

2001-2002
SAN BERNARDINO COUNTY
GRAND JURY



FINAL REPORT

COUNTY OF SAN BERNARDINO

**GRAND JURY
FINAL REPORT**

2001-2002



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June 28, 2002

The Honorable J. Michael Welch
Presiding Judge
Superior Court of California
County of San Bernardino
172 West Third Street
San Bernardino, California 92415-0302

Dear Judge Welch:

In compliance with State-mandated law, the 2001-2002 San Bernardino County Grand Jury respectfully submits this final report, the fruits of our twelve months Grand Jury service.

I feel very fortunate and honored to have been selected Foreman of this diverse panel of San Bernardino County residents. We all worked well together and gained mutual respect for each other. They did a true "yeoman's" job putting this report together.

We spent many laborious and exhaustive hours in investigating all aspects of County government.

I wish to thank the Board of Supervisors, the County Administrative Officer and the department heads that we interviewed for their cooperation and openness in answering our questions and providing us with information we requested.

In a County that has been plagued by accusations of wrongdoing and corruption by both elected and appointed officials in the past four or five years, we are finally starting to put this behind us and get on with business.

We have approximately 18,000 hard working and dedicated employees, and I wish to thank them. It must to be a very trying experience for all concerned, as July 1 of every year a new Grand Jury is impaneled and the process starts again with 19 fresh and inquisitive minds.

This Grand Jury noticed in several instances that our interest in an area of investigation caused immediate action to be taken.

In a system dating back to 1066, during the time of Norman King, William, to protect the citizenry and his assets, he created a system called "Jure Gran". The gathered information was classified and recorded in what was referred to as the "Doomsday Books".

I would like to take this opportunity to thank a few people. First, I would like to thank Judge Roberta McPeters for naming me Foreman. A special thank you to our two "adjunct" members, Sue Shuey our Grand Jury Assistant, who kept us on schedule and handled a mountain of paperwork; and to Clark Hansen, Deputy District Attorney and our Legal Advisor, who gave us advice when we asked for it, kept us out of trouble, and kept us focused.

A thank you to my fellow hard working, dedicated Jury members for their support and dedication and letting me think I was "Boss". A thank you to our chair people who kept their committees working and focused.

Another big thank you to our panel secretary, Ron Fletcher, upon whom I kept dumping more work. He served as chairman of two committees, plus serving as chairman of the Editorial Committee.

I am deeply grateful to Dr. Vic Edinburgh, Foreman Pro Tem, for acting as a sounding board, for his advice, quiet leadership and assistance in guiding the Grand Jury this year.

Does the Grand Jury system still work? I would give a resounding yes. The answer from the County is by adoption of our recommendations in this report. Only time will tell.

Respectfully submitted,



HERBERT M. POLLOCK
Foreman
2001-2002 Grand Jury

SAN BERNARDINO COUNTY 2001-2002 GRAND JURY

Herbert M. Pollock	◇	Foreman
Victor G. Edinburgh	◇	Foreman Pro Tem
Ronald C. Fletcher	◇	Secretary
Janet M. Carter	◇	Assistant Secretary
Michael J.D.R. Wilson	◇	Sergeant-at-Arms
Jack R. Woods	◇	Assistant Sergeant-at-Arms
Debra S. Gray	◇	Historian/Librarian

Muriel M. Alcantara	◇	Barstow
Norma M. Bancale	◇	Helendale
Peggy M. Bautista	◇	Colton
Janet M. Carter	◇	Yucaipa
Alfred J. Dubiel	◇	Ontario
Victor G. Edinburgh	◇	San Bernardino
Ronald C. Fletcher	◇	San Bernardino
Debra S. Gray	◇	Rialto
Sarah L. Harrison	◇	San Bernardino
Amos Isaac	◇	Redlands
Thomas Ma	◇	Ontario
Veronica May	◇	Victorville
Norma L. Mays	◇	Ontario
Sandra L. Munson	◇	Apple Valley
Carl P.E. Peterson, Jr.	◇	Ontario
Herbert M. Pollock	◇	Highland
Michael J.D.R. Wilson	◇	Crestline
Jack R. Woods	◇	Colton

RESIGNATIONS

Alton T. Durant	◇	Crestline	◇	July 2001
Joycelyn T.C. Bailey	◇	Rialto	◇	November 2001
Leonard G. Anderson	◇	Highland	◇	March 2002

Presiding Judge (2001)	◇	Roberta McPeters
Presiding Judge (2002)	◇	J. Michael Welch
Legal Advisor	◇	Clark A. Hansen, Jr.
Grand Jury Assistant	◇	Susan L. Shuey

SAN BERNARDINO COUNTY 2001-2002 GRAND JURY



Front (left to right): Sue Shuey (Grand Jury Assistant), Norma Bancale, Al Dubiel, Muriel Alcantara, Amos Isaac, Thomas Ma, Veronica May, Peggy Bautista, Sarah Harrison, Jan Carter, Michael Wilson

Middle Row (left to right): Carl Peterson, Norma May, Sandra Munson, Herb Pollock, 2001 Presiding Judge Roberta McPeters, 2002 Presiding Judge J. Michael Welch, Vic Edinburgh, Jack Woods, Debra Gray

Back (left to right): Clark Hansen (Grand Jury Legal Advisor), Ron Fletcher

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EDITORIAL COMMITTEE



Ronald C. Fletcher, Chairman



Janet M. Carter



Alfred J. Dubiel



Victor G. Edinburgh



Amos Isaac



Veronica May



Sandra L. Munson



Carl P.E. Peterson, Jr.



Herbert M. Pollock



Michael J.D.R. Wilson

The Editorial Committee would like to acknowledge and thank the following individuals for their hard work and invaluable assistance in the preparation of the Final Report of the 2001-2002 San Bernardino County Grand Jury.

Graphic Arts Silvia Schreiber, Layout and Composing Coordinator
Printing Services County Printing Services Personnel
Typing/Preparation Susan Shuey, Grand Jury Assistant
Group Photograph Steve Jaronski, Sheriff's Public Affairs Office
Individual Photographs Michael J.D.R. Wilson, 2001-2002 Grand Juror

ADMINISTRATIVE COMMITTEE



Sandra L. Munson, Chair



Muriel M. Alcantara



Norma M. Bancale



Alfred J. Dubiel



Victor G. Edinburgh



Veronica May



Norma L. Mays



Carl P.E. Peterson, Jr.



ADMINISTRATIVE COMMITTEE

It was the responsibility of the Administrative Committee to review the following boards, departments and agencies:

- Board of Supervisors
- Clerk of the Board of Supervisors
- County Administrative Office
- County Counsel
- Human Resources Department
- Information Services Department
- Local Agency Formation Commission
- Public Information Officer
- Superintendent of Schools

Two representatives of this committee attended the weekly meetings of the Board of Supervisors and reported on agenda topics and actions to the full Grand Jury. These reports and the monthly Project Status Reports from the County Administrative Officer were regular sources of additional information for the Grand Jury.

This committee received and reviewed three complaints. One complaint was acted upon.

The Administrative Committee established subcommittees to review the functions and operations of selected departments. Key staff members were interviewed and investigations were completed. Not all investigations resulted in recommendations.

The investigations completed by the Administrative Committee resulted in the following findings and recommendations.

COUNTY BOARDS, COMMISSIONS AND COMMITTEES

BACKGROUND

County Policy 01-12 states, "The Board of Supervisors establishes local advisory and regulatory boards, commissions and committees for the purpose of assisting in the effectiveness of County government and services. The Board of Supervisors will consider for appointment all persons willing to serve and whose interests, background, experience, perspective and talents may significantly contribute to the purpose of these various commissions." Only the Board of Supervisors can create, govern and disband boards, commissions or committees (sometimes referred to as BCC).

The Sunset Review is a process that means a board, commission or committee (BCC) is nearing the end of its legally established purpose. At the end of each term, the Board of Supervisors reviews the committee to either sunset (disband) or to continue the committee.

FINDINGS

Boards, commissions and committees (BCC) are not authorized to sign contracts, disburse funds, implement programs, employ or consider any personnel matter, or act in any other capacity that involves the direct management or operation of a program. Each commission is assigned a County organization/department to act as "Liaison Agency" for that commission. In following the Maddy Act requirements, where practical, the Liaison Agency assigns a specific County employee to act as liaison officer for the commission. The officer is considered a support person. The Liaison Agency informs the BCC members of all applicable conflict of interest statutes, ordinances, and policies.

Each BCC is reviewed annually by the Clerk of the Board of Supervisors and a letter of notification to either sunset or continue is mailed to each County department that has oversight of a particular commission. After a reply from the County department is received, a Board agenda item is prepared by the Clerk of the Board of Supervisors recommending which boards, commissions and committees should be continued or sunset. The Board of Supervisors takes action on this agenda item at a regularly scheduled Board meeting.

County Policy 01-12 and Standard Practice 01-12SP are available for reference and information on notification of commission vacancies.

At the time of our interview, the perennial roster supplying information to the public regarding boards, commissions and committees was not consistent or complete.

RECOMMENDATIONS

- 02-01 THE ROSTER OF BOARDS, COMMISSIONS AND COMMITTEES BE CONSISTENT. INFORMATION ABOUT MEMBERSHIP, PURPOSE, MEETING DATES, AND PLACES AND TIMES, COMPENSATION, AND POINT OF CONTACT SHOULD BE COMPLETED. WHEN AN ITEM DOES NOT APPLY OR IS NOT AVAILABLE FOR A PARTICULAR BOARD, COMMISSION OR COMMITTEE, IT SHOULD BE RECOGNIZED IN A LINE NOTE, E.G., COMPENSATION: **NONE** OR, COMPENSATION: **\$25.00 PER MEETING**.
- 02-02 ALL INFORMATION ON BOARDS, COMMISSIONS AND COMMITTEES BE CONSISTENTLY AVAILABLE ON THE COUNTY WEBSITE, INCLUDING VACANCIES.
- 02-03 APPROPRIATE SOLICITATION FOR CANDIDATES FOR BOARDS, COMMISSIONS AND COMMITTEES BE POSTED ON THE WEBSITE LISTING OF THAT BODY.

COUNTY CONTRACTING

BACKGROUND

Two items triggered the investigation of County contracting. First, the suggestion that the County Purchasing Department could operate more effectively if restrictions on the dollar amount it could independently approve for procurement of goods and services is raised from the current \$25,000 (Board of Supervisors approval required above \$25,000). Much of this procurement is through term purchase order, e.g., one year. Second, that the Design-Bid-Build process by the County Architecture and Engineering Department should be changed to allow Design-Build on certain projects to improve efficiency and reduce costs.

In the Design-Bid-Build method of construction, a design firm is chosen through competitive process; negotiated contract is awarded to the successful design consultant. Construction bids are solicited and a construction contract is awarded to the lowest bidder. Each of these two contract cycles is reviewed and approved by the Architecture and Engineering Department and the Board of Supervisors.

In Design-Build, the winning design consultant is also responsible for securing construction bids, thus eliminating one contracting cycle. The activities of these departments involve much contracting with outside agencies for goods and services.

The investigation into County contracting took place over several months and four interviews (County Counsel, Architecture & Engineering Department, Purchasing Department and Real Estate Services Department). Details of contracts-related interviews reveal that the A&E Department follows contracting procedures as outlined in the County's Policy and Procedures Manual and the California Public Contract Code as it pertains to counties, and, additionally, has its own internal review process involving the client on a major construction program.

FINDINGS

There is no central controlling office for contracting within County government. There are, however, published procedures and guidelines in the County's Policy and Procedures Manual that an agency engaged in contracting must follow.

The County Administrative Officer (CAO) established a procurement and contracting working group in June 1999. Representatives from the following County government offices formed the group: County Administrative Office, Auditor/Controller-

Recorder, Purchasing, County Counsel, Health and Human Services System, Human Resources Department, and the Sheriff's Department.

The working group was charged with presenting recommendations to the Board of Supervisors to "ensure adequate and appropriate controls and efficient and effective practices" in procurement, purchasing and contracting. Recommendations were presented to the Board in March 2000, discussed and amended. On April 18, 2000 the Board adopted a significant number of revisions and additions to the County Code and County policies relating to procurement (Section 11, Standard Practice Manual). These updates were immediately distributed to holders of the County Policy and Procedures Manual throughout the County.

Some large County departments (e.g., Human Services System, Sheriff's Department) have contract professionals and/or staffing to administer their contracting activity. However, most departments use the services of four major departments: County Counsel, Architecture & Engineering, Real Estate Services and Purchasing.

County Counsel reviews all County contracts for "legal sufficiency" and refers to the Risk Manager in the Human Resources Department on contracts with major risks and certain insurance clauses, two major components of many government contracts.

The Architecture and Engineering Department, as an agent for other County departments in contracting for large construction or remodeling projects, has an internal review and decision system. This system involves all appropriate County departments relating to the project prior to presentation of contract approval request to the Board of Supervisors through the County Administrative Office (CAO).

The Real Estate Services Department handles its own contracting activity regarding purchase or lease of County facilities. It is staffed with real estate specialists, most with appropriate licenses and experience in real estate contracting.

The Purchasing Department handles the highest volume of procurement within County government, while the Department of Health and Human Services has the largest staff engaged in contracting and/or contract administration.

The Purchasing Department has been authorized (September 2001) to create a Contracts Unit. In addition to its departmental duties, it will serve as a core unit for contracting information and services for County departments that do not have the knowledge or staffing to do their own. Use of this unit by other County departments is not mandated through policy or code.

Currently, a Computer Aided Facilities Management (CAFM) software system is being developed in a few County departments. This CAFM system can accommodate a contract data collection function activity for the Purchasing Department. Details of

individual contracts can be retained and made available to originating departments. A tag line on each basic contract listing in the procurement department database could be a reference contact point (phone, e-mail, department and/or person, etc.) to the originating agency for further detail.

RECOMMENDATIONS

- 02-04 REVERSE COUNTY CODE OF PROCUREMENT POLICIES AND PRACTICES TO FUNCTION FOR A PERIOD OF TIME FOR EFFECTIVENESS, BASED ON THOROUGH AUDIT OF PROCUREMENT LEDGERS DURING NORMAL DEPARTMENT AUDITS.

- 02-05 THE COUNTY PURCHASING DEPARTMENT BE DESIGNATED AS THE COUNTY GOVERNMENT CONTRACTING DATA CENTER FOR GATHERING, MAINTAINING, UPDATING AND PROVIDING BASIC INFORMATION ON ALL COUNTY CONTRACTS.

RISK MANAGEMENT DIVISION OF THE HUMAN RESOURCES DEPARTMENT FORT IRWIN ROAD

BACKGROUND

The Grand Jury was told by the County Risk Manager that "there had been seven or eight deaths on Fort Irwin Road" in the last ten years. Concerned about the number of deaths, a Grand Jury subcommittee toured Fort Irwin Road with knowledgeable representatives from the County's Public Works Department. The tour took approximately 40 minutes.

FINDINGS

Fort Irwin Road is maintained by San Bernardino County and patrolled by the California Highway Patrol. A recent study by the Department of Public Works shows speeds along this road to be 65 to 70 MPH, in a 55 mile per hour zone.

There will be three phases of road repairs by Year 2004. Paving of the first five (5) miles of the road, beginning at the Fort Irwin exit off the I-15 freeway, (noted as Phase I) began around October 2001, and has been completed. During this portion of the tour, known as Project Location #1, the Jurors noted "Do Not Pass" signs as well as "No Passing" signs posted at regular intervals on both sides of the road. At one point along the side of the road there was a low fence to contain the endangered Desert Tortoise. There were no call boxes installed along Phase I, Location #1. This fact was called to the attention of the Public Works personnel. Also, there was no evidence of streetlights. We were advised that in the first week after the new paving of the road was completed, there were five vehicle rollovers, but no fatalities.

The tour continued along a rough-surfaced road with three curves without warning signs posted. This section of the road had marked emergency call boxes installed at intervals. We were told that the call boxes were outdated, but serviceable.

After ten (10) miles began another five-mile section of newly paved road with the appropriate road signs and emergency call boxes. This section was known as Phase I, Location #2.

During the tour of Fort Irwin Road, 23 marked crosses were counted on both sides of the road. These indicate that deaths occurred at that particular spot. The dates on the crosses were from 1983 through 1998.

The tour group traveled the old Irwin Road for the return trip. In earlier years this road was the only road used to reach the Fort Irwin Training Camp. The road was very rough. During the trip, a car passed our vehicle at a very high speed. The tour vehicle was traveling the posted 55 miles per hour speed limit.

Along old Irwin Road, on both sides of the road, were ten (10) more marked crosses designating accident sites that resulted in deaths, with dates from 1983 through 1994. We were advised the commander of Fort Irwin was quite concerned with the accidents and deaths occurring on Fort Irwin Road and is issuing restrictions to Army personnel.

A detailed map and a copy of the "Proposed Department of Public Works Fort Irwin Road Project" information sheet were provided to the Grand Jury. This improvement project is in cooperation with the U.S. Army.

RECOMMENDATIONS

- 02-06 INSTALL PROPER STREET LIGHTING ON FORT IRWIN ROAD.
- 02-07 INSTALL EMERGENCY TELEPHONE CALL BOXES ON FORT IRWIN ROAD AND OLD IRWIN ROAD.
- 02-08 INCREASE LAW ENFORCEMENT PATROL OF FORT IRWIN AND OLD IRWIN ROADS.

AUDIT/FISCAL COMMITTEE



Ronald C. Fletcher, Chair



Janet M. Carter



Victor G. Edinburgh



Amos Isaac



Thomas Ma



Carl P.E. Peterson, Jr.



AUDIT/FISCAL COMMITTEE

The Audit/Fiscal Committee reviewed the following County departments and procedures:

- Auditor/Controller-Recorder
- Budget Process
- Comprehensive Annual Financial Report
- SB 90 Claims submitted by San Bernardino County
- County Budget - a study that produced no recommendations

The Audit/Fiscal Committee established no subcommittees to review and report on the functions and operations of the above. The Audit/Fiscal Committee was made up of five of the six committee chairpersons and two general members who had accounting experience. Their findings and recommendations appear in this report.

The committee was responsible for interviewing and selecting a firm to conduct audits approved by the full Grand Jury. Two firms were interviewed and the Harvey M. Rose Accountancy Corporation was selected.

The audit approval was delayed by three factors this year: the first factor involved the amount of time the committee studied the SB 90 claims, legality, and interviews with County employees involved in the process. SB 90 claims are for monies spent by the County on programs that are mandated by the State and reimbursable to the County. The second factor was the cost of the audit being greater than what was budgeted for the Grand Jury, and the steps needed to be taken to overcome this. The third factor involved the desire of some in the County to perform their own audit of SB 90 claims, which caused delays in getting the necessary approvals to do the audit.

The Grand Jury approved the audit request of SB 90 Claims by San Bernardino County, recommended by the Audit/Fiscal Committee to be done by the Harvey M. Rose Accountancy Corporation.

QUALITY CONTROL REVIEW OF THE FY 2000-2001 SB 90 CLAIMS

**Prepared by the
Harvey M. Rose Accountancy Corporation**

The Audit/Fiscal Committee, with input from other Grand Jury committees, spent the first five months researching ideas and departments to consider for the 2001-2002 Grand Jury Audit. Several audit firms were interviewed and the Harvey M. Rose Accountancy Corporation was chosen to perform the audit. From the requests submitted to the committee for audits, the request by the Audit/Fiscal Committee on SB 90 Claims was selected.

The audit approval was delayed by three factors this year. The first factor involved the amount of time the committee studied the SB 90 claims, the legality of and interviews with County employees involved in the process. The second factor was the cost of the audit being greater than what was budgeted for the Grand Jury to spend, and the steps needed to be taken to overcome this. The third factor involved the desire of some in the County to perform their own audit of SB 90 claims, which caused delays in getting the necessary approvals to do the audit.

The same department that was fundamental in the delay was the very department that not only cooperated fully, but also assisted in the gathering of data and scheduling of interviews. A letter from the Harvey Rose Corporation clarified several important points included in the findings and conclusions of the report. The report identified approximately \$621,000 of additional costs to be included in the FY 2000-2001 claim related to eleven claims that were previously submitted and seven claimable areas for which no claims had been submitted. Of this amount, the Sheriff has prepared, or is in the process of preparing, new claims amounting to more than \$382,000, or approximately six times the cost of the study.

The results of this study include both specific findings that would increase the amount of reimbursement on individual FY 2000-2001 claims, as well as procedural findings that would ensure ongoing levels of increased reimbursement in future fiscal years.

During FY 2001-2002 the Auditor/Controller-Recorder's office has undergone significant management turnover in the positions responsible for countywide coordination of SB 90 claims. The addition of written policy and guidelines will ensure that future requests are handled in the appropriate fashion, even if the people overseeing the SB 90 claims are new.

The one area that the Grand Jury would like the Auditor/Controller's department to re-evaluate is the calculation of the base rate used. The department has stated that they feel it would not be cost effective to figure break time into the base rate. This calculation has been shown to be easily obtained from the Memorandums of Understanding (MOU's) the County has with the various groups of employees. San Bernardino is ignoring approximately \$100,000 in additional claims money. For example, Santa Clara County has been using this method for two years and the state has not denied their claims with this calculation.

The full audit report, with the Auditor/Controller-Recorder's responses, follows this page. A summary of recommendations precedes the full audit report.

SUMMARY OF RECOMMENDATIONS

It is recommended that the Auditor/Controller:

- 02-09 Enhance and disseminate written procedures regarding the SB 90 claiming process for the Auditor/Controller's Office including claims tracking, completion of forms, and documentation requirements. This is particularly important because there has been a significant amount of turnover in the positions that handle SB 90 claiming. Comprehensive procedures would assist new staff without prior SB 90 claiming experience and would provide a more consistent approach to the claiming process.

- 02-10 Develop written SB 90 guidelines for County departments describing the SB 90 claiming process, specific departmental responsibilities, data collection and reporting requirements and procedures, documentation standards, and other pertinent requirements of the County's SB 90 claiming process.

- 02-11 Provide annual training for County departmental staff involved in SB 90 services, including data collection, reporting and reimbursement claiming and conduct field visits to departments to review departmental data collection systems and procedures and provide assistance as appropriate.

Assist departments in the design, development and implementation of data collection systems to support the SB 90 claiming process.

Distribute State instructions and program descriptions to appropriate departmental personnel to obtain departmental input. This process would improve the identification of all applicable County departments and related costs consistent with the claim instructions.

Require all departments choosing not to submit a claim for reimbursement of program costs to provide a written explanation of why such costs were not incurred or should not be claimed.

02-12 Revise the existing countywide productive hours analysis by utilizing hours recorded by the County's time capture segment of the payroll system. Pursuant to page 6 of the State Controller's September 2001 SB 90 claiming instructions, the only exception is for vacation hours that should be on "earned" rather than "used" time. In addition, rest periods or break-time provided by union contract should be included in the analysis as illustrated on page 6 of the State SB 90 instructions. Administrative time included as non-productive hours is allowable to the extent that such time is documented and can be verified by independent audit of payroll or other records.

02-13 Develop Indirect Cost Rate Proposals (ICRPs) for all departments for which SB 90 claims are submitted and which currently do not have ICRPs if the cost of preparing the ICRP does not exceed the benefit.

Revise and update the existing departmental indirect cost rate proposals to ensure that staffing and services and supplies costs that are direct charged in claims and grants are not also included as indirect costs in departmental ICRP's. Annually or biannually, require County departments to analyze and submit schedules distributing all departmental staff and services and supplies costs by program or function in accordance with Federal Office of Management and Budget (OMB) Circular A-87 guidelines.

02-14 Limit hours claimed per individual to the total annual number of productive hours calculated for each fiscal year except for employees who receive cash overtime compensation. Limit the number of daily chargeable hours to 7.5 hours to account for the one-half hour of break-time included in the analysis of productive hours.

02-15 Review and assess specific claims identified in this report and submit amended claims to obtain full reimbursement of previously unclaimed costs or to correct amounts over claimed in error. Amended claims for additional reimbursement should only be claimed when the revised claim would result in a net reimbursement to the County sufficiently in excess of the original claim and the applicable late claim penalty.

- 02-16 Develop an SB 90 processing calendar to ensure adequate time for the collecting and reporting of program data to the Auditor/Controller, the preparation of a draft claim, departmental review of draft claims, and the final submission of claims by the annual January 15 due date. Copies of all final claims should also be provided to the departments claiming reimbursement.
- 02-17 Use a uniform timesheet for recording Auditor/Controller SB 90 time that includes all program codes. This will improve the recording and tracking of time spent on all SB 90 related activities.

It is recommended that the Auditor/Controller's Office and the office of the County Counsel:

- 02-18 Review the current procedures under which County Counsel provides support of SB 90 claims and bills for such support in order to determine the most effective strategy to maximize the County's SB 90 revenues. Include County Counsel-related costs in the SB 90 claim each year.

It is recommended that all County departments that provide SB 90 reimbursable services:

- 02-19 Develop written procedures related to SB 90 data collection, reporting and documentation requirements to ensure that all reimbursable costs are fully and accurately identified, reported and claimed. Departments should also retain complete work papers and supporting time records and other documentation for each claim submitted in the event of an audit or future reference needs.

June 14, 2002

Mr. Herbert M. Pollock, Foreman

and Members of the FY 2001-02 Grand Jury

351 North Arrowhead Avenue, Courthouse, Room 200

San Bernardino, CA 92415-0243

Dear Foreman Pollock and Members of the Grand Jury:

The Harvey M. Rose Accountancy Corporation is pleased to present this quality control review of the FY 2000-01 SB 90 reimbursement claims submitted to the State of California by the County of San Bernardino. A total of 20 claims amounting to \$4,363,904 were reviewed. Based on our review, we believe that 11 of these claims should be amended and seven other claims not previously made should be prepared and submitted. The total amount of the recalculated and new claims we estimate to amount to approximately \$5.0 million, or an increase of \$621,000.

In addition to the specific recommendations related to the amendment of previously submitted claims and the submission of new claims, a total of nine recommendations were made regarding the policies, procedures and responsibilities of Auditor/Controller-Recorder's SB 90 Unit. Two additional recommendations were directed at the County departments that prepare and submit SB 90 claims and at the Office of the County Counsel that provides legal support of the SB 90 process to many County departments. The Auditor/Controller-Recorder's Office fully or partially

concurs with eight of the 11 recommendations and is beginning the implementation process.

It should be noted that the Auditor/Controller-Recorder's Office has experienced significant turnover of management level staffing that has contributed to the problem areas identified in this report. The current management, which was put in place in January 2002, has also identified many of the same areas in need of improvement.

Lastly, we want to acknowledge the excellent cooperation of the Auditor/Controller-Recorder's staff and that of the departments involved in the SB 90 process.

We would also like to thank the Audit Committee for this opportunity to serve the FY 2001-02 Grand Jury. Our staff is available to present this report to the full Grand Jury, to respond to any questions the Grand Jury may have, and to assist the Grand Jury with its presentation to the Board of Supervisors, at your request.

Respectfully submitted,

Roger Mialocq

Vice President

Quality Control Review
of the
FY 2000-01 SB 90 Claims
Submitted by
The County of San Bernardino

Prepared by the:

Harvey M. Rose Accountancy Corporation
1390 Market Street
Suite 1025
San Francisco, CA

(415) 552-9292

June 10, 2002

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Introduction

Section 17561 of the California Government Code provides for reimbursement to the County by the State for State-mandated program costs. This reimbursement is generally received by the County based on claims it files with the State, calculating the specific costs attributable to a specific State-mandated program. The mandate-reimbursement program is known colloquially as the SB 90 program, after the legislation establishing it.

We have completed our analysis of the County's SB 90 claims submitted for FY 2000-01. A total of 20 claims amounting to \$4,363,904 were reviewed. In addition, we reviewed several claimable areas approved by the State for SB 90 reimbursement for which no claim was submitted by San Bernardino County. Based on our review, we believe that at least 11 of these claims should be amended and approximately seven other claims not previously made should be prepared and submitted. We estimate the net amount of the recalculated claims and claims not previously submitted to amount to approximately \$5.0 million or an increase of about \$621,000.

In some cases, claims were not filed because there were no claimable costs. In other instances, we have identified costs that may be claimable for selected programs. Our discussion of these specific programs includes, where possible based on program information obtained, an estimate of the potential claim amount.

Background

In the entrance conference with the Office of the Auditor/Controller-Recorder, it was disclosed that there has been a significant turnover of management level staffing that has contributed to recognized problem areas. The current management, which was put in place in January 2002, has already identified the following areas in need of improvements:

- a) The need for written departmental procedures
- b) The need to provide more training to departments on the SB 90 processes
- c) The need to improve communications and assistance to the departments to increase the accuracy of the SB 90 claims
- d) The need to distribute the claiming instructions and to start the data collection earlier

- e) The need to compare the County's claims for all SB 90 programs to the claims filed by comparable counties.

With the required implementation of GASB 34 beginning July 1, 2001, a high priority for the new management team was to distribute SB 90 funds to the departments that had accumulated in a trust fund for the past five years. Distributions to the departments were made in May 2002, in addition to the development of new distribution procedures. The management team will now have the time to review and implement corrective measures in the identified problem areas.

Methodology

This review began with an initial meeting with the Office of the Auditor-Controller on May 9, 2002. The initial meeting was used to explain the purpose of the review and to get a general description of the SB 90 claiming process.

Fieldwork for the Quality Control Review was conducted in May of 2002. Fieldwork methods included reviewing the State Controller's general claiming instructions and the specific claiming instructions for each program where claims could be made, reviewing claim forms and other supporting documentation prepared by departments. Additionally, Auditor-Controller SB 90 staff and departmental fiscal and program staff involved in the compilation of claim data and the preparation of claim documents were interviewed during the course of the review.

The May revise of the State budget includes the withholding of SB 90 payments to counties by the State and the elimination of funds currently budgeted to reimburse counties for existing and amended claims. While this proposal may result in a delay of the reimbursements, claims should continue to be submitted based on the assumption that the State must fulfill its obligation to reimburse counties for these costs at a future date, including interest that is accrued in the interim period.

Findings:

General County-wide Findings:

The following findings relate to all San Bernardino County SB 90 claims and the Auditor-Controller's Office.

Productive Hours

Most SB 90 claims rely on the use of a productive hourly pay rate to determine the salary costs of employees performing State-mandated functions. The productive hourly rate for an employee is determined by the following equation:

Employee's annual salary/employee productive hours worked = Productive pay rate.

The productive hourly rate fully reimburses the County for all costs it incurs for the time spent by County employees in complying with State mandates. This includes the County's costs to provide employees with paid vacations, sick leave, holidays and other paid time that is not spent in productive work. Consequently, although employees are actually paid based on a standard work year of 2,080 hours, the actual productive hours worked are less, because of the paid time off they receive. For example, an employee earning \$50,000 a year would receive an actual pay rate of $\$50,000/2080 \text{ hours} = \24.04 per hour. However, assuming that vacation, sick leave and other time off reduced the employee's productive hours to 1,800 per year, the employee's productive hourly rate for SB 90 claiming purposes would be $\$50,000/1,800 = \27.78 per hour.

State claiming instructions permit the County to calculate an employee's productive hours in one of three ways:

- Based on a flat estimate of 1,800 productive hours, without further documentation.
- Based on a documented analysis of the productive hours worked by each job title included in the claim.
- Based on the County-wide average number of productive hours worked annually per employee.

San Bernardino County calculates productive hours by using the County-wide average. This method is preferable because it results in a consistent computation, increases the accuracy, and simplifies the mandate reimbursement process. To calculate the County-wide average of productive hours worked annually by employee, the Auditor-Controller uses payroll system data as well as estimates of non-productive time. In order to increase the accuracy, consistency and ease of calculation, the Auditor-Controller should utilize actual hours of non-productive time as recorded by the County's time capture segment of the payroll system rather than estimates. Discussions with staff of the Auditor-Controller's Information Systems Division indicate that the system programming requirements for this recommendation are feasible and are on the work plan of the division for fiscal year 2002-03.

