules, and staff were briefed on this document and encouraged to seek Fiscal staff's help if questions arise.
- An annual review of the procedure and documentation of purchasing is included in Fiscal staff's yearly tasks.

The APCO is requesting that your Board rectify this procedural error by ratifying the expense of \$5,959.50 for services provided in FY 2018-19.

FISCAL IMPACT:

There is no fiscal impact related to this ratification. Funds for the logo redesign project were included in the FY 2018-19 budget. There will be no further expenses related to this vendor.