

**RESPONSES**  
**TO THE**  
**SAN BERNARDINO COUNTY**  
**2012-2013 GRAND JURY**  
**FINAL REPORT**



SAN BERNARDINO COUNTY GRAND JURY  
351 N. ARROWHEAD AVENUE, ROOM 200  
SAN BERNARDINO, CA 92415-0243  
(909) 387-3820



**RESPONSES TO THE  
SAN BERNARDINO COUNTY  
2012-2013 GRAND JURY  
FINAL REPORT**

**SECTION 1:**

- **COUNTY OF SAN BERNARDINO**
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  - Arrowhead Regional Medical Center – Pediatric Trauma Center
  - San Bernardino County Workforce Investment Board
  - Alternatives to Detaining Juvenile Offenders
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- **NEWBERRY COMMUNITY SERVICES DISTRICT**
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# **SECTION I**

COUNTY OF SAN BERNARDINO



**County of San Bernardino  
Board of Supervisors Response  
to the 2012-13 San Bernardino County  
Grand Jury Final Report**



**Adopted by the  
San Bernardino County Board of Supervisors  
September 10, 2013**



(NOTE: The original text from the 2012-13 Grand Jury Final Report is in *plain italic type*. The Board of Supervisors responses are in **non-italic bold type**.)

### *PREHOSPITAL EMERGENCY MEDICAL SERVICES*

#### *FINDINGS*

- 1. Reporting of EMS response times is not standardized throughout the County. However, improvements in ambulance response time measurements are being implemented to ensure public safety objectives are maintained. This is being accomplished via a Countywide adoption of a software package, which is being adopted nationwide.*
- 2. ConFire's gaining accreditation was a key stepping stone to enable the members and contracted agencies to pursue updates for their EMS resource response plans.*
- 3. ConFire is the only dispatch facility in the County accredited by the National Academies of Emergency Dispatch.*
- 4. Some fire management personnel within the County recognize not all medical emergencies require dispatching a large number of resources.*

**The Board of Supervisors agrees with these findings.**

#### *RECOMMENDATION*

*13-1. Continue to work toward achieving a standard response time measurement through adoption of the software package. (Finding 1)*

**The County will implement this recommendation, which will create no additional cost to the County. The County is working with the Consolidated Fire Agencies of the East Valley Joint Powers Authority (ConFire) Communications Center to implement a pilot project for the City of Rialto, which is expected to begin in fall of 2013.**

### *SAN BERNARDINO COUNTY WORKFORCE INVESTMENT BOARD*

#### *FINDINGS*

- 1. WIB members do not participate in the preparation of its annual budget.*

**The Board of Supervisors disagrees with this finding.**

**The Grand Jury appeared to be working under the assumption the Workforce Investment Board (WIB) is a nonprofit agency or an independent governing board.**

**The WIB is actually a voluntary policy and advisory board made up of individuals appointed by the San Bernardino County Board of Supervisors.**

**The WIB provides policy oversight for how Workforce Investment Act funds are utilized to train workers and support businesses in San Bernardino County. The WIB identifies high-demand employment sectors and develops strategies to meet the workforce needs of those sectors. WIB members participate in the preparation of the WIB's annual budget by setting guiding policies for program priorities. These priorities serve as the basis for the Director of Workforce Development's budget recommendations to the County Chief Executive Officer (CEO), and the CEO's budget recommendation to the Board of Supervisors. Once the budget has been adopted by the Board of Supervisors, it is then reviewed and approved by the WIB during a special budget meeting.**

*2. WIB members do not participate in preparing or approving its monthly County or State financial program status reports. The WIB staff assumes this responsibility.*

**The Board of Supervisors agrees with this finding, but it is not the WIB's role to participate in preparing or approving program status reports. Financial reporting is the responsibility of the Workforce Development Department director. To ensure WIB members are provided with the appropriate oversight tools, the department director and staff work closely with the members of the WIB Fiscal/Contract Committee to develop a monthly report that provides WIB members with key fiscal information directly pertaining to each Workforce Investment Act grant. The report is then presented by the committee chair to the full WIB membership during the WIB's regular meetings.**

*3. Some members of the WIB Executive Committee are unaware of WIB financial reports, such as the Trial Balance Sheets for Fiscal Year ended June 30, 2011 and June 30, 2012.*

**The Board of Supervisors agrees with this finding, but it is not the WIB's role to be aware of these reports. Financial reports such as the Trial Balance Sheet relate directly to the Workforce Development Department's budget and are completed by the County Auditor-Controller/Treasurer/Tax Collector for accounting oversight purposes under Governmental Accounting Standards Board (GASB) standards.**

*4. WIB Executive Committee members review only the summary portion of annual audits conducted on their programs and administration expenditures. They depend on WIB staff to advise them of any audit issues.*

**The Board of Supervisors agrees with this finding, but it is not the WIB's role to perform audits. It is the County's responsibility to provide for an annual countywide audit of federal programs under the Federal Single Audit Act, Office of Management and Budget (OMB) Circular A-133.**

## RECOMMENDATIONS

*13-5. WIB staff conduct annual budget preparation workshops to increase member knowledge of financial statement basics and to increase member participation in the budget process. (Finding 1)*

**Workforce Development Department staff will continue to meet annually with the WIB Fiscal Committee Chair to review the recommended budget. Development of the recommended budget is the legal responsibility of the Workforce Development Department and County Chief Executive Officer, and approval of the budget is the responsibility of the Board of Supervisors. Department staff will continue to hold a special budget meeting to allow the full WIB membership to review and approve the BOS adopted budget.**

*13-6. The WIB members, in conjunction with WIB staff, devote time during Board meetings as necessary to review all required governmental program financial reports submitted by WIB staff. (Finding 2)*

**To ensure WIB members are provided with the appropriate oversight tools, the department director and staff will continue to work closely with the members of the WIB Fiscal/Contract Committee to develop a monthly report that provides WIB members with key fiscal information directly pertaining to each Workforce Investment Act grant. The report will continue to be presented by the committee chair to the full WIB membership during the WIB's regular meetings.**

*13-7. The WIB staff conduct periodic informational sessions for members to review and explain Trial Balance Sheets, as well as all financial statements. (Finding 3)*

**The WIB's role is to ensure that expenditure of the County's WIA grants follow the policies and priorities established by the WIB members through the Local Workforce Development Plan. The monthly report referenced in the response to Recommendation 13-6 shows current expenditure levels by designated grant categories and is presented by the Workforce Development Department director and/or staff to the WIB Fiscal/Contract Committee. The report will continue to be presented by the committee chair to the full WIB membership during the WIB's regular meetings.**

*13-8. The WIB members and WIB staff conduct on an annual basis, an informational session to thoroughly review completed WIB audits. The WIB's external auditors be required to also attend the session and provide their input on the completed audit. (Finding 4)*

**The Workforce Development Department director will continue to keep the WIB Executive Committee members informed of any issues that might arise related to WIA programs. The Workforce Development Department director is responsible for responding to any issues identified during the course of an audit.**

## *ALTERNATIVES TO DETAINING JUVENILE OFFENDERS*

### *FINDINGS*

#### *Day Reporting Centers (DRC)*

*There are three centers in San Bernardino County:*

- *Montclair DRC,*
- *High Desert DRC,*
- *Central DRC.*
- 

*This program requires the juvenile to report daily to the center for probation oversight and counseling. High school education, with courses approved by the National Curriculum and Training Institute, combined with vocational training is provided. Additional courses in substance abuse, anger management, parenting and life skills are offered. Family and individual counseling is available.*