In its calculation of productive hours, the Auditor-Controller currently uses an estimate of administrative and meeting time by applying a “reasonable and conservative” percentage to productive hours. Administrative time is allowable to the extent that such time is documented and can be verified. We recommend that a mechanism be established so that administrative and meeting time are captured in the County’s payroll time capture system or other tracking system.

In calculating the County-wide average of productive hours, the Auditor-Controller has not included rest periods or break time in its calculation. The Auditor-Controller claims that this time has not been deducted from productive hours because this time is not tracked in the County’s time capture system. Federal regulations require break time to be compensated, and this time may already be reimbursed through direct claiming. The State Controller’s Office *Mandated Cost Manual for Local Agencies* revised in September 2001 includes “informal time off” in the calculation of productive hours. It is recommended that the Auditor-Controller include rest periods and break time as determined from the Memorandum of Understanding (MOU) agreements that employee unions have with the County. There is no requirement that this time must be recorded in the County’s time capture system and this time can be estimated using the MOUs and payroll system data for the number of employees covered by the agreements. The Federal regulation applies strictly to compensation and labor laws and is not applicable to the calculation of productive hours for cost allocation purposes. Finally, employees should not be reporting break time as time worked directly on reimbursable programs. For employees that work significant time on reimbursable programs, chargeable hours should be limited to 7.5 hours a day to account for this time.

Currently, the County’s claims are prepared using an average of 1,655 productive hours per employee to calculate productive hourly costs. As a result of not accounting for this non-productive time, the County’s claims were understated by approximately 6.6 percent when compared to the 1,552 revised average number of productive hours per employee. Including break time would reduce productive time and would result in a higher productive hourly pay rate for all employees claimed, as illustrated by the example above.

At the exit conference, the Auditor-Controller asserted that this proposal would create an administrative burden by requiring the tracking of breaktime used daily by each employee. However, we believe that this additional tracking does not need to be performed due to the fact that it is a contractually required daily allowance for all employees. Although the Auditor-Controller pointed out exceptions, such as employees who work compressed work schedules and do not get two 15-minute breaks daily, of the 14,000 County employees, the number of employees in this group would be nominal in comparison to the employees who are entitled to the standard 15-minute breaks.

Further, over the course of a fiscal year, employees who work a compressed work schedule, such as a 4-10 plan, would receive more unproductive breaktime than employees who work a standard 8-5 plan 40 hour work week.

Therefore, we believe that the Auditor-Controller should reconsider incorporating breaktime into the annual productive hour analysis. Based on our review of the SB 90 claims that were submitted, we estimate that at least 50 percent of the hours claimed related to sporadic direct hours worked that would not require any adjustment to reduce the claim for break time.

The Auditor-Controller should recalculate the average productive hours and productive hourly rates. A revised claim should be submitted for any claim that would yield additional reimbursement sufficiently in excess of the original claim and the applicable late claim penalty. On a County-wide basis, it is estimated that the omission of rest periods understated fiscal year 2000-01 claims by approximately \$97,500.

Indirect Cost Rate Proposals

In addition to the direct charges reimbursable under SB 90, each claim permits the use of a 10 percent indirect cost rate, or the use of a special indirect cost rate calculated for each claiming entity. This indirect cost rate must be applied to direct salary costs, and to direct benefit costs if the Indirect Cost Rate Proposal (ICRP) used in the claim is based on both salaries and benefits.

Indirect costs are described in the *State Auditor-Controller's Mandated Cost Manual for Counties*:

Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

The SB 90 instructions state that counties can chose to apply an indirect rate of 10 percent to salary costs without providing any documentation to support this indirect rate, or counties may prepare an ICRP for each department included in the claims submitted for reimbursement. The preparation of an ICRP is complicated and relies on knowledge not only of the specific program, but also of the County's cost allocation methods and other County-wide cost-related issues.

The central preparation of ICRP's by the Auditor-Controller's Office for each department submitting a claim ensures that a consistent method is used. However, the Auditor-Controller relies upon information submitted by the departments and does not perform a quality control check on the data submitted. We noted several instances where direct costs were claimed, but also listed as an indirect cost in the calculation of the indirect cost rate, effectively double billing for the cost. Additionally, we noted that the split between direct and indirect costs did not always appear reasonable. For example, one department, which had carried over its proportional allocation between direct and indirect costs since 1996-97, had a job classification for an Embalmer listed as a position providing administrative or overhead support, despite the fact that this employee worked 100 percent on the autopsy process. The Auditor-Controller should require departments to submit annual or bi-annual schedules distributing all departmental staff and services and supplies by program or function in accordance with federal Office of Management and Budget (OMB) Circular A-87 guidelines. The Auditor-Controller should review the data and information submitted by departments for reasonableness and should confirm whether costs have been appropriately categorized given direct costs claimed for reimbursement within individual SB 90 claims and other separately funded grant programs.

Additionally, there were several claims that utilized the standard 10 percent indirect cost rate because an ICRP had not been developed. ICRPs typically yield much higher indirect cost rates which can substantially increase reimbursable costs. By developing ICRPs, the County can identify all indirect costs and obtain full reimbursement. Accordingly, the Auditor-Controller should develop an indirect cost rate for those departments that submit SB 90 claims for reimbursement but do not have an ICRP, if the cost of preparing the ICRP does not exceed the benefit.

Finally, we noted that the County has been aggressive in preparing ICRPs which has resulted in extremely high indirect cost rates. One department had a rate as high as 186 percent. Even the District Attorney's Office, which is a very program-intensive function, allocated nearly one-half of its costs as indirect resulting in an 82.67 percent indirect cost rate. The Auditor-Controller claims that the ICRPs are prepared in accordance with OMB A-87. While OMB A-87 provides guidance in the preparation of ICRPs, its instruction is open to much interpretation. While interpreting the technical guidance provided by OMB A-87, it appears the County departments do not have a full understanding of the intent of the circular, which is to spread administrative and overhead costs in a fair, thorough and unbiased way to all organizational programs and functions. Many of the items identified in our review appeared to be direct, programmatic expenditures that, when applied as an indirect cost, disproportionately spread the cost to other unrelated programs or cost objectives. It is recommended that the Auditor-Controller review its approach to OMB A-87 and work with Departments

to identify large direct, programmatic costs and classify them as direct in the preparation of ICRPs. Such costs should be identified in the Auditor-Controller's quality control review of the data and information submitted by the departments for the preparation of the departmental ICRPs.

Documenting Decisions Not To Submit SB 90 Claims

Some SB 90 claim chapters do not merit submission for reimbursement by the County, because the function is fully reimbursed from other sources, no costs related to the mandate are incurred by the County or because the cost of the mandate is less than the cost to produce the claim document. In such instances, it is important that the rationale for a claim not being submitted is documented and maintained, both within the related department and in the Office of the Auditor-Controller. Such documentation will provide new staff in the departments and in the Auditor-Controller's Office with the information necessary to understand why each claim has not been submitted and to check the rationale against any changes in funding sources or State law that may occur.

San Bernardino County SB 90 Procedures Manuals

Auditor-Controller Procedures Manual

Much of the SB 90 claiming process is centralized in the Auditor-Controller's Office. Because many of the procedures are highly complex, such as ICRP calculations, and involve a high degree of coordination with other departments, a written policies and procedures manual is necessary to provide thorough guidance and direction to Auditor-Controller staff. A written document ensures a smooth transition when there is staff turnover, increases the efficiency due to clear direction, and assists in the preparation of accurate, complete, and timely claims. The Auditor-Controller does have written procedures that provide a brief outline of the claim preparation process and detail of the payment process. Additionally, procedures have been written for ICRPs and the annual productive hours calculation. Additional policies and procedures should be developed for the following areas:

- Preparation of productive hourly rates
- Data collection process and coordination efforts with the department
- Claim compilation procedures
- Quality control procedures

- A processing calendar to ensure the timely submission of claims
- Procedures for assessing new claim areas to ensure identification of all reimbursable costs.

All written policies and procedures should be amassed in one manual and should be disseminated to all Auditor-Controller staff who provide support to the SB 90 process.

Departmental Procedures Manuals

In order for the Auditor-Controller's Office to monitor the accuracy of claims being submitted, fully recover County costs and include sufficient supporting documentation, it is recommended that an additional procedures manual be developed outlining the specific steps to be taken by departmental staff in preparing SB 90 claim data and information. This manual should be prepared and disseminated by the Auditor-Controller's Office, and should provide the context for a series of training sessions by the Auditor-Controller for designated department personnel.

The manual would describe the responsibilities of the department staff and the staff of the Auditor-Controller's Office and would promote increased collaboration and communication between the two entities. The manual should address the SB 90 claiming process, data collection and reporting requirements and procedures, documentation standards, and other pertinent requirements of the County's SB 90 claiming process. The manual would be helpful to departments in explaining how to deal with unique circumstances such as new claims or claim denials by the State.

In addition to the procedures manual provided by the Auditor-Controller's Office, individual departments should develop their own internal procedures to incorporate in to the SB 90 procedures manual. We noted during our review that departments typically did not have written internal guidance for the preparation of SB 90 claims and that the claiming process was further exacerbated by significant turnover in the staff responsible for this function. Accordingly, current staff were often not prepared to answer questions during our review. Internal written procedures would facilitate a smooth transition when turnover occurs and would ensure consistent, accurate, and complete claims are filed.

Data Collection and Supporting Documentation

Numerous deficiencies were identified in supporting processes and documentation related to claim preparation. Specifically, we noted there were few systems in place to assist departments in tracking program data, including direct employee time worked on mandated programs. Data collection is an integral part of capturing costs and preparing claims for reimbursement. When necessary data is not systematically collected, claims are compiled using general and inexact estimates that can result in inaccurate and/or unsupported claims. Without documentation, the County cannot be assured that all reimbursable costs are captured. Additionally, the lack of complete documentation, which was noted in several instances, can result in actual costs being disallowed by the State.

Departments should establish systems whereby the necessary data, including time records, are methodically collected and compiled for SB 90 claiming purposes. The Auditor-Controller should be responsible for ensuring that these systems, as established and utilized, meet the standards required by the State Controller's Office. Additionally, the Auditor-Controller's Office should be responsible for ensuring that departments submit and maintain sufficient documentation to support the costs being claimed and the information being reported. Adequate documentation not only reduces the risk of costs being uncaptured or disallowed, it also provides historical information and guidance for claim preparation in subsequent years. In order to accomplish this oversight function, the Auditor-Controller's staff need to conduct field visits to departments to review these systems and provide assistance as appropriate.

County Counsel Support of the SB 90 Claim Process

Interpreting the language and instructions of the SB 90 claims often requires review of various State statutes and analysis of the specific language in the claim instructions. Because the total amount claimed under SB 90 is substantial, it is recommended that the Office of the County Counsel review the process by which its SB 90 staff time is recorded, including the time related to individual departmental claims and the mandate reimbursement and test claiming processes. Based on our review of Departmental claims, several instances were identified where County Counsel costs had been incurred but not claimed. In addition, the County Counsel's Office does not currently track SB 90 hours in order to facilitate such claiming.

Quality Control Review Costs

Based on our review of the mandate reimbursement regulation and instructions, we believe the entire cost of the review may be reimbursable. The review was intended to improve the accuracy and completeness of claims to the State and should be considered for submission by the Controller's Office for reimbursement.

Summary of Recommendations

It is recommended that the Auditor-Controller:

- 1.1 Enhance and disseminate written procedures regarding the SB 90 claiming process for the Auditor-Controller's Office including claims tracking, completion of forms, and documentation requirements. This is particularly important because there has been a significant amount of turn over in the positions that handle SB 90 claiming. Comprehensive procedures would assist new staff without prior SB 90 claiming experience and would provide a more consistent approach to the claiming process.
- 1.2 Develop written SB 90 guidelines for County departments describing the SB 90 claiming process, specific departmental responsibilities, data collection and reporting requirements and procedures, documentation standards, and other pertinent requirements of the County's SB 90 claiming process.
- 1.3 Provide annual training for County departmental staff involved in SB 90 services, including data collection, reporting and reimbursement claiming and conduct field visits to departments to review departmental data collection systems and procedures and provide assistance as appropriate.

Assist departments in the design, development and implementation of data collection systems to support the SB 90 claiming process.

Distribute State instructions and program descriptions to appropriate departmental personnel to obtain departmental input. This process would improve the identification of all applicable County departments and related costs consistent with the claim instructions.

Require all departments choosing not to submit a claim for reimbursement of program costs to provide a written explanation of why such costs were not incurred or should not be claimed.

- 1.4 Revise the existing County-wide productive hours analysis by utilizing hours recorded by the County's time capture segment of the payroll system. Pursuant to page six of the State Controller's September 2001 SB 90 claiming instructions, the only exception is for vacation hours that should be on "earned" rather than "used " time. In addition, rest periods or break-time provided by union contract should be included in the analysis as illustrated on page six of the State SB 90 instructions. Administrative time included as non-productive hours is allowable to the extent that such time is documented and can be verified by independent

audit of payroll or other records.

- 1.5 Develop indirect cost rate proposals for all departments for which SB 90 claims are submitted and which currently do not have ICRPs if the cost of preparing the ICRP does not exceed the benefit.

Revise and update the existing departmental indirect cost rate proposals to ensure that staffing and services and supplies costs that are direct charged in claims and grants are not also included as indirect costs in departmental ICRP's. Annually or bi-annually, require County departments to analyze and submit schedules distributing all departmental staff and services and supplies costs by program or function in accordance with Federal Office of Management and Budget (OMB) Circular A-87 guidelines.

- 1.6 Limit hours claimed per individual to the total annual number of productive hours calculated for each fiscal year except for employees who receive cash overtime compensation. Limit the number of daily chargeable hours to 7.5 hours to account for the one-half hour of break-time included in the analysis of productive hours.
- 1.7 Review and assess specific claims identified in this report and submit amended claims to obtain full reimbursement of previously unclaimed costs or to correct amounts over claimed in error. Amended claims for additional reimbursement should only be claimed in instances when the revised claim would result in a net reimbursement to the County sufficiently in excess of the original claim and the applicable late claim penalty.
- 1.8 Develop an SB 90 processing calendar to ensure adequate time for the collecting and reporting of program data to the Auditor-Controller, the preparation of a draft claim, departmental review of draft claims, and the final submission of claims by the annual January 15 due date. Copies of all final claims should also be provided to the departments claiming reimbursement.
- 1.9 Use a uniform timesheet for recording Auditor-Controller SB 90 time that includes all program codes. This will improve the recording and tracking of time spent on all SB 90 related activities.

It is recommended that the Auditor-Controller's Office and the Office of the County Counsel:

- 1.10 Review the current procedures under which County Counsel provides support of SB 90 claims and bills for such support in order to determine the most effective strategy to maximize the County's SB 90 revenues and include County Counsel-related costs in the SB 90 claim each year.

It is recommended that all County departments that provide SB 90 reimbursable services:

- 1.11 Develop written procedures related to SB 90 data collection, reporting and documentation requirements to ensure that all reimbursable costs are fully and accurately identified, reported and claimed. Departments should also retain complete work papers and supporting time records and other documentation for each claim submitted in the event of an audit or future reference needs.

Findings Pertaining to Specific FY 2000-01 SB 90 Claims

The following findings relate to specific SB 90 claims. The original claim amount submitted by the department is presented and relevant issues discussed.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
AIDS Testing	Public Health	\$7,816

This claim reimburses the County for court ordered testing and counseling services for certain sex offenders and prostitutes charged under Penal Code Section 1202.1(d). The reimbursable services include testing of the individuals, provision of AIDS prevention education and provision of pre and post test counseling to the victims and the offenders. The Public Health Department staff provided the services claimed.

Court ordered tests are tracked using a specific site code. The testing and counseling are performed at public health clinics. Tests that may have been administered at the County Jail are not included within the claim. The Department claimed 151 court ordered tests in FY 2000-01. This is a substantially lower number than in previous years. In 1999-2000, 245 tests were performed and in 1998-99, 268 court ordered tests were performed. No research has been conducted by the department to determine the reason for the decrease.

The Department has determined that they can only charge the fee for service rate set in an MOU with the State Office of AIDS for the County AIDS testing program that was

entered into in 1997. The rates have not been adjusted since that year. This MOU limits reimbursement to \$10 for HIV testing and between \$15-\$20 for pre and post-counseling services. The department however, does not charge the cost of this sex offender testing and counseling program to the AIDS grant received from the State.

The Public Health Department indicates that the time for providing the services is proscribed by the MOU with the State Office of AIDS. The set time for administering the test and conducting counseling is 40 minutes and up to 65 minutes if the test is positive. There has not been a time study conducted to determine actual time. The department does not log staff time for providing these services under this program. The following positions perform services to this program: Health Services Assistants, Communicable Disease Investigators and Registered Nurse IIs.

The Department of Public Health claims a fixed fee for service instead of actual costs for HIV/AIDS counseling services provided under this mandated program. In addition the number of court ordered tests has decreased substantially which department staff has not reviewed. Costs that may be incurred through testing and counseling sex offenders in the Jail are not claimed. Other program costs for filing reports attributable to this mandate are not claimed by the Probation Department. The claim for this program was due on November 30,2001, but was not submitted to the State Controller until January 15, 2002. The late submission of this claim will result in a 10 percent penalty.

A determination should be requested by County Counsel as to whether the Department is limited to charging the rates specified in the State agreement for this testing program. The Public Health Department should conduct a time study to determine the unit cost for providing HIV testing, and HIV/AIDS counseling services. This will be a more accurate method for claiming costs for Chapter 1597/88 mandated services. The Auditor-Controller's Office should determine with the Sheriff and Probation departments if any costs have been incurred under the mandates of this program to ensure these costs are captured and claimed.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Allocation of Property Tax Revenue: Education Revenue Augmentation Fund	Auditor-Controller	\$16,131

Counties are reimbursed through the SB 90 process for the costs associated with planning, implementing, administering, accounting and reporting for revised property

tax allocations to school districts. The shift of revenues to school districts is commonly known as the Education Revenues Augmentation Fund (ERAF).

The time spent fulfilling this mandate is estimated by the Auditor-Controller's Property Tax Division, but not supported by actual time records or formal time studies. While the time claimed appears reasonable, the Property Tax Division should track the actual time spent on this mandate or derive a current time study to support the time claimed.

Additionally, the indirect cost rate utilized for Auditor-Controller activities appears to be high. In the calculation of the rate, almost all services and supplies are classified as indirect costs. Included as indirect costs are data processing charges, which comprised over 17 percent of total departmental expenditures in fiscal year 2000-01, and other large charges, which should be allocated to the appropriate Auditor-Controller cost centers and categorized as direct. For example, as part of the data processing charges, the Auditor-Controller is billed for data processing expenses related to the County's Recorder function, which is a separate and distinct function of the Department. This charge should not be allocated to the Property Tax Division because it does not support the Property Tax function. An estimate of the impact of reclassifying a portion of data processing charges related to large Auditor-Controller systems results in an approximate reduction in the claim amount of \$2,196 or 14 percent. In future years, these costs should be reclassified as direct, which would lower the indirect cost rate and reduce the claim amount. Refinement of the indirect cost rate will also affect other Auditor-Controller claims including the Open Meetings Act, Unitary County-wide Tax Rate, and the Mandate Reimbursement Process.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Child Abduction Recovery	District Attorney	\$1,099,756

The District Attorney's Office claimed \$1,099,756 of reimbursable SB 90 child abduction and recovery costs in FY 2000-01. However, based on interview with the supervising and lead attorney, no costs were claimed for various direct labor and service and supplies costs including the following.

- Attorney relief support provided during absence of the one attorney in the unit, including vacation, sick leave and other absences.
- Investigator support provided by investigators not assigned to the Child Abduction and Recovery Unit.

- Supervising Attorney time for consultations (usually daily) with the unit attorney to discuss child abduction and recovery issues.
- Foster care/housing costs for children recovered pursuant to out-of-state jurisdiction cases.
- Attorney and investigator administrative time spent maintaining records, compiling data and summarizing and reporting unit statistics and costs related to this mandated function. Such costs are claimable on the County-wide mandate process claim.

The District Attorney's Office should develop a methodology to identify and track the above costs in order to fully recover reimbursable mandated costs incurred by the General Fund. This could be accomplished by utilizing time sheets for staff involved in performing activities related to child abduction and recovery or by performing an annual time study to identify and document such costs. Although most of the costs of staff directly assigned to the unit are currently claimed, costs for attorney and investigative staff not assigned to the unit are not currently captured and reported.

As an example, none of the time of the supervising attorney who currently is responsible for approximately 13 separate programs or functions is included in the child abduction and recovery claim. If his time expended on this claim amounted to one-thirteenth of his total time (127 hours or less than three hours per week), that would amount to approximately \$9,033 of salary and benefit cost and \$7,468 of overhead costs. Therefore, total additional costs would amount to \$16,501, just related to this one supervisor on this one claim.

Based on a review of the indirect cost rate proposal (ICRP) prepared for the Office of the District Attorney and submitted to the State for SB 90 claiming purposes, the 82.67 percent rate is over stated. The preparation of ICRPs must be performed in a specific method specified by the State Controller and in conformance with the requirements of the Federal Office of Management and Budget Regulation A-87. Regulation A-87 establishes mandatory standards for the calculation of indirect costs by local governments when claiming such costs on State and Federal programs and grants.

As a result of including certain service and supply costs among the indirect overhead costs included in the ICRP analysis, and directly claiming those same costs for reimbursement on this claim, the ICRP is overstated. These costs include \$40,868 claimed for Air Travel while the indirect cost rate proposal reported that all but \$7,073 of departmental expenditures for Air Travel was an indirect cost. Similarly, Motor Pool costs amounting to \$32,820 were direct charged on this SB 90 claim while the indirect

cost rate proposal accounted for all but \$24,226 of Departmental expenditures for Motor Pool costs as an indirect cost.

The Office of the District Attorney should perform a complete review of the ICRP to ensure that all staffing and service and supply costs are appropriately classified. In accordance with State Controller guidelines, indirect costs can only include those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Developmentally Disabled: Attorney Services	Public Defender	\$33,614

The Developmentally Disabled: Attorney Services mandate provides for a court appointed public defender or other legal representation for developmentally disabled persons when guardianship or conservatorship is sought or for commitments or recommitments of mentally retarded persons.

The Public Defender does not have a formalized, consistent time tracking system for SB 90 reimbursable programs. For the Developmentally Disabled: Attorney Services claim, time is estimated and not supported by a time study. While a database has been established to track these cases, we noted errors in the tabulation of estimated time worked, including clerical time not carried forward to the claim and a transposition error that inflated Deputy Public Defender time worked. The Public Defender should develop formalized internal policies and procedures, which should be distributed to all staff working on SB 90 mandated cases. These policies and procedures should clearly articulate definitions of allowable time and should include a format for tracking actual time worked on these cases or, in case of estimates, the development of a time study to substantiate the estimates claimed.

In addition to time worked on this mandate, the Public Defender submits to the Auditor-Controller costs for the psychological evaluation of clients. The costs for four evaluations were eliminated from the final fiscal year 2000-01 claim. It is possible they were eliminated because the evaluations occurred in the prior fiscal year. However, payment for these services, totaling \$1,400, did not occur until the year of the claim. The Department reviewed the fiscal year 1999-00 claim and noted that the four evaluations had not been claimed. The Public Defender should include in its claim

compilation process a step to confirm that all appropriate costs have been captured, given the timing differences between incurrence of a liability and payment.

These adjustments result in an increase in claimable costs of \$689. While this amount may not be material to justify filing a revised claim, the underlying issues may result in larger losses in the future.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Investment Reports	Treasurer-Tax Collector	\$21,945

This mandate requires the County to provide an annual statement of investment policy and quarterly reports of investments to the Board of Supervisors and the Treasury Oversight Committee. In claiming the costs associated with these activities, the Department may not have considered revenue offsets. Users of the County's Treasury investment services, such as school districts, are charged an administrative fee that is based on investment activity costs. To the extent that the costs claimed through the SB 90 mandated claim process are also reimbursed by a third party through this administrative fee, the Department has over claimed. To correct for this duplicate billing of costs, the Department can either reduce the Investment Reports SB 90 claim by the amount recovered from external parties through the administrative fee, or it can remove the SB 90 claimed costs from the calculation of the administrative fee.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Mandate Reimbursement Process	Auditor-Controller	\$216,470

The Mandate Reimbursement Process claim reimburses the County for the costs incurred for filing SB 90 mandate claims with the State. The claim submitted by the Auditor-Controller for FY 2000-2001 cost reimbursements includes direct and indirect costs for preparing 23 reimbursement claims, five test claims and two incorrect reduction claims. The costs claimed were primarily staff time and related costs. In addition, the claim includes costs incurred by other County departments for compiling departmental information for SB 90 claims. A total of \$216,470 was claimed for reimbursement.

The Auditor-Controller’s Office identified 2,492 billable staff hours. Although hours are coded to specific projects on the time sheet, there is not a uniform timesheet that includes all program codes. One activity that the Auditor-Controller does not clearly identify reimbursement for is staff time required to develop Indirect Cost Rate Proposals (ICRP) for individual departments. There are seven departments for whom the Auditor-Controller annually develops an ICRP to use for claiming indirect costs. The cost for performing this function for criminal justice related departments is charged to the State through a provision in Penal Code 4750, however costs related to the non-criminal justice departments must be included under SB 90 Mandate Reimbursement Process claims. There are three non-criminal justice departments that had a fiscal year 2000-2001 ICRP prepared, including the Auditor Controller, Registrar of Voters and Public Administrator/Coroner. It is unclear from the claim whether the staff time required to prepare this information was claimed for reimbursement.

In addition, certain departments have not submitted claim reimbursements under the Mandate Reimbursement Process claim. The departments include the Public Defender’s Office and Probation. Additionally, the Public Health Department has submitted a claim that is substantially lower than most other departments, indicating that they may not have adequately captured their costs for compiling claims.

Each department is annually sent a set of instructions and claims in October regarding the compilation of SB 90 program data. The Auditor-Controller begins collecting this data in early January. Most claims are due January 15th, but several were due the previous November. Our analysis of the average time departments reported spending to compile the information needed to make a SB 90 claim was approximately 25 hours of staff time, which averaged approximately \$2,271 for each department. Therefore potentially over \$6,000 in additional costs could have been claimed based on current claiming practices.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Mentally Disordered Sexual Offenders	Public Defender	\$17,698

The claim for Mentally Disordered Sexual Offender Recommitments allows reimbursement for costs involved with transportation, care and custody of patients, trial costs, juror fees, and prosecuting district attorney's costs. This program is limited to only those offenders who are currently committed. New commitments are no longer eligible. Offenders can only come up for recommitment every two years.

During fiscal year 2000-2001, there were two patients at Patton State Hospital for whom recommitment work was conducted which included one jury trial for one of the offenders. The original claim for this program, included only costs incurred and prepared by the Public Defender's office. Following our review, 42 additional hours of attorney time were identified as not having been included in the claim, as well as mileage used during the jury trial by Public Defender staff. The additional estimated reimbursable cost is approximately \$2,600.

The original claim for the MDSO program did not include costs incurred by the District Attorney. This is due to an error by the District Attorney's Office, in which costs for the two MDSO patients were claimed within another program - Mentally Disordered Offender program (MDO). The MDO program claim had not been filed by the Auditor-Controller's Office at the time of the audit. The District Attorney's office incurred costs for attorney time, investigator and investigator technician, paralegal and clerk on two cases. There were 542.5 hours of staff time logged for the MDSO cases. Because the cases are tracked by defendant name, the costs are fairly easy to identify. In total, approximately \$60,000 in labor costs should be claimed for the MDSO program by the District Attorney's Office as well as costs incurred for mileage and services and supplies.

Finally, the costs for transportation and care and custody of offenders are eligible for reimbursement. The cost of transportation of the defendant from Patton State Hospital to the Courthouse during the trial by the Sheriff's Department has not been claimed.

The Auditor-Controller's Office should request and review all costs incurred for the Mentally Disordered Sexual Offender Recommitments and determine the additional reimbursement for Public Defender services. The \$60,000 of District Attorney costs claimed for two defendants under the MDO program should be claimed under the MDSO program. Costs for Sheriff's transportation services should be determined and claimed in the adjusted claim.

The claim for the MDSO program should be resubmitted with all reimbursable costs under this program no later than November 30, 2002, in order to be eligible for reimbursement.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Not Guilty by Reason Of Insanity	Public Defender	\$45,526

This mandate reimburses the Public Defender for the defense of clients found not guilty by reason of insanity during commitment extensions, which occur every two years. The Public Defender does not have a formalized and consistent tracking system to capture time worked on this mandate. Because this function is not centralized in the Public Defender's main office, the administration must rely upon attorneys in other offices to forward information on claimable cases. During the review, four cases were identified that had not been claimed despite \$579 in reimbursable costs, including indirect costs.

Additionally, there are several categories of allowable time, including preparation for trial, pretrial hearing, and actual trial or hearing. However, Deputy Public Defender time was typically categorized as all actual trial or hearing time, indicating that there was no preparation or pretrial hearing for almost all cases. According to the Department, this time is included with the actual trial or hearing time. Formalized internal policies and procedures should be established and distributed to all staff working on SB 90 mandated cases. These policies and procedures should clearly articulate definitions of allowable time and should include a format for tracking and categorizing time worked on these cases. Further, the Public Defender should establish a mechanism to cross check cases claimed with the District Attorney to ensure all cases are identified.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Open Meetings Act	Various	\$71,744

The Open Meetings Act requires local agencies to post a single agenda for any legislative body 72 hours before the meeting in a place accessible to the public. The agenda should contain a general description of each item to be transacted or discussed, the meeting time and the meeting location. The Auditor-Controller filed a claim totaling \$71,774 for all departments that reported having agenda items during fiscal year 2000-01. For the Board of Supervisors weekly meetings, 1,679 agenda items were claimed. A review of Board agendas for the fiscal year identified approximately 3,443 agenda items. Accordingly, reimbursement for over 50 percent of agenda items was not claimed.

The Auditor-Controller filed an amended claim that included costs for a total of 1,887 agenda items. According to the Auditor-Controller, not all agenda items were claimed because some departments believed it was not cost-beneficial to do so. However, when combined, these agenda items allow for a significant amount of reimbursable costs. A revised claim should be filed that accounts for these items, which are estimated to total approximately \$47,013 in reimbursable costs in excess of the original claim. It is recommended that the Auditor-Controller revise its procedures for this claim and centralize the compilation of agenda items by internally tallying items from the Board of Supervisors weekly agendas. The agendas clearly designate which department is sponsoring the agenda item, which will enable the Auditor-Controller to apply the appropriate blended productive hourly rate.

