



Agenda Date: 7/11/2006
Agenda Placement: 6J

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: John Tuteur - Registrar of Voters
Elections
REPORT BY: Belle Altman, Staff Services Manager, 707-253-4295
SUBJECT: Acceptance of Donation of 400-C Optical Scan Counter and establishment of fixed asset.

RECOMMENDATION

Assessor-Recorder-County Clerk requests the following:

1. Authorization to accept a donation of 400-C Optical Scan Counter valued at \$75,000 from the Sequoia Voting Systems, Inc.; and
2. Establishment of fixed asset in an amount not to exceed \$75,000.

EXECUTIVE SUMMARY

Sequoia Voting Systems offered the 400-C Optical Scan Counter to the County as part of contract negotiations in 2003 for the purchase of the electronic and optical scan voting systems required under the Help America Vote Act of 2002. Under the Government Code and the County Policy, the Elections department needed to get the Board's approval to accept this donation valued at \$75,000 and establish it as a fixed asset.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Donation from Sequoia Voting Systems, Inc. While there is no impact to the General Fund expenditures, the revenue account will reflect the acceptance of donation as a prior year revenue.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This equipment has been used by the Elections department to tabulate the paper ballots during the Elections and it is critical that they can continue to do

so.

Is the general fund affected? No

Future fiscal impact: None

Consequences if not approved: The Elections Department can no longer use the equipment. The County will need to replace the equipment with the General Fund money.

Additional Information: None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

On June 3, 2003, the County entered into agreement no. 6017 with Sequoia Voting Systems, Inc. to provide touch screen (EDGE) and optical scan voting (OPTECH) equipment, ballot tabulation equipment, software and hardware; software and elections support maintenance beginning with the March 2, 2004 Primary Election and continuing through June 30, 2009 for \$2,119,759. An asset, 400-C Optical Scan Counter, was donated to the County as part of the overall purchase agreement and five-year maintenance agreement.

During the internal audit for fiscal year ended June 30, 2005, the Internal Audit section of the Auditor-Controller's office made findings that an asset 400-C Optical Scan Counter is not on the fixed assets list and they were unable to locate documentation of Board approval for this substantial donation (approximately \$75,000, according to the Elections Division).

The Government Code Section 25355 authorizes the board to accept or reject any gift, bequest, or devise made to or in favor of the county. The Board adopted Resolution No. 05-40 on March 8, 2005 delegating the Auditor-Controller to accept any gift, bequest, or devise for the aggregate amounts of \$1,000 or less per occurrence made to or in favor of the County. For any gift, bequest, or devise made to or in favor of the County for the aggregate amounts over \$1,000 per occurrence shall cause a report that describes the source and value of each gift to be filled with the Board of Supervisors each quarter.

Since the donated item has a value of over \$1,000, in accordance with the Government Code and the County Policy, the request today is to accept the 400-C Optical Scan Counter valued at \$75,000 from the Sequoia Voting Systems, Inc. and establish it as a fixed asset.

The Internal Audit section of the Auditor-Controller's office will be returning to the Board with the Department Audit Report, which includes the finding before you today, at a later date to be filed with the Clerk of the Board.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Maiko Klieman