*Personal and vocational skills such as cooking, horticulture, home repair and financial management are taught. General Education Development (GED) preparation and testing in lieu of achieving a High School Diploma is also available. Juveniles have been ordered by the Court to attend these centers for a specified period of time under Court identified terms and conditions.*

*There are two levels of classification at the DRC: Level One means they are not on formal probation. Level Two means they are on court ordered probation, which is further divided into informal and formal. Formal is a Summary Court order and a mandatory six month evaluation. Informal is a low level crisis situation, e.g. shoplifting, marijuana use, or destruction of property/damage for which the minor must pay restitution or serve community service hours. Formal probationary juveniles are usually not able to return to their school/district if they have been expelled from school for any number of reasons, e.g. fighting, weapons, or drugs.*

*The juvenile probationers must meet with their Probation Officer (PO) every 30 days. Minors who have been arrested for drug use or alcohol violations are required to give daily urine samples. The DRC is connected with the Wraparound Program which is designed to help a minor and family create stability in all areas of their lives and provide services which will fit their needs and culture.*

*Individuals in the House Arrest Program report to the DRC, helping to reduce the population of juvenile detention centers by providing a supervised in-home program. Both parent and minor agree to abide by the rules for the intensive supervision. These rules include: wearing a Global Positioning System tracking device; mandatory school attendance; and/or completion of behavior modification classes at the DRC.*

### *Gateway Placement Program (Gateway Program)*

*The program was designed with the passage of SB 81 in 2007, which realigned the juveniles with specific offenses to the Juvenile and Probation Departments of the jurisdictions where the offenses had occurred. The juveniles start in Phase I in a juvenile detention facility where they have been sent by the Court. Phase II, is placement into a comprehensive diversionary program known as the Gateway Program. It has a 24/7 facility with a staff of 35 and a capacity for 40 candidates. The program consists of males only. There are no plans at this time for a program for females.*

*The participants must be between the ages 16 and 18 but can remain until age 19, if circumstances dictate. An individual can participate if on psychotropic drugs; however, cannot if diagnosed with a serious mental issue. An individual must be recommended by probation staff for the Gateway Program. A potential candidate is evaluated for educational aptitude and psychological readiness. Interviews are conducted by a committee of multi-disciplined staff at the juvenile detention center. This allows for a collective evaluation to determine their juvenile's potential for success in the program; not all juveniles are eligible.*

*There is a full-time teacher with a fully-equipped classroom for GED, continuation high school and college entrance preparation. It is a locked facility; however, the individuals are able to leave the facility under supervision after they have gone through transitional levels. They may be involved in Regional Occupational Program (ROP) vocational training in landscaping, which has a contract with San Bernardino County to provide landscaping services at various buildings. Earnings from the contract go into a Trust Fund for cultural activities and field trips which would not otherwise be available to the participants. AmeriCorp, the Urban Conservation Corps and the Workforce Development Department are partners with the Gateway Program to provide the participants with options for employment or vocational training.*

*Through a 'pass system' and on an 'honor basis,' participants may leave the Gateway grounds unsupervised to attend college classes or maintain employment. This intensive program is for 18 months. The juvenile is reviewed at 12 months and if all the requirements are met, i.e. GED and vocational training, he can be granted an early release at 15 months. When the program is completed, the juvenile could have additional months to serve out his probationary sentence. Follow-up contact for six months after program completion is performed to ensure the juvenile maintains the lifestyle changes.*

*The offender must be serious about changing his life to be successful in this program. He must be self-motivated because he will be going back into the same neighborhoods and cultural environments as before.*

### *Specialty Courts – Drug Court*

*The Juvenile Drug Court is an intervention program for minors who are on probation and require strict monitoring to stay clean and sober. This program is a collaborative effort*

*among professionals in the Juvenile Court, District Attorney's Office, Probation Department, Public Defender's Office and community treatment providers. The collaboration is focused on total support of the minor to maintain a drug-free life. Drug Court is designed with "The Drug Court Ten Key Components," which cover the integration of alcohol and drug treatment services with the justice system, with frequently monitored drug testing. A coordinated strategy with other related treatment and rehabilitation services forges partnerships among the courts, public agencies and community-based organizations.*

*The Drug Court program was originally developed in 1989 by the Attorney General for the State of Florida. Drug Courts in the State of California are funded by Proposition 36, the Substance and Crime Prevention Act of 2000. It costs approximately \$60,000 per minor to be treated in a drug court versus approximately \$150,000 per year for incarceration. According to a UCLA study released in 2006, Proposition 36 is saving California taxpayers \$1.4 billion over a five year period.*

*Unique to this program is the active participation of the Drug Court team in the decisionmaking process regarding the juvenile's judicial case. Minors are approached from a nonadversarial position and encouraged with moral support and incentives to complete the program. Before the Drug Court hearing, the judge will receive a progress report prepared by the Drug Court team showing drug testing results, school attendance, participation and cooperation in the treatment program. The judge asks questions and talks with the minor about any problems he may be having. Good progress is awarded with an incentive. Common incentives are gift certificates and being praised by the Drug Team. Negative behavior may be sanctioned by warnings, increased court appearances, detainment in juvenile hall or termination from the program.*

*Drug Court is a program divided into four intervention phases, described in the chart on the next page. The juvenile must successfully complete each phase before transitioning to the next phase.*

DRUG COURT INTERVENTION PHASES			
Phase I	Phase II	Phase III	Phase IV
60 days in duration	60 days in duration	60 days in duration	60 days in duration
30 consecutive days of sobriety	45 consecutive days of sobriety	55 consecutive days of sobriety	60 consecutive days of sobriety
Compliance with counseling, family & group treatment	Compliance with counseling, family & group treatment	Compliance with counseling, family & group treatment	Compliance with counseling, family & group treatment
Weekly attendance in Drug Court	Bi-weekly attendance in Drug Court	Attendance every 3rd week in Drug Court	Attendance once a month in Drug Court
Prepare and present to Drug Court & family a thoughtful Proposal of their progress before moving to the next phase	Prepare and present to Drug Court & family a thoughtful Proposal of their progress before moving to the next phase	Prepare and present to Drug Court & family a thoughtful Proposal before moving to the next phase	Proposal presented at graduation ceremony

Source: Juvenile Drug Court Handbook

*The final proposal is prepared and presented at a special graduation ceremony describing lessons learned in the program and goals and objectives for their future. The ceremony provides opportunities for the drug team and loved ones to congratulate and celebrate with the juvenile for successfully completing the Drug Court Program and establishing a drug-free life. Graduation from Drug Court provides the juvenile with the eligibility for terminating probation and sealing his record.*

#### *Youth Accountability Boards (YAB)*

*This juvenile intervention program is made up of committed adult volunteers from communities throughout the County. There are 142 active volunteer members who participate on 15 Boards. The Boards are divided into panels of three or four members. The Boards meet on a monthly basis or more often if necessary. Volunteers apply for the Board positions, subject to background checks and fingerprinting protocols. Volunteers consist of retired teachers, counselors, and other professionals. The Probation Department screens, interviews and selects community members who are considered to have the desire and motivation to mentor juveniles within their neighborhoods. YAB is a diversionary program for first time offenders of low level infractions. Is also serves to alleviate caseloads of Probation Officers. During the fiscal year 2010-2011, this program served 661 youth.*

*The YAB operates on an informal basis with the juvenile and voluntarily with their family. The Probation Officer refers the juvenile to YAB for services, but it is up to the Board to accept the*