The blended productive hourly rate includes indirect costs. In the computation of the rate, indirect costs are calculated using the standard ten percent indirect cost rate. Because the standard ten percent rate is typically well under the actual indirect cost rates of departments, we recommend the Auditor-Controller calculate indirect cost rates for departments that have a significant number of agenda items. Additionally, because the Clerk of the Board, County Counsel, and the County Administrative Officer are components in every blended productive hourly rate calculation, the Auditor-Controller should prepare indirect cost rate proposals for these three departments. The Auditor-Controller has developed spreadsheets that would make the computation of the blended productive hourly rate using actual indirect cost rates easy to implement. As an example, increasing the District Attorney's indirect cost rate to 83 percent increases the blended productive hourly rate by almost 22 percent. However, 50 percent of the time worked on District Attorney agenda items is by Clerk of the Board, County Counsel, and County Administrative Office staff. Accordingly, computing and applying an actual indirect cost rate for these three departments could substantially increase the blended productive hourly rate and reimbursed costs.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Perinatal Services	PH/ARMC	\$280,114

This claim reimburses counties for inpatient costs of screening maternity patients, as well as the costs of testing and assessing newborns for substance-exposure. The claim reimburses counties to establish a discharge plan for substance exposed newborns that ensures a safe and healthy return to the family's home or, if necessary, a referral to the County welfare department. Three areas of this claim were identified that merit further analysis and claim preparation by the Auditor-Controller's Office, the Public Health Department and staff at Arrowhead Regional Medical Center

The services submitted for reimbursement are provided by the Public Health Department and Medical Center, however the claim does not include an indirect cost rate proposal for the medical center and uses salary information from the Public Health Department to calculate salary costs for medical center employees. Based on Medical Center budget data from the 2000-01 fiscal year, it is estimated that the productive hourly rate in the claim understates the costs of Registered Nurses by 26 percent. Medical Center staff and ACR staff should develop an indirect cost rate and devise a system whereby Medical Center provides the ACR office with the data necessary to prepare the claim each year. Fieldwork confirmed that Medical Center staff who provided the Auditor-Controller’s office the data for this claim did not receive a copy of the finalized claim for review prior to its submission, nor had they received a copy of the claim as submitted at the time of our review. The changes in the claim related to the salary adjustment described above, other adjustments made using salary figures of Medical Center employees during the fiscal year and the application of the Public Health indirect cost rate total an increase in the claim of \$13,350.

The toxicology screen claim component is described in the instructions as the “Costs incurred in identification of substance-exposed newborns by an employee in the health care setting, in accordance with hospital protocol.” This cost is reflected in the current claim by estimating the actual cost of the toxicology screens performed relative to the published charge for the procedure, based on the Medical Center’s consideration of its overall charge to cost ratio. This cost estimate should be strengthened by further analysis of the costs of a toxicology screen, including lab costs and staff costs. A positive screen may trigger more specific laboratory tests to be ordered, which are reimbursable, as was the case in three of 19 positive screens, provided by Medical Center staff. Medical Center should track the tests that take place when a screen is positive and the additional costs. Based on estimates using the Medical Center method, the toxicology screen costs may be understated by approximately \$2,871, given reimbursement received for the tests, as described below.

The claim instructions direct counties to reduce each claim by savings or reimbursements submitted or received. The fiscal year 2000-01 claim does reduce the total claim by the Medi-Cal reimbursement amount for toxicology screens. Any additional reimbursement received by Public Health or Medical Center that is directly related or allocated to the perinatal services included in the claim should be reflected in lines nine and 10 of Form PS-1. Taken together, the changes recommended in the claim will result in an increase of \$16,221 or six percent.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
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Search Warrant AIDS District Attorney \$81,584

Penal Code Section 1524.1 allows crime victims the opportunity to approach the court and request that a Search Warrant be issued to test the charged person for HIV/AIDS. This claim reimburses the County for costs related to the testing of the charged person and the victim, the provision of pre- and post-test counseling and the informing of the victim and the charged person of the test results.

The District Attorney's Office claimed \$81,584 of reimbursable SB 90 search warrant AIDS costs in FY 2000-01. This claim was based on the salary cost of one investigative technician, plus fringe benefits, indirect costs and the cost of related services and supplies. No costs were included for attorney time spent reviewing approximately 10,000 complaints filed by local law enforcement agencies prior to referring specific cases to the investigative technician for processing. Attorney time could potentially include the following:

- Review of complaints filed with the District Attorney's Office to identify potential cases where police reports showed probable cause that blood, semen, or any other bodily fluid identified by the State Department of Health Services as capable of transmitting the human immuno-deficiency virus to another individual may have been transmitted.
- Preparation and filing of a notice of testing document with the courts and providing a copy of such document to the arrested person at his/her arraignment, and routing copies of the complaint to the appropriate personnel and the court.
- Notification of the victim of the right under Penal Code Section 1524.1(c) to have the defendant tested for AIDS. Provide professional consultation to the victim informing him/her about the spread of disease, high risk factors for transmitting AIDS and the benefits and limitations of testing, per Penal Code Section 1524.1. Provide pre-request counseling to help the victim decide whether to ask the accused be tested, and to decide whether the victim wants to be tested. (Although notification by mail is the initial approach usually attempted, personal contact is generally necessary to adequately meet the requirements of this component of the mandate.)
- In cases where the victim requests testing, prepare the necessary documentation for the courts. Distribute and follow-up on all Penal Code Section 1524.1 search warrants.

- Prepare for and attend hearings before the court to support the issuance of a search warrant pursuant to Penal Code Section 1524.2(c).

State Controller instructions for collecting costs related to this mandate permit counties the option of performing periodic time studies to calculate the average number of hours spent on reimbursable activities related to this mandate in-lieu of tracking actual hours. Such time studies must be supported by documentation. One such form of documentation would be a simple survey questionnaire identifying the approximate number of hours or fractions thereof expended weekly performing the above activities. A short questionnaire could be provided to attorneys annually or every two or three years depending on the County's assessment of the stability of this function as related to workload and process requirements.

The District Attorney's Office provided a response to the draft report indicating that this function has been automated and that Technicians now do this work. The District Attorney also asserted that no attorney time is expended reviewing police reports to identify these cases. However, interviews with attorneys whose fulltime job is to review police reports eight hours per day and 40 hours per week report that they do look for cases that may have involved a transfer of body fluids and refer such cases to the Technician to process. The attorney also reported that there are approximately 14 deputy district attorneys County-wide who perform the identical function of reviewing police reports. The time of each of these attorneys expended identifying and referring these cases is reimbursable and should be reported and claimed. As an example, one hour per week for 14 attorneys would amount to approximately 700 attorney hours and total claimable costs, including overhead, of at least \$70,000. Further, any attorney time expended maintaining records and reporting time would also be fully reimbursable as a part of the mandate process claim.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Services to Handicapped Students	Behavioral Health	\$877,779

This claim reimburses the County for costs related to the assessment and treatment of seriously emotionally disturbed children. The assessments and related treatment services are the result of a collaborative process between the Department of Behavioral Health, the parents and caretakers of the child and representatives of the education system. While the amount claimed by San Bernardino appears somewhat low relative to other large counties, it does appear that the claim generally reflects the delivery of services to severely emotionally disturbed students. Strategies are presented to refine

the claim, analyze an alternative claiming method and augment the future claimable amount by including time spent by County Counsel in mediation and due process proceedings.

An issue affecting all counties regarding this claim is currently under consideration by the State and a decision is expected when the State finalizes the fiscal year 2002-2003 budget. At issue is the determination of whether 100 or 10 percent of treatment costs are reimbursable under this SB 90 claim, given the consideration of the claim when Realignment legislation was enacted. San Bernardino has historically claimed 100 percent of both the treatment and assessment costs and a letter stating that no Realignment funds were used to support the programs has accompanied the claim data provided to the Auditor-Controller office by the Department of Behavioral Health. The passage of a trailer bill may hold counties harmless for previous claims under this chapter of SB 90, freeing up previously reserved funds received from the State.¹ We have determined that the County has already transferred approximately \$800,000 of previously claimed funds under this chapter to the department. The trailer bill language also precludes counties from amending their fiscal year 2000-01 claims. Regardless of the outcome of the trailer bill, the recommendations should be used to construct future claims that more accurately and completely detail all the relevant and appropriate costs of providing the functions described in the claim instructions.

The data used to report units of treatment provided and the related costs is derived from two sources - the Department of Behavioral Health's Management Information System and the year-end cost report submitted to the California Department of Mental Health. While the data may have been transferred accurately from these sources, two recommendations will increase the accuracy of the data and augment those units of treatment claimable in future years. First, the MIS system relies on clinicians and clerical staff recognizing the child as one specifically entitled to the SED services. Periodic verification of the payer classification of all children receiving mental health services will ensure that the claim data captures all relevant costs. In addition, program staff and fiscal staff of the Department of the Behavioral Health should carefully review the claim instructions and procedure codes to ensure that what the claim considers "assessment" matches the type of service provided under the assessment procedure codes. In reviewing this information with Department staff, it appears that the standard

¹ "Notwithstanding any other provision of law, with respect to the Handicapped and Disabled Students state-mandated program, county reimbursement claims submitted to the State Auditor-Controller for reimbursement for services associated with providing eligible mental health treatment services to Special Education Program pupils in years up to and including the 2000-01 fiscal year are deemed correct and shall not be subject to dispute by the State Auditor-Controller's Office. **No county may amend a previously submitted reimbursement claim for the 2000-01 fiscal year or prior for eligible mental health treatment services to Special Education Program pupils.**" Subcommittee on Health and Human Services May 8, 2002, Item 4440 Issue 13. Trailer Bill language as proposed.

classification of types of treatment under the MIS system may not necessarily correspond with the categorization of service under the claim instructions. Such categorization is important related to the issue discussed above.

San Bernardino's Department of Behavioral Health has selected the cost report method to prepare this claim, deriving the proportion of Administrative costs related to the specific set of services and including this amount for reimbursement under the claim. While this method may be allowable, it is recommended that the Department prepare a cost report method claim using an indirect cost rate in order to compare the two claim amounts and select a claim method for future years. Such analysis will determine how effectively the current claiming method captures the indirect costs related to the provision of services and the administration of the program.

A component of the claim that was not considered includes the time that County Counsel spends representing the Department of Behavioral Health in due process mediation sessions and hearings. The Office of the County Counsel provided data indicating that a total of approximately 30 hours were spent on cases related to this claim and the SEDs claim, discussed later in the review. Future claims should include the specific hours related to each claim, including the development of an ICRP for the Office of the County Counsel and the exclusion of these direct charges from the Behavioral Health ICRP.

Finally, a review of the claim instructions and forms provided by the State for this claim revealed that the forms have been updated in 1998 and 2000 but that the Department of Behavioral Health used the 1997 forms when preparing the claim. The Auditor-Controller's Office provides DBH staff with an electronic version of the claim forms annually. It is recommended that the Auditor-Controller update the revised forms into the electronic forms and forward a hard copy of the revised claim forms and instructions to the Department. A discrepancy in a form across revisions related to the calculation of administrative costs was identified during the review. The State Controller's Office verbally confirmed the error in the claim forms. This discrepancy does not affect the amount claimed, given the Department's selection of the cost report method.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Sexually Violent Predators	District Attorney	\$988,821

The claim related to sexually violent predators reimburses the County for legal counsel, support staff, prisoner housing, transportation and other costs.

The District Attorney’s Office claimed \$988,821 of reimbursable SB 90 sexually violent predator costs in FY 2000-01. This claim reported labor and services and supplies costs related to 43 cases. Cases are manually tracked by clerical support staff and related staff hours are obtained from attorneys, paralegal, and investigative staff time sheets. While this is an acceptable method of tracking these SB 90 reimbursable costs, it is possible that costs related to reimbursable cases could be omitted without the use of an automated verification process. Ideally, a computer generated list could be produced each fiscal year identifying all cases involving persons convicted of offenses as sexually violent predators for whom continued detention assessments and hearings were conducted in accordance with Welfare and Institutions Code Sections 6250 – 6608.

In addition to the use of a second case identification methodology to verify that all reimbursable case costs are included in the SB 90 claim, costs related to lead attorney, attorney and investigator administrative time spent maintaining records, compiling data and summarizing and reporting unit statistics and costs related to this mandated function are not claimed. Such costs are claimable on the County-wide mandate process claim.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
SIDS: Autopsy Protocol	Coroner	\$74,353

This claim reimburses the County for autopsies performed according to established State protocols on infants who have died suddenly and unexpectedly. The Coroner’s office, which is combined with the Public Administrator, the Public Guardian, and the Public Conservator, claimed \$74,353 in fiscal year 2000-01. A review of the indirect cost rate, which is 186.55 percent, indicates that a significant amount of staffing costs have been classified as indirect costs. In fact, almost 55 percent of salaries and benefits have been classified as indirect, including Embalmer Autopsy Assistants, a Medical Transcriber, a Transcriber Typist, and Clerks that directly support on the Public Guardian or Coroner functions. All of these positions have a direct relationship to one cost activity. To the extent that these positions provide assistance to the Coroner, their time should be classified as direct and billed as direct, if they work on the reimbursable mandate. If this time is difficult to track, a time study should be utilized to appropriately capture the direct time worked by these employees. Reclassifying these positions as direct costs reduces the indirect cost rate to 89 percent and reduces reimbursable costs by \$22,884.

Further, the time spent fulfilling this mandate is estimated by the Coroner, but not supported by actual time records or formal time studies. The Coroner's Office did do an informal review in 1997 of the SIDS autopsy process including tracking the time for several claimable activities. However, this review did not cover all claimable activities and for some activities that it did cover, claimed hours substantially exceed the hours reported in the internal review. For example, 3.5 hours are claimed for death investigation interviews. The internal review of three cases averaged only 1.25 hours to conduct these interviews. The Department should track the actual time spent on this mandate or derive formal time studies to support the time claimed.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Unitary County-wide Tax Rate	Auditor-Controller	\$17,058

The Unitary County-wide Tax Rates claim reimburses counties for the implementation and on-going costs related to the establishment of a single tax bill for unitary and operating non-unitary property, which had received numerous tax bills by parcel prior to the mandate. While the components of this function primarily reside in the Auditor-Controller Department, the Treasurer-Tax Collector is responsible for issuing one tax bill.

The time spent fulfilling this mandate is estimated by the Auditor-Controller's Property Tax Division, but not supported by actual time records or formal time studies. While the time claimed appears reasonable, the Property Tax Division should track the actual time spent on this mandate or derive current time studies to support the time claimed.

Additionally, as previously discussed with the Allocation of Property Tax Revenues: Education Revenue Augmentation Fund claim, the indirect cost rate utilized for Auditor-Controller activities appears to be high. In the calculation of the rate, almost all services and supplies are classified as indirect costs. These costs should be examined and reclassified as direct, if applicable. An estimate of the impact of reclassifying data processing charges alone results in a reduction of the claim by \$1,661 or ten percent.

The Treasurer-Tax Collector has not filed for reimbursement under this claim for the issuance of unitary tax bills. According to the Department, the insignificant amount of time that is spent on this mandate precludes filing for reimbursement. The Department reported one clerical staff works approximately half a day per year on this mandate, which would total approximately \$80 in salary and benefit costs.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Voter Registration	Registrar of Voters	\$38,784

This claim reimburses the County for costs incurred in complying with voter registration provisions, including the provisions authorizing voter registration by mail and voter outreach programs. The reimbursement rate is the fiscal year 1992-93 per affidavit cost adjusted for annual changes in the Consumer Price Index (CPI). The amount fixed by the State per affidavit for fiscal year 2000-01 is \$0.405. During the fiscal

year 2000-01, the Registrar of Voters processed 95,762 affidavits. (95,762 x \$0.405 = \$38,784).

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
SED Pupils: Out of State	DBH	\$227,081

This claim reimburses counties for the placement of Severely Emotionally Disturbed (SED) children out-of-state as well as the case management of out-of-state placements when in-state residential treatment is not available or effective.

The claim prepared by the Department of Behavioral Health and the Office of the Auditor-Controller does not include any indirect costs. The State Controller allows for an indirect cost rate of 10 percent to be applied without any workpapers; the calculation of indirect costs based on a rate higher than 10 percent requires the preparation of an Indirect Cost Rate Proposal (ICRP). DBH staff prepared two portions of the claim that require calculations of productive hourly rates and productive hourly benefit rates. These calculations used total hours worked during the fiscal year rather than the 1,800 allowed without work papers, and rather than the 1,655 hours typically used by the County's ACR office when calculating its "charge rates." By applying the appropriate productive hours and using the estimated indirect rate of 28 percent, the claim can be increased by \$10,735. It is recommended that the Department of Behavioral Health and the ACR's office develop an ICRP to be used in this claim and to be considered for use in the Services to Handicapped Students claim. A memo from the ACR's office to the Department of Behavioral Health in May of 2001 indicates that the development of an ICRP was initiated and that the first three claims included the 10 percent indirect rate. Staff of the ACR Office confirmed that the claim for the 2000-01 fiscal year erroneously did not include any indirect costs.

This claim includes reimbursements of payments to vendors for out-of-state placements, per the claiming instructions. There are two components of these payments - the room and board fees and the fees related to treatment that the children receive while they reside in the placement. Because the payment is processed and delivered to the vendors through the Social Services agency, the Department of Behavioral Health transfers funds related to the treatment costs and relies on the Department of Social Services to add these transfers to the room and board costs. The Department of Social Services receives approximately 40 percent of the room and board costs from the State and Federal governments under its assistance claim. The Office of the Auditor-Controller, DBH and Social Services should meet and discuss the instructions to submit a SB 90 claim that includes all related County costs and subsequent reimbursements. While the County has only claimed the costs of treatment under this SB 90 claim, the claim instructions specifically direct claimants to include the room and board costs

related to these placements.² Such inclusion would, in effect, seek reimbursement for 100 percent of the placement costs of these children and offset these amounts by the 40 percent reimbursed by Federal and State funds. The net effect of including these costs would total an estimated \$300,000 for the 2000-01 fiscal year. We have submitted a written request for clarification related to this issue to the State Controller's Office Local Reimbursement Section and are awaiting a response.

Because the reimbursements to two of the vendors listed in the claim during the 2000-01 fiscal year exceeded \$25,000, audit staff inquired as to the nature of these contracts and their approval by the Board of Supervisors, pursuant to the recently approved ordinance and policies regarding purchasing.³ The Department provided audit staff with a brief placement agreement and indicated that no MOU or contracts exist. If these placements meet the definition of an exception per the Board's policy 11-05, or have been previously approved under a delegation of authority provision, this should be documented and provided to the Board of Supervisors. If the placements do not meet the exception criteria, contracts approved by County Counsel should be developed and executed with the vendors. The initial claim under this chapter specifically provided one-time reimbursement for the establishment of contracts, so the costs to develop such contracts, if deemed necessary, may be claimable under this SB 90 chapter. Although the Department of Behavioral Health previously submitted a claim for one-time costs, an additional vendor began to provide services during the 2000-01 fiscal year. One-time costs in addition to those already claimed may be eligible for reimbursement as the claim instructions specifically state that costs to "develop policies, procedures and contractual arrangement, necessary to implement a county's new fiscal and programmatic responsibilities for SED pupils placed in out-of-state residential programs" are reimbursable.⁴ The appropriateness of including these costs in the claim should be clarified with the State Controller's Office.

In a manner consistent with the Services to Handicapped Students claim, time spent by County Counsel providing the specific services outlined in the claim instructions appear to have been provided in the 2000-01 fiscal year but not submitted for reimbursement. Out-of-state placements required County Counsel to dedicate approximately 30 hours to the Department of Behavioral Health. Based on the County's productive hourly average of 1,655 hours and the minimum indirect rate of 10 percent, the inclusion of these hours will increase the claim by \$2,481.

² State Auditor-Controller's Office, Mandated Cost Manual, Form SEDP-2 Instructions: "Mental Health Service Vendor Reimbursements*. This component includes reimbursement for residential costs, i.e. board and care of out-of-state placements."

³ Item 61, April 30, 2002 Board of Supervisors Meeting, Item 53, May 7, 2002 Meeting

⁴ Parameters and Guidelines, Government Code Section 7576, Statutes of 1996, Chapter 654, p. 2

Program staff who provide vendor payment information to the Department of Behavioral Health finance staff identified an error in the 2000-01 fiscal year claim during our review of the claim. The claim includes vendor costs for the month of July 2001, the first month of the subsequent fiscal year. This error underscores the need for program, finance and ACR staff to collaborate on claim data preparation and review each other's work. An amended claim should be prepared to correct this error which will result in a reduction of \$17,219 dollars in the fiscal year 2000-01 claim. These costs can be claimed in FY 2001-02.

In summary, the adjustments to this claim will result either in a claim reduction of \$4,003 or an increase of \$295,997, depending on the outcome of the placement cost issue submitted to the State Controller.

<u>Claim Title</u>	<u>Departments</u>	<u>Original Claim</u>
Peace Officer Bill Of Rights (POBAR)	Sheriff County Counsel	\$247,650

This mandate includes reimbursement for administrative activities, appeals, interrogations and other costs incurred by the County to respond to adverse comments concerning the employment of specified peace officers. During the course of our review, we determined, after discussion with Sheriff staff that there may be some additional unclaimed County costs incurred by the County Counsel in connection with POBAR cases. Details of such costs have been requested from fiscal personnel in the Office of County Counsel, however they have not been received to date. These costs are not believed to be material, however, all costs incurred to comply with State mandates should be documented and claimed in order to fully reimburse the County for expenses incurred by it complying with State Law.

<u>Claim Title</u>	<u>Original Departments</u>	<u>Claim</u>
Cancer Presumption Peace Officers	CAO Risk Management	Not Determined

This claim allows the recovery of costs incurred by the County for the treatment of cancer that may develop or manifest in peace officers engaged in active law enforcement activities. Costs for treatment are allowed if the cancer has developed or manifested itself in peace officers during their period of active employment or within a specified period following termination of the officer's service.

According to the Senior Adjuster in the Risk Management Office, reimbursable costs have been incurred by the County. She states that data was forwarded to the Auditor-Controller's Office for a claim reimbursement by the State, however, we have been unable to ascertain or examine these amounts.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Domestic Violence Treatment Services: Authorization & Case Management	Probation	Not Determined

This domestic violence claim reimburses counties for specified costs associated with the administration and regulation of batterers' treatment programs, notification of victims, and assessment of the future probability of homicide. According to the Probation Department, a claim was not filed for fiscal year 2000-01 due to chronic understaffing. In the fall of 2001, a dedicated position was created in the Probation Department for SB 90 programs. This position has focused on filing the Police Officers Bill of Rights claim due to the large amount of reimbursable costs. Currently, the Department is researching the Domestic Violence Treatment Services mandate and anticipates filing a late claim for fiscal year 2000-01.

Sheriff Department Claims Not Filed

At the outset of the review, quality review staff identified multiple instances where the Sheriff's Department had not prepared claims or submitted the information necessary to claim costs to the Auditor-Controller. At the time we concluded our review and as a result of our inquiries pursuant to the review, the Sheriff's Department researched these potential claims and identified costs totaling \$382,000 of previously unclaimed reimbursable costs and forwarded the necessary information to the Office of the Auditor-Controller. These claims are discussed below:

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Sexually Violent Predators	Sheriff	Not filed

This claim allows reimbursement for the continued detention and treatment of sexually violent offenders. Before detention and treatment are imposed, the County attorney is

required to file a petition for civil commitment. A trial is then conducted. If the inmate accused of being a sexually violent predator is indigent, the County is required to provide the indigent with the assistance of counsel and experts necessary to prepare the defense.

During our review, we determined that the Sheriff had been given a list of possible cases that might be eligible for reimbursement under this mandate. Sheriff staff claimed they were encountering some difficulty in determining the costs for housing, if any, of these cases due to a lack of identifying data from the District Attorney. Sheriff staff state they could more easily determine eligible costs under this mandate if they were furnished, in addition to the subject's name, a date of birth and a booking number or warrant number. Some of this information was developed during the course of our review of the District Attorney's claim related to Sexually Violent Predators and was given to the Sheriff for research and subsequent claim filing. However, no cost data had been generated during the period of our review. As recommended in the Introduction section of this report, improving interdepartmental coordination and communication in the claiming process could facilitate more timely and complete filing of SB 90 claims, thereby increasing County revenues. \$126,789 in claimable costs have now been identified by the Department.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Rape Victim Counseling Center Notices	Sheriff	Not originally filed

Costs for the Sheriff to obtain rape victim consent for and notification of a counseling center and to provide verification to a hospital of the notification are costs eligible for reimbursement by the State. Although no claim had been filed at the time of our review, the Sheriff's staff states that extensions have been requested in order to file a claim under this mandate and that the requested extension is in process. \$4,940 in claimable costs have now been identified by the Sheriff's Department.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Prisoner Parental Rights	Sheriff, Courts, District Attorney	Not originally filed

The costs of transporting prisoners to and from court hearings for minor dependency cases in which they may be involved is reimbursable.

No reimbursement claim has been filed because, according to Sheriff's personnel, they have received insufficient data from the courts and District Attorney to track these cases. As has been previously noted, communication and coordination among the various County departments can aid the recovery of mandated costs from the State.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Misdemeanors Booking & Fingerprinting	Sheriff	Not originally filed

Costs to provide an arrestee with verification of booking or fingerprinting and the costs of providing documentation to the arrestee are eligible for reimbursement. Although the time to comply with this mandate generally ranges from only 1.5 to 5.0 minutes per arrest, the County had over 16,000 citations potentially eligible for reimbursement in FY 2000-01 so that there is a potential for a few thousand dollars in reimbursed costs.

During the course of our review of unfiled claims, we were informed by Sheriff's staff that preparation of a claim for reimbursement of these costs was in process, however we were not able to independently review the components of the claim. \$21,500 in claimable costs have now been identified by the Sheriff's Department.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Stolen Vehicle Notification	Sheriff	Not originally filed

Costs to the Sheriff for notifying the party who reported a vehicle stolen of its recovery are, with some exceptions, reimbursable. We were advised by staff in the Sheriff's Office that a claim was in the process of preparation, however we were not able to review the final amount claimed during the course of our review. \$24,284 in claimable costs have now been identified by the Sheriff's Department.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Domestic Violence Arrest Policies	Sheriff	Not originally filed

This mandate provides for the printing of notices and training of deputies. \$205,000 in claimable costs have now been identified by the Sheriff's Department.

AUDITOR/CONTROLLER-RECORDER COUNTY CLERK



COUNTY OF SAN BERNARDINO

AUDITOR/CONTROLLER • 222 West Hospitality Lane, Fourth Floor
San Bernardino, CA 92415-0018 • (909) 387-8322 • Fax (909) 386-8830

RECORDER • COUNTY CLERK • 222 West Hospitality Lane, First Floor
San Bernardino, CA 92415-0022 • (909) 387-8306 • Fax (909) 386-8940

LARRY WALKER
Auditor/Controller-Recorder
County Clerk

ELIZABETH A. STARBUCK
Assistant Auditor/Controller-Recorder
Assistant County Clerk

June 11, 2002

MR. ROGER MIALOCQ

Harvey M. Rose Accountancy Corporation
1390 Market Street, Suite 1025
San Francisco, CA 94102

RE: QUALITY CONTROL REVIEW OF THE FY 2000-01 SB 90 CLAIMS SUBMITTED BY THE COUNTY OF SAN BERNARDINO

Dear Roger:

We received your revised report of the FY 2000-01 SB 90 Claims. We appreciate the opportunity to meet with you and also to respond to your findings and recommendations. There has been significant turnover of staffing in the past, which has contributed to the reported findings. However during the short time that the current management team has been put in place, they have made significant steps to improve the SB 90 processes or identified the areas in need of improvements. We do agree with some of your findings and recommendations but still have some issues with others. We have attached our specific comments to each of your findings and recommendations.

We would appreciate if our comments could be attached to your final report. Thank you for your consideration.

Sincerely:

A handwritten signature in black ink, appearing to read "Howard M. Ochi".

HOWARD M. OCHI, CPA
CHIEF DEPUTY AUDITOR
Office of the Auditor/Controller-Recorder
County of San Bernardino

HO:spr

wd/aud/ho/letters/HM Rose Response-revised.doc

WILLIAM H. RANDOLPH
County Administrative Officer

BILL POSTMUS
JON D. MIKELS

Board of Supervisors
..... First District **DENNIS HANSBERGER**
.. Second District **FRED AGUIAR**
JERRY EAVES Fifth District

. Third District
Fourth District

Summary of Recommendations

It is recommended that the Auditor-Controller:

- 1.1 Enhance and disseminate written procedures regarding the SB 90 claiming process for the Auditor-Controller's Office including claims tracking, completion of forms, and documentation requirements. This is particularly important because there has been a significant amount of turn over in the positions that handle SB 90 claiming. Comprehensive procedures would assist new staff without prior SB 90 claiming experience and would provide a more consistent approach to the claiming process.

Response:

The Auditor/Controller-Recorder's Office (ACR) disagrees with this finding. The ACR has established, written procedures in place for all aspects of the SB90 claiming process. Our SB90 claiming procedures do include brief outlines but we also have detailed instructions by claim. Both are complemented by the related claiming instructions that detail the completion of forms and documentation requirements. The ACR's procedures are kept in a computer file accessible by all staff. Claims are tracked on a spreadsheet. The spreadsheet details the claim, department contact, date documentation is received, employee assigned to process the claim, date completed, and date submitted to the State for reimbursement.

- 1.2 Develop written SB 90 guidelines for County departments describing the SB 90 claiming process, specific departmental responsibilities, data collection and reporting requirements and procedures, documentation standards, and other pertinent requirements of the County's SB 90 claiming process.

Response:

ACR agrees with this finding as our future plans for the SB90 process were addressed during the entrance conference. New management took over the Reimbursable Projects Section (RPS) in January 2002. In working with departments to process the SB90 Claims by the January 15 deadline, it became evident that past communication of SB 90 guidelines, responsibilities, and procedures was poor. Planning has begun to hold training in the fall of 2002 to go over the claiming process, and to conduct field audits to assist departments in tracking costs, data collection, timekeeping, etc. In addition, planning includes incorporating procedures to "physically" work with departments, not only after a test claim is approved, but prior to filing the initial test claim to determine where reimbursable costs are, provide information, and set up tracking systems. RPS has requested additional positions to handle the added responsibilities. An Accountant II position was placed in the budget for FY 2002/03.

- 1.3 Provide annual training for County departmental staff involved in SB 90 services, including data collection, reporting and reimbursement claiming and conduct field visits to departments to review departmental data collection systems and procedures and provide assistance as appropriate.

Assist departments in the design, development and implementation of data collection systems to support the SB 90 claiming process.

Distribute State instructions and program descriptions to appropriate departmental personnel to obtain departmental input. This process would improve the identification of all applicable County departments and related costs consistent with the claim instructions.

Response:

Again, ACR agrees with this finding as our future plans for the SB90 process were addressed during the entrance conference. Planning has begun to hold training in the fall of 2002 to go over the claiming process, and to conduct field audits to assist departments in tracking costs, data collection, timekeeping, etc. In addition, planning includes incorporating procedures to “physically” work with departments, not only after a test claim is approved, but prior to filing the initial test claim to determine where reimbursable costs are, provide information, and set up tracking systems. RPS also has plans to create a web site under the Auditor/Controller-Recorder’s Web Site in which to post an SB90 Activity Calendar, claim forms, claiming instructions, time sheets, parameters and guidelines, legislative updates, training sessions, etc., so that departments will have more information readily available.

Require all departments choosing not to submit a claim for reimbursement of program costs to provide a written explanation of why such costs were not incurred or should not be claimed.

Response:

The ACR agrees and has already incorporated this procedure to assist with tracking the SB90 Claims and for auditing purposes. Staff has been instructed that an explanation memo is required from any department refusing to file an SB 90 Claim. The memo is then placed in the claim file.

- 1.4 Revise the existing County-wide productive hours analysis by utilizing hours recorded by the County’s time capture segment of the payroll system. Pursuant to page six of the State Controller’s September 2001 SB 90 claiming instructions, the only exception is for vacation hours that should be on “earned” rather than

“used “ time. In addition, rest periods or break-time provided by union contract should be included in the analysis as illustrated on page six of the State SB 90 instructions. Administrative time included as non-productive hours is allowable to the extent that such time is documented and can be verified by independent audit of payroll or other records.

Response:

ACR agrees with capturing an employee’s accrued vacation to determine an individual’s productive hours. A work order has been initiated to capture accrued vacation time from the payroll system. The work is estimated for completion during the 2002/03 FY.

