



County of El Dorado

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April 9, 2017-Auditor-Controller Joe Harn Reports on Consultants Not Disclosing their Financial Interests as Required by State Law

Consultants hired by El Dorado County are not making disclosures of their financial interests as required by state law as explained in a letter County Auditor-Controller Joe Harn sent to the County Supervisors late last week. In the letter Harn urged the County to take corrective action.

"I have reached the conclusion that the county is not complying with the intent and letter of the state law that governs the public reporting of the financial interests of a number of consultants," Harn wrote.

"... The public and the county will benefit from requiring a number of our consultants to publicly report their financial interests regardless of the state's requirements," he continued. "Further, we should review and probably tighten the standard conflict of interest language that we are currently using in a number of the county's consulting contracts."

Harn said he discovered the discrepancies after recently taking over (at the Board of Supervisors request) as contract administrator of a consulting contract that was previously administered by the Community Development Agency. At issue is whether consultants might have competing financial interests: i.e. working for El Dorado County and receiving gifts or income from a developer who has a project moving through the county's permit process that will eventually come to the county Planning Commission and Board of Supervisors for a vote.

After reviewing several contracts Harn said he took the matter to the Chief Administrative Office and the County Counsel's Office for review and both offices "are in general agreement with my conclusion."

The state law makes perfect sense according to Harn. "The County's land use planners are required to make public financial disclosures of their income, gifts received, etc. Consultants that CDA uses and relies on to make land use recommendations are required by state law to make the same disclosures. The County and CDA have not been asking for the required disclosures."

"Regardless of state law (which Harn says applies anyway), our constituents deserve access to financial interest reports from the consultants that assists us with land use decisions," Harn wrote. "I recommend that your board direct the CAO and all department heads to review their consulting contracts for compliance with the financial interest reporting requirements of the state."

This review could require that some contracts be amended and sent back to the supervisors for approval, he noted.