*case; rarely are cases not accepted. The Board Member designated as the Social Investigator contacts and interviews the family and juvenile. It is the Social Investigator's responsibility to gather as much information about the case as possible, while getting to know the minor. The interview is the tool used to develop rapport. A date is scheduled for a presentation of the family and minor to the Board or a panel of professionals by the Social Investigator.*

*The presentation includes mandatory rules to be followed and may include community service hours to be completed in a contract format which is agreed to be the minor, family and YAB. Contracts usually cover a four to six month period of time. Failure to comply with the contract could result in the minor being immediately returned to the Probation Department for processing through the Juvenile Court System. During the contract period, a YAB member, assigned to monitor and mentor the minor's progress, will visit with the minor at least once a month. The visits are to discuss any concerns or situations occurring which are inhibiting the minor from successful completion of the contract. The YAB volunteer encourages and assists in trouble-shooting alternatives to addressing situations productively. These interactions are intended to teach the youth their community cares about them.*

*A goal of the YAB program is to model to the juvenile that delinquent behavior has consequences and they will be held accountable for their actions. Also, YAB provides the family with resources and guidance in developing productive interactions with their children. Every successful youth who completes the YAB program may be one less offender whom law enforcement may not have to re-arrest. Upon reaching the age of 18, if the minor has had no further violations, he may apply to the Probation Department to have his juvenile record sealed.*

*YAB is a concerted community-based effort in deferring first-time youth offenders from re-offending. This program assists law enforcement to reduce juvenile crime and lessens Probation Officer workloads for handling more dangerous delinquents. YAB members have the opportunity to participate in resolving juvenile crime within their community. Minors and their families have the opportunity to interact in a positive and constructive manner with other members of the community.*

**The Board of Supervisors agrees with these findings.**

*SAN BERNARDINO COUNTY CHILDREN AND FAMILY SERVICES*

#### *FINDINGS*

*1. Regarding the evaluation and assessment for accountability to the public*

- The one-time-only redesign presents a vivid, revealing and un-retouched candid snapshot of CFS, which stands in contrast to the usual documentation CFS presents. Its pattern of identifying strengths and recommending opportunities for change in 13 elements implies a measure of accountability.*

- *CFS has an obligation to measure its accountability to the public and express it in terms which can be understood by the public.*
- *Normally CFS publications include:*
  - *CFS' brief contribution to the Human Services Annual Report, which is a public document;*
  - *the bound Annual Report, which contains little in the way of accountability, and the intended audience is CFS, not the public;*
  - *documents such as the DAMR provide some insight into CFS operations, which are not available to the public; and*
  - *the Self-Reassessment, based on the SIP results (formerly published after three years, now extended to five years), is clearly intended for a professional audience, not the public.*
- *Two annual goals are cited in the CFS Report incorporated in the Human Services Annual Report and other publications, yet the Grand Jury was unable to readily find the outcomes for these goals reported in either CFS public documents or on the CFS website. They are cited in the Human Services Department annual budget.*
- *CFS' current method of reporting evaluation of its effectiveness and accountability to the public is inadequate. It is too dependent on the outcomes of the periodic SIP goals and the unreported outcomes of annual internal goals. This makes it difficult for the public to be able to determine if CFS is operating effectively within its budget.*
- *CFS has a statistics unit, which can generate data to enhance the CFS image and communication with the public.*

*2. Regarding the public face of CFS*

- *Except for the raw numbers, the Annual Reports vary little from year-to-year. This year's delayed and expanded draft still follows the formula.*
- *CFS reports lack a date of publication and clear attribution as to the person(s) responsible for their publication or whom to contact for further information.*
- *The Grand Jury finds that the CFS website is lacking in informative value and is out of date.*

**The Board of Supervisors agrees with these findings.**

**RECOMMENDATIONS**

*13-9. CFS devise more suitable means of reporting its accountability to the public in an annual publication presented in understandable terminology and easy to access. Go beyond the simple listing of CFS operations and numbers of children served on one hand, and the complexity of the Self-Reassessment on the other, to explain how CFS operates and evaluate how well it functions. (Finding 1)*

**Children and Family Services (CFS) will develop a version of the 2013-2018 System Improvement Plan (SIP) that provides the general public, in lay terms, the purpose of the SIP, the goals set forth by the outcome measures identified, and the services and programs that will be implemented to improve outcomes.**

**The report will explain how the identified outcomes were developed through a stakeholder process and why the outcomes are important to the children and families in our community. The report will also demonstrate how the outcomes and the work to improve them are in line with the mission of CFS and carry forward the Countywide Vision.**

**CFS will create a public-friendly version of the SIP Annual Update coordinated with the release of the SIP Annual Update to the California Department of Social Services. The report will contain date of publication and contact information for the public to call or email for more information.**

**The public-friendly version of the SIP report will be completed by January 20, 2014. The cost to produce a public friendly version of the SIP and Annual Updates will be nominal and can be completed by staff already assigned to the SIP report.**

*13-10. Enhance the Annual Report for this purpose. Use available data already compiled by the CFS statistics unit to construct tables to compare the County CFS performance over a period of years, and with other counties and the State averages. In addition, horizontal branching diagrams could:*

- *track clients, starting with referrals and ending in permanency alternatives;*
- *summarize operational programs;*
- *indicate their respective percentages;*
- *clarify their relative importance; and*
- *illustrate their interrelationships.*

*Include the Report's publication date and attribution to the person(s) responsible for its composition and/or a contact person for clarification or further information in this and other CFS documents. (Findings 1, 2)*

**Assuming the Annual Report referred to in Recommendation 13-10 is the Human Services Annual Report, the department does not have the ability to alter how information is presented in this report. CFS's contributions to this report are provided in accordance with the template/structure of the report as defined by Human Services to ensure all elements of the report are consistent.**

*13-11. Reexamine the actual and prospective uses of, and intended audience(s) for, the CFS Annual Report. (Finding 1)*

**The CFS Annual Report serves as an internal communiqué to department employees from peers and management to inform and build morale within a large organization in which staff performing a variety of duties is assigned to 10 offices in six regions. The objective that would be achieved by re-addressing the audience of the CFS Annual report will be achieved by the deliverables identified in the responses to Recommendation 13-9 and 13-12.**

*13-12. Update and enliven the CFS website and maintain it routinely. Post such things as the Redesign, the Annual Reports, goal outcomes, public relations releases and news articles, staff commemorations and vignettes, and other materials to heighten public interest in, and estimation for, the agency. (Finding 2)*

**CFS will begin development of a new CFS public website, which will heighten the public's awareness about the department's services, programs and performance. The website will highlight how the public can help prevent child abuse, how to be involved as a community partner, and a deeper understanding of how our work supports the CFS mission of safety, permanency, and wellbeing. It will also highlight how the department's work aligns with the Countywide Vision, and helps fulfill the Vision's regional goal of partnering with all sectors of the community to support the success of every child from cradle to career.**

**The CFS website will have current contact information for the public to call or email for more information.**

**The CFS public website will be launched on or before January 20, 2014. The cost to develop, launch and maintain the CFS public website will be addressed within the Human Services Administration budget. The ongoing updates of the website will be managed through staff assigned to the Systems Resource Division of CFS.**

#### *COUNTY IMPACT OF ASSEMBLY BILL 109*

#### *FINDINGS*

- 1. Due to increases of County jail population under AB 109, space must now be severely rationed with the highest priority being to house the most dangerous inmates.*
- 2. The County does not have enough high security housing for the convicted inmates who prior to AB 109 would have been housed at State prisons.*
- 3. AB 109 needs to be addressed by State Legislators and amended to keep violent career criminals under State jurisdiction.*