However, the ACR disagrees with reducing productive hours by an employee’s break times. Currently, the ACR is using the most cost effective method of producing productive hourly rates. It is believed that employing the auditor’s suggestion would net the same results that the ACR gets using the current method. In addition, it would be cumbersome and costly to estimate break times, from the County’s 19,614 employees and the various compressed work schedules in use, how many employees are subject to 15 or 20 minute breaks. Consideration would also need to be given to the possibility that breaks are not taken or an employee is out on leave. The ACR can find no authority to reduce productive time by break periods nor is it a customary practice.

- 1.5 Develop indirect cost rate proposals for all departments for which SB 90 claims are submitted and which currently do not have ICRPs if the cost of preparing the ICRP does not exceed the benefit.

Revise and update the existing departmental indirect cost rate proposals to ensure that staffing and services and supplies costs that are direct charged in claims and grants are not also included as indirect costs in departmental ICRP’s. Annually or bi-annually, require County departments to analyze and submit schedules distributing all departmental staff and services and supplies costs by program or function in accordance with Federal Office of Management and Budget (OMB) Circular A-87 guidelines.

Response:

The ACR is in concurrence with this finding to a point. A cost/benefit analysis will determine whether it is beneficial to prepare an ICRP. The type of claim and significance of the claim will be factors in the decision. For example, it may not be beneficial to prepare an ICRP for all departments submitting claims for the Open Meetings Act where 10 or 11 agenda items were prepared.

Again, training is planned for the fall of 2002. The ACR currently requires that departments analyze and submit schedules distributing all departmental staff and services and supplies costs in preparation of ICRPs, but we will begin to compare the information departments submit for ICRPs with the information submitted for SB90 Claims.

- 1.6 Limit hours claimed per individual to the total annual number of productive hours calculated for each fiscal year except for employees who receive cash overtime compensation. Limit the number of daily chargeable hours to 7.5 hours to account for the one-half hour of break-time included in the analysis of productive hours.

Response:

Again, the ACR disagrees. The ACR can find no authority to reduce productive time by break periods nor is it a customary practice.

- 1.7 Review and assess specific claims identified in this report and submit amended claims to obtain full reimbursement of previously unclaimed costs or to correct amounts over claimed in error. Amended claims for additional reimbursement should only be claimed in instances when the revised claim would result in a net reimbursement to the County sufficiently in excess of the original claim and the applicable late claim penalty.

Response:

ACR is in concurrence with this finding to a point. As discussed during the Exit Conference, there is a cost/benefit to amending all claims submitted in this report. There is also a risk that the auditor's estimated reimbursement will not reflect the actual reimbursement. One also has to consider the late penalty and the 20% reduction imposed by the State. However, we will review the claims and where it is cost effective submit amendments.

- 1.8 Develop an SB 90 processing calendar to ensure adequate time for the collecting and reporting of program data to the Auditor-Controller, the preparation of a draft claim, departmental review of draft claims, and the final submission of claims by the annual January 15 due date. Copies of all final claims should also be provided to the departments claiming reimbursement.

Response:

ACR agrees with the first part of this finding but notes that the second part is a longstanding practice of the ACR. We have always provided departments with a copy of the SB90 Claims filed. As previously mentioned, the ACR plans to conduct training sessions this fall so that departments will have a clear understanding of the documentation needed and the time frames required. RPS has plans to create a web site under the Auditor/Controller-Recorder's Web Site in which to post an SB90 Activity Calendar, claim forms, claiming instructions, time sheets, parameters and guidelines, legislative updates, training sessions, etc., so that departments will have more information readily available.

- 1.9 Use a uniform timesheet for recording Auditor-Controller SB 90 time that includes all program codes. This will improve the recording and tracking of time spent on all SB 90 related activities.

Response:

The ACR disagrees. All ACR staff use a uniform timesheet. However, to prevent the timesheet from becoming unwieldy, RPS staff includes only those activity codes applicable to their monthly job assignments.

It is recommended that the Auditor-Controller's Office and the Office of the County Counsel:

- 1.10 Review the current procedures under which County Counsel provides support of SB 90 claims and bills for such support in order to determine the most effective strategy to maximize the County's SB 90 revenues and include County Counsel-related costs in the SB 90 claim each year.

Response:

Again, ACR agrees with this finding as our future plans for the SB90 process were addressed during the entrance conference. Planning has begun to conduct field audits to assist departments in tracking costs, data collection, timekeeping, etc. RPS will work with County Counsel and County departments to coordinate accumulating cost data for claim processing.

It is recommended that all County departments that provide SB 90 reimbursable services:

- 1.11 Develop written procedures related to SB 90 data collection, reporting and documentation requirements to ensure that all reimbursable costs are fully and accurately identified, reported and claimed. Departments should also retain

complete work papers and supporting time records and other documentation for each claim submitted in the event of an audit or future reference needs.

Response:

Again, ACR agrees with this finding as our future plans for the SB90 process were addressed during the entrance conference. Planning has begun to conduct field audits to assist departments in tracking costs, data collection, timekeeping, record keeping etc. In addition, RPS will offer assistance for writing procedures.

Findings Pertaining to Specific FY 2000-01 SB 90 Claims

The following findings relate to specific SB 90 claims. The original claim amount submitted by the department is presented and relevant issues discussed.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
AIDS Testing	Public Health	\$7,816

Response:

The Public Health department disagrees in part. The Public Health Department will look into determining the costs for medical staff to conduct testing in the jails. However, the cost for Public Health testing is based on an established State rate and any further time study or actual cost study would be counter productive. Overall, Aids Testing has declined in recent years. It is the Department's stance that costs are being met.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Allocation of Property Tax Revenue: Education Revenue Augmentation Fund	Auditor-Controller	\$16,131

Response:

The ACR disagrees. The reported time spent on the Education Revenue Augmentation Fund claim is based upon interviews conducted by the Property Tax Manager

with staff in prior years. The Property Tax Manager then forwarded the various times spent to the Reimbursable Projects Section. These times were brought forward from year to year with minor adjustments made when related factors in these areas changed. Eventually, Property Tax Staff, at the direction of the Manager, began to provide times spent for the SB90 claims based upon trends that had formed. The times now reported for SB90 claims are a development of what has historically been required to perform related tasks.

The ACR ICRP is prepared in accordance with State guidelines and has been accepted by the State for many years.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Child Abduction Recovery	District Attorney	\$1,099,756

Response:

The District Attorney's Office disagrees. To date, no attorney has had to relieve the assigned attorney during vacation, sickness, etc. If one should have to fill-in for the assigned attorney, the appropriate time sheets will be kept.

There are 4 investigators assigned to this unit. If one or more is out, the others handle the work. There have been occasions when an Investigator, not assigned to the program, has performed these activities and they have prepared time sheets to account for hours spent performing reimbursable activities.

The supervisor maintains time sheets to track time spent on this program. The time spent keeping time studies for the various programs supervised is not likely to be worth the minimal cost captured. Administrative time is currently captured, however, for attorneys and investigators and reported to the ACR every year by this department. The estimate made by the auditor that the supervisor spends 1/13 of his time on Child Abduction does not take into account that fact that he maintains his own criminal caseload that takes a significant portion of his total time. The auditors' estimate is therefore, **inflated**.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Developmentally Disabled: Attorney Services	Public Defender	\$33,614

Response:

The Public Defender disagrees. It is accurate that Developmentally Disabled Attorney Services are compiled based on a formula that attributes 1 hour of attorney time and ½ hour of clerical time for appearances on a petition, and 2 hours of attorney time and ½ hour of clerical time for commitment hearings. Said formula was not devised based upon a formal time study. Relative to 24 cases upon which hours were claimed last fiscal year, approximately 200 Attorney hours and 140 clerical hours were claimed [approx. \$20,000], and \$13,500 in expert costs, for a grand total of \$33,614. The size of the claim would not seem to warrant a more specific system of tracking actual time. Indeed, the computed 201 attorney hours were mistakenly transposed to read 210 on the summary claim, and \$1400 claimed as direct costs for expert fees were cut from the Public Defender's Claim Form by the Auditor's Office; while said expert fees were accrued in the prior fiscal year, they were not paid until the beginning of the last fiscal year, and were therefore claimed for the last fiscal year. Attorney services outside of court appearances include review of State reports, review of defense reports and reconciliation of differences. An attorney whose primary responsibilities are unrelated to this SB 90 caseload and for which documentation of time is not a regular activity handles these cases.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Investment Reports	Treasurer-Tax Collector	\$21,945

Response:

The Treasurer is in agreement that our department should not double bill investment costs. We will research this matter and if necessary, we will revise the SB 90 claimed costs from the calculation of the administration fee.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Mandate Reimbursement Process	Auditor-Controller	\$216,470

Response:

The ACR disagrees with the point that there are no uniform timesheets in use. All ACR staff use uniform timesheets.

The ACR disagrees in part with the timing of SB90 data collection. Currently, the ACR starts collecting department data in early November, not January. In October of 2001, all SB90 lead personnel had left to pursue other job opportunities. There were no staff members available to follow up with departments on the data submitted or to file the claims due in November. The claims mentioned were filed or are presently being processed.

The ACR disagrees that Public Health is not adequately capturing their costs. Public Health files 3 straightforward SB90 Claims: SIDS, Perinatal Services, and HIV Testing. Public Health's Mandate Reimbursement Process Claim is substantially lower because they collect data efficiently. Data is captured with their existing computer system for other reporting purposes. So, extracting data for SB90 purposes is timely and simple.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Mentally Disordered Sexual Offenders	Public Defender	\$17,698

Response:

The Public Defender's Office agrees in part. While it is accurate that the MDSO claim failed to include 42 hours of attorney time attributable to travel, **it is not accurate that mileage that should have been included in the claim was missed.** Mileage accrued during the end of the last fiscal year, which was not reimbursed to the employee until this fiscal year, will be reflected on next year's claim. Our office claims reimbursement based on the fiscal year during which costs are paid, as opposed to the fiscal year during which expenses are accrued.

The ACR received the MDO claim on 6/3/02. The error was corrected. Also, transportation costs are included in the Sheriff's and the Public Defender's claim.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Not Guilty by Reason Of Insanity	Public Defender	\$45,526

Response:

The department agrees in part. The Public Defender has established “Billing Guidelines for SB 90 Reimbursement” cases as well as an SB 90 Time Sheet. Unlike the DA’s Office, the Public Defender civil commitment staff does not handle NGI extension cases, with few exceptions. Attorneys whose primary responsibilities are unrelated to this SB 90 caseload and for whom documentation of time is not a regular activity, handle NGI extension cases. Said billing forms were not in fact used for purposes of documenting hours on NGI cases other than for cases that actually went to trial. Indeed, only the cases that went to trial included hours categorized as “trial preparation,” which is consistent with accurate characterization of hours. Hours relative to cases that did not go to trial were computed based on FACTS documentation of appearances. It is in fact the case that four NGI extension cases upon which appearances were made during the fiscal year, were not picked up by the computer assisted means used to identify NGI cases. Next year our staff will compare case listings with the DA’s Office before submitting claims, so as to insure recovery of hours expended on all NGI cases.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Open Meetings Act	Various	\$71,744

Response:

The ACR disagrees in part. It has been a past and current practice that the ACR tally the Board agenda items year round. However, last year was an exception due to the lack of management and staff turnover. There was no SB90 lead staff to follow-up with those departments not submitting data for the claim and a tally had not been completed for the fiscal year. New management started January 7, 2002 and had 7 days to compile the department’s data and submit the claim. Due to time constraints, and the capability to later amend the claim, a tally was performed for only those departments submitting data. However, a post survey revealed that the departments with the most significant agenda items were filed. We had one department that submitted a memo explaining that it was not cost beneficial to submit data for a claim. The auditors suggested an unconventional method for filing a claim on the remaining agenda items. The ACR cannot find any authority to file accordingly.

An amended claim was filed June 4, 2002 in the amount of \$81,379 for a total of 1,887 agenda items.

While preparing the FY 2000/01 Open Meetings Act Claim, the “across the board” 10% indirect cost rate was noted for determining the Blended Hourly Rate. There will be an ICRP prepared for each department submitting significant agenda items for next year’s claim.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Perinatal Services	PH/ARMC	\$280,114

Response:

The ACR agrees with this finding in part. The wrong ICRP rate was used for calculating the Medical Center’s salary costs. However, Public Health does not receive Medi-Cal reimbursement for toxicology screens. Also, it is “policy” to send copies of filed SB90 claims to the department who submitted the claim. If the department had notified the ACR, an additional copy would have been sent.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Search Warrant AIDS	District Attorney	\$81,584

Response:

The District Attorney’s Office was not able to verify that attorneys do look for these cases.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Services to Handicapped Students	Behavioral Health	\$877,779

Response:

Behavioral Health agrees in part. We will assess the possibility of producing an “Ad Hoc Report” to verify payor classifications. However, this periodic verification may or

may not result in more services claimed for SB90. We will work to set up a separate tracking system for assessment services in our Management Information System. However, for FY 01/02, we will ensure that these services are captured and accurately claimed.

We have used the Cost Report Method for a number of years (probably about 12) because as a “County Behavioral Health Agency”, we are accountable to the State Department of Mental Health each year to submit an annual cost report. In this cost report, our total administrative costs are separately reported. Since the cost report was inherent in our process, we use this method; it would take precedence over the ICRP. However, a comparative analysis of the two methods will be prepared.

We agree. We will determine the SB90 contact at County Counsel's Office and coordinate future efforts to set up a reporting system with staff at the County Counsel.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Sexually Violent Predators	District Attorney	\$988,821

Response:

The District Attorney agrees in part. The department supports the use of an automated verification process to track SB 90 costs within the department and countywide. The department has had several meetings with Information Services staff regarding improving our ability to capture and track these cases. However, the administrative costs are so minimal the cost to track them out weights the reimbursement.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
SIDS: Autopsy Protocol	Coroner	\$74,353

Response:

The Coroner's Office disagrees. The ICRP was prepared according to OMB Circular A-87 guidelines. Individuals that spend only a portion of their time in an administrative role can include only that portion of their salary as an indirect cost. The rest are billed as direct costs. A time study was performed and it was determined that our current estimates are the best conservative estimates.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Unitary County-wide Tax Rate	Auditor-Controller	\$17,058

Response:

The ACR disagrees. The reported time spent on the Unitary Countywide Tax Rate claim is based upon interviews conducted by the Property Tax Manager with staff in prior years. The Property Tax Manager then forwarded the various times spent to Reimbursable Projects Section. These times were brought forward from year to year with minor adjustments made when related factors in these areas changed. Eventually, Property Tax Staff, at the direction of the Manager, began to provide times spent for the SB90 claims based upon trends that had formed. The times now reported for SB90 claims are a development of what has historically been required to perform related tasks.

The ACR ICRP is prepared in accordance with State guidelines and has been accepted by the State for many years.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Voter Registration	Registrar of Voters	\$38,784

This claim reimburses the County for costs incurred in complying with voter registration provisions, including the provisions authorizing voter registration by mail and voter outreach programs. The reimbursement rate is the fiscal year 1992-93 per affidavit cost adjusted for annual changes in the Consumer Price Index (CPI). The amount fixed by the State per affidavit for fiscal year 2000-01 is \$0.405. During the fiscal year 2000-01, the Registrar of Voters processed 95,762 affidavits. (95,762 x \$0.405 = \$38,784).

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
SED Pupils: Out of State	DBH	\$227,081

Response:

The Department of Behavioral Health (DBH) agrees. DBH and Social Services will meet to ensure that costs for room and board for client placements are included in future claims. An amended claim can also be filed. We are determining whether the Out of State Placements were exceptions to the brief placement agreements and

whether additional one time costs for new vendors were included in our claim. Also, we will contact County Counsel to make sure their costs are included in our future claims.

<u>Claim Title</u>	<u>Departments</u>	<u>Original Claim</u>
Peace Officer Bill Of Rights (POBAR)	Sheriff County Counsel	\$247,650

This mandate includes reimbursement for administrative activities, appeals, interrogations and other costs incurred by the County to respond to adverse comments concerning the employment of specified peace officers. During the course of our review, we determined, after discussion with Sheriff staff that there may be some additional unclaimed County costs incurred by the County Counsel in connection with POBAR cases. Details of such costs have been requested from fiscal personnel in the Office of County Counsel, however they have not been received to date. These costs are not believed to be material, however, all costs incurred to comply with State mandates should be documented and claimed in order to fully reimburse the County for expenses incurred by it complying with State Law.

<u>Claim Title</u>	<u>Original Departments</u>	<u>Claim</u>
Cancer Presumption Peace Officers	CAO Risk Management	Not Determined

Response:

The ACR never received the claim documentation. RPS staff made several inquiries before the January 15th deadline and was informed that there were no reimbursable costs for FY 2000/01. Risk Management will forward documentation so that a claim can be filed.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
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**Domestic Violence Treatment Probation Not Determined
Services: Authorization &
Case Management**

This domestic violence claim reimburses counties for specified costs associated with the administration and regulation of batterers' treatment programs, notification of victims, and assessment of the future probability of homicide. According to the Probation Department, a claim was not filed for fiscal year 2000-01 due to chronic understaffing. In the fall of 2001, a dedicated position was created in the Probation Department for SB 90 programs. This position has focused on filing the Police Officers Bill of Rights claim due to the large amount of reimbursable costs. Currently, the Department is researching the Domestic Violence Treatment Services mandate and anticipates filing a late claim for fiscal year 2000-01.

Sheriff Department Claims Not Filed

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Sexually Violent Predators	Sheriff	Not filed

Response:

The department agrees that this claim had not been filed at the time of fieldwork. Work was underway prior to the audit and research has been completed. The claim will be submitted to ACR by June 30, 2002.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Rape Victim Counseling Center Notices	Sheriff	Not originally filed

Response:

The department agrees that this claim had not been filed at the time of fieldwork. Work was underway prior to the audit and research has been completed. The claim was submitted to ACR on June 4, 2002.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
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**Prisoner Parental
Rights**

**Sheriff, Courts,
District Attorney**

Not originally filed

Response:

The department agrees that this claim had not been filed at the time of fieldwork. The Sheriff's Department will coordinate with other County agencies to obtain sufficient data to process this claim.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Misdemeanors Booking & Fingerprinting	Sheriff	Not originally filed

Response:

The department agrees that this claim had not been filed at the time of fieldwork. Work was underway prior to the audit and research has been completed. The claim was submitted to the ACR on April 18, 2002.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Stolen Vehicle Notification	Sheriff	Not originally filed

Response:

The department agrees that this claim had not been filed at the time of fieldwork. Work was underway prior to the audit and research has been completed. The claim was submitted to the ACR on June 4, 2002.

<u>Claim Title</u>	<u>Claiming Department</u>	<u>Original Claim</u>
Domestic Violence Arrest Policies	Sheriff	Not originally filed

Response:

The department agrees that this claim had not been filed at the time of fieldwork. Work was underway prior to the audit and research has been completed. The claim was submitted to the ACR on June 4, 2002.

COMPLAINTS COMMITTEE



Michael J.D.R. Wilson, Chair



Peggy M. Bautista



Thomas Ma



COMPLAINTS COMMITTEE

The Complaints Committee thoroughly examined all complaints received from County residents. All complaints were required to be on the standard complaint form. Complaints were handled in the strictest confidence and reviewed only by the Complaints Committee, unless it determined to forward a complaint to an action committee.

During the period July 1, 2001 to June 30, 2002 the Grand Jury received 15 complaints. One was a carryover from the 2000-2001 Grand Jury and was dismissed because the Grand Jury did not have jurisdiction. Of the remaining 14, seven went to the following committees:

Administrative	3
Economic Development/Public Services	1
Internal Services	1
Law and Justice	2

Each complainant was informed when no action was taken on his or her complaint.

ECONOMIC DEVELOPMENT/ PUBLIC SERVICES COMMITTEE



Amos Isaac, Chair



Peggy M. Bautista



Janet M. Carter



Alfred J. Dubiel



Victor G. Edinburgh



Debra S. Gray



Sarah L. Harrison



Norma L. Mays



Jack R. Woods



ECONOMIC DEVELOPMENT/ PUBLIC SERVICES COMMITTEE

The Economic Development/Public Services Committee (ED/PS) was charged with the review and investigation of the operations and functions of the following departments:

- Agriculture/Weights & Measures
- Airports
- Economic and Community Development
- Economic Development/Public Services Group Administration
- Fire Department/Office of Emergency Services
- Jobs and Employment Services
- Land Use Services
- Library
- Museum
- Public Works
- Redevelopment Agency
- Registrar of Voters
- Special Districts

Due to the limitation of time and the fact that three of the 13 ED/PS departments had been extensively reviewed last year, only ten of the 13 ED/PS departments were reviewed this year.

The departments that were not reviewed this year were:

- Agriculture/Weights & Measures
- Land Use Services
- Economic Development/Public Services Group

After the interviews and investigations, it was determined that no findings and recommendations would be made on Airports, Economic & Community Development Department, Library, Public Works Department, Redevelopment Agency and Special Districts.

Background, findings and recommendations are being presented on the following departments.

COUNTY FIRE DEPARTMENT

BACKGROUND

"The mission of the San Bernardino County Fire Department is to provide a community based all-risk emergency services organization dedicated to the health and well being of the citizens of San Bernardino County through a balance of regionalized services delivery and accountability to the local community."

The centralized management of the County Fire Department oversees the budget concerns of 32 separate budget units that: (a) make up a proposed FY 2001/2002 budget of \$56.2 million; (b) employs a staff of nearly 400 permanent employees, including 218 safety personnel and over 500 paid call firefighters and other non permanent staff. The County Fire Department is unique in that it provides management services for the Board-governed fire districts and County Services Areas (CSA), while they maintain their separate legal status. The varying levels of tax funding in each community determine the level of emergency services that can be provided.

All-risk emergency services are provided to 64 communities/cities as well as the sparsely populated areas within the department's 16,255 square miles of protection responsibility.

The term "all-risk" is used because the department is responsible not only for traditional fire suppression duties, but also for: (a) emergency medical services; (b) ambulance transportation; (c) hazardous materials response/mitigation; (d) specialized technical rescue; (e) disaster preparedness; (f) fire prevention; and (g) code enforcement duties. Many County Fire stations serve as the citizens' first link with County government and the Board of Supervisors.

FINDINGS

Members of the Grand Jury met with County Fire Department officials and visited facilities, including the training facility located at the San Bernardino International Airport.

The County Fire Chief/Warden and his administrative staff have created a course of study for training of potential firefighters. There is now a module located on the Fire Department's training grounds specifically for classroom training. County Fire personnel man and operate the module.

Students are given hands-on instruction in all types of fire extinguishing apparatus and the types of fires that have a potential for causing great bodily harm, or death, if the students are improperly trained.

The training facility incorporates a series of underground tunnels and obstacles as well as rooms that a firefighter must learn to maneuver in and out of during an emergency. There is a system that must be mastered, which provides for the safe removal of an injured party. The training programs are practiced repeatedly in an effort to give the trainees the maximum amount of self-confidence.

The San Bernardino Regional Emergency Training Center, a Joint Powers Authority (JPA) between San Bernardino County Fire, San Bernardino City Fire and the San Bernardino Community College District, intends to build a \$7.5 million Federal Aviation Administration funded Crash Fire Training center. The facility will provide training needs for the western United States. The JPA will run the facility.

Projected expenditures, together with the growing population within the Inland Empire, have brought upon County Fire administration the need to modify their philosophy in providing for the needs of the general population. The County Fire Department is proceeding with improvements to the training facility.

All of the management staff at County Fire insists that their employees strictly adhere to the two-man concept (two men in and two men out) in firefighting strategies. The firefighters currently have in their inventory different types of breathing apparatus. Critical time is lost if the firefighters' breathing apparatus is not completely fitted against the face until they enter a fire and smoke filled room. Should the firefighter not adjust the mask properly it could cost the person being rescued their life because the firefighter could become one of the people in need of rescuing.

Firefighters have contained in their equipment a communications device. If one firefighter should be separated or impaired, his second team member can communicate with others for assistance.

San Bernardino County standards basically reflect the national standards for replacement of fire equipment:

Engines	10-15 years
Ladder Trucks	15-20 years
Wild Land Apparatus	20 years

The County currently contributes from the General Fund: (1) \$500,000 annual basic services to unfunded County areas, of which \$270,000 is for replacement of fire apparatus, extrication tools, and other related heavy life-saving equipment for those stations providing services to the unfunded areas; (2) \$200,000 reimbursement of actual

cost to provide service to those district's providing service outside of their legal boundary on a regular ongoing basis.

County Fire covers 90 percent of the National Forest land in the County, provides all-risk services to these lands, and receives no direct allocation of the payment in lieu of taxes.

There are radioactive and transuranic waste routes through the County of San Bernardino to a facility in New Mexico. The transported material consists of nuclear fuel (high and low level), mixed waste and transuranic waste. Transportation of this waste is categorized as safe from the Waste Isolation Pilot Plant (WIPP) Panel of the National Academy of Sciences.

The transportation routes have been identified as Highways 15, 40, 58 and 127 at this time. It is expected that additional routes will be authorized in the future. Responding to any type of accident occurring on any route will be from the County's paid call firefighters to provide emergency medical rescue, fire fighting and abatement of hazardous materials.

Radioactive shipments are transported through the northern portion of the County. Other shipments of higher-level wastes will traverse the entire County. The training plan for San Bernardino County to address the responses to the radioactive shipments in the North Desert is in full swing. The training plan will be expanded in the next two years to include all areas of the County. The plan consists of several operational categories as follows:

- Public information officers
- Trainer training – fire/rescue first responders
- Emergency medical personnel
- County hazardous materials response teams and incident commanders
- Receiving hospitals
- Tabletop exercises, as well as live action real-time drills

As of this time, none of this training is being funded by State or Federal government.

RECOMMENDATIONS

02-20 ALL SELF-CONTAINED BREATHING APPARATUS USED BY COUNTY FIRE DEPARTMENT PERSONNEL MUST BE OF THE SAME DESIGN AND MANUFACTURE.

- 02-21 ALLOCATE FUNDS TO THE COUNTY FIRE DEPARTMENT FOR THE PURCHASE OF BREATHING APPARATUS WITH COMMUNICATIONS EQUIPMENT.
- 02-22 INCREASE FUNDING LEVELS FOR THE FOLLOWING EMERGENCY SERVICE ITEMS: (A) BASIC SERVICES TO THE NON-FUNDED AREAS; (B) COUNTY SERVICE AREAS PROVIDING SERVICE OUTSIDE OF THEIR LEGAL BOUNDARY ON A REGULAR BASIS; (C) REPLACEMENT OF SPECIALIZED EQUIPMENT.
- 02-23 CREATE A CONTRIBUTION ACCOUNT TO BE EARMARKED FOR THE REPLACEMENT OF FIREFIGHTER EQUIPMENT.
- 02-24 ALL COUNTY FIREFIGHTERS RECEIVE NECESSARY TRAINING IN HANDLING AN INCIDENT INVOLVING RADIOACTIVE WASTE.

JOBS AND EMPLOYMENT SERVICES DEPARTMENT

BACKGROUND

The Jobs and Employment Services Department (JESD) of San Bernardino County is part of the Economic Development and Public Services Group (ED-PSG). JESD promotes the economic enrichment of our county by developing a qualified workforce to place with San Bernardino County employers.

JESD was established in 1991. Two programs that predated JESD, GAIN (Greater Avenues to Independence) and JTPA (Job Training Partnership Act), focused on finding employment for those on public assistance. JESD's services were available to all job seekers and all local employers.

Currently, according to JESD, it has approximately 800 staff at 30 locations across the County.

In 1997 the State of California passed AB 1542 which created a program called CalWORKS. JESD administers the CalWORKS program in San Bernardino County and provides a comprehensive welfare-to-work program and has a time limit for individuals receiving public assistance.

JESD's mandate is to provide a network of activities and services. JESD assists CalWORKS participants and others to achieve self-sufficiency, thus improving the quality of life for that individual and the economy.

JESD reported that between July 2000 and June 2001, it successfully placed 17,700 clients.

FINDINGS

Jobs and Employment Services:

- offers excellent job entry and job search skills
- networks with employers and other training programs
- clients tend to come to it with low job entry skills. These limitations have hampered their ability to successfully enter the job market on their own.

- has resources for those in special need of strengthening their job search skills and those seeking to enter the job market.
- staff is skilled in working with the clients utilizing their services.

Presently, a uniform method is not being used at each of the 30 JESD sites for documenting its networking with the employment community, schools, continuation schools, community colleges and unions.

There is an uneven publicizing of their successes by the 30 JESD sites.

RECOMMENDATIONS

- 02-25 IMPLEMENT A PROCESS IN JOBS AND EMPLOYMENT SERVICES FOR DOCUMENTING ITS' NETWORKING WITH THE EMPLOYMENT COMMUNITY, HIGH SCHOOLS, CONTINUATION SCHOOLS, COMMUNITY COLLEGES AND UNIONS.
- 02-26 JOBS AND EMPLOYMENT SERVICES PUBLICIZE ITS SUCCESSES THROUGH THE MEDIA AND THROUGH CONTACTS WITH SERVICE CLUBS AND THE GENERAL PUBLIC.

MUSEUM

BACKGROUND

In July 2000 the County Museum became a stand-alone County department. Originally it was a division of the Community and Cultural Resources Department, which was eliminated in July 2000.

FINDINGS

The County Museum has endeavored for excellence in meeting the demands of the County's residents by seeking exhibits that would add to the culture of the residents of San Bernardino County.

The programs in existence, and scheduled for the future have, and will continue to prove themselves beneficial to the patrons and local schools who visit this County facility.

The research department benefits individuals in both the public and private sector from around the world.

The County's Archives Section of the Museum has stored within it a multitude of documents ranging from maps of the area to written documents dating back to when the Inland Empire was first settled.

The Museum also fulfills the Federal government's need as a depository in which artifacts recovered on Federal lands are stored.

Located just inside the main entrance is the Museum Store that contains books, gifts and other related objects associated with the exhibits that are currently on display. The store maintains a full selection of local history and natural history books, toys and games for learning, science equipment and books for teachers, students and children, and unique merchandise to recall visits to a special place.

There was a reported shortage of money detected by Museum personnel. An audit confirmed the total shortages to be \$31,809 from the gift store and \$2,204 from admissions. The Museum's administration reported the discrepancies to the appropriate County departments. The investigation conducted by the County Sheriff's Department yielded no indictments. Reimbursements were sought and obtained from the County's Risk Management Department.

A new security and accountability matrix has been installed to combat possible misappropriation of Museum property and to fulfill the needs of the recent San Bernardino County Auditor/Controller-Recorder's audit.

The Museum's administration reviews the policies of the department's operations manual monthly. It makes changes to that document, which would enhance the performance of this facility and contribute to the operation and business needs of the Museum.

There is no fire suppression system in the stored document areas of the County Museum.

There is no retrieval system for documents stored in the Archive storage area. By removing the original document from its secured container, the document is being subjected to deterioration and other hazards.

The Museum administration has not communicated with the County Fire Chief/Warden to seek a resolution to have installed a Halon gas fire suppression system. A Halon system would extinguish a fire without destroying the contents of the document storage areas.

RECOMMENDATIONS

- 02-27 ENFORCE ALL MONETARY ACCOUNTABILITY PROCEDURES IN ADMISSIONS AND IN THE MUSEUM STORE.
- 02-28 REVIEW ALL OPERATIONAL PROCEDURES FOR THE MUSEUM ON AN ANNUAL BASIS.
- 02-29 INSTALL A COMPUTER RETRIEVAL SYSTEM TO IMPROVE EFFICIENCY IN PROVIDING DOCUMENTS TO RESEARCHERS.
- 02-30 COMMUNICATE WITH MUSEUMS AND OTHER SOURCES TO BRING EXHIBITS TO SAN BERNARDINO COUNTY.
- 02-31 MEET WITH THE SAN BERNARDINO COUNTY FIRE CHIEF/WARDEN TO SEEK RESOLUTION TO THE PROBLEM OF INADEQUATE FIRE PROTECTION OF THE DOCUMENT STORAGE AREA.