**The Board of Supervisors and the Sheriff agree with these findings.**

#### *RECOMMENDATIONS*

*13-13. Seek State funds to construct and fund additional high security facilities. (Findings 1, 2)*

*13-14. Work with elected representatives to address issues outlined in report through legislative amendments to the sentencing guidelines. (Finding 3)*

**The Board of Supervisors and the Sheriff will continue their efforts to seek state funding to construct additional high-security facilities and work with state officials to create more reasonable sentencing guidelines.**

**For instance, the County is in the process of applying for \$80 million in state funding – the maximum amount allowed for urban counties such as San Bernardino County – through Senate Bill 1022. Senate Bill 1022 authorizes \$500 million in state lease-revenue bond capacity for the construction and renovation of local adult detention facilities.**

**In 2013 the County formally supported Senate Bill 225, which would revise realignment by requiring felons sentenced to more than three years in prison to serve that sentence in state prison rather than be left in a county jail. The County also supported Assembly Bill 1065, which would require released inmates identified during a previous prison term as “Mentally Disordered Offenders” or “Mentally Disordered Sex Offenders” to be supervised by the state rather than assigned to community supervision under realignment.**

#### *GANGS*

#### *CONCLUSION*

*According to gang experts, many gangs members live in economically depressed circumstances and believe their only means of survival is through banding together. Also, these experts believe gangs are involved in a range of criminal activities involving drug sales, human/sex trafficking, white collar crime or identity theft. Police officers, probation officers, school officials and citizens should be working toward a common goal of decreasing gang activity. There is general agreement among these groups that intelligence gathering, prevention, suppression, intervention and community awareness are key elements in controlling and reducing gang membership and activity in San Bernardino County. The Strategic Plan states, “Research has shown working groups in multi-agency projects to use data analysis and collaboration with different agencies results in well-designed responses to violence. Previous projects confirm each agency has unique resources which, when pooled, make each unit more effective in curbing gang violence.”*

*The 2005 Countywide Strategic Plan on Gangs was an important step in addressing gang activity within San Bernardino County. However, a follow-up review of the Strategic Plan is necessary to determine the extent to which agencies have implemented the recommendations and the impact the Plan has had on suppressing street gang activity and reducing gang membership.*

**The Probation Department is prepared to begin a follow-up review of the 2005 Countywide Strategic Plan on Gangs. The department has assigned a departmental gang expert to a position that will allow the review process to begin. The**

**department is coordinating this effort with the county's police chiefs, the Sheriff, and the District Attorney.**

*INSPECTION OF APPLE VALLEY JUVENILE DETENTION & ASSESSMENT CENTER*

*DISCIPLINE OF JUVENILE DETAINEES*

- *How often is discipline enacted?*

*Point system – Detainee will lose free time. Due process is followed with supervisor overseeing procedure.*

**The Point System rewards minors for positive behavior.**

- *What is the range of discipline options?*

*Administrative segregation*

**Administrative segregation is not discipline. The Point System is a positive reward system.**



# **SECTION II**

SAN BERNARDINO COUNTY  
SHERIFF'S DEPARTMENT





JOHN McMAHON, SHERIFF - CORONER

August 20, 2013

Honorable Marsha G. Slough  
Presiding Judge of the Superior Court  
303 West Third Street  
4<sup>th</sup> Floor  
San Bernardino, California 92415-0302

RECEIVED  
AUG 21 2013

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN BERNARDINO  
OFFICE OF THE PRESIDING JUDGE

Dear Honorable Judge Slough:

Pursuant to California Penal Code Section 933.05, please accept the following responses to the findings and recommendations for the 2012-13 San Bernardino County Grand Jury's Final Report that was presented to your office on or about June 25, 2013.

As you know, the Grand Jury's Law & Justice subcommittee interviewed personnel from within our Department, subsequently listing findings and making recommendations for change. My staff have reviewed their Final Report and offer our responses to the recommendations made for the following operational areas:

- Sheriff's Department Compliance for Handling Citizen Complaints
- Bail Solicitation of Inmates at County Detention Centers
- Sheriff's Department Taser Policies and Usage

Please let me know if there is any additional information you may need for clarification on our position. An informational copy of our responses is being provided to the County's Board of Supervisors, as required by law.

Best Regards,

John McMahon, Sheriff-Coroner/  
Public Administrator

cc: County Board of Supervisors  
Enclosures

*Ray*  
*no action*  
*RJW*  
*22 Aug 13*  
*MRS*

2012-13 GRAND JURY REPORT  
RESPONSE FORM

GROUP Law & Justice DATE August 1, 2013  
DEPARTMENT Sheriff – Coroner RECOMMENDATION 13-15 - 13-16  
SUBMITTED BY John McMahon PAGE 65-67

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**FINDING – AGREE/DISAGREE: (If disagree, explain why)**

**FINDING #1.** The Respondent **Disagrees** with the finding that the Yucaipa Station did not follow policies and procedures of the Sheriff’s Department as it relates to the handling of a citizen complaint against a member of the Sheriff’s Department.

*This matter was not investigated as a citizen complaint because it was not presented in that manner. The complainant made an allegation that an off-duty deputy sheriff possibly committed a crime. A criminal investigation was conducted, and even though there was no probable cause to believe a crime occurred, the report was sent to the District Attorney’s office for review. The District Attorney declined to file charges.*

**FINDING #2.** The Respondent **Disagrees** with the finding that the Yucaipa Station did not follow its own internal policies.

*The incident was investigated and documented appropriately based on the manner in which it was presented to the Yucaipa Station. The Yucaipa Station has procedures in place to accept complaints from the public, its members and jail inmates in accordance with law. Each Division/Station does maintain a Citizen Complaint Log that is issued a “P” number by the department’s Internal Affairs Division.*

**2012-13 GRAND JURY REPORT  
RESPONSE FORM**

GROUP Law & Justice DATE: August 1, 2013  
DEPARTMENT Sheriff – Coroner RECOMMENDATION 13/15 & 13/16  
SUBMITTED BY John McMahon PAGE 66 - 68

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**RESPONSE**

**13-15 The Grand Jury recommends the Department institute periodic in-service refresher training on departmental policies and procedures for handling citizen complaints.**

*The Sheriff's Department currently conducts periodic refresher training on policies and procedures for handling citizen complaints during bi-monthly Department staff meetings and during the command staff management seminars.*

**13-16 The Grand Jury recommends the Department establish an annual internal audit process of Division/Station handling of citizen complaints, including a review of logs, written documentation and other information documenting procedural and policy compliance.**

*The Sheriff's Department's Internal Affairs Division (IAD) currently conducts an annual audit of all Division/Station citizen complaint logs. IAD also functions as the internal audit process for all citizen complaint investigations handled by divisions and stations. All of these investigations are routed through Internal Affairs for review to ensure compliance with existing policies and procedures.*

**2012-13 GRAND JURY REPORT  
RESPONSE FORM**

GROUP Law & Justice DATE August 1, 2013  
 DEPARTMENT Sheriff – Coroner RECOMMENDATION 13-17-13-25  
 SUBMITTED BY John McMahon PAGE 70-79

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**FINDING – AGREE/DISAGREE** (If disagree, explain why)

**FINDING #1.** The Respondent **Agrees** that on occasion there are bail bond company websites out on the Internet that should not be there.

**FINDING #2.** The Respondent **Disagrees** with the finding that the Inmate Locator website access/restriction controls are deficient.

*Titles 15 and 24 define the rules and regulations all jail facilities operate under in California. All inmates must be allowed at least one visit within 24 hours after their arrest. If information was withheld from the public, together with the size of our County and Jail system, it would be extremely difficult for family members to locate and request a visit.*

**FINDING #3.** The Respondent **Agrees** with the finding that the Department has the authority to define who has privacy privileges and use of official visitor rooms.

*The Sheriff's Department has policy in place for who is allowed an official visit and when.*

**FINDING #4.** The Respondent **Disagrees** with the finding that the "Request for Visit" form used by bondsmen to visit inmates does not include a certification of accuracy and truthfulness by signature of the bondsmen.

*ASU Form #100111 has a signature certification line that is to be signed by the bondsmen.*

**FINDING #5** The Respondent **Agrees** with the finding that bondsmen have conducted up to seven unsupervised official visits to different inmates in a day facilitating abuses by bondsmen in contacting inmates for bail services.

*The Sheriff's Department has implemented training and policy to track and conduct periodic follow-up checks of visits by bondsmen. This includes very limited official visits as well as constant monitoring by a deputy during any official visit by bondsmen.*

**FINDING #6** The Respondent **Disagrees** with the finding that the Detention Centers do not have a consistent policy for maintaining logs for bondsmen visits.

*After the bondsmen fill out and sign ASU Form #100111, the staff member shall enter the bondsmen's visit into the jail's computer system (JIMS) under the inmate's name, so the bondsmen's visit is logged in the system.*

**FINDING #7** The Respondent **Agrees** with the finding that County Counsel is effectively responding to motions for bond forfeitures and exonerations.

**FINDING #8** The Respondent **Agrees** with the finding that inmates are not generally aware that it is illegal for bondsmen to solicit bail services.

*The Sheriff's Department is currently making signs to be posted in all the jail facilities and working with Global Tel Link to add a pre-recorded message telling the inmates that it is illegal for a bondsmen to solicit them for bail.*

**2012-13 GRAND JURY REPORT  
RESPONSE FORM**

GROUP Law & Justice DATE: August 1, 2013  
 DEPARTMENT Sheriff – Coroner RECOMMENDATION 13/15 & 16  
 SUBMITTED BY John McMahon, Sheriff PAGE 66-67-68

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**RESPONSE**

**13-17 The Grand Jury recommends the Department establish procedures for conducting periodic website inspections which imitate government titles, logos or booking information, attempting to mirror the Sheriff's Department's Inmate Locator web page in order to issue "Cease and Desist Orders."**

*San Bernardino County Counsel has contacted several bail bond companies reference their websites and have issued several "Cease and Desist Orders." The bail bond companies have been very responsive when contacted. The Administrative Support Unit will put in place a schedule to periodically scan the internet for bail bond company websites. When a questionable site is located, County Counsel will be notified in order to contact the bail bond company to change the website or issue a Cease and Desist Order.*

**13-18 The Grand Jury recommends withholding an inmate's booking number from the public for 72 hours.**

*The Department posts inmate booking numbers on the Inmate Locator website as soon as the inmate is booked in order to help the Department comply with Title 15 and Title 24. Inmates must be given the opportunity to have a visit within 24 hours of their arrest. The inmate must also be allowed to receive correspondence. If an inmate is unable to complete a phone call, the only way a family member or friend can locate, make a visit or write the inmate is with the inmate's booking number. If the inmate's booking number was not placed on the Sheriff's website for the first 72 hours after booking, the detention facilities would be inundated with inquires to determine an inmate's booking number.*

**13-19 The Grand Jury recommends revising the "Request for Visit" form to include identity of requesting contacts for services with phone number for verification.**

*Detentions and Corrections Form ASU #100111, Revised June 2011, is to be filled out and used for every visit by a bail bondsman. The form has both an area to indicate how the bail bond agency was contacted and a signature line for the agent to sign indicating he is in compliance with the California Code of Regulations.*

**13-20 The Grand Jury recommends revising the “Request for Visit” form to include certification of accuracy and truthfulness of information provided by signature of the bondsmen.**

*Detentions and Corrections Form #100111 is to be filled out every visit by a bail bondsman. The form has both an area to indicate how the agency was contacted and also a signature line for the agent to sign. This form is to be maintained in the inmate’s booking jacket.*

**13-21 The Grand Jury recommends the Department establish a policy which randomly verifies contact information from “Request for Visit” forms from bondsmen.**

*Detentions & Corrections Policy 265.00, Bail Agent Advertising, was updated directing staff to conduct periodic verification checks of the information provided on ASU Form #100111.*

**13-22 The Grand Jury recommends the Department modify POST orders to require bondsmen to use the supervised social visitor process via phone behind a secured glass window. If inmate signatures are required, deputies can assist with the transfer of documents.**

*Sheriff’s Department Corrections and Detention Bureau Policy #1740.15 states that bail bond agents shall conduct all visits in regular civilian visiting areas. When a bail bond agent needs an inmate to sign documents, a deputy will allow the bail bond agent into an official visiting room. The deputy will escort the inmate into the official visiting room and will remain in the room while the inmate signs the documents. There should be very little communication between the bail bond agent and the inmate while in the official visiting room. After the documents are signed, the deputy will escort the inmate out of the visiting room.*

**13-23 The Grand Jury recommends the Department establish policy for all detention centers to maintain daily logs for bondsmen visitation.**

*After the bail bond agent completes ASU Form #100111, the Sheriff’s Department staff working in the visiting area will log the date, time, name of the inmate and the name of the bail agent into the JIMS visiting module. This information may be accessed for regular monitoring of bail bond agent visits.*

**13-24 The Grand Jury recommends adding information indicating solicitation by bondsmen for bail services is illegal to the pre-recorded messages which are provided inmates when using detention phone systems to make out-going calls.**

*The San Bernardino County Sheriff’s Department Inmate Welfare Unit is currently working with Global Tel Link, the telephone service provider for all jail facilities, to add in the pre-recorded message stating that solicitation by a bail bond company is illegal.*



**13-25 The Grand Jury recommends adding the statement, "It is illegal for bondsmen to solicit you," to the signs listing bail bond companies.**

*The Administrative Support Unit is currently creating signage to be posted below the currently posted list of bail bond companies stating, "It is illegal for a bail bond company or bail bond agent to solicit you." The signage will be posted in plain view at all the Sheriff's Department booking and holding facilities.*



2012-13 GRAND JURY REPORT  
RESPONSE FORM

GROUP Law & Justice DATE August 1, 2013  
DEPARTMENT Sheriff – Coroner RECOMMENDATION 13-29 -13-33  
SUBMITTED BY John McMahon PAGE 81-86

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**FINDING – AGREE/DISAGREE** (If disagree, explain why)

**FINDING #1.** The Respondent **Agrees** with the findings to implement enhanced officer training regarding the “Silence is Golden” rule to include situations where the target does not exhibit NMI symptoms or compliance.

**FINDING #2.** The Respondent **Agrees** with the findings to amend SBCSD TTA (Taser Training Academy) manual to require greater communication among on-scene officers regarding the number of discharges of the taser against the target to avoid multiple, repeated or continuous exposures.