REGISTRAR OF VOTERS

BACKGROUND

The County Registrar of Voters (ROV) mission is to provide voting opportunities to all eligible citizens by conducting Federal, State and local elections.

San Bernardino County is the largest election jurisdiction in the Continental United States and the fifth largest California County in terms of registered voters.

FINDINGS

On Election Day, November 6, 2001, County Registrar of Voters computer programming flaws resulted in incorrect counts in 13 elections. That required the overturning of those 13 elections.

The program error was corrected and an accurate count was made. The Registrar of Voters office has, to the satisfaction of the Secretary of State, established checks to verify appropriate computer programming.

The redrawing of voter districts compounded the Registrar of Voters job. In November 2001, 125 ballot versions had to be produced for County voters. The March 2002 election required 1,160 ballot versions.

As a result of redistricting, the number of ballot versions increased to 145, leading to frustration by voters and poll workers. A total of 2,636 poll workers were required for the March 5, 2002 election. A large number of these poll workers left their stations in frustration. The Registrar's office effectively responded to that crisis and found replacements.

With the excellent cooperation of key high school personnel, between 500 to 600 high school students have participated each year as poll workers, and more are needed. The recruitment and training of high school students as poll workers is of major assistance to the Registrar of Voters.

Under present circumstances, the Registrar noted the department's quarters are inadequate. Additional funds are currently needed for renovating the central headquarters, especially for an absentee voter section. On Election Day the ROV warehouse must be used and they are still short of space.

Salaries of top Registrar of Voters personnel are at least \$10,000 below the salaries of their counterparts in comparable counties.

The County Registrar expressed her impression that her office had not received the necessary support to enable the office to function at a quality level. She resigned in March 2002.

Three of the reasons given by the Registrar of Voters for her resignation were (1) lack of support from the Board of Supervisors; (2) failure to staff the Registrar's office at an adequate level; and (3) the County did not offer competitive salaries for key ROV staff members.

The Registrar of Voters notes that its website (www.sbcrov.com) contains extensive information on election laws and other information relevant to 2002 elections.

By 2004 punch card voting will be required to be eliminated and touch screen voting instituted as the sole option. Many Registrars have maintained that it can be done, but not by 2004, without major problems, including tamper proofing that system. The Registrar of Voters noted that (a) touch screening can be done, but not without additional equipment; and (b) in that system, tamper proof hard copies can be produced only after the polls close.

RECOMMENDATIONS

- 02-32 INCREASE TRAINING CLASSES FOR HIGH SCHOOL STUDENTS AND OTHER POLL WORKERS.
- 02-33 FUND THE RENOVATIONS AT THE REGISTRAR OF VOTERS FACILITIES.
- 02-34 PUBLICIZE THE COUNTY WEBSITE AND THE ELECTION INFORMATION.
- 02-35 THE REGISTRAR OF VOTERS INFORM THE BOARD OF SUPERVISORS ON WHAT WOULD BE REQUIRED TO INSTALL AND IMPLEMENT TAMPER PROOF TOUCH SCREEN VOTING.

HEALTH & HUMAN SERVICES COMMITTEE



Ronald C. Fletcher, Chair



Muriel M. Alcantara



Norma M. Bancale



Peggy M. Bautista



Janet M. Carter



Debra S. Gray



Sarah L. Harrison



Amos Isaac



Veronica May



Norma L. Mays



HEALTH AND HUMAN SERVICES COMMITTEE

The Health and Human Services Committee reviewed the following departments:

Arrowhead Regional Medical Center
Department of Aging and Adult Services
Department of Children's Services
Preschool Services Department
Public Health Department/Environmental Health Services Division/
Food Protection Program

Due to the enormity and scope of these departments, the subcommittees were limited to the above departments to research and interview. In order for the nine departments: Behavioral Health, Public Health, Children's Services, Preschool Services, Veterans Affairs, Aging and Adult Services, Transitional Assistance, Community Services and the Arrowhead Regional Medical Center, to be reviewed each year will take either a larger full committee or the splitting of the departments between two full committees.

The following pages contain the reports finished by the Health and Human Services Committee of the 2001-2002 Grand Jury.

ARROWHEAD REGIONAL MEDICAL CENTER

BACKGROUND

Arrowhead Regional Medical Center (ARMC) of San Bernardino County is a 283-bed acute care hospital and a 90-bed acute psychiatric hospital, commonly known as the Behavioral Health Unit. ARMC opened in 1999 and serves a large number of Medi-Cal patients and medically indigent patients. The hospital also has a Trauma Center and three helicopter pads that serve the County.

The facility has a large number of registered nurses on staff and uses the primary nursing system to provide nursing care.

The hospital is a teaching center that trains interns and resident physicians.

Outpatient services are offered by the Medical Center, which provides a continuity of care to discharged hospital patients through neighborhood health clinics for medical needs that are not emergencies or life threatening.

The County funds the hospital. Additional funds are received from the State and Federal governments. Tobacco Tax revenue also supplies funds.

FINDINGS

ARMC is a large hospital facility that continues to need additional beds for the increasing numbers of patients. The hospital provides a jail ward for prisoners from correctional facilities. An acute psychiatric hospital is part of the Medical Center and provides behavioral health care to patients in acute psychiatric conditions with suicidal and violent behaviors.

ARMC has had problems in the past with cash receipts, and has been a source for review by a past Grand Jury. The cash receipt department was visited on two occasions. The first visit revealed the transaction of cash that was not recorded when received by the staff member at the window. When questioned, the explanation was that transactions are entered at the end of the day. No policy or procedures manuals were available on either visit.

Currently only registered nurses provide patient care. No licensed vocational nurses and very few certified nursing assistants are employed in the acute care hospital.

The hospital states it treats 42-47 percent Hispanic population.

A tour of the ARMC revealed few bilingual signs. Special units with call boxes to speak to the nurses had the instructions for their use in English only. Evacuation signs were in English only. An employee was noticed sitting at a desk in the Emergency Room (ER). No sign was posted to identify the function or services provided. A sign was posted to alert families whose members had rashes or chicken pox on what they should do for isolation; the sign was in English only. A visit to the Patient Accounts Department, located on the second floor, found this area difficult to locate. The sign was posted on the wrong wall, not facing traffic.

Grand Jury members were able to wander the corridors of ARMC at will, without challenge. Limited security was noted in the lobby and in the Emergency Room. No ID badges were given to visitors.

The main lobby of the hospital is very noisy. Floors and walls are terrazzo and sound is amplified. This area has no carpets or window drapes to muffle the sound. Several wood benches are located along the walls. There are no comfortable chairs or couches.

A tour of the Behavioral Health Unit noted limited shade in the outside areas. Two umbrellas provide the only shade, one on each patio. Some medicines taken by the patients have sun sensitivity as a side effect. The patients need shade for outdoor exercise.

The Behavioral Health Unit has cameras in the seclusion rooms. These cameras were not operational at the time of our visit. The cameras would allow staff to monitor patients at risk for suicide or self-abuse.

This state-of-the art hospital has the old Labor-Delivery room and separate Post-Partum rooms. This system requires more staff and space. The Labor-Delivery-Recovery-Postpartum (LDRP) room allows for the patient to stay in one room for the birthing process and be discharged from this room.

The Jail Ward is located on the fifth floor. This area is in the center of an orthopedic wing. This location means the prisoners must be transported through the hospital to this area. This location has the possibility of exposing patients and staff to risk.

A visit to the Emergency Room at 1:30 p.m. on a weekday found this area to be small and approximately 80 percent filled. A loudspeaker system announced the waiting time to be seen as 8 to 10 hours. No security staff was present, and patients were becoming agitated. The Triage area is small. The area in the Emergency waiting room also acts as the Intake area. Five patient registration cubicles were located here.

At 1:30 p.m. there was no available parking for the Emergency Room patients and visitors.

The County Human Resources Department is currently responsible for recruitment and hiring of employees.

A telephone survey of six local hospitals was conducted and only one hospital provides primary nursing care. The other five hospitals provide team-nursing care. This type of nursing allows for the Licensed Vocational Nurse (LVN) and Certified Nursing Assistant (CNA) to provide patient care.

At the time of our visit, ARMC staff stated they had no LVN's in the acute hospital. They do have LVN's in the Behavioral Health Unit and in the Family Health Clinics.

The ARMC is required to get the Board of Supervisors approval for funds exceeding \$25,000.

A request was made by hospital administration to the Board of Supervisors for an increase from \$24,000 to \$144,000 for a cyberonic device that controls seizures in adults. This device procedure has only been performed twice in Year 2000, according to information from employees. No procedures were done in 2001. No procedures were on the schedule, at this time, for 2002. The device is not stored on the supply room shelves. It can be acquired overnight. This raises the question, why the need for the increase in funds? The Board approved this increase.

Tours of two of the hospital's Outpatient Family Health Center clinics were impressive. The clinics were clean, well run and well staffed. The lack of x-ray machines at these clinics requires the patients to be transported to ARMC to have x-rays. This transport is both expensive and inconvenient for the patients and clinic staff. One clinic needs a room for drawing blood for lab work.

RECOMMENDATIONS

- 02-36 REQUIRE A POLICY AND PROCEDURES MANUAL TO BE AVAILABLE IN THE CASH RECEIPTS AREA.

- 02-37 HIRE LICENSED VOCATIONAL NURSES IN THE ACUTE CARE HOSPITAL.

- 02-38 PROVIDE A TEAM NURSING SYSTEM ON THE MEDICAL-SURGICAL FLOOR.

- 02-39 POST BILINGUAL SIGNS THROUGHOUT THE ARMC.

- 02-40 RE-POSITION DIRECTIONAL SIGNAGE ON THE SECOND FLOOR THAT SHOWS THE LOCATION OF PATIENT ACCOUNTS DEPARTMENT.
- 02-41 PROVIDE ALL VISITORS WITH IDENTIFICATION BADGES.
- 02-42 PROVIDE AN AREA FOR VISITORS IN THE MAIN ARMC LOBBY THAT IS COMFORTABLE.
- 02-43 REDUCE NOISE LEVEL IN THE ARMC LOBBY.
- 02-44 PROVIDE VISIBLE SECURITY IN THE EMERGENCY ROOM AND LOBBY.
- 02-45 PROVIDE ADDITIONAL SHADE ON THE PATIOS IN THE BEHAVIORAL HEALTH HOSPITAL.
- 02-46 ACTIVATE THE CAMERAS IN THE BEHAVIORAL HEALTH SECLUSION ROOMS.
- 02-47 REVIEW THE ADVISABILITY OF A LABOR-DELIVERY-RECOVERY-POST PARTUM (LDRP) UNIT.
- 02-48 PROVIDE A WARD FOR PRISONERS THAT AVOIDS TRAVERSING PATIENT AREAS.
- 02-49 EXPAND THE EMERGENCY ROOM WAITING AREA.
- 02-50 PROVIDE AND IDENTIFY A PUBLIC INFORMATION PERSON IN THE EMERGENCY ROOM WAITING AREA.
- 02-51 PROVIDE ADDITIONAL PARKING FOR OUTPATIENTS AND VISITORS.
- 02-52 REQUEST FUNDS FROM THE BOARD OF SUPERVISORS WHEN A SPECIFIC NEED IS CURRENT AND PUT THE FUNDS IN A DESIGNATED ACCOUNT THAT RELATES TO THE REQUEST.
- 02-53 PROVIDE X-RAY EQUIPMENT AND LABS TO FAMILY HEALTH CENTER CLINICS.

DEPARTMENT OF AGING AND ADULT SERVICES (DAAS)

BACKGROUND

The mission of the Department of Aging and Adult Services (DAAS) is to serve seniors and at-risk individuals and assist them in maintaining or improving choices, independence, and quality of living, while living in the least restrictive environment.

DAAS is the designated area agency on aging for the County of San Bernardino and is responsible for administering all funds under Title III and Title VII of the Older Americans Act.

DAAS has a staff of 366 and provides employment for approximately 10,000 independent providers (In-Home Support caregivers). DAAS has offices in 14 locations throughout the County and provides a wide range of services and programs for senior citizens and adults with disabilities, including but not limited to:

- Senior Home and Health Care
- Adult Protective Services
- In-Home Supportive Services
- Ombudsman Program
- Senior Nutrition
- Legal Services
- Senior Employment
- Transportation Services
- Care Giver Services

DAAS is committed to safeguarding the rights of vulnerable adults, supporting care-givers, promoting prevention of abuse, and providing information and assistance to help solve any problem clients may have.

DAAS is also the County department responsible for planning, coordinating and funding programs for all functionally impaired adults and for educating the public on elder/dependent adult issues.

The department is required to insure that options are easily accessible to all older individuals, and to have a visible focal point where anyone can go or call for help, information or referral.

FINDINGS

The Department of Aging and Adult Services (DAAS) is preparing for a budget deficit due to the \$14 to \$20 billion deficit of the State of California. This comes at a time when the baby boomers are only four years away from joining the 55-60 year senior population grouping.

DAAS has joined a nationwide movement by implementing a computerized tracking system, known as SAMS (Social Assistance Management System), to track the types of services delivered to clients.

DAAS' goals have been reassessed and some have either been combined with new ones or deleted.

The Department of Aging and Adult Services held public hearings for seniors and young adults with disabilities. The purpose of the hearing was to identify and assess the needs of senior citizens and young adults with disabilities. It also obtained reactions on the present services provided by DAAS and the type of assistance that older persons and younger disabled adults felt were needed.

Transportation services that would enable seniors to gain access to community services and resources such as shopping and health visits through specialized transportation are non-existent, especially in rural areas. When available, family, friends and volunteers are used to provide transportation. Whenever possible, they are used to do shopping, keep medical appointments and pay bills. Outlying areas are losing the use of the Transportation Reimbursement Escort Program (TREP) because of insurance problems and under-utilization. DAAS assists when such support is not available.

The goal of creating a Senior Network, along the lines of the Children's Network, has been abandoned. The position of Network Officer, approved by the Board of Supervisors, has been eliminated, as a cost-cutting endeavor. The individual who held that position, along with support staff, have been transferred to vacant positions within DAAS.

Low-cost housing is a top concern for seniors and adults with disabilities. The housing for seniors in San Bernardino County is limited. There is a long waiting time for affordable senior housing. Most senior housing is too expensive for low-income individuals on a fixed income. Section 8 funds pay all but 30 percent of a seniors rent, but the wait to be added to the program is currently more than two years as there is a limited amount of resources to pay for the program.

There is a great need for more volunteers and paid staff in the Ombudsman Program to visit nursing homes and board and care homes. Ombudsmen are State-certified volunteers who are empowered to investigate and resolve complaints about long-term care facilities in the County.

The Senior Employment Program places eligible seniors age 55 or older, and low-income, in on-the-job training positions. Participants are paid minimum wages while training 20 hours per week with government and private agencies.

The largest change that DAAS has undergone is in the Long-Term Care Integrated Pilot Project. Early in 1997 the State Department of Health notified DAAS that it had been selected as a Long-Term Care Pilot Project. Goals and objectives were developed and included in the 1997-2001 Area Plan that was approved by the Board of Supervisors in May of 1997.

During 1999 changes within the County, and the State Department of Health's failure to secure critical waivers, prohibited further development of a Long-Term Care program. There are no plans to continue this project.

DAAS does not feel that the Long-Term program is achievable. In the future, with the increase of older persons within the State and County, this project may be reconsidered for inclusion in their next area plan.

RECOMMENDATIONS

- 02-54 ESTABLISH AFFORDABLE TRANSPORTATION SERVICE FOR SENIOR CITIZENS.
- 02-55 RE-ESTABLISH THE PROPOSAL TO DEVELOP A FORMAL "AGING AND ADULT NETWORK", PATTERNED AFTER THE CHILDREN'S NETWORK.
- 02-56 ONE MEMBER OF THE BOARD OF SUPERVISORS SERVE ON THE AGING AND ADULT NETWORK BOARD.
- 02-57 PROVIDE ADDITIONAL FUNDING FOR SECTION 8 FOR AFFORDABLE HOUSING FOR SENIORS AND ADULTS WITH DISABILITIES.
- 02-58 PROVIDE FUNDING FOR TRAINING AND CERTIFICATION FOR MORE VOLUNTEERS IN THE OMBUDSMAN PROGRAM.
- 02-59 SUBMIT PUBLIC SERVICE ANNOUNCEMENTS ON THE OMBUDSMAN PROGRAM TO LOCAL NEWSPAPERS AND RADIO AND TELEVISION STATIONS.

02-60 DEVELOP PUBLIC INFORMATION PACKETS TO ALERT SENIORS ABOUT
 JOBS AND JOB TRAINING.

DEPARTMENT OF CHILDREN'S SERVICES

CHILDREN'S ASSESSMENT CENTER

BACKGROUND

In 1992 the Children's Network Policy Council established a task force comprised of Child Protective Services, County Medical Center, Public Health and Behavioral Health departments, District Attorney, Sheriff, Juvenile Court, Family Law Court, County Counsel, Loma Linda University Medical Center, and the Children's Fund. Their mission was to explore methods to reduce trauma to children who had been victimized by abuse of all kinds.

In 1994 the Children's Assessment Center opened as a partnership between Loma Linda University Medical Center and San Bernardino County. In 1994 the Center processed 148 children. Since then the number has increased by 150 per year. In the year 2000, 900 children were seen at the Center.

A cooperative effort by the County, the Children's Fund and private benefactors has resulted in the present Children's Fund Assessment Center facility on Tippecanoe in San Bernardino. Opened in 1999, children who have become abused and neglected, and those desperately in need of attention and compassion are seen at this facility.

The relaxed décor of the rooms is outstanding. The motto and goal of the Center is "To reduce the trauma of the child." Tools used during assessments include: two-way glass panes, audio equipment, intricate video cameras, and magnification equipment.

FINDINGS

The quality of the program and the environment of the Center are highly deserving of special commendation.

The present facility is at maximum capacity. Indications are that a High Desert facility may be necessary to accommodate the need.

RECOMMENDATIONS

- 02-61 DEVELOP A PLAN TO EXPAND THE CHILDREN'S ASSESSMENT CENTER THROUGH THE CHILDREN'S FUND AND PRIVATE BENEFACTORS.
- 02-62 THE COUNTY OF SAN BERNARDINO DEVELOP AND IMPLEMENT A PLAN FOR THE HIGH DESERT AND OTHER AREAS TO HAVE EASY ACCESS TO THE CHILDREN'S ASSESSMENT CENTER SERVICES.

DEPARTMENT OF PUBLIC HEALTH DIVISION OF ENVIRONMENTAL HEALTH SERVICES FOOD PROTECTION PROGRAM

BACKGROUND

The Food Protection Program is a division of the Environmental Health Services Department, which operates under the County Public Health Department. It is the largest and most demanding program under Environmental Health Services. The office performs inspections on public eating establishments, oversees the food operations of markets, food concessions, ice cream trucks, and wholesale food establishments. The program monitors safe food handling practices, cleanliness and compliance with the California Health and Safety Code, which this department uses as the standard.

FINDINGS

There are currently 40 inspectors working in the Food Protection Program, handling approximately 32,260 inspections per year. Of the total staff, one supervisor, seven field inspectors and four clerical staff positions are bilingual. The Food Program's annual budget is presently \$3,377,000.

A Bachelor's degree in Science and 450 hours of training in Environmental Science, or a Bachelor's degree in Environmental Health, are required to be hired as a food inspector. Journeyman inspectors spend about four months in training before being assigned on their own. Inspections are performed twice per year and inspectors are rotated into new districts approximately every two to three years.

Their inspections and records are presently up to date. An accounting verification program is now tracking and computerizing all inspections. In the event the department cannot meet its inspections schedule due to a shortage of inspectors, employees are rotated so that no establishment goes for a year without an inspection.

Inspectors use a standard Environmental Code to rate each facility's inspection. All inspections begin with a score of 100. Violations have point deductions to achieve an overall rating. The final score and all infractions needing correction and modification are physically shown to the manager and each infraction discussed with them.

All restaurants are required to display a placard that informs the public that the last inspection report is available for their review. On the inspection report there is a telephone number for the County Food Protection office, date of last inspection and signature of the inspector. In this way, any person can easily verify an establishment's certification. Mobile lunch wagons with hot food, ice cream trucks and food vendor carts are also inspected once per year and must display a sticker denoting their current status.

No food that has been prepared at home is allowed to be sold at any commercial establishment due to the inability of the County to regulate the preparation and the lack of proper equipment.

Hairnets are not required for food handlers. Long hair must be pulled back. Gloves must be worn if fingernails are painted or if there is a cut or wound on the hands, but it is not an overall requirement. Proper and thorough hand washing is required. There must be hot water at an establishment or it could be closed down. There are no State requirements for food handlers to possess a health certificate or show proof of any blood tests for possible diseases such as hepatitis or tuberculosis.

A Food Handler's permit is required to work in food establishments and the certificates must be available to the inspector who verifies that employees have them and that they are current.

All hot food must be maintained at 140 degrees and cold food maintained at 41 degrees or below.

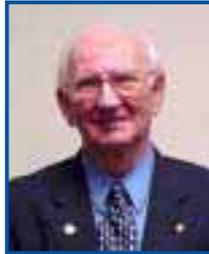
Members of the Grand Jury accompanied two different inspectors at four separate restaurants. Both inspectors did thorough inspections of all areas at these four establishments, including the restrooms.

RECOMMENDATIONS

- 02-63 OBTAIN THE AUTHORITY TO TEST RESTAURANT WORKERS PERIODICALLY FOR TUBERCULOSIS, HEPATITIS OR ANY OTHER COMMUNICABLE DISEASE.

- 02-64 REQUIRE ALL RESTAURANT AND FOOD HANDLERS TO POSSESS A VALID HEALTH CERTIFICATE.

INTERNAL SERVICES COMMITTEE



Carl P.E. Peterson, Jr., Chair



Alfred J. Dubiel



Thomas Ma



Veronica May



Norma L. Mays



Sandra L. Munson



Michael J.D.R. Wilson



Jack R. Woods

INTERNAL SERVICES
COMMITTEE



INTERNAL SERVICES COMMITTEE

The Internal Services Committee interviewed and investigated the following County departments:

- Architecture and Engineering
- Facilities Management
- Fleet Management
- Purchasing
- Real Estate Services

Subcommittees were created to interview the respective directors of each department. The following reports are based on the interviews and investigations of the functions and operations of the departments.

Some of our findings and recommendations have been suggested by former Grand Juries. It is our intent to help the departments' function successfully in a healthy, progressive and productive atmosphere, and to fulfill their mission in the County.

ARCHITECTURE AND ENGINEERING DEPARTMENT

BACKGROUND

The basis of this investigation into the County's Architecture and Engineering (A&E) Department was the Interim Report on A&E issued by the 2000-2001 Grand Jury on February 2, 2001. In it a recommendation was made: "The Board of Supervisors adopt, as soon as possible, a resolution supporting the Design-Build concept as a viable option" (to major construction programs).

The Design-Build concept is an option to the Design-Bid-Build method currently being practiced by the County as required by State law. In the Design-Bid-Build method of construction, a design firm is chosen through competitive process; a negotiated contract is awarded to the successful design consultant; construction bids are solicited; and a construction contract is awarded to the lowest bidder. Each of these two contract cycles is reviewed and approved by the Architecture and Engineering Department and the Board of Supervisors. In Design-Build, the winning design consultant is also responsible for securing construction bids, thus eliminating one contracting cycle.

The Board of Supervisors and the A&E staff acted upon the recommendation of the 2000-2001 Grand Jury A&E Interim Report after review and approval. On March 21, 2001 the Board approved the Interim Report and directed staff to pursue new legislation or amend an existing bill (AB 2296) to allow San Bernardino County to use the Design-Build method of construction as a contracting option. This action, however, proved too late for the 2001 State Legislative session (introduction of new bills deadline was February 23, 2001).

Subsequently, the Board of Supervisors, in its response to the Final Report of the 2000-2001 Grand Jury (page 23) in which the Design-Build item was included as recommendation 01-78 stated: "This request will be included in the County's legislative platform for 2002."

In addition, the 2000-2001 Grand Jury suggested meetings be held with the A&E Department to assure that effort is being made in carrying out the direction of the Board with regard to the Design-Build option.

FINDINGS

The responsibility to pursue a change in State law (altering the State Public Contract Code) to permit the County of San Bernardino to use a Design-Build method of contracting on certain new construction projects lies within the office of the County Administrative Officer. The CAO Legislative Analyst staff works with local State elected officials in advancing the County's State legislative agenda.

The investigation of the County's pursuit of legislation to enable it to use the Design-Build option took place with two interviews with the Director of the Architecture & Engineering Department and an inquiry to the CAO's office.

In addition, the 2001-2002 Capital Improvement Projects Status Report (First Quarter) of the A&E Department was reviewed.

The A&E Department, in its regular liaison with the CAO, continues to urge activity on the part of the CAO Legislative staff to pursue the Design-Build method. (Currently, seven of 58 counties are allowed a Design-Build exemption to the State Design-Bid-Build requirement.)

In May 2002 the Legislative Analyst staff of the CAO's office revealed that the subject of gaining for San Bernardino County the Design-Build option in construction was not included in the 2002 State platform (County Legislative Agenda). The omission was inadvertent according to the Legislative staff member. In other words, no effort was made in Sacramento to secure a Design-Bid option during the 2002 State legislative year. The CAO's Legislative Analyst office stated the Design-Bid option is an item to be included as the 2003 State platform is currently being prepared.

County A&E handles an average of 150 construction and major renovation projects per year. According to the FY 2001-2002 Capital Improvements Project Report (First Quarter), the department handled 151 new and continuing projects valued at approximately \$120.5 million, while completing 33 projects valued at \$10.9 million in the quarter.

A&E estimates that with a Design-Build method of contracting, the design and construction phases of a construction project could be reduced by as much as 40 percent. Further time and cost savings can be obtained through expediting construction bidding and award processes, and the County could experience annual savings in its construction programs.

RECOMMENDATIONS

- 02-65 URGE ACTION BY THE COUNTY ADMINISTRATIVE OFFICE TO GAIN THE ABILITY TO USE THE DESIGN-BUILD METHOD IN ITS CONSTRUCTION MANAGEMENT OPTIONS.

- 02-66 COORDINATE WITH THE COUNTY ADMINISTRATIVE OFFICE A REGULAR SCHEDULE (NO LESS THAN MONTHLY) FOR REPORTING AND ASSESSING THE STATUS OF THE DESIGN-BUILD SUBJECT ACTIVITY WITH LOCAL STATE ELECTED OFFICIALS AND IN SACRAMENTO.

- 02-67 BRING THE DESIGN-BUILD VERSUS DESIGN-BID-BUILD CONCEPT MATTER TO THE ATTENTION OF THE BOARD OF SUPERVISORS AT FREQUENT INTERVALS.

FACILITIES MANAGEMENT DEPARTMENT

BACKGROUND

The main County courthouse is located on the corner of Third Street and Arrowhead Avenue in the City of San Bernardino. The Courthouse was constructed in 1926 and is listed on the National Register of Historic Places.

Through the years there have been renovations and annexations to the main building. It now contains numerous courtrooms, offices for judges and secretaries, and offices for social and welfare concerns for the County. In anticipation of possible earthquake damage, the preservation of the building through structural retrofitting will commence in 2003-04.

The Grand Jury had two walk-through inspections of the Courthouse. One inspection was conducted in the County Government Center, just north of the Courthouse. A review of information concerning the maintenance of the two buildings preceded each of the tours.

FINDINGS

Concerns of building maintenance were discussed, such as flooring and the lack of non-slip tape adhesive on the stairs and the lack of hand railings at the north and south entrances to the courthouse.

There is a lack of cooling airflow in the glass-enclosed entry at the jurors' entrance on the ground floor of the Courthouse Annex. During clear, cloudless days, the sun shining through the glass produces very high temperatures that create a sweltering, uncomfortable work environment for security guards manning the metal detectors. The Grand Jury placed two thermometers in the room and requested guards record the temperatures for a few days. Depending on the time of day, the temperatures ranged from 75 to 104 degrees (see attachment). During the winter months as well, the temperature becomes too warm on any clear day, while the Jury Room, halls and the rest of the adjacent areas are air-conditioned.

On the first floor of the courthouse, adjacent to Third Street, the entrance door-locking device is gouging a quarter inch cut into the marble flooring.

The lack of signs, in English and Spanish, designating a restricted area where the Sheriff's Department buses load and unload prisoners for arraignment creates confusion with pedestrians. This area is also poorly lighted.

The parking area on the northeast side of the courthouse, where the Sheriff's Department vans and buses park, is congested leaving little room for buses to maneuver into and exit without driving onto pedestrian sidewalks.

Cleanliness and sanitation in the courthouse is an ongoing problem.

In the dining facility located on the first floor of the County Government Center there are cobwebs across the windows and south exit/entrance door. This condition has existed for the past ten months. The outside dining tables, chairs and cement area are often dirty.

RECOMMENDATIONS

- 02-68 INSTALL NON-SLIP TAPE TO EACH STEP ON ALL STAIRWAYS, RAMPS AND ENTRANCES OF THE CENTRAL COURTHOUSE, AND REPLACE THEM WHERE NEEDED.

- 02-69 INSTALL HAND RAILS ON THE STAIRS LEADING TO THE NORTH AND SOUTH ENTRANCES INTO THE COURTHOUSE.

- 02-70 INSTALL A COOLING SYSTEM IN THE SECURITY CHECK AREA AT THE JURORS' ENTRANCE TO THE COURTHOUSE ANNEX BUILDING.

- 02-71 INSTALL SIGNS IN ENGLISH AND SPANISH TO BETTER INFORM THE PUBLIC THAT THE SECURITY AREA AT THE NORTHEAST CORNER PARKING LOT OF THE COURTHOUSE IS RESTRICTED.

- 02-72 UPGRADE LIGHTING IN THE NORTHEAST COURTHOUSE PARKING LOT.

- 02-73 RESTRICT PARKING IN THE NORTHEAST COURTHOUSE PARKING LOT TO PERMIT BUSES TO ALWAYS HAVE EASY ACCESS WITH THEIR RIGHT EXIT DOORS CLOSE TO THE PRISONER ENTRANCE TO THE COURTHOUSE.

- 02-74 CLEAN AND MAINTAIN, ON A REGULAR BASIS, ALL FLOORS OF THE COURTHOUSE.

- 02-75 CLEAN THE DINING FACILITY IN THE COUNTY GOVERNMENT CENTER, INCLUDING THE WINDOWS AND OUTSIDE EATING AREA, ON A REGULAR BASIS.

Attachment

**TEMPERATURE READINGS FOR THE
JURY ASSEMBLY ROOM ENTRANCE AT THE
SAN BERNARDINO CENTRAL COURTHOUSE**

August 16 – 22, 2001

		<u>7 a.m.</u>	<u>8 a.m.</u>	<u>9 a.m.</u>	<u>10 a.m.</u>	<u>11 a.m.</u>	<u>12 p.m.</u>	<u>1 p.m.</u>	<u>2 p.m.</u>	<u>3 p.m.</u>	<u>4 p.m.</u>
THURS. 8/16/01	#1	N/A	N/A	85	90	94	104	100	100	100	94
	#2	N/A	N/A	80	87	90	90	95	92	89	89
FRI. 8/17/01	#1	78	82	88	90	94	98	98	98	100	90
	#2	78	80	84	89	90	92	92	92	88	90
MON. 8/20/01	#1	78	82	86	92	90	95	96	96	96	85
	#2	78	80	83	90	90	90	90	96	87	85
TUES. 8/21/01	#1	75	75	80	85	90	90	93	93	95	90
	#2	75	75	80	85	88	88	90	89	90	85
WED. 8/22/01	#1	75	76	80	85	88	90	92	90	95	88
	#2	75	75	80	85	85	87	88	88	85	86

#1 - Thermometer located by front entrance

#2 - Thermometer located by Jury Assembly Room entrance

FLEET MANAGEMENT DEPARTMENT

BACKGROUND

The Fleet Management Department is responsible for maintaining all vehicles and heavy equipment in the County. It is composed of the Fueling Station, Garage, Fabrication Shop, Motor Pool, Tire Shop, Welding Shop and Parts Department.