**2012-13 GRAND JURY REPORT  
RESPONSE FORM**

GROUP Law & Justice DATE: August 1, 2013  
 DEPARTMENT Sheriff – Coroner RECOMMENDATION 13-29 – 13-33  
 SUBMITTED BY John McMahon PAGE 81-86

---

**RESPONSE**

**13-29 The Grand Jury recommends the Sheriff's Department implement enhanced officer training regarding the "Silence is Golden" rule to include situations where the target does not exhibit NMI (neuromuscular incapacitation) symptoms or compliance.**

*The Sheriff's Department Training Division currently instructs deputies that a loud arcing sound during taser deployment is an indicator of a bad or poor connection. Deputies are trained to move to alternative force options upon recognition of the taser's ineffectiveness. Training currently exists, and will be further emphasized, to address those rare instances of effective taser connections unaccompanied by NMI or compliance.*

**13-30 The Grand Jury recommends the Sheriff's Department amend SBCSD TTA manual to require greater communication among on-scene officers regarding the number of discharges of the taser against the target to avoid multiple, repeated or continuous exposures.**

*The TTA manual is the property of TASER International, Inc. The Sheriff's Department does not have authority to amend the TTA Manual. The Sheriff's Department policy, in part, states that verbal announcements should generally be given prior to the application of the taser. This announcement serves to provide reasonable opportunity for voluntary compliance and warning to the other deputies that a taser is being deployed. The Training Division will assess options to safely and practically incorporate communication among deputies involved in taser deployment and newly-arriving deputies to minimize the possibility of unnecessary repeat or prolonged use.*

**13-31 The Grand Jury recommends the Sheriff's Department increase hands-on training with tasers, focusing on the issue of identifying when a taser discharge is effective.**

*The majority of the TTA training and department training focuses on the proper use and recognition of effective taser application. Much of the training is hands-on, which includes, but is not limited to, weapon nomenclature and handling, safe loading/unloading, appropriate target acquisition, cartridge deployment and drive-stun technique. The deputies fire the tasers at targets on the Sheriff's Range and most*

*demonstrate proficiency in all aforementioned components. The Sheriff's Training Division will continue educating deputies on identification of effective taser deployment and the importance of situational awareness. Future training will continue to reinforce the importance of alternative force options when the taser is believed to be ineffective to minimize taser dependency or repeated or prolonged use.*

**13-32 The Grand Jury recommends the Sheriff's Department formulate training to address the problem of knowing when the taser is operating properly to avoid continuous, repeated and prolonged use of the taser.**

*The Sheriff's Training Division currently trains deputies on effective versus ineffective taser deployment. This training includes hands-on drills, video, and PowerPoint presentations. The training demonstrates the near silence of an effective deployment and the loud arcing sound associated with an ineffective deployment. Deputies are trained to transition to alternative force options once the taser deployment is deemed ineffective. Many deputies voluntarily receive full taser charges to gain first-hand knowledge of the physiological effects. This training is designed to provide recognition of proper operation, thereby minimizing repeat and prolonged use.*

**13-33 The Grand Jury recommends that when multiple deputies are using tasers, the highest ranking deputy at the scene be required to keep track of the cumulative number of taser exposures.**

*Absent a definitive rank distinction, it could be impossible for multiple deputies to identify the highest ranking person during a struggle with a combative subject. Most force incidents occur without the supervisor present, which would be the only way to visibly determine the highest ranking deputy. Generally, a force incident involving taser deployment by multiple deputies would indicate extreme non-compliance. To require deputies to keep track of cumulative taser exposures could reduce tactical focus, thereby jeopardizing the safety of the deputies and the public. While specifying an individual deputy to count exposures may not be feasible, the Sheriff's Training Division is exploring alternatives, such as improving communication to meet the primary objective, which is minimizing unintended, unnecessary, repeat or continuous exposures.*





# **SECTION III**

SANBAG

VICTOR VALLEY COLLEGE POLICE  
DEPARTMENT

NEWBERRY COMMUNITY  
SERVICES DISTRICT

LAFCO

AUDITOR-CONTROLLER/  
TREASURER/TAX COLLECTOR



**GROUP SAFE Call Box Program**

**DATE 7/9/13**

**AGENCY/DEPARTMENT SANBAG**

**RECOMMENDATION NO. 13-3, 13-4**

**SUBMITTED BY Duane A. Baker, Director of Management Services**

**PAGE 1**

### **RESPONSE**

We appreciate the Grand Jury's time invested in conducting its study of San Bernardino County's Service Authority for Freeway Emergencies (SAFE) Call Box Program and the subsequent commendation. As mentioned in the Final Report, the SAFE Call Box Program is a vital public safety service. Subsequently, we accept the two recommendations and plan to address them as follows:

13-3. Publicize, in conjunction with the California Department of Motor Vehicles, the SAFE Call Box Program with an informational card included with the yearly registration notice mailed to County motorists; and, 13-4. Publicize, in conjunction with the California Department of Motor Vehicles, the SAFE Call Box Program with informational posters at all California Department of Motor Vehicles locations within San Bernardino County.

SANBAG will develop the referenced informational card and poster and reach out to the DMV for assistance in enclosing the cards in annual registration renewals and displaying the posters at DMV locations. This specific effort's success will be contingent on decision makers at the State DMV agreeing to assist SANBAG in this manner.

SANBAG will also reach out to neighboring CTC's (L.A. Metro, Riverside County Transportation Commission, and Orange County Transportation Authority) to see if they'd like to participate in a regional effort to create public awareness relating to call boxes. It is felt that decision makers at the State level may be more receptive to reaching out to a broader audience than just San Bernardino County.

In addition, SANBAG will work on a public awareness campaign and research methods which will provide information regarding the existence and use of call boxes to the public in San Bernardino County.

SANBAG estimates that these activities can be accomplished in six months.





**POLICE  
DEPARTMENT**

18422 Bear Valley Road  
Victorville, CA 92395-5849  
(760) 245-4271, x2329  
www.vvc.edu

August 21, 2013

**RECEIVED**  
AUG 23 2013

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN BERNARDINO  
OFFICE OF THE PRESIDING JUDGE

Honorable Marsha G. Slough, Presiding Judge  
303 West 3<sup>rd</sup> Street, 4<sup>th</sup> Floor  
San Bernardino, CA 92415-0302

Dear Honorable Judge Slough:

In the Grand Jury final report for the year 2012/2013, the Grand Jury made the recommendation that the Victor Valley College Police Department become a participating agency of the Commission on Peace Officer Standards and Training (POST) program. The Victor Valley College District Board of Trustees and its police department have agreed with the recommendation and have submitted the required documentation to POST to participate in the program. Please find enclosed the Resolution from the Board of Trustees and the Letter of Intent declaring our intention to enter the POST Program. If you have additional questions, please call me at (760) 245-4271, ext. 2519.

Sincerely,

Leonard Knight  
Chief of Police  
Victor Valley College Police Department

*MS*  
*23 Aug*  
*no action*



**POLICE  
DEPARTMENT**

18422 Bear Valley Road  
Victorville, CA 92395-5849  
(760) 245-4271, x2329  
www.vvc.edu

August 19, 2013

Mr. Robert Stresak  
Executive Director  
Commission on Peace Officer Standards and Training  
1601 Alhambra Boulevard  
Sacramento, CA 95816

Dear Mr. Stresak:

The Victor Valley College District Board of Trustees of the city of Victorville has empowered me to seek participation in the Commission on Peace Officer Standards and Training (POST) program for our peace officers.

Please find enclosed the Resolution from the Board declaring our intent to enter the POST Program. We are ready for review to finalize our acceptance. Please call at your earliest convenience.