Portions of this report contain information that was detailed in audit reports by the Internal Audits Division of the Auditor/Controller-Recorder's office, from April 1994 and June 2000.

The Fleet Management Department makes recommendations to the Board of Supervisors for setting rate structure as it relates to vehicle depreciation costs, maintenance expense, fuel, replacement costs, and insurance as regulated by the County Risk Management Department. The County is self-insured. User fees are charged on each vehicle. These fees are used for repairs and for replacement costs, when required, through department policies and procedures.

FINDINGS

REFUELING STATIONS

The main refueling station is located in San Bernardino. There are three fuels used for vehicles: gasoline, compressed natural gas (CNG), and diesel. There are 21 other satellite stations that only service County vehicles. Not all fueling stations have all three types of fuels for dispensing.

The refueling station in Rancho Cucamonga has been closed for two years. The department director has intentions of reopening this facility for the availability of CNG, gas and diesel fuels. The Motor Pool now maintains 22 vehicles that operate on CNG, and more vehicles in the County fleet will be using CNG in the future.

GARAGE

The Garage has the responsibility for providing maintenance and repairs for all County vehicles, which are noted by the driver of the vehicle, including heavy equipment such as trucks and other mechanical machines such as snow plows and tractors.

Containers of liquid chemicals were observed in and around the maintenance area. The substances in the containers could not be identified. There were containers with oily rags located in the work area, but there were no markings on the cans identifying the contents. The parts cleaning sinks were dirty.

FABRICATION SHOP

The Fabrication Shop is comprised of several areas whose function is to replace or fabricate vehicle parts and motorized equipment products that are needed by maintenance areas in the County. They also perform maintenance on all heavy equipment.

The shop personnel are constructing a new apparatus on a heavy truck frame for use in painting various configurations of lines on roadways. If proven in the field, this machine will outperform any other apparatus of its type available in the country. This equipment will be able to paint lines at the rate of 22 miles per hour.

The Fabrication Department has also developed a device that will be used for the decontamination of individuals who come in contact with hazardous materials. The device has been tested and the results are that the system works very well. There are plans to manufacture three more of these devices for the County.

MOTOR POOL

The Motor Pool currently has 275 vehicles on which maintenance costs have exceeded their purchase price. This is 18 percent of the Motor Pool fleet. The following examples show vehicles whose maintenance costs have exceeded their purchase price, as noted in the Year 2000 audit, and have not been corrected.

Vehicle #20064
 Purchase Price: \$16,287.00
 Maintenance Total: \$29,117.00

Vehicle #01449
 Purchase Price: \$11,754.00
 Maintenance Total: \$33,863.00

Vehicle #15140
 Purchase Price: \$18,889.00
 Maintenance Total: \$80,601.00

Approximately 60 percent of the fleet should have been replaced with new purchases. The Fleet Management Department policy states, in part, "Vehicles should be replaced every six or seven years depending on type of vehicle." Management does not follow its own written procedures.

There are numerous vehicles where adequate amounts of vehicle user fees have been collected. However, the Motor Pool continues to charge the fee.

TIRE SHOP

The Tire Shop repairs and replaces tires on all County vehicles. The tires range in size from compact vehicles to trucks and heavy equipment. There is no system currently in use to track individual tires coming into County inventory, where they are used on the fleet, or when they are discarded.

WELD SHOP

The Weld Shop was clean and appeared to be adequately maintained. There were no screens to prevent other employees around the area from exposure to ARC burns.

PARTS DEPARTMENT

Records are not kept on costs of spare parts when dispersed to various departments. Since records are not maintained, costs of parts cannot be tracked.

Fleet Management has begun an annual review of its operations manual. The review revealed deficiencies that may be present within the operations of the department.

The Fleet Management Department does not routinely review and cancel receipts or invoices for petty cash disbursements. This practice allows for the paying of the same receipt two or more times. There is no method of determining the number of times an account has been paid. There is no compliance with the County Standard Practice Manual, "Internal Controls and Cash Manual."

The internal audit of June 2000 revealed that many of the vouchers paid through petty cash did not have an authorizing signature.

The department maintains two \$500 petty cash boxes; one in the Garage and one in the Parts Department.

The cash box maintained by the Garage has been routinely kept in an unsecured condition. There are no keys for the lock. There has been no attempt to replace the keys.

The Grand Jury inquired about a petty cash loss of \$500 that was revealed by the Auditor/Controller-Recorder's office. A follow-up by the Auditor's office of the deficiency six months later revealed the problem had not been corrected. In fact, the Interim Director did not know about the missing money. The money has since been returned.

The Business Office is not consulted before transactions occur. The Business Office is responsible for maintaining finances of the department and can provide input on financial decisions.

SAFETY CONCERNS

The Grand Jury's inspection of the Fleet Management Department indicated that insufficient emphasis is placed on safety practices in the work area. At the time of the initial tour of all areas, no employee asked could say when the last safety meeting was conducted. Also, there were no posters or signs reminding employees to be cautious, use eye protection, and respect the dangerous areas around machinery.

In the area of the grinders, there was an extreme amount of dust. It appears that face shields in these areas have not been cleaned in several months. It was evident that eye protection is not being used. The yellow caution lines around dangerous equipment are partially missing, or non-existent. Fire extinguishers were hanging in several areas that could not be quickly accessed because machinery or other items were blocking the way.

There is a fire sprinkler system 40 feet above the floor of the Garage building. When asked, no one knew when the pressure had ever been checked. Just below it is an electrical crane that runs the length of the building.

RECOMMENDATIONS

- 02-76 LOCATE AND LABEL ALL CONTAINERS THAT STORE INFLAMMABLE MATERIALS.
- 02-77 ADOPT TRUCK PAINTING APPARATUS.
- 02-78 ADOPT DECONTAMINATION DEVICES.
- 02-79 REPLACE ALL VEHICLES THAT HAVE HAD EXCESSIVE REPAIRS.
- 02-80 DEVELOP A TRACKING SYSTEM FOR INVENTORYING TIRES.
- 02-81 FOLLOW THE DIRECTIVES STATED IN THE COUNTY STANDARD PRACTICE MANUAL REGARDING CONTROLS AND CASH.

- 02-82 REVIEW ALL VOUCHERS PAID THROUGH PETTY CASH. DETERMINE WHICH VOUCHERS HAVE BEEN PAID MORE THAN ONCE AND REGAIN LOST FUNDS.
- 02-83 ENSURE AN ACTIVE SAFETY PROGRAM IS IMPLEMENTED FOR ALL AREAS OF THE FLEET MANAGEMENT DEPARTMENT.
- 02-84 REQUIRE USE OF SAFETY PROTECTION EQUIPMENT IN ALL SHOPS.
- 02-85 REQUEST THE COUNTY FIRE DEPARTMENT CONDUCT AN INSPECTION OF ALL SHOPS AND OFFICES, FOR PROPER FIRE PREVENTION EQUIPMENT.
- 02-86 INSTALL WELD SHOP AREA ARC SCREENS.
- 02-87 ALL AREAS USED BE CLEANED AFTER EACH JOB.

PURCHASING DEPARTMENT

BACKGROUND

The Purchasing Department is responsible for the acquisition of equipment, services and supplies used by all County departments and Board-governed special districts. There are four divisions that are under Purchasing: Procurement, Printing, Mail Services, and Central Stores. All divisions provide services for the entire County.

- The Procurement Division's mission is to obtain the best value for each dollar expended and to uphold the public's trust in an open and honest environment. This includes all functions that pertain to obtaining supplies, services or construction, selection and solicitation of sources, preparation and awarding of contracts, and all phases of contract administration.
- The Printing Division manages and stocks the four copy centers countywide. It provides printing services for publications printed for County departments.
- The Mail Services Division provides a centralized mail processing service for all County departments, including processing incoming/outgoing mail, distributing interoffice mail and providing automated mail services.
- The Central Stores Warehouse acknowledges receipt of, accounts for, then provides storage and/or delivers supplies ordered by County departments. The warehouse maintains a large supply of routine office supplies that are required on a day-to-day basis. In addition to the receiving area, there is a processing area for products ordered through Purchasing's new "Office Depot" Internet requisition service.

FINDINGS

PURCHASING DEPARTMENT

Purchasing has the authority to purchase on its own for services up to \$25,000. This purchasing level has been the standard for many years. However, the Purchasing Director has continually pursued the Board of Supervisors to allow Purchasing to have higher final approval for procurements and contracts from \$75,000-\$100,000, which is lower than the amount that the 2000-2001 Grand Jury recommended in its findings.

According to the latest results of a completed Countywide Procurement Survey requested by the Board and conducted during the summer of 2001, 76 percent of County department respondents agreed that the competitive service contracts level should be from \$75,000 to \$100,000 required for Board approval, rather than the current \$25,000. For non-competitive, 58 percent decided \$25,000 to \$50,000 as the amount over which Board approval would be required. Under current County regulations, non-competitive procurement of commodities over \$25,000 requires Board approval. There is no limit for the procurement of commodities under State law. When asked at what level Board approval should be required, only ten percent (10%) of responding departments chose the \$25,000 level. Most departments (47%) thought the level should be \$50,000 to \$75,000, and the remainder (42%) thought the level should be \$75,000 to \$100,000 or higher. A chart that compares this County's purchasing approval levels with four other California counties was researched by the 2000-2001 San Bernardino Grand Jury and is included as Exhibit A.

Presently, with the current authorized approval levels, the waiting period that is required for Board approval on procurement requests is four to six weeks. In addition, the Board maintains a typical waiting period for approximately 75-100 procurement requests that require their approval at any given time. Finally, if an "urgent" procurement or contract were required, the delay for Board approval is approximately ten (10) business days. The current approval levels simply create an enormous backlog of requests that require Board approval. Those requests that are not approved at one Board meeting are carried over to the next one, and a subsequent delay of five business days is created, which multiplies per procurement request significantly. The Board has functioned in this same methodology for numerous years, as past Grand Jury reports have indicated.

The Grand Jury suggests that now is the time to give the County Purchasing Department, which recently received nationwide acknowledgment in being awarded the "National Purchasing Institutes 6th Annual Achievement of Excellence Award in Public Procurement", the authority to approve procurements and services at a level over its current authorization.

MAIL SERVICES DIVISION

The Mail Services Division currently encompasses 5,000 square feet of space and requires an additional 2,800 square feet for its Mail Courier section. Presently, there is no available place to expand the Mail Services section within the current building, other than constructing a new warehouse or acquiring a portable module that could be erected at the rear of the Rialto Avenue site. Purchasing is currently pursuing a grant as a Capital Improvement Project (CIP) for this acquisition. The grant will only provide a portion of the funding that is needed. The Purchasing Director has also indicated that a request for an additional 2,800 square feet of space will be requested in the 2002-2003 budget and then utilized for a portable module. Research is presently being conducted by Purchasing toward this proposal.

CENTRAL STORES WAREHOUSE

Purchasing's Central Stores Division comprises the majority of the space at the Rialto Avenue warehouse. It provides storage space for regularly used office supplies, as well as goods that are ordered through Purchasing's "Office Depot" Internet requisition system. These goods are delivered to the Central Stores warehouse, accounted for, and then delivered to the appropriate County department.

There are numerous tenant departments who also share the warehouse. These include Surplus Property and the Coroner's Public Administrator. The Surplus Property Division stores and disposes of surplus property that results when County departments replace office property. Surplus Property receives chairs, computers and printers, adding machines and copiers, etc., whenever departments upgrade their similar property. Surplus Property currently conducts two sales of surplus property per year. These sales take about two months each to arrange. Due to the volume of surplus property stored in and behind the Central Stores warehouse, it appears that two sales are not sufficient. They also organize distribution of surplus property to pre-qualified, non-profit charity organizations.

Surplus Property rents out storage space to any County department that needs such space. They currently have missile parts from the County Museum stored inside, as well as outside behind the Surplus Property warehouse. This storage space encompasses approximately 10,600 square feet. The spaces where Central Stores and Surplus Property divisions reside now equal approximately 45,000 square feet. Central Stores occupies approximately 25,000 square feet and Surplus Property takes up the remaining 20,000 square feet, as noted in the diagrams of Exhibits B and C. Of the 10,600 square feet that Surplus Property maintains behind its warehouse, only 10,000 square feet is partially covered. The covered area's sides are open and not protected from the elements. Some of the property stored here, such as old filing cabinets, stand up pretty well to inclement weather, however the fabric dividers/partitions placed outside the covered area do not.

With the current configurations of the Central Stores/Surplus Property triple-tiered shelving units and warehouse diagrams, it appears that their configurations take up more space than is really necessary, as noted in the Exhibits. However, for both divisions to reconfigure their current layouts would require an enormous amount of time, which they don't have since they only work one shift. In addition, the end result would only be an extremely minimal acquisition of extra space and not really worth any effort. Thus, the Grand Jury believes that since no sufficient space would be realized for any other warehouse tenant to expand, the County needs to construct a new warehouse addition where all tenants could expand.

There is a gated storage area that Surplus Property also maintains, behind the Coroner's Public Administrator tenant area. The Grand Jury suggests that once the IMAX theater system (which currently takes up 90 percent of available space) is removed,

Surplus Property notify the Auditor that an approximate 8,000 square feet is now available for either Central Stores or the Coroner to expand. Currently, the area authorized to the Coroner by the Auditor is also shared by Welfare Services. The Grand Jury was informed recently that each tenant has the opportunity to requisition additional space from the Auditor, but no tenant has done so to date, to our knowledge.

COMMENDATION

THE 2001-2002 SAN BERNARDINO COUNTY GRAND JURY COMMENDS THE PURCHASING DEPARTMENT FOR RECEIVING ONE OF THE NATION'S HIGHEST PROFESSIONAL HONORS: THE 6TH ANNUAL "ACHIEVEMENT OF EXCELLENCE IN PUBLIC AWARD FOR 2001 FROM THE NATIONAL PURCHASING INSTITUTE.

RECOMMENDATIONS

- 02-88 AUTHORIZE THE PURCHASING DEPARTMENT TO HAVE APPROVAL AUTHORITY FROM \$50,000 TO \$75,000 ON COMMODITIES; FROM \$75,000 TO \$100,000 ON SERVICES; ON COMMODITIES UNDER \$500 WITHOUT SECURING COMPETITIVE BIDS; AND ON COMPETITIVE SERVICE CONTRACTS FROM \$75,000 TO \$100,000.
- 02-89 INITIATE FOUR SALES OF SURPLUS PROPERTY PER YEAR, INSTEAD OF THE CURRENT TWO SALES AND ACQUIRE TEMPORARY PERSONNEL TO ASSIST IN THE SALES. THIS QUARTERLY ACTION WOULD GREATLY REDUCE THE VOLUME OF SURPLUS EQUIPMENT THAT IS CURRENTLY MANAGED, WITHOUT TAXING THE PRESENT PERSONNEL.
- 02-90 CREATE AND CONDUCT AN ANNUAL REVIEW OF ALL STORAGE SPACE RENTED OUT TO COUNTY DEPARTMENTS. THIS WOULD REMIND DEPARTMENTS OF PROPERTY CURRENTLY BEING STORED TO DETERMINE IF CONTINUED STORAGE IS REQUIRED, AND TO DISCUSS FUTURE SOLUTIONS.
- 02-91 THE SURPLUS PROPERTY DIVISION, UPON REMOVAL OF THE IMAX THEATER SYSTEM, ALERT THE AUDITOR THAT THIS EXTRA SPACE IS AVAILABLE.
- 02-92 ORIGINATE A SURPLUS PROPERTY DISPOSAL PLAN THAT WOULD ULTIMATELY DESIGNATE WHEN THE SURPLUS PROPERTY DIVISION COULD FINALLY DISPOSE OF STORED SURPLUS PROPERTY.

02-93 TEAR DOWN THE OUTSIDE COVERED 10,000 SQUARE FOOT STORAGE AREA BEHIND THE CENTRAL STORES WAREHOUSE, AND CONSTRUCT A NEW STRUCTURE OF SIMILAR 45,000 SQUARE FOOT WAREHOUSE. THIS ACTION WOULD NOT ONLY CREATE ADDITIONAL STORAGE SPACE, IT WOULD PREVENT DAMAGE OF OUTSIDE SURPLUS PROPERTY. ADDITIONALLY, IT WOULD ALLOW MAIL SERVICES TO EXPAND WITHOUT THE ADDED EXPENSE OF PROCURING A 2,800 SQUARE FOOT PORTABLE MODULE.

San Bernardino County
Review of Purchasing Department
Purchasing Agent Level of Authority
 (Board Approval Required for Amounts Greater than Those Shown)

Category	County of:				
	San Bernardino	Riverside	San Diego	Orange	Los Angeles
Commodities	From \$3000 to UL	From \$1000 to UL	\$ 100,000	UL	UL
Services	\$ 25,000	\$ 100,000	\$ 100,000	\$ 50,000	\$100,000*
Consultants	\$ 25,000	\$ 100,000	\$ 100,000	\$ 25,000	\$ 100,000
Fixed Assets - Budgeted	\$ -	UL	\$ 100,000	\$ 25,000	UL
Fixed Assets - Not Budgeted	\$ -	\$ 25,000	\$ 100,000	\$ 10,000	UL
Public Works (Construction)	\$ 25,000	\$ 75,000	\$ 10,000	\$ 75,000	NP
Sole Source	***	\$ 25,000	\$ 50,000	NP	***

UL = Unlimited (with Board of Supervisors' approval)

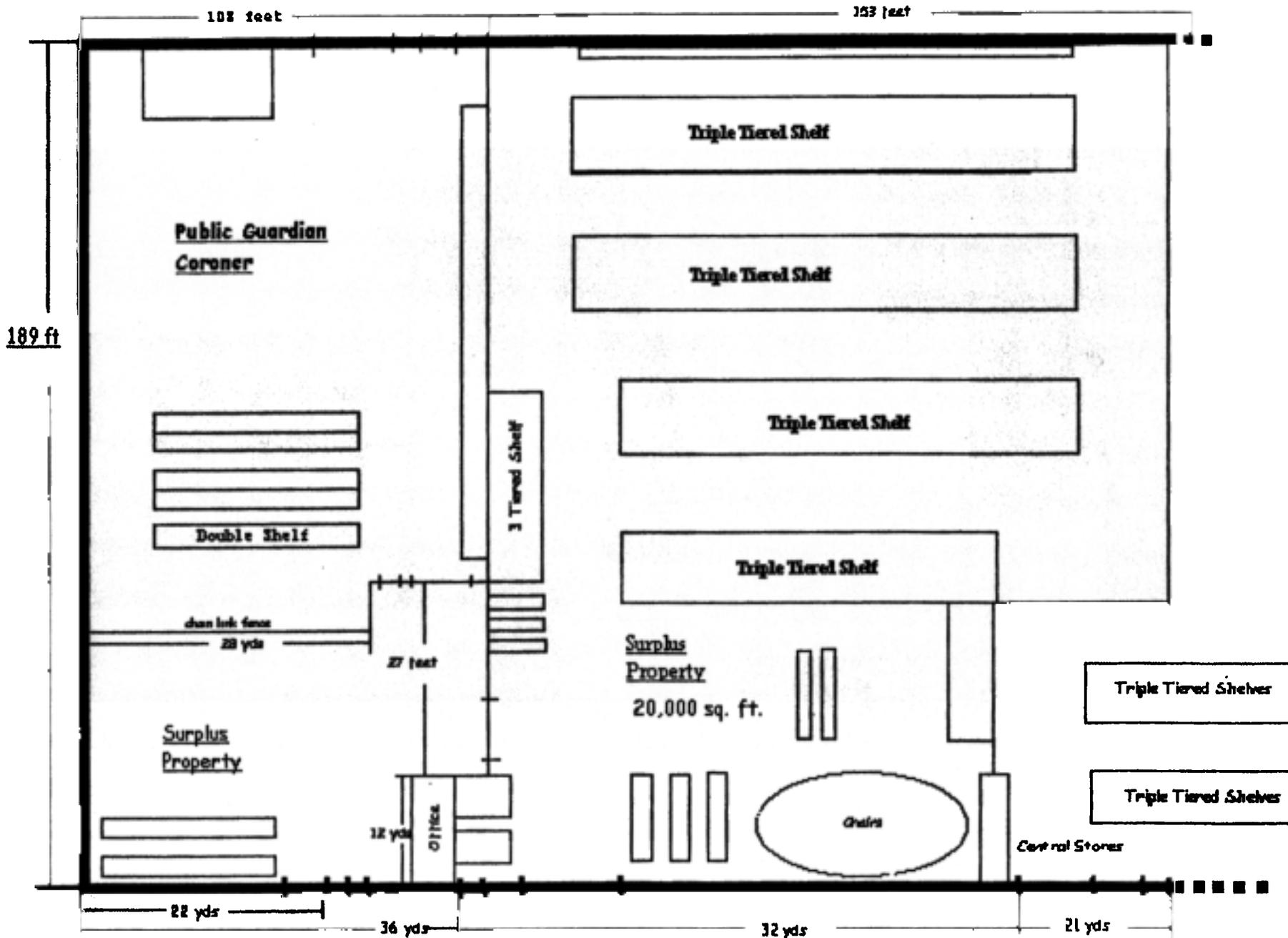
NP = No Policy provided.

* = Proposition A service contracts also performed by County employees such as custodial, security, etc have a Board approval requirement at \$25,000.

** = Decentralized, Purchasing Deputy assigned to each Department, list indicates policy.

*** = Same as normal Commodities and Services.

Central Stores Warehouse (45,000 sq. ft.)



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EXHIBIT B

SURPLUS STORAGE

20K 89 FT.

STAGING AREA

TRUCK BAYS

OFFICES

RECORDS STORAGE

LOCATIONS 1500 THRU 1764

LOCATIONS 2000 THRU 2261
LOCATIONS 2500 THRU 2763

LOCATIONS 3000 THRU 3266
LOCATIONS 3500 THRU 3762

LOCATIONS 4000 THRU 4265
LOCATIONS 4500 THRU 4763

LOCATIONS 5000 THRU 5260
LOCATIONS 5500 THRU 5761

LOCATIONS 6000 - 6262

ORDER PACKING AREA

LOCATION 1000 THRU 1324
FORMS

7.5K 94 FT.

STAGING AREA

LOCATION #18

CABINETS # 1-10
LOCATIONS 20 THRU 36

LOCATIONS 40 THRU 56

LOCATIONS 201 THRU 239

PALLET RACKS

LOCATION 301 THRU 339

LOCATION 601 THRU 639

PALLET RACKS

LOCATIONS 701 THRU 739

LOCATIONS 101 THRU 199

PALLET RACKS

LOCATIONS 341 THRU 439

LOCATIONS 501 THRU 599

PALLET RACKS

LOCATIONS 741 THRU 839

STAGING AREA

Back

RECEIVING

LOCATIONS WALL "A" THRU WALL "N"

EXHIBIT C

LAW AND JUSTICE COMMITTEE



Victor G. Edinburgh, Chair



Norma M. Bancale



Peggy M. Bautista



Ronald C. Fletcher



Debra S. Gray



Sarah L. Harrison



Sandra L. Munson



Michael J.D.R. Wilson



Jack R. Woods



LAW AND JUSTICE COMMITTEE

The Law and Justice Committee completed interviews and investigations on specific areas within the following departments:

District Attorney
Probation Department
Public Administrator/Coroner/Public Guardian
Public Defender
Sheriff

Subcommittees were formed to investigate the areas of each department that were proposing or undergoing change that were significant in nature. These investigations were as noted:

- Proposed merger of the Coroner and Sheriff's departments.
- Overcrowded housing conditions at Central Juvenile Hall and the construction of a "Tent City Annex" to accommodate the overflow detainees.
- Building of additional juvenile facilities, one adjacent to the West Valley Detention Center in Rancho Cucamonga, and another proposed in the High Desert area.
- Establishment of a Hate Crimes Suppression Unit by the District Attorney.
- Proposed structural changes at the Sheriff's Communications Division Valley Control Center.
- Courthouse Security Administration

Subcommittees investigated and conducted interviews in other areas of the Sheriff's Department, but there were no recommendations for the following:

- Basic Training Academy
- West Valley Detention Center
- Contracts with Cities for Law Enforcement
- Volunteer Programs

The subcommittee team efforts did result in the following final reports and recommendations.

DISTRICT ATTORNEY

HATE CRIMES SUPPRESSION UNIT

BACKGROUND

The 2001-2002 San Bernardino County Grand Jury became aware in October of a recently formed Hate Crimes Suppression Unit in the District Attorney's office. After the September 11, 2001 terrorist attack the Federal Bureau of Investigation reported 153 hate crimes nationally. The State Attorney General's office stated 236 hate incidents have been reported in six major California law enforcement jurisdictions from September 11 to September 30, 2001.

Hate crimes are defined as crimes motivated by bias against a victim based on his or her actual or perceived race, religion, sexual orientation, gender, ethnicity, national origin or disability.

Hate incidents are similarly motivated, but lack the elements of damage to property, harm or the immediate threats of harm or violence.

California Penal Code Sections 422.6(c), 422.7, etc., Penal Code 11411(a), (b), (c), (d), 11412, 11413, Civil Statutes sections 51 and 52 and Federal laws 18 U.S.C. Section 241, and various other laws are on the books to prosecute perpetrators of hate crimes. The Grand Jury uncovered information that 15 hate crimes had occurred in San Bernardino County and were referred to the District Attorney's office for prosecution before September 11, 2001.

The goal of the 2001-2002 Grand Jury was to investigate the planning, implementation and operation of the Hate Crimes Suppression Unit in the District Attorney's office. Questions were submitted to the District Attorney's office to update the Grand Jury on the status and operation of the Hate Crimes Unit. A video was shown to the Grand Jury by the District Attorney describing various forms of hate crimes committed by several groups engaged in hate crimes activities.

FINDINGS

A Deputy District Attorney coordinates the Hate Crimes Unit in the D.A.'s office. The goal of this unit is to target the problem of hate crimes in the County.

Grant monies do not fund the Hate Crimes Unit because grant funds for the abolition of this type of crime are currently non-existent at the county, state or federal levels. Funding was obtained by reorganizing various personnel within the District Attorney's office.

The County Board of Supervisors does not fund the Hate Crimes Unit.

Three individuals are assigned specifically to the Hate Crimes Unit: an attorney, an investigator and a part-time secretary.

Hate Crimes and the Anti-Terrorist units are a concern within the communities of San Bernardino County. Hate Crimes are not given priority for funding by the County Board of Supervisors.

The Hate Crimes Unit incorporates anti-terrorism into its functions. The September 11th terrorist attack prompted this decision. To date, the Anti-Terrorism Unit function has been assigned to the CAO's office and the operation of this specific unit has been spread to various other County departments.

Data from the D.A.'s office reflects the filing of 18 hate crimes cases in San Bernardino County since the unit's inception in July 2001.

Hate crimes are prosecuted under specialized Penal Code sections, as noted above. Initially, a crime must be perpetrated against a victim. If the perpetrator of a hate crime is convicted of a felony, enhancement of punishment is added to the sentence.

There are many applicable California laws where criminal statutes have become elements of hate crime prosecution. There are federal laws and civil statutes that provide for prosecution of perpetrators of hate crimes. According to the District Attorney, hate crimes are under-reported by members of minority groups in San Bernardino County, as well as throughout the nation. Many minority members have a distrust of law enforcement and, historically, have felt that nothing will or can be done by the authorities.

The District Attorney's office has established this unit's goals and objectives to provide the public with information about the unit and to prosecute all perpetrators who commit hate crimes. Many law enforcement agencies use Peace Officer Standards Training (POST) to train their officers, and hate crime familiarity is a part of that training. The D.A. Hate Crimes Coordinator is developing a Hate Crimes manual and has operated this unit in a timely and expeditious manner. The coordinator, who started the Hate Crimes Unit, is diligently handling all hate crimes in the County.

The District Attorney's office reports that hate crimes are a state of mind of a perpetrator. This analysis of why someone would commit a hate crime is complex and creates differences in interpretation of Penal and Civil Codes referred to in crimes against

victims of color, ethnicity, religion, etc. Each agency reports hate crimes differently. Regional protocol for all law enforcement offices is a goal the D.A.'s office is striving to reach. The D.A.'s office is working with schools and community groups to alert the public to hate crimes.

RECOMMENDATIONS

- 02-94 MAKE THE BOARD OF SUPERVISORS AWARE THAT THE DATA/STATISTICS SHOW AN INCREASE OF HATE CRIMES IN SAN BERNARDINO COUNTY.
- 02-95 DEVELOP A PUBLIC AWARENESS PROGRAM TO EDUCATE THE PUBLIC.
- 02-96 BUDGET THE HATE CRIMES UNIT OF THE DISTRICT ATTORNEY'S OFFICE THROUGH THE GENERAL FUND.
- 02-97 DEVELOP SPECIFIC INFORMATION BY THE HATE CRIMES UNIT IN ITS INTERPRETATION OF THE DIFFERENCE BETWEEN HATE INCIDENTS AND HATE CRIMES.
- 02-98 ENCOURAGE THE STATE AND FEDERAL LEGISLATORS TO WRITE SPECIFIC LAWS TO REDUCE CONFLICTING INTERPRETIVE AREAS OF HATE CRIMES OR HATE INCIDENTS.
- 02-99 DEVELOP AND IMPLEMENT INNOVATIVE STRATEGIES DESIGNED TO PREVENT AND REDUCE THE SPREAD OF HATE CRIMES AND HATE MOTIVATED INCIDENTS WITHIN THE COMMUNITY.
- 02-100 DEVELOP A PLAN TO INCORPORATE COMMUNITY LEADERS, NEIGHBORS, SCHOOLS, COLLEGES AND UNIVERSITIES TO BECOME A PART OF THE PREVENTION STRATEGIES WITH THE DISTRICT ATTORNEY'S OFFICE.
- 02-101 COMPILE STATISTICS RELATED TO ETHNICITY, RELIGION, GENDER, DISABILITY AND ANY OTHER DATA THAT COULD ASSIST IN ANALYZING INCIDENTS CONNECTED TO HATE CRIMES AND HATE INCIDENTS.

PROBATION DEPARTMENT

CENTRAL JUVENILE HALL

BACKGROUND

The Probation Department has the responsibility to maintain physical control of youth rendered a judgment by the court system.

The following source material contains the controlling document/s for detainee/juvenile care. The Minimum Standards for Juvenile Facilities are located in Articles 1-12, of Division 1, Board of Corrections (BOC) Chapter 1, Subchapter 5, California Code of Regulations (CCR) Title 15 and CCR, Title 24. If a juvenile hall facility cannot meet these standards, the facility will be found unsuitable to house minors.

FINDINGS

The first buildings constructed for this facility were in the 1950's, and they are currently used as housing units for the detainees. Overcrowded living conditions have created buildings that are in need of maintenance and upgrading.

From 1992 through 1998 the detainee population at Central Juvenile Hall (CJH) has grown nine percent (9%) each year. In 1999 through 2000, the population increased by 32 percent. The overall increase from 1992 to 2000 was 145 percent.

The Tent Housing Annex is one element of the department's overall Emergency Suitability Plan. It was conceived in response to concerns by the State Board of Corrections. Central Juvenile Hall has a rated capacity of 281 detainees. An overcrowded condition reached a peak in October 2000, with 605 detainees.

The BOC approved the Emergency Suitability Plan for the Tent Housing Annex on January 18, 2001.

The term "Tent Housing Annex" was adopted by the Probation Department to describe the construction of six wood-framed buildings that are intended to house juvenile detainees in a non-permanent building complex. An agreement was reached with the developer to have construction completed by September 2001.

The building construction was not completed in the agreed upon time period. When construction was completed, the County was required to expend an additional \$60,000 for retrofitting of the heating and air conditioning system.

The County Architecture and Engineering Department was unable to foresee all the ramifications/answers to the County's first venture into the contracted building and supervision of a tent structure.

This annex facility is the first project of its kind for juveniles in the nation. Each tent structure measures 18 x 72 feet. The structures have wooden floors. The sides are ten feet high. Five feet of the wall is wood, with the remaining five feet made of canvas. The ceilings are not solid but made of wire mesh.

The Suitability Plan called for ten bunk beds, three picnic tables, one storage cabinet, one desk and one chair for staff. Each tent has two doors, (which remain unlocked), and eight windows (four on each side), with roll up and tie coverings. There are 120 detainees assigned in the tent structures. The structures will remain in existence until adequate housing has been constructed, not later than March 31, 2003.

The staff-to-detainee ratio is currently 1:8 during day hours and 1:12 during night hours. The staffing levels of the Probation Department are above the standards established by the BOC of 1:10 day hours and 1:30 during night hours.

Camp Heart Bar, located in the San Bernardino Mountains, is another rehabilitation facility occupied by detainees of the Probation Department. There are 22 detainees at this site.

The following data displays the number of assaults on Probation Corrections Officers by detainees at CJH covering the time period January 1, 2000 through August 31, 2001. This data is contained in the Crowding Assessment Report of the BOC dated January 8, 2001. The information is required to be submitted by each overcrowded juvenile detention center, under Section 1343, Title 15 (CCR). The report is required to be submitted every 30 days to the BOC whenever overcrowded conditions are evident in a detention facility.

ASSAULT ON STAFF MODEL

YEAR 2000		No. of Assaults	YEAR 2001		No. of Assaults
Year one tracking	JANUARY	0	Year two tracking	JANUARY	1
	FEBRUARY	1		FEBRUARY	1
	MARCH	0		MARCH	0
	APRIL	1		APRIL	2
	MAY	2		MAY	2
	JUNE	1		JUNE	2
	JULY	0		JULY	0
	AUGUST	1		AUGUST	1
	SEPTEMBER	1			
	OCTOBER	3			
	NOVEMBER	0			
	DECEMBER	1			
Total assaults Year One		11	Partial Second Year Tracking		9

The following pattern depicts the CJH facilities reportable incidences of detainee behavior. This data pertains to January through December 2000.

Suicides	0
Suicide Attempts	24
Escapes	0
Escape Attempts	3
Use of Restraints	111
Use of Force	151
Self-Inflicted Injuries	52

The process of placement of detainees out of the area is noted. This is in part due to a lack of specific facilities and personnel in the County. Currently the department is in the process of developing facilities to enable displaced detainees to be housed in the County.

The CJH kitchen and dining hall are antiquated.

The general appearance of the grounds indicates that the CJH grounds are not well maintained.

The CJH superintendent indicated these issues need attention due to lack of funds.

The issue of funding was addressed, and budget research has indicated that sufficient funds have not been allocated to the Probation Department to keep CJH in proper repair. From 1989 to 2000, the Probation Department budget reports show that the Board of Supervisors (BOS) has not provided adequate funding.

According to a budget report from the Probation Department, administrators have received approximately 33 percent of their monies from outside funding sources to run existing programs at CJH.

RECOMMENDATIONS

- 02-102 INSTITUTE A NEW STRUCTURED PLAN COVERING POPULATION PROJECTIONS AND NEEDS ASSESSMENT FOR 10, 15 AND 20-YEAR INTERVALS.
- 02-103 ENCOURAGE THE BOARD OF SUPERVISORS TO PROVIDE SUFFICIENT FUNDING TO MEET THE HOUSING NEEDS OF THE DETAINEES.
- 02-104 REMODEL THE DINING FACILITY AT CENTRAL JUVENILE HALL.
- 02-105 CREATE A PROGRAM FOR THE DETAINEES TO BECOME INVOLVED IN THE UPKEEP OF THE GROUNDS.
- 02-106 LOCATE DETAINEES HOUSED OUTSIDE THE COUNTY AND STATE TO RETURN TO SAN BERNARDINO COUNTY.
- 02-107 ESTABLISH A SECTION WITHIN THE PROBATION DEPARTMENT TO SEEK OUT ALL AVAILABLE GRANT MONIES.
- 02-108 CONSULT THE COUNTY ARCHITECTURE AND ENGINEERING DEPARTMENT REGARDING THE DESIGN OF PROBATION FACILITIES.

PUBLIC ADMINISTRATOR/CORONER/ PUBLIC GUARDIAN

BACKGROUND

San Bernardino County voters elect the Public Administrator/Coroner/Public Guardian, commonly referred to as the "Coroner". The current Coroner was first elected in 1982 and has been re-elected to four additional terms.

The Coroner oversees the Medical Examiners who perform autopsies and determine cause of death. The Coroner investigates the findings to clarify all circumstances surrounding or pertaining to the death. This department also has the duty for identification of the deceased, and to contact the next of kin.

The Public Administrator is required by law to take charge of the property of persons who have died when no executor or administrator has been appointed.

The Public Administrator manages the estates of the deceased until families assume responsibility. If no family member claims the estate, the property goes to public auction.

The Public Guardian, by Court appointment, acts as conservator of any individuals found to be gravely disabled. The Public Guardian arranges for custodial care of the ill and elderly in nursing homes, and administers the estates of the gravely disabled or other incompetent persons. He also coordinates legal or social services on their behalf.

The 1995-1996 Grand Jury recommended the appointment of a blue ribbon committee to explore the advisability of consolidating the office of the Public Administrator/Coroner under the Sheriff's Department. The committee was appointed in January 2001 and consisted of executive staff from both agencies, in addition to representatives from County Human Resources and County Counsel.

Major issues explored by the committee included: facilities, vehicle acquisition and maintenance, computers and data automation, communications, staffing levels, employee classifications, use of forensic laboratory and other technical services.

The issue of consolidation of the Coroner and Sheriff Departments surfaced in 2000-2001 when the Grand Jury addressed the possibility of any future merging of the Coroner's office with the Sheriff's Department. The Coroner informed that Grand Jury that such a merger was not being considered.

However, the Sheriff and the Coroner brought a merger proposal to the Board of Supervisors in 2002. The Board did not approve the merger.

The possibility of separating the Public Administrator, Public Guardian and/or Conservator functions from the Coroner had been an issue in the past and was considered by staff relative to a merger. All parties seemed to agree that reconsideration of this issue might be appropriate.

FINDINGS

Several meetings were held with the Public Administrator/Coroner/Public Guardian. A request was made for the mission statement for the three agencies, and was received. Although the three agencies are separate and serve different public needs, all the mission statements were the same. These mission statements were not individualized to reflect the differences of services provided.

The main Coroner building is approximately 15 years old. Due to the population growth of the County, the space is no longer adequate to meet the demands of the department.

On a tour of the autopsy area, supplies were observed stacked 3-4 boxes high. This area was identified as the microscope room, which doubled as the specimen pick-up room.

Staff identified the refrigerated storage unit that houses the deceased as too small. Bodies are kept in the storage unit until the next of kin are found or until all avenues to find them are exhausted. During our visit we were told the cold storage unit was close to capacity.

The Coroner has numerous vacant positions. The Coroner assured the Grand Jury that he is attempting to hire staff, and the available jobs were posted on the Internet. A review of the Coroner's website has shown only an availability for a registered nurse. No other jobs had been posted, to our knowledge, although vacancies still exist. A report indicates the Coroner has 76 authorized positions, with 65 of those positions filled (January 2001). Nine contract positions were authorized, with six filled; 13 Public Service Employee positions, with one filled. Two Extra Help positions were not filled. This totals 100 authorized positions, with only 72 filled.

The Public Administrator/Guardian/Coroner has a warehouse where the estates (furnishings, personal belongings) are stored in "Lots".

The 1999-2000 Grand Jury recommended a computer program to link personal property by "Lot" numbers. At that time the department utilized a manual system to account for personal property in the warehouse. The Coroner's response was that this is a common practice in many Public Administrator and Public Guardian jurisdictions throughout the state.

The 1999-2000 Grand Jury also recommended two storekeepers sign Estate Property Inventory sheets. The Coroner agreed and assured the 2001-2002 Grand Jury that both storekeepers sign these forms to verify the recording of inventories received. Two employees were not available at the warehouse. Currently one employee is retired and one employee is off on disability. Although another employee had been hired, the employee was not present during our visit on March 5, 2002.

The warehouse storage area is crowded. Estate properties of the deceased are brought to the warehouse and kept until a disposition is decided or the next of kin is found. Individual storage areas are separated by cardboard dividers, which can fall out and do not allow for adequate separation of "Lots". The estate property stored in this area is of some value. There was no camera in the warehouse to provide for security. This type of storage does not protect the valued interests of the inventoried estates managed by the staff.

The Coroner stores hundreds of legal records of deceased persons in the warehouse. When questioned on the disposal of these records, the response was that they are kept indefinitely. No computer database is available to store those records currently stored in boxes in the warehouse.

The Coroner identified a need for a bar code system to categorize the deceased and their property. The present system requires the tagging of the deceased, listing of their property by hand in an inventory, and the signature of two employees to verify the accuracy of the inventory. This need has been addressed for several years.

The use of a bar code system for the Coroner, similar to one used by the Sheriff was researched. On a visit to the Sheriff's Forensic Science Lab the Grand Jury was advised the Sheriff's bar code system was old and barely meeting their needs.

A request was made to the warehouse employee for his policy and procedure manual. He indicated there is no policy or procedure manual and there has not been one for as long as he has worked this area.

An employee was asked to explain how he keeps the inventory records and what is required. The signatures of two warehouse employees are required. An ink stamp format is used. This inked area is to be dated and signed. Inventories for properties were noted to have no stamp, a stamp with no signature, no date, or a date six months after the property was received. Many inventory sheets had only one signature.

The warehouse has a large safe that is used for personal property of value (i.e., handguns and rifles). The warehouse employee holds the combination. In the past this storage safe has been a significant problem.

Inventory sheets for firearms were reviewed and many problems were noted. Firearms were recorded with the name of the deceased, serial number, type of firearm, and date received. The disposition column of this firearm record had written "Picked-up". There was no signature of the person the gun was given to nor was there a signature of the employee that released the property. Several entries had written "taken to Glen Helen for destruction." Again, no signature, receipt or badge number.

The estate property held in the warehouse is kept until all means of identifying next of kin are exhausted. The property is then auctioned. The property auction of the "Lot" is posted on the bulletin board in the warehouse and at the Coroner's office to alert the public. No notices were posted on the Coroner's Internet website.

There are repeat groups of people who buy this estate property. On some occasions they will give the office a stamped self-addressed envelope and identify items of interest, with a request to be notified.

The Coroner recently entered into a contract with Doctor's Hospital Medical Center of Montclair and Loma Linda University Medical Center to allow first year interns/residents to use the Coroner's facility for clinical observation, to commence March 1, 2002.

RECOMMENDATIONS

- 02-109 REWRITE MISSION STATEMENTS FOR EACH DEPARTMENT/FUNCTION UNDER THE CORONER'S JURISDICTION, TO REFER SPECIFICALLY TO THAT DEPARTMENT.
- 02-110 REVIEW AND UPDATE THE POLICY AND PROCEDURES MANUALS FOR THE PUBLIC ADMINISTRATOR/CORONER/PUBLIC GUARDIAN-CONSERVATOR.
- 02-111 CREATE A POLICIES AND PROCEDURES MANUAL FOR THE WAREHOUSE.
- 02-112 FILL ALL VACANT POSITIONS.
- 02-113 HIRE ADDITIONAL WAREHOUSE STAFF TO PROVIDE TWO PERSONS ON SITE.
- 02-114 ACQUIRE A COMPUTER SYSTEM FOR WAREHOUSE CONTROL RECORDS.

- 02-115 ACQUIRE A BAR CODING SYSTEM FOR ESTATE INVENTORY CONTROL AND A DIGITAL IMAGING SYSTEM FOR CASE FILE STORAGE.
- 02-116 DEVELOP A PLAN TO EXPAND THE CORONER'S FACILITIES.
- 02-117 CONSTRUCT A LARGER COLD STORAGE FOR THE DECEASED.
- 02-118 INCREASE WAREHOUSE STORAGE SPACE FOR ESTATE PROPERTY.
- 02-119 PROVIDE SECURITY CAMERAS FOR THE WAREHOUSE.
- 02-120 POST THE AUCTION DATES ON THE CORONER'S INTERNET WEBSITE.
- 02-121 ESTABLISH A POLICY TO PREVENT PREFERENTIAL TREATMENT TO FREQUENT BUYERS OF ESTATE PROPERTY.

PUBLIC DEFENDER

BACKGROUND

The Public Defender has the responsibility of representing the indigent population of San Bernardino County in court cases. The department has a \$16 million annual budget, which is primarily used for personnel. The current Public Defender has held this position for two years.

The office of the Public Defender handles 50,000 cases per year and has 13 offices throughout the County. The three main regional offices are Central, Desert and West End Divisions.

The 2001-2002 Grand Jury visited four Public Defender's offices: San Bernardino, Barstow, Rancho Cucamonga and Fontana.

FINDINGS

During an overview presentation by the Public Defender's department, it became apparent that it was in need of assistance to more effectively manage the operation and efficiency of this office.

The Public Defender handles approximately 75-80 percent of the total criminal cases in the County. For the remainder of tried cases, counsel is either contracted out or appointed (15 percent) or retained (five percent); yet the Public Defender has far fewer staff than the District Attorney.

From discussions with the Public Defender, it was learned that national caseload standards dictate that if an attorney is handling only felony cases, the attorney should have no more than 150 cases per year. For misdemeanor cases, the standards call for more than 400 cases per year.

Attorneys in the Public Defender's department are commonly carrying caseloads of more than three times the national standard for felony cases, and double that of the national standard for misdemeanor cases.

The new Public Defender requested a management audit, which was completed in March 2002.

The Public Defender directly supervises the chief deputies who head the three divisional offices, and the Chief of Administration. All senior management functions, i.e., budgeting, personnel, communications, policy-setting and day-to-day operations are handled by the Public Defender and the Chief of Administration. This leaves the Public Defender in charge of virtually all of the details of management functions. There are no full-time managers whose sole responsibility is to oversee and organize financial, human resources, support staff, and training functions.

At the time of our visit there was no written organizational plan that would outline the goals, job descriptions, policies and procedures/protocol for governing the management of this department.

Some chief deputies and individual attorneys have been free to define their own job responsibilities and, to an extent, choose their own authority due to an unclear policy and procedures manual. In fact, there have been incidences of new personnel being hired without the knowledge or approval of the Public Defender.

The Public Defender and his management staff do not meet on a regularly scheduled basis.

Due to lack of storage space, the total spent by all offices of the Public Defender for off-site file storage is \$70,000 per year.

CENTRAL OFFICE

In the Central office there is a shortage of County vehicles. The ratio of cars to investigators is one car for every three investigators. There is no means of communication for investigators out in the field. They have no cell phones or radios.

The carpeting in the Central office needs replacement.

RANCHO CUCAMONGA OFFICE

The rented building currently being used for the Public Defender's Juvenile Division in Rancho Cucamonga is too small for the department's needs. Rent on the building is \$2,134.00 a month. It is located one block away from the Public Defender's office.

It was learned that there is an opportunity to obtain some much needed office and storage space within the courthouse facility. Office space formerly occupied by the Law Library is currently vacant. Currently, four investigators are doubled-up in two offices. This office spends \$477.00 per month for off-site file storage. During the Grand Jury's visit we observed boxes of files lined up in the hallway, which is a potential safety hazard.

A Chief Deputy Public Defender has looked into the issue of how much additional space is needed, the feasibility of utilizing the old Law Library space, and what could be relocated. His written report, dated March 22, 2002, was submitted to the County Administrative Office. As of the date of this report no response had been received.

Upon the Grand Jury's visit to this office it was noted that their photocopy machine was out of order. When questioned about this we were informed that there have been several attempts to repair it, but it is now beyond repair and is non-functional.

This office has one full-time Spanish-speaking employee one day a week on staff to assist with Hispanic clients. There are no Asian interpreters.

BARSTOW OFFICE

Lack of office and storage space was observed. The front receptionist cannot always see the front desk due to the location of the telephone. To use the telephone, her back must face the front reception desk. This is a safety concern as sometimes irate clients enter the office. If the receptionist is on the phone and such a person enters, she may not notice.

One attorney at this office is still working out of an old storage closet and there is no door. This means there is no privacy for the client or attorney while conducting consultations and daily business.

One investigator works out of a small room that contains the library, employee break room and meeting room. Crowding is an issue here.

Old files and documents are removed from the Public Defender's offices, loaded onto trucks and stored at local rented storage units.

FONTANA OFFICE

The Fontana office appeared to be well organized. One Chief Deputy Public Defender supervises this office, the Chino office and the Rancho Cucamonga office.

It was learned that additional attorneys are needed in this office. The felony caseload is nearly the same as the Rancho Cucamonga office, but Fontana attorneys are handling this caseload with one-third the number of attorneys that Rancho Cucamonga has.

TOTAL FELONY CASES

October 1, 2001 – March 1, 2002

FONTANA

910

RANCHO CUCAMONGA

955

March 1, 2002 – March 21, 2002

FONTANA

183

RANCHO CUCAMONGA

192

TOTAL ATTORNEYS

FONTANA

10

RANCHO CUCAMONGA

15.5

RECOMMENDATIONS

- 02-122 DEVELOP AND IMPLEMENT A DETAILED POLICIES AND PROCEDURES MANUAL TO INCLUDE JOB DESCRIPTIONS AND DUTIES FOR EVERY POSITION WITHIN THE PUBLIC DEFENDER'S DEPARTMENT.
- 02-123 HAVE AN ANNUAL REVIEW OF THE POLICY AND PROCEDURES MANUAL.
- 02-124 CREATE AN ASSISTANT PUBLIC DEFENDER POSITION TO OVERSEE FISCAL MATTERS, HUMAN RESOURCES, TRAINING AND CLERICAL STAFF.
- 02-125 PROVIDE INVESTIGATORS IN THE CENTRAL OFFICE WITH CAR DISPATCH RADIOS OR CELL PHONES.
- 02-126 REPLACE THE WORN CARPETING IN THE CENTRAL OFFICE.
- 02-127 APPROVE AND PROCEED WITH THE ACQUISITION OF THE OLD LAW LIBRARY SPACE AT THE RANCHO CUCAMONGA COURTHOUSE.
- 02-128 PROVIDE A NEW PHOTOCOPYING MACHINE FOR THE RANCHO CUCAMONGA OFFICE.

- 02-129 PROVIDE FOREIGN LANGUAGE INTERPRETING AT THE RANCHO CUCAMONGA OFFICE.
- 02-130 EXPAND OFFICE SPACE AT THE BARSTOW PUBLIC DEFENDER'S OFFICE.
- 02-131 INSTALL A DOOR IN THE STORAGE SPACE THAT IS CURRENTLY BEING USED BY ONE ATTORNEY AS AN OFFICE TO PROVIDE FOR PRIVACY.
- 02-132 RELOCATE THE TELEPHONE AT THE FRONT RECEPTION AREA IN THE BARSTOW PUBLIC DEFENDER'S OFFICE.
- 02-133 INCREASE THE NUMBER OF ATTORNEYS WITHIN THE OFFICE OF THE PUBLIC DEFENDER.

SHERIFF'S DEPARTMENT

COMMUNICATIONS DIVISION

VALLEY CONTROL CENTER

BACKGROUND

In 1972 the State mandated that a 9-1-1 emergency telephone number system be implemented statewide. The public would be able to call this basic number for any type of emergency. San Bernardino County's 9-1-1 emergency telephone system became operational on July 7, 1984.

In 1987 the dispatch responsibilities for individual Sheriff's stations were consolidated into what is referred to as a "centralized communications" center. All of the Sheriff's dispatchers for West Valley and mountain regions were brought together into one central location, which is the Valley Control Center (VCC) located in the city of Rialto. The dispatchers were informed this was going to be a temporary location until a more suitable facility was found.

In the beginning there were two primary radio frequencies monitored around the clock. Twenty-four (24) full-time employees, who worked primarily on Sheriff's traffic, manned the frequencies. There were two to three call takers per shift. Today there are currently six primary channels monitored around the clock and manned by 71 full-time positions with at least five call takers per shift. Twelve (12) full-time positions are currently vacant. Sheriff dispatching duties include all dispatching for the following contract areas: the cities of Rancho Cucamonga, Yucaipa, Highland, Loma Linda, Grand Terrace and Chino Hills; the West Valley unincorporated areas of Upland, Montclair, Chino, San Bernardino and Fontana; and the mountain communities of Big Bear Lake, Crestline, Lake Arrowhead, Twin Peaks, Sugarloaf and Green Valley Lake. The VCC also provides dispatching for several County agencies such as Court Services Division (formerly the Marshal's Office), the District Attorney's Office, Welfare Fraud, Probation (Adult and Juvenile), Code Enforcement, and Chaffey and San Bernardino Valley Colleges.

The County's population has tripled and the demands of 9-1-1 calls have increased. The VCC is the primary dispatching facility for the County. It serves as a Public Safety Answering Point (PSAP) for all the police agencies and fire stations within the County. This means that the VCC is the backup in the event of failure, staffing concerns, or a major disaster, etc.

San Bernardino County has stopped construction work on County facilities but has allowed the Sheriff's Department to continue with plans to renovate the Valley Control Center. The completion date for the current expansion of this building was expected to be November 2002. Since no construction is being done at this date, the actual completion date is unknown.

FINDINGS

Monthly this facility handles over 50,000 telephone calls, 30,000 law enforcement calls, and 10,000 emergency 9-1-1 calls. Larger consoles for the dispatchers to house additional required equipment will be needed to handle the workload and future needs increases.

Construction for the improvement of the VCC has not begun at this writing. Present plans call for an expansion in the dispatcher work area without including areas devoted to employee morale such as a lunchroom, lounge, locker space or even additional secured parking.

Part of the current parking spaces are used by office trailers for County Fire Department and Sheriff's Dispatch Center and storage trailers that hold supplies for the facility (such as paper, cleaning and restroom supplies, training files and filing cabinets). Many employees park outside the gates or across the street.

Persons are currently admitted to the building by pressing an intercom button located on a support brace near the driveway. There is no visual aid for staff inside to determine who and how many are being admitted. After a supervisor inside the building talks to the person pressing the button, they must step outside to open the vehicle gates. There is no separate sidewalk gate that personnel may utilize for access.

Emergency communications is a highly specialized field. There are a total of 71 full-time positions (twelve of which are vacant) and extra-help positions, all monitored by six supervisors. The supervisors currently control personnel at a 15:1 ratio. The salary difference between being a Dispatcher I and a Dispatcher II is about two dollars an hour. Yet Dispatcher II's are required to run 10-20 patrol units, Court Services deputies (members from all the other agencies noted above), and are required to run warrants as well. Dispatcher I's handle a smaller workload. Presently, one dispatcher is responsible for Highland, Loma Linda, Grand Terrace and San Bernardino. Eventually these cities will require more dispatchers. There is no available space to bring in the needed additional personnel and equipment.

Background investigations on applicants for dispatcher positions reveal numerous problems. Risky financial situations and recent drug use disqualify applicants.

Background investigations have eliminated the polygraph test as a requirement unless there is something in a candidate's background information that warrants one, (if they think the applicant is lying).

Dispatchers are being lost to other County jobs that have better benefits or to other agencies in Pomona and Riverside that pay more. Dispatchers also leave for better working conditions that exist at places such as the Fontana Police Department with its workout room and employee lockers and available lounge.

Currently, new employees are trained "on-the-job" or side-by-side with a veteran employee. Because of the complexity of the job, training takes approximately four-months.

RECOMMENDATIONS

- 02-134 EXPAND AND RENOVATE THE EXISTING VALLEY CONTROL CENTER TO ACCOMMODATE PRESENT AND FUTURE NEEDS FOR SHERIFF'S DISPATCH AND THE 9-1-1.
- 02-135 INCLUDE IN THE VALLEY CONTROL CENTER EXPANSION, PLANS FOR A TRAINING ROOM, A CONFERENCE/QUIET ROOM, SUPERVISORS OFFICES AND BREAK-ROOM WITH A KITCHEN.
- 02-136 ESTABLISH A COMPLETION DATE FOR THE RENOVATION OF THE VALLEY CONTROL CENTER.
- 02-137 UTILIZE THE COUNTY-OWNED VACANT LAND LYING WEST OF THE VALLEY CONTROL CENTER FOR ADDITIONAL PARKING SPACES.
- 02-138 INSTALL A VIDEO CAMERA FOR THE REMOTE CONTROLLED GATE.
- 02-139 FILL THE VACANT POSITIONS AT THE VALLEY CONTROL CENTER AS SOON AS POSSIBLE.
- 02-140 CONSOLIDATE THE DISPATCHER I DUTIES AND DISPATCHER II DUTIES TO A DISTINCT "DISPATCHER" GROUP. (E.G., THE FIRE DEPARTMENT HAS COMBINED THEIR DISPATCHER POSITIONS AND IT WORKS WELL).
- 02-141 REDUCE THE RATIO OF DISPATCHERS AND OTHER PERSONNEL TO SUPERVISOR TO LESS THAN 15:1.

COURTHOUSE SECURITY

BACKGROUND

The 2001-2002 Grand Jury initiated an investigation of the security measures that are in place around the San Bernardino County Courthouse and County Government Center in San Bernardino. This investigation determined whether the private security forces that are charged with the security of those facilities are providing a safe environment.

Thousands of people are daily engaged in business activities before the County Board of Supervisors, visiting the numerous County departments, making Court appearances before Superior Court judges, or paying traffic tickets, etc. Moreover, the Sheriff's Department buses transport detainees to and from detention centers located throughout the County for court appearances. Many of the prisoners are housed temporarily during the day within the Courthouse jail on the fourth floor.

FINDINGS

The Sheriff's Office of Safety and Security provided the Grand Jury with an in-depth look into the policies and procedures of the private security forces responsible for providing Courthouse and County Government Center security.

There are two private security companies in contract operations with the County. The private security company that has responsibility for all County courthouses is called Guardsmark. This company is hired and monitored by the State of California for courts in Victorville, Morongo Valley, San Bernardino, Rancho Cucamonga and wherever Superior Courts are housed in the County court system.

The other security company, Pinkerton Inc., is contracted by the County to handle security and patrol duty in and around the County Government Center, the Rialto Behavioral Health Center, Hall of Records and all other County buildings.

Pinkerton competed through the County's Request for Proposal process with seven other security companies for the contract. The Sheriff's Department stated that the Pinkerton guard appearance of white shirts, no beards, and higher training standards factored into their receiving the contract.

All guards are hired on an "at will" basis, therefore negating the necessity for formal probation. "At will" means a guard can be fired without cause.

The Pinkerton guards do not have first aid or CPR training, except for the supervisors. This provision is a contractual agreement, and the County Purchasing Department has opted not to disallow this contract agreement with Pinkerton.

All new guard applicants are drug tested prior to hiring. After being hired the guards are not randomly tested, but can be tested for cause. Usually, this results in termination of their employment.

Pinkerton guards are paid \$10.00 per hour, and the turnover rate at the Government Center is zero. However, at the Rialto Behavioral Health Center, where guards are posted outside the building, the turnover rate is 50 percent.

The Sheriff's Department and Pinkerton both affirm that public relations are the number one attribute for a guard. The guards are not trained in the use of pepper spray nor do they carry firearms due to the dangers of County and Pinkerton liability. The guards are trained in "use of force" and taught not to get into fights, but to write down names, descriptions, vehicle license plate numbers, which allow the Sheriff's Department to investigate. The Sheriff's Safety Officer meets with Pinkerton staff members each Friday at the Government Center.

An armed Sheriff's deputy is used as a roving guard for the Government Center and assists with ongoing training for the Pinkerton security guards. The availability of the deputy's firearm would assist Pinkerton guards if necessary.

There are no armed guards in the County Hall of Records, Rialto Behavioral Health Center or other County buildings unless a court is located there.

A Pinkerton captain provides direct supervision over guards at the Government Center and the Hall of Records. In the event there are crisis situations at the Hall of Records, the Pinkerton captain located on site, calls the San Bernardino City Police Department for assistance.

At the County building in Rancho Cucamonga, the guards have noted that visitors' parking is small. Fights in the parking lot over parking spaces are common. There is a big lot next to the Rancho Cucamonga Courthouse.

There are plans for two more security guards. One will be stationed at the Rancho Cucamonga site and the other at the County Government Center.

The Sheriff's Office of County Safety and Security maintains records of workplace incidents of violence and threats. In 2001 there were 58 workplace threats. That figure has doubled between January through April, 2002.

The largest number of threats comes from within the Transitional Assistance Program and Children's Services. The Sheriff's Department investigates these threats and takes security measures to protect the victims. The office also communicates with all County sites through email, newsletters and fliers on safety issue tips and alerts of possible security issues.

The Sheriff's Supervisor of Safety also noted that the Sheriff's Department also assists Pinkerton with their security tasks, utilizing a process called Emergency Developing Need Assistance (EDNA). EDNA maintains supervisor alertness to security situations.

Lastly, the Pinkerton guards are not required to handle parking tickets. A hearing officer located in Rialto, handles the ticket arbitration process. When a person receives a parking lot ticket and desires to arbitrate its issuance, the following is necessary: (1) call the hearing officer and leave the concern; (2) mediate that concern with the hearing officer; or (3) the ticket must be taken to court for final adjudication.

Tickets in the Courthouse and Government Center parking areas cost \$13.50, compared to a \$30.00 ticket issued at the Arrowhead Regional Medical Center (ARMC).

The Sheriff's Safety Officer indicates that he is satisfied with Pinkerton Security Guard service.

Since the Sheriff's Department is not in direct supervision of the Guardsmark Company, a look into their operations may shed some light as to their security responsibilities and functions.

The Guardsmark guards manage the Courthouse x-ray machines that screen incoming visitors. In the event that an item of a serious nature, i.e., gun, knife, bomb, comes into view on the machine, a Sheriff's deputy is alerted to the situation.

It is noted in a situation described by the Sheriff's Office of Safety and Security that there would be no one to assist, other than calling the Sheriff's Department, the San Bernardino City Police Department, or make a 9-1-1 call. The Sheriff's Department is requesting three (3) additional deputies for the courthouse. There is no assurance that the main Courthouse will receive the presence of all three deputies if this request is approved.

To oversee the unforeseen security problems throughout all the County buildings, a comprehensive Facility Security Assessment manual has been compiled. The manual provides a security assessment on many County buildings. It was indicated by the Sheriff's Safety and Security Office that there are 575 buildings within this County and that it will take approximately 26 years to complete all the security assessments.

RECOMMENDATIONS

- 02-142 INITIATE A MEMORANDUM OF UNDERSTANDING AGREEMENT WITH THE STATE OF CALIFORNIA TO HAVE DIRECT SUPERVISION AND MANAGEMENT OVER THE GUARDSMARK GUARDS.

- 02-143 AUTHORIZE THE SHERIFF'S DEPARTMENT TO CONDUCT BACKGROUND CHECKS ON PINKERTON SECURITY GUARDS.

- 02-144 REQUIRE ALL SECURITY GUARDS TO BE CERTIFIED IN FIRST AID AND CPR DURING THEIR TRAINING AND MAINTAIN CERTIFICATION.

- 02-145 REQUIRE SHERIFF'S TRAINING ACTIVITIES BE IN WRITTEN CURRICULUM FORM. REVIEW AND EVALUATE ANNUALLY.