Sincerely,

A handwritten signature in cursive script that reads 'Leonard Knight'.

Leonard Knight  
Chief of Police  
Victor Valley College Police Department

RESOLUTION NO. 13-04

A RESOLUTION ACCEPTING THE REQUIREMENTS OF THE PENAL CODE RELATING TO THE TRAINING OF LAW ENFORCEMENT OFFICERS.

WHEREAS, Victor Valley Community College District ("District"), employs a police department for security and safety for its students, faculty and visitors; and

WHEREAS, participation in the Peace Officer Standards and Training (POST) program is voluntary and incentive-based; and

WHEREAS, participating agencies agree to abide by the standards established by POST; and

WHEREAS, more than 600 agencies participate in the POST Program and are eligible to receive the Commission's services and benefits; and

WHEREAS, currently the VVC Police Department is not a POST participating agency but operates as a department in voluntary compliance with POST standards; and

WHEREAS, the VVC Police Department is prepared to complete its application to POST to become a participating agency;

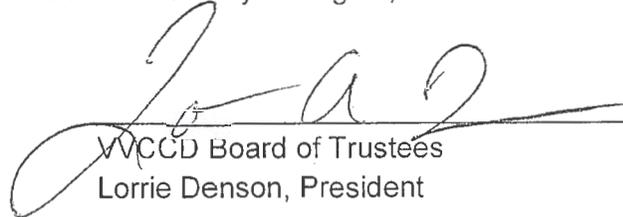
NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Victor Valley Community College District, as follows:

1. The governing body of Victor Valley Community College District declares that it desires to qualify to receive aid from the State of California under the provisions of Section 13522, Chapter 1 of Title 4, Part 4 of the California Penal Code.
2. Pursuant to the Sections 13510.1 and 13512 of said Chapter 1, the Victor Valley Community College District will adhere to the standards for recruitment and training established by the Commission on Peace Officer Standards and Training (Commission).

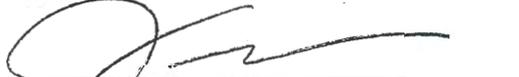


3. The Commission and its representatives may make such inquiries as deemed necessary to ascertain that the peace officer personnel of Victor Valley Community College District adhere to the standards for recruitment and training established by the California Commission on Peace Officer Standards and Training.

PASSED, APPROVED AND ADOPTED this 13<sup>th</sup> day of August, 2013.

  
VVCCD Board of Trustees  
Lorrie Denson, President

ATTEST:

  
VVCCD Board of Trustees  
Joseph W. Brady, Clerk

APPROVED AS TO FORM:

  
Jeffrey A. Morris  
Stutz Artiano Shinoff & Holtz,  
General Counsel

I, Joseph W. Brady, Clerk of the Board of Trustees of the Victor Valley Community College District, do hereby certify under penalty of perjury that the foregoing Resolution was duly adopted at a regular meeting of the Board of Trustees on the 13<sup>th</sup> day of August, 2013, by the following roll call vote:

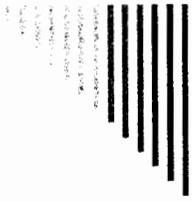
AYES:

NOES:

ABSENT:

ABSTAIN:

  
Clerk



# Newberry Community Services District

Established 1958

**Robert Royalty**  
President/Director

**September 25, 2013**

•

**Kathleen Ridler**  
Vice President/Director

To: San Bernardino County Grand Jury  
351 N. Arrowhead Ave  
San Bernardino CA 92415

•

**Diana Williams**  
Director

**Attn: Presiding Judge**

•

**Wayne L. Snively**  
Director

From: Newberry Community Services District  
30884 Newberry Road  
Newberry Springs CA 92365

•

**Paula Deel**  
Director

Please find attached the following Responses to Findings:

•

**Peter Porritt**  
General Manager

page 1-3 NCS D PC 933.05 Responses to Findings

page 4 Response #1

page 5 Response #1 Attachments

page 6 Response #2

page 7 Response #2 Attachments

page 8 Response #3

page 9 Response #4

page 10 Response #4 Attachments

page 11 Response #5

page 12 Response #5 Attachments

Response 6 & 7 - not ours

page 13 Response #8

page 14-18 Response #8 Attachments

page 19 Response #9

page 20-21 Response #9 Attachments

page 22 Response #10

page 23 Response #11

Treasurer

•

**Robert Rogers**  
Assistant Fire Chief

•

Fire Chief



30884 Newberry Road • PO Box 206 • Newberry Springs, CA 92365-0206  
(760) 257-3613 • FAX (760) 257-4314 • NewberryCSD.net

**RECEIVED**

**SEP 27 2013**

**San Bernardino County Grand Jury**

page 24 Response #12  
page 25 Response #13  
page 26-30 Response #13 Attachments  
page 31 Response #14  
page 32-36 Supporting Documents-7-9-2013 Minutes  
page 37-40 Supporting Documents-2013-2014 Fiscal Year Budget

Newberry Community Services District  
PC 933.05 Responses to Findings

1. The NCSD Board should direct the General Manager to develop proposed policies and rules for conducting public meetings, based on Roberts Rules of Order and other accepted standards for parliamentary procedures.
2. Seek to attend courses offered by the CSDA and CSAC on the roles and functions of elected officials, including those offered on leadership and conduction public meetings.
3. Direct the General Manger to begin and maintain a process to record, transcribe, post and safeguard official Board minutes within two weeks of any Board meeting, in accordance with the District's current policy.
4. Re-Adopt a numerical and hierarchical account numbering structure for use in the District's general ledger and income statement.
5. Work with the Board, County Auditor, and utilize resources such as the California Special Districts Association to develop a basic accounting manual.
8. The Board of Directors should - Revise its purchase card policies to:
  - A. Exclude Board members from the use of purchase cards in order to be in compliance with the State Master Services Agreement for purchase cards, subsequently relinquish any purchase cards currently issued to Board members
  - B. Include additional policies to ensure that there are sufficient funds for paying authorized purchase card transactions, prevent potential fraud and abuse through unauthorized and/or inappropriate purchases, and avoid unnecessary penalties and fees from late payment such as
    - I. Spending and transaction limits for each cardholder
    - V. Clearly segregated duties for approving, executing, and reconciling purchases among the General Manager, Treasurer, and other purchase cardholders

VI. A process for handling disputes and unauthorized purchases

VII. A requirement that purchase cardholders use personal funds to pay for transactions that lack the timely submission of sufficient documentation of the transaction and purpose, as well as any subsequent penalties and fees that result from the delay in submitting such documentation

9. Diligently review the list of disbursements to be approved on the consent agenda prior to scheduled Board meetings and
  - A. discuss questionable disbursement with the General Manager and/or
  - B. request to pull questionable disbursements from the consent agenda that results from the delay in submitting such documentation
  
10. Train all participants in the purchase card program on the new and revised policies and procedures for purchase cards
  
11. Review consultants or vendors with a single invoice over \$5000.00, or multiple invoices that, together, exceed \$5000.00 to ensure that they have a contract or total expenditure approved by the Board of Directors at a meeting. If the contract was not approved by at least two Board members, or no contract exists, steps should be taken to bring the purchase(s) into compliance with the Policy Handbook
  
12. Carefully review all requests for reimbursements, including supporting documentation, against the policies and procedures in the District Policy Handbook prior to approval
  
13. Establish the following to ensure that the District is in compliance with the Policy Handbook and maintains adequate internal control
  - A. District Legal Counsel Log
  
  - B. Policy Handbook for the Fire Department
  
  - C. Catalog of all retained District records
  
14. Establish a Capital Asset Management System that records capital asset information such as the purchase date, condition it was in at the time of purchase, warranties,

maintenance history, usage statistics, original useful life, remaining useful life, and replacement costs.

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 1  
**PAGE** 23-24

**RESPONSE**

On August 13, 2013 the Newberry Community Services District Board of Directors hired Peter Porritt as the new General Manager. On September 5, 2013 Mr. Porritt started his position as General Manager for the District (after having successfully completed a live scan and background check). Mr. Porritt is aware there are several key items that will need to be addressed and this item is one of them. Currently there is no re-structuring of the NCSD Policies and Procedures before the Board. Please see attached copy of Agenda Item 9G dated July 9, 2013 and Approved Minutes from the July 9, 2013 Board Meeting.

# NEWBERRY

## COMMUNITY SERVICES DISTRICT

**AGENDA MATTER:**

Enforcement of existing NCSD By-Laws and Policy Handbook while current By-Laws and Policy Handbook are reviewed/updated

**EXECUTIVE SUMMARY:**

Per Grand Jury Report dated June 28, 2013 pg 14 ..." references to internal control in the NCSD By-Laws and Policy Handbook are not consistently implemented by District Board members and personnel."

**DISCUSSION:**

All Directors and All Staff review the NCSD By-Laws and Policy Handbook for familiarization of our current rules and policies

Recognize importance of adhering to and enforcing existing By-Laws and Policies to ensure minimum District exposure

Recognize need for By-Law and Policy updates/review

**RECOMMENDED ACTION:**

Enforce existing NCSD By-Laws and Policy Handbook to ensure minimum District exposure

Begin process of Revise/Update of NCSD By-Laws and Policy Handbook including the following:

safe guarding of the District's Financial and Capital Assets

safe guarding of all NCSD inventory and maintenance records

PROPOSED BY	FUNDS BUDGETED	FUNDS AVAILABLE	MEETING DATE
Director Ridler	n/a	n/a	July 9, 2013
APPROVED BY	AMOUNT REQUIRED	CATEGORY	ITEM NUMBER
President Royalty	n/a		9G

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

GROUP Newberry Community Services District  
AGENCY/DEPARTMENT Board of Directors  
SUBMITTED BY  
Peter Porritt/General Manager

DATE September 25, 2013  
RECOMMENDATION NO. 2  
PAGE 23-23

**RESPONSE**

August 2013 the Newberry Community held a mail ballot election to fill 3 seats on the Board of Directors. The current Board of Directors felt it wiser to wait until after the election and appointment (swearing in) of the newly elected Board Members before sending them to training.

The Budget Committee was made aware of this decision and the 2013-2014 Fiscal Year Budget was structured to afford this training in 2014.

Please see attached copy of Agenda Item 9I dated July 9, 2013 and Approved Minutes from the July 9, 2013 Board Meeting.

Also, please see attached the Approved NCSD 2013-2014 Fiscal Year Budget.

# NEWBERRY

## COMMUNITY SERVICES DISTRICT

### AGENDA MATTER:

ALL NCSD Director' attend CSDA & CSAC Leadership Courses and AB1234 Ethics Training

### EXECUTIVE SUMMARY:

Per Grand Jury Report dated June 28, 2013 pg 6 ..."Seek to attend course offered by the CSDA and CSAC on the roles and functions of elected officials, including those offered on leadership and conducting public meetings."

### DISCUSSION:

Review 2014 CSDA and CSAC Trainings offered and schedule appropriate class  
Review Ethics Training Certificates and schedule renewal or new class

### RECOMMENDED ACTION:

Approve future attendance of CSDA and/or CSAC Director Trainings  
Direct all Directors to complete Ethics Training

PROPOSED BY	FUNDS BUDGETED	FUNDS AVAILABLE	MEETING DATE
Director Ridler	unknown	unknown	July 9, 2013
APPROVED BY	AMOUNT REQUIRED	CATEGORY	ITEM NUMBER
President Royalty	unknown	Education/Training	9I

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 3  
**PAGE** 23-24

**RESPONSE**

On August 13, 2013 the Newberry Community Services District Board of Directors hired Peter Porritt as the new General Manager. On September 5, 2013 Mr. Porritt started his position as General Manager for the District (after having successfully completed a live scan and background check). Mr. Porritt is aware there are several key items that will need to be addressed and this item is one of them.

Currently, written minutes of all regular and special meetings are posted on the NCSD website within 48 hours of the meeting date. A copy of the audio portion of the meeting is labeled and filed with the approved minutes. This practice will continue until such time as a new/different practice is presented to the Board of Directors for approval.

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 4  
**PAGE** 23-24

**RESPONSE**

On July 9, 2013 the NCSD Board of Directors considered and approved the re-adoption of chart of account numbers and a standing monthly review finance committee. On August 27, 2013 the NCSD Board of Directors approved the 2013-2014 Fiscal Year Budget including the numerical accounting system. This accounting system is being incorporated into daily use by both staff and Board Members.

Please see attached copy of Agenda Item 9B dated July 9, 2013 and Approved Minutes from the July 9, 2013 Board Meeting.

In addition, please see copy of the Approved 2013-2014 Fiscal Year Budget.

# NEWBERRY

## COMMUNITY SERVICES DISTRICT

### AGENDA MATTER:

Re-Adopt NCSD Numerical Accounting System, Develop basic accounting system and Appoint a monthly review committee

### EXECUTIVE SUMMARY:

Per Grand Jury Report dated June 28, 2013 pg 12 ... "Re-adopt a numerical and hierarchical account numbering structure for use in the District's general ledger and income statement."

### DISCUSSION:

Review SAMPLE chart of account numbers added to 2013-2014 NCSD Budget

Benefits of a Budget Review Committee

Special Monthly Meeting to pre approve all expenses/warrant registers prior to approval of consent calendar

Move Warrant Register from consent calendar to business Item 9A on NCSD agendas

### RECOMMENDED ACTION:

Assign chart of account numbers to all general ledger accounts (income and expense)

Appoint a Budget Review Committee

Schedule Special Monthly Meetings to pre approve all expenses/warrant registers prior to approval of consent calendar at NCSD regular monthly meetings

Move warrant registers from consent calendar to Item 9A at NCSD regular monthly meetings

PROPOSED BY	FUNDS BUDGETED	FUNDS AVAILABLE	MEETING DATE
Director Ridler	n/a	n/a	July 9, 2013
APPROVED BY	AMOUNT REQUIRED	CATEGORY	ITEM NUMBER
President Royalty	n/a		9B

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 5  
**PAGE** 23-24

**RESPONSE**

On September 24, 2013 The Newberry Community Services District board of Directors hired Kerri Zurcher as the new District Treasurer. Upon successful completion of a live scan and background check this individual will start working on or about October 2, 2013. This individual is aware there are several key items that will need to be addressed and this item is one of them.

The Board of Directors has already approved the numerical accounting system. The NCSD does have a current Auditor, David B. Whitford Jr. and the new District Treasurer will be working with the Auditor.

Please see attached copy of Agenda Item "Closed Session" dated September 24, 2013.



# Newberry Community Services District

Established 1958

## BOARD OF DIRECTORS REGULAR MEETING AGENDA

Tuesday, September 24, 2013

5:30 pm

Newberry Community Center  
30884 Newberry Road  
Newberry Springs, CA 92365

Posting Locations:

- Newberry CSD Office
- Newberry CSD Website ([