- 02-146 PROVIDE A ROVING DEPUTY SHERIFF TO ENHANCE ADDED SECURITY MEASURES AT THE TRANSITIONAL ASSISTANCE PROGRAM FOR A MORE RAPID RESPONSE TIME BY AN ARMED LAW ENFORCEMENT OFFICER.

AD HOC COMMITTEE ON LONG-RANGE PLANNING



Victor G. Edinburgh, Chair



Janet M. Carter



Ronald C. Fletcher



Amos Isaac



Thomas Ma



Carl P.E. Peterson, Jr.



AD HOC COMMITTEE ON LONG-RANGE PLANNING

During its review of County departments, the 2001-2002 San Bernardino County Grand Jury noticed a lack of long-range planning and goals by a majority of the department heads. The reason for this lack of planning by these department heads could simply be the fact that, since July 1, 2001, 29 percent, or 14 out of 48 departments have new leaders. In fact 65 percent, or 31 departments have had new department heads in the last three years. Since planning is an issue that is controlled by higher authority, meetings were requested with the individual members of the Board of Supervisors instead of with the individual department heads.

In order to facilitate the investigation across the many disciplines of the County an Ad Hoc Grand Jury Committee was formed. The make-up of the committee consisted of the five committee chairs and the Audit/Fiscal Committee.

The Audit/Fiscal Committee and the Ad Hoc Committee examined the Board of Supervisors planning for San Bernardino County. Meetings were scheduled with all five County Supervisors and questions that had been submitted in advance were asked and answers were noted. The questions submitted were a request to learn about their concerns and plans for the future of San Bernardino County as well as their Supervisorial District. Topics ranged from economics, education, health and human services, infrastructure, and services to be provided to their constituents for their safety as provided by fire and Sheriff services, including crime and detention centers. The Supervisors were asked about their priorities for the short term of one to two years, and their priorities for the long-term of three to five years.

The final report was written and approved by the joint committees. The Supervisors were sent a copy of the report, with a request to submit their written comments. As of June 18, 2002, only one Supervisor returned the report, with a cover letter stating that our comments were interesting and informative. There were no comments from the other four members. The following report is included with this note that the final exit interview was declined by the actions of the Supervisors.

BACKGROUND

During the review of County departments, the 2001-2002 San Bernardino County Grand Jury noticed a lack of long-range planning and goals by many of the department heads. The reason for this lack of planning could simply be the fact that since July 1, 2001, 29 percent, or 14 out of 48 departments, have new leaders. In fact 65 percent, or 31 of the departments, have had new department heads in the last three years.

Long-range planning is one of the issues that is controlled by the County Supervisors, thus we requested meetings with the individual members of the Board of Supervisors instead of with the individual department heads. The questions submitted to the Supervisors were for the purpose of learning about their concerns and plans for the future of San Bernardino County and their Supervisorial Districts. Topics ranged from economics, education, health and human services, infrastructure, and public safety services as provided by Fire and Sheriff services, including crime and detention centers. The Supervisors were also asked what their priorities were for the short-term and for the long-term.

San Bernardino County is estimated to grow to a population of between two and three million people by the year 2020. This is America's largest county, encompassing three deserts and 37 mountain ranges and stretching from the outskirts of Los Angeles County to both the Nevada and Arizona borders, covering over 21,000 square miles.

The Maxwell School of Citizenship and Public Affairs of Syracuse University released its Government Performance Project (GPP) Report on January 29, 2002. The GPP evaluates the effectiveness of management systems and examines the role of leadership in government entities. In doing so, the GPP studied and evaluated public sector management in five management systems areas, and determined how well they are effectively integrated. The GPP did not focus primarily on performance. It also analyzed management capacity, which is the foundation for good results.

The five management criteria used by the GPP to evaluate the counties consists of: (See Exhibit A for a better understanding of criteria used)

- 1) Financial Management
- 2) Capital Management
- 3) Human Resource Management
- 4) Managing for Results
- 5) Information Technology (IT) Management

During 2001 the GPP evaluated 40 counties across the nation on the above five management criteria, using three methods: the survey, the interview, and the examination of public documents. The 40 counties were selected based on geographic location in four regions, according to the U.S. Census Bureau and revenue size. The

nine counties from California chosen were: Alameda, Contra Costa, Los Angeles, Orange, Riverside, Sacramento, San Diego, Santa Clara and San Bernardino. San Bernardino ranked 37th out of 40, with an average grade of C minus. (See Exhibit B to view the summary of the San Bernardino County grade).

Lack of goals and the turnover of County management hurt the GPP rating of the County. The County leadership is trying to learn from past mistakes. They have proposed a new County Ethics Code and are searching for a new County Administrative Officer to replace the acting interim officer. Recent scandals have hampered the recruiting process. New training for the leaders of the County in ethics and sexual harassment issues may help build confidence in the residents of the County toward their County leaders. The consensus of the visits with the five San Bernardino County Supervisors produced a feeling that a lot of planning is to be initiated. In the smaller populated areas, the incorporated cities, and open land areas, planning will be quite complex. Planning must include economic growth, industrial availabilities, educational opportunities, and a general improvement for citizens in their quality of life.

Some members of the Board of Supervisors stated that San Bernardino County has been noted as being reactive in the area of governmental affairs. Why is San Bernardino County reactive? One of the reasons is that Prop. 13 limited the County's income. The County substantially relies on Federal and State funded programs. The County needs to do more long-range planning and measurements of the needs related to County functions. The County needs to have a plan for land use that is simplified, crisp and concise. Performance measurement for County services should measure results and not just counting numbers of clients served.

The Supervisors have their own wish lists for help from the State and Federal governments. Several of them talked of short-term goals and attempts to rebuild confidence with the populace. They addressed mid-term, long-term goals and strategic planning efforts for developing competent leadership and creating a better model for the County to follow.

FINDINGS

The County has a Land Use Plan that was incorporated in 1989. This Land Use Plan established a 20-year planning horizon. The General Plan is being updated, with a preliminary report due in May of 2002 and a two to three year final draft deadline. The State controls two-thirds of the County's spending by mandated programs. Most planning in the County has been for maintenance projects. A review of the recently adopted Comprehensive Economic Development Strategy that was approved on February 20, 2002 shows what type of planning this County can create.

Some of the Supervisors have a certain vision in mind. They answered some of our questions fairly well, covering them with terms like joint powers and cooperation between the County and the 24 cities. Economically speaking, joint powers are cities and the County working together. The County should be seen as a resource, interested in helping to develop the quality of life for the populace.

The County's main focus should be more proactive planning because it will eliminate some of the reactive planning required if the County is only responding to situations after problems arise. The County should have a mission statement as to what the County wants to do, and a vision statement about how the County wishes to achieve its goals.

ECONOMICS – The Economic Development and Public Services administrators are working on job retention and job growth for the 1.9 million new residents forecast for the next 20 years. Employment opportunities for the populace, other than the lower paying service industries such as fast food and retail stores, will need to be encouraged.

Ontario Airport is currently growing at 6.5 percent per year and can handle growth of 30 percent in the next decade. The Logistics Airport in Victorville and the San Bernardino International Airport are two local airports that also show great growth potential in the economic future of their communities, as well as the County.

The Fontana Speedway and the San Sevine Redevelopment Project represent significant growth, but their property tax base is frozen.

INFRASTRUCTURE – The Alameda Corridor is helping the cities of Long Beach and Los Angeles (both in Los Angeles County) and is adding to the economic importance of San Bernardino County through the Burlington Northern Santa Fe Railroad. But the growth is causing traffic snarls with the 100-car trains on the railways and added trucks on the freeways in San Bernardino County. Even though some monies have been given to develop the Alameda Corridor East, where trains are being placed under roadways in the western part of the valley, there is still a large area where bridges will have to be built over the tracks and freeways will need to be widened, all at the expense of the people of San Bernardino County.

The cost of County infrastructure development and maintenance are higher now than in past years. The one and one-half per cent gas tax for highways and roads is insufficient for the needs. The freeways will be heavily congested. Currently, there are 125,000 workers commuting to work from the High Desert down to the valley and beyond for jobs.

Also, the County's one-half cent sales tax will run out in the year 2009. The County needs to plan early and decide what to do before the year 2009.

LAW AND JUSTICE – The majority of the County budget, 65 to 70 percent of the monies, are used for public safety. Additionally, two-thirds of the discretionary funds are used in the public safety arena. In the area of law and justice, the County was under orders from the State Board of Corrections to relieve overcrowding in the juvenile correctional facilities. The County received support through grants to build the prospective Juvenile Hall in the High Desert, which is forthcoming by 2004. Also, additional juvenile beds are almost completed in the West Valley area at Etiwanda, with additional juvenile beds in the City of San Bernardino so that the Tent City can be removed. There are plans for a High Desert jail facility for adults on Dale Evans Parkway in Apple Valley.

Sixty percent (60%) of the Sheriff's budget is received through contracts with the cities where they perform the duties of a police force. Money from Prop. 172 funds (the one-half per cent sales tax for safety) are very much lacking this year. Estimates of the shortfall to the County are as high as \$8 million.

FIRE SAFETY – Many fire stations are located over a very large area. Volunteers staff some, and hourly paid fire fighters staff others. The Baker Fire Station, which handles many of the responses to accidents on Interstate 15 between the Nevada state line and near Barstow, includes volunteer prisoners. The biggest hurdle in improving the fire stations and crews in the First District is one of money. State Prop. 172 (the sales tax initiative) shortchanged the Fire Department in favor of the District Attorney, Sheriff and Probation departments.

HEALTH CARE – Health care resources have not kept up with the growth; there are not enough hospital beds. A concern is that a significant number of children 0 to 5 years of age are not getting adequate care. Many families are without health insurance, and sufficiently funded low cost clinics would insure that these children would at least receive basic care and receive their immunization shots. Even though these parents are working, they do not earn enough to meet all of their family's health care needs. A Supervisor noted this is not a County function, but does affect the quality of life for many families in the County. Also, more clinics could be of use to the growing elderly population. The establishment of a few more long-term care facilities would be possible.

Funding is a major problem that will have to be carefully monitored. At this time, sharing of Prop. 10 Tobacco funds may be a solution.

LIBRARY and MUSEUM – Both entities suffer from lack of funds. Note the study done by Providence Associates, which was commissioned by the Board of Supervisors. Cities do not have the capital for the needed daily expenses of libraries, and funds for library expansion are not being budgeted. Most funds outside of the County budget for the libraries are in the form of donations. Some services the libraries

provide, besides extended hours, are to perform marriage ceremonies such as those being done at the Montclair and Apple Valley branches.

There is now a consultant for the Museum to evaluate sites like the Adobe Monument in Rancho Cucamonga. The Adobe Monument has an old winery on the site and has hundreds of artifacts, but the building is unsafe to enter.

HEALTH AND HUMAN SERVICES - There has been an increase in clients receiving In-Home Supportive Services. Further increases are programmed for child abuse areas as well as senior services. The Board of Supervisors acknowledges the importance of programs such as Head Start to the development of our children, and the need to meet President Bush's Welfare-to-Work Program. Head Start was actually on probation in the County in 1999. The program was in disarray. Now, with an infusion of some \$30 million, there is improvement and a future for the program.

Dealing with the growing aging population has become a priority within the County, and a program similar to the Children's Network is needed to handle the adult aging and abuse functions. The District Attorney's office is very supportive of the caregivers for elderly people. The D.A. has a prosecuting team for Abuse of Seniors. The Visiting Nurses' Association relieves caregivers so that they can go shopping or take a break from their responsibilities for a short period of time. According to the Supervisors, the problems increase as the population continues to grow in the County. More and more grandparents are becoming caregivers of their grandchildren.

FACILITIES - In the area of facilities around the County there are questions of whether it is wise to continue leasing areas and buildings, or should the County begin more construction on its own behalf. Facilities for County use were planned for a Super Block with the existing County government areas. However, several of the large County departments, such as the Auditor and the Recorder's office, are on Hospitality Lane and the Sheriff's office is on Third Street, several miles away. The Health and Human Services System is off of Mill Street and, thus, you have no Super Block. The concept of establishing services and facilities where the people are located is no longer a County process. The clients of San Bernardino County are required to take transportation from place to place to receive the mental health, welfare and other services of the County.

PLANNING - The most significant points presented were related to the Master Plan. Questions on the development of an overall plan for the County were stymied by the funding requirement process. Some Supervisors stated that funding for projects, programs, etc., depended on monies received from the Federal and State mandates. Sometimes these monies received were not sufficient to cover all the costs for the entire program, e.g., a few years ago the State allocated monies for new judges but not enough to cover the support groups needed, such as the secretaries. Some members of the Board of Supervisors hinted that it is difficult for the County to plan ahead due to the uncertainty of monies received. Furthermore, programs like welfare, work plans,

redevelopment, elderly and youth, etc., are driven by the outside funding sources, not the County government. In many areas, County long-range planning has been reactive.

RECOMMENDATIONS

- 02-147 DEVELOP A LONG-TERM MASTER PLAN OF FIVE TO TEN YEARS FOR ALL DEPARTMENTS.
- 02-148 DEVELOP SHORT-TERM PLANS AND GOALS FOR ALL DEPARTMENTS.
- 02-149 DEVELOP ALTERNATE PLANS TO SUPPORT DEPARTMENTS IN THE EVENT OF ECONOMIC DOWNTURNS.
- 02-150 DEVELOP PERFORMANCE MEASURES FOR ALL DEPARTMENTS TO ENSURE THAT THE COUNTY IS UTILIZING ALL MONIES AVAILABLE.
- 02-151 COORDINATE ALL PLANS FOR THE COUNTY TO ENSURE THAT ALL DEPARTMENTS OF THE COUNTY HAVE ADEQUATE RESOURCES TO MEET GOALS AND PLANNING OBJECTIVES.
- 02-152 STUDY OTHER COUNTIES SUCH AS MARICOPA IN ARIZONA (EXHIBIT C) AND FAIRFAX IN VIRGINIA (EXHIBIT D), AND MODEL THE TURNAROUND OF SAN BERNARDINO COUNTY AFTER THESE SUCCESSFUL COUNTIES.

- In an effort to facilitate readers' understanding of these criteria, following are the essential ones used:

Financial Management

1. Does the government have a multi-year perspective on budgeting including meaningful revenue and expenditure estimates; long-term revenue and expenditure estimates; measures to gauge future fiscal impact of financial decisions?

2. Does the government have mechanisms that preserve stability and fiscal health including: structural balance between revenues and expenditure; use of contingency planning devices, such as rainy day funds; appropriate management of long-term liabilities; appropriate use and management of debt and rational investment and cash-management policies?

3. Does the government provide sufficient financial information to policy makers managers and citizens including: accurate and thorough financial reports; useful financial data; a means for communicating budgetary and financial data to citizens; timely financial reporting; the capacity to gauge the cost of delivering programs or services; a budget that is delivered on time?

4. Does the government have appropriate control over financial operations including: sufficient control over expenditures; appropriate managerial flexibility; solid management of procurement including contracts?

Capital Management

1. Does the government conduct a thorough analysis of future needs including: a formal capital plan that coordinates and prioritizes capital activities; a multi-year linkage between operating and capital budgeting; a multi-year linkage between strategic planning and capital budgeting; sufficient data to support analysis?

2. Does the government adequately monitor and evaluate projects through their implementation at both the entity-wide and agency levels?

3. Does the government conduct appropriate maintenance of capital assets with sufficient data to plan maintenance adequately and sufficient funding?

Human Resources

- 1. Does the government conduct strategic analysis of present and future human resource needs (workforce planning)?**
- 2. Can the government obtain the employees it needs by hiring in a timely manner and giving managers appropriate discretion in hiring and recruiting?**
- 3. Is the government able to maintain an appropriately skilled workforce by training, retaining skilled employees, and disciplining or terminating employees without undue constraints?**
- 4. Can the government motivate employees to performance effectively by: rewarding superior performance through cash or non-cash incentives; evaluating the performance of its employees effectively; providing sufficient opportunity for employee feedback; maintaining productive labor-management relations?**
- 5. Does the government have a civil service structure that supports its ability to achieve workforce goals including: a classification system that is coherent and of appropriate size; personnel policies that permit flexibility in civil service and pay structure; and good communications of human resources policies and goals to employees?**

Managing for Results

- 1. Does the government engage in results-oriented strategic planning in which: strategic objectives are identified and provide a clear purpose; government leadership effectively communicates objectives to employees; government plans are responsive to input from citizens and other stakeholders including employees; agency plans are coordinated with central government plans?**
- 2. Does the government develop indicators and evaluative data that can measure progress toward results and accomplishments and does it take steps to ensure that these data are valid and accurate?**
- 3. Do leaders and managers use results data for policy making, budgeting, management and evaluation of progress?**
- 4. Are there organizations within the government whose responsibility it is to evaluate programs or agencies, and are their conclusions utilized?**
- 5. Does government communicate the results of its activities to stakeholders?**

Information Technology

- 1. Do government-wide and agency-level information technology systems provide information that adequately supports managers' needs and strategic goals?**
- 2. Do government information technology systems form a coherent architecture and are strategies in place to support present and future coherence in architecture?**
- 3. Does the government conduct meaningful multi-year technology planning including: an information technology planning process that is sufficiently centralized; providing managers appropriate input into the planning process; creating government-wide and agency IT plans?**
- 4. Is IT training adequate for end-users and technology specialists?**
- 5. Can the government evaluate and validate the extent to which information technology system benefits justify investment?**
- 6. Can the government procure the IT systems needed in a timely manner with appropriate financial controls?**
- 7. Do IT systems support the government's ability to communicate with and provide services to its citizens?**



- Population: 1,709,434
- Largest City: San Bernardino (185,401)
- Revenue: \$1,914,194,000
- County Administrative Officer: John Michaelson, appointed
- Board of Supervisors: 5 members, elected by district
- Other elected officials: Assessor, Auditor/Controller-Recorder/Clerk, District Attorney, Public Administrator-Coroner-Public Guardian-Conservator, Sheriff, Treasurer-Tax Collector

AMERICA'S BIGGEST COUNTY, taking in three deserts and 37 mountain ranges, and stretching from the outskirts of Los Angeles all the way to the Nevada border, San Bernardino is so physically unwieldy that it's hard to imagine anybody at one end knowing much about what's happening on the other side.

Although sheer size doesn't necessarily spread honesty too thin, over the years the county's top officials have been seized by irresistible temptations to steal from the cookie jar. In the late 1990s, the former treasurer, the former investment officer and two former chief administrators pleaded guilty to felony charges that included bribery. The county is still involved in lawsuits attempting to recover the misspent dollars. Meanwhile, a current member of the board of supervisors has been indicted on federal bribery charges and is awaiting trial.

The county leadership is busy trying to learn from the mistakes of the past, putting multiple reforms in place. The new county ethics code is stringent and well publicized; purchasing rules that had not been revised in 20 years have gone through a complete and thorough rewrite, and ethical training is more serious than in many other counties. Last year, in fact, San Bernardino was awarded the Achievement of Excellence in Procurement Award, given out by the National Purchasing Institute.

Still, no jurisdiction can recover overnight from malfeasance of this magnitude, and the attention paid to all the scandals hasn't made it easy for San Bernardino's leaders to focus on business as usual. When they do focus on it, they are finding a considerable amount to worry about. With so much of the land in non-urban areas, air pollution, water quality and species-protection laws are a constant preoccupation. Several years ago, plans for a new county hospital had to be revised, and the building's proposed site moved at a cost of \$3 million, because of an endangered sand fly.

The county workforce has a serious turnover problem. Human resources officials estimate that two-thirds of the director positions have changed hands over the past two years. The situation may have stabilized, but the damage has been done. In one five-year period, San Bernardino had seven different individuals filling the top IT position. The current one, who took the job in 2000, has focused on fixing the problems that result from a decentralized administrative structure and from inept leadership that caused departments to make expensive purchases of incompatible equipment.

FINANCIAL MANAGEMENT C

Positives: Procurement reforms in place, including centralized contracting, stringent approval process; contingency fund and reserves adequate; one-time revenues earmarked for one-time expenditures; improved investment practices, with better controls; wider maturity spread; expanded reporting of investments; new debt advisory board.

Negatives: County has debt of \$2.7 billion, includes bonding out of unfunded pension obligation; several enterprise funds in deficit, including medical center; FY2000 revenues nearly 4 percent under budget projections; minimal long-term planning; old financial information system has limited analytic capability.

CAPITAL MANAGEMENT C-

Positives: Stepped-up maintenance funding to deal with deferred needs; good project tracking, with recent facilities work delivered on time and on budget, although projects sometimes slowed down by environmental issues; pavement-management systems in use.

Negatives: Transportation funding runs substantially short of needs; only 46 percent of roads in good condition, with 17.3 percent in poor condition; maintenance approach generally reactive rather than proactive; facility condition assessments currently maintained only on paper; decentralized asset management creates information gaps; no long-term plan for facilities, although county plans on issuing RFP for

10-year master plan to deal with office-space needs in city of San Bernardino.

HUMAN RESOURCES C-

Positives: Newly rebuilt HR team trying to reestablish employee trust; salary surveys in progress; rebuilding classification section; early efforts at central workforce planning include analysis of coming retirements and training programs to fill leadership needs; intern program with local universities and technical schools; much-needed revision of personnel rules.

Negatives: Heavy turnover leads to problems of inexperience in applying HR rules and following consistent practices; performance appraisals vary in timeliness and usefulness; classification system neglected in 1990s, causing backlog of 300 reclassification requests; salaries lag market; hiring can be slow; accelerating number of lawsuits filed by unions against county.

MANAGING FOR RESULTS D

Positives: Workshops held last year aimed at providing input for developing priorities and agenda; pilot project for coordinated human services delivery being launched in one of county's desert communities.

Negatives: No countywide strategic plan; previous planning effort tarred by contracting scandal; little attention to performance audits or management analysis; scanty performance measurement, although county taking first steps.

INFORMATION TECHNOLOGY D+

Positives: High-level CIO reports to chief administrative officer; emphasis on training of technology workers; new human resources management information system in place, although all capabilities not fully exploited yet; new strategic IT plan; customer-satisfaction survey helping to track needs and progress.

Negatives: Internal processes still paper-dependent; duplicative technology has caused major inefficiencies and created unwieldy maintenance needs; little central direction or common IT infrastructure, although county now moving toward more centralized model; revolving door in CIO office, although seemingly stabilized in past two years; weak training of end-users; Web site and GIS need lots of work; little evaluation of implemented systems.

AVERAGE GRADE



Maricopa County, Arizona



- Population: 3,072,149
- Largest City: Phoenix (1,321,045)
- Revenue: \$1,572,724,000
- Administrative Officer: David R. Smith, appointed
- Board of Supervisors: 5 members, elected by district
- Other elected officials: Assessor, Clerk of Court, County Attorney, Recorder, Sheriff, Treasurer

BACK IN THE MID-1990s, fast-growing Maricopa was a poster child for badly run county government—comparisons with the much-praised city of Phoenix, its metropolis, were inevitable. Many government functions were run by independent and quarrelsome elected officials. Political tension was high. Maricopa's bond ratings were falling. The health system was ailing and information technology was terrible, with incompatible systems abounding.

A solution seemed to beckon in the form of "home rule"—permission from the Arizona legislature to write a new charter, freeing the county from the iron rule of the state and allowing it to dispense with the awkward organizational structure that was making management difficult. But voters rejected the idea in 1996, and it looked as if Maricopa County would remain structured to fail.

Surprise! Over the past six years, the county has undergone a startling reformation. Under Administrative Officer David Smith and a supportive board, there has emerged a focus on team-building, a results orientation and a system of incentives and disincentives to keep spending in line. The county now awards its departments enormous freedom to make spending decisions, retain savings and offer personal rewards to employees. But if a department goes over budget, as Animal Control did last year, it's immediately placed on tight restrictions.

Employee morale has been boosted through improved training programs, tuition reimbursement, a "management school" and intense efforts to get employees and managers to "drop the loser attitude." Most of the elected officials now pride themselves on working together. The assessor, recorder and treasurer, for example, have joined forces for a one-stop "call center" to meet citizen-service requests.

There's still room for improvement in Maricopa. The county's infrastructure suffers from years of neglect, with huge property leasing costs and more than \$100 million in unmet facility-maintenance needs. And a weakening economy threatens. But the systems now in place should help Maricopa stay focused on its long-term strategic goals. "What I'm telling everyone is that we'll come out of this stronger than ever," says Smith. "We're looking at this from an aggressive posture of how we can end up being financially and programmatically a 100 percent accountable government."

FINANCIAL MANAGEMENT A-

Positives: Superior financial and budgetary policies; long-term outlook; econometric models aid forecasting; revenue and expenditure estimates good, with quick adjustments when needed; monthly variance report and system of budgetary accountability keep department spending in line; incentives offered departments for responsible financial management; ample reserves; good watch on debt affordability; innovative reporting of financial data to citizens; good use of cooperative purchasing agreements; purchase card in use.

Negatives: County lacks cash-flow information for school and special districts for which it invests; Arizona procurement law has inhibited some innovation; formal bidding limits flexible, may be too high.

CAPITAL MANAGEMENT B+

Positives: Innovative multi-use approach to flood control, with flood channels doubling as linear parks; recent focus on long-term facilities planning and preventive maintenance; active citizen participation; good project prioritization; transportation in better shape than facilities, with long-term outlook in place; regular assessment process for both facilities and roads; good coordination among departments; innovative contracting approaches; careful monthly review of project costs.

Negatives: Dependence on expensive leased space due to growth and years without adequate planning; some delay in planned capital projects due to budget constraints; county still faces \$100 million in unmet facility-maintenance needs.

HUMAN RESOURCES B+

Positives: Impressive use of broadbanding in almost all departments; flexibility in pay rates; turnover rate down for departments covered by county compensation system; innovative vacation and sick leave plan; strong training program; new "share the savings" program permits year-end bonuses; vastly improved employee morale; excellent recruiting; exit interviews elicit candid information about management; move to more consistent performance evaluations.

Negatives: Departments poach on one another for employees; little entity-wide workforce planning, although departmental planning good; relatively high turnover in departments not covered by county compensation system.

MANAGING FOR RESULTS A-

Positives: Strategic planning and measurement taken seriously at all levels of county government; top leadership aligns departmental plans with countywide strategic plan; extensive training in strategic planning and performance measurement; individual evaluations linked with broader objectives; budgeting and management decisions tied to results information; good use of Intranet to collect data and Internet to report performance; good use of surveys.

Negatives: County still looking for better ways to report results-oriented data to citizens; parts of MFR system still emerging, including data collection on employee time usage, quarterly reports and restructuring of accounting and budgeting system to focus on programs and services.

INFORMATION TECHNOLOGY A

Positives: Well-designed governance structure with strong CIO allows sensible mixture of control and freedom for departments; fully funded refresh cycle for personal computers; detailed three-year IT strategic plan; outstanding GIS; emphasis on training; backbone facilitates computer training, video capabilities; robust security and virus management; solid project management; methods in place for evaluating and prioritizing projects; performance measures evaluate IT across departments; Web site allows numerous citizen transactions.

Negatives: County still holding out on e-procurement.

**AVERAGE
GRADE**

A-

Fairfax County, Virginia



- Population: 969,749
- Largest Census Jurisdiction: Herndon (21,655)
- Revenue: \$2,816,557,000
- County Executive: Anthony H. Griffin, appointed
- Board of Supervisors: 9 members, elected by district, plus a chairman, elected at-large
- Other elected officials: Clerk of Court, Commonwealth's Attorney, Sheriff

MANAGERS IN FAIRFAX love to talk about flexibility. The word creeps into their conversations on almost any aspect of their work, whether they're discussing the budget process, hiring or procurement. County Executive Anthony Griffin puts this ethos into a few clear words: "It's my job," he says, "to make sure agencies have what they need to do their jobs. I'm not prescribing how best to do it. The power of this organization is the people." Such a system might not work everywhere, but it clearly has worked in Fairfax, making the huge suburban county, across the Potomac River from Washington, D.C., one of the best-managed jurisdictions in America. The handling of money and capital projects is outstanding, and Fairfax is a national leader in the advanced use of technology for the benefit of citizens.

Each area of government reflects the strategy of decentralization. When it comes to hiring, for example, the Fairfax Department of Human Resources merely certifies applicants—individual agencies are free to determine which ones they want to interview. Similarly, departments have full authority for any purchase that costs less than \$5,000. "Everything would come to a standstill if it was centralized," one manager says.

Not all of Fairfax's experiments have gone smoothly. In accordance with its broad-based managing-for-results program, the county instituted pay-for-performance for all employees except those in the public safety field. But early data showed that managers were reluctant to impose tough grades and were rating virtually all workers as "outstanding." That system is now being retooled.

Some of the county's biggest obstacles are not of its own making. Virginia is a strict "Dillon Rule" state, with severe legislative restrictions on its localities, and among other burdens, it prohibits counties from structuring their own tax systems. With a median household income of more than \$90,000, Fairfax's residents are among the wealthiest in the entire United States, yet unlike its neighboring jurisdictions in Maryland, the county has no direct way to tax that income. So its revenue grew only modestly during the 1990s, even though the population grew by nearly 20 percent, adding pressure for new school construction and increasing already severe road congestion. Fairfax watched in relative helplessness as its neighbor counties on the Maryland side of the Potomac saw their bank accounts overflow with surpluses.

Fairfax's fiscal problems are especially severe at the moment. Sales-tax receipts—comprising the second-largest pot of revenue—are down, and last year, the legislature killed a proposal to allow an extra penny on the sales tax for education and transportation. In October, Griffin ordered 5 percent budget cuts for all departments outside public safety and health.

FINANCIAL MANAGEMENT A-

Positives: County has followed 10-point program of sound financial management since 1975, successfully creating profitable, conservative investments and maintaining strict debt service levels; AAA bond rating from all three rating agencies; revenue task force meets monthly; rainy day fund contains 5 percent of general fund disbursements; at least 40 percent of annual carryover designated to the fund; agencies retain 40 percent of their savings; redesigned budget process; budget documents available to citizens on CD-ROM.

Negatives: Virginia's restrictive Dillon Rule keeps county from modernizing tax system; legislature refused increase in sales tax for transportation and schools.

CAPITAL MANAGEMENT A-

Positives: Eight-year capital improvement program, now being redesigned to include more maintenance projects; ongoing projects reviewed in monthly meetings; replacement funds available for vehicle fleet and technology; county kept up with major maintenance

during difficult financial years in early 1990s; current backlog stands at modest \$7 million.

Negatives: State controls almost all road building in the region, and state budget crisis has caused delays in its transportation plan; funding cut delayed jail expansion by two years.

HUMAN RESOURCES A-

Positives: Generally superior personnel policies; efficient training, discipline and termination processes; administrative support study reduced 32 job classes to six; increased salary levels approved for new hires; bonuses for superior performance; elected-employee advisory council meets frequently with county executive.

Negatives: Pay-for-performance initiative not initially successful, diverted staff from other important efforts; state regulations bog down grievance process.

MANAGING FOR RESULTS A-

Positives: Performance-measurement team includes representatives from nearly every department; cooperative relationship among departments and auditors; data collected emphasizes outcomes, not outputs; analysts verify accuracy; employee feedback resulted in annual updates to performance-measurement manual and publication of quarterly newsletter.

Negatives: County lacks a cohesive managing-for-results technology system; budget office must reconcile each department's data for annual reporting.

INFORMATION TECHNOLOGY A

Positives: County leads nation in integrating IT into all management; projects funded within publicized IT priorities; annual revisions to IT strategic plan; new and replacement technology projects don't compete for funds; board of supervisors, county executive and line agencies use same system to communicate with constituents; GIS accessible from any county PC; custom-built training program for central IT staff; solid procurement standards maintained; IT disaster-preparedness tests conducted each year, including one without warning.

Negatives: Some state-mandated systems weak, causing redundant data entry.

**AVERAGE
GRADE**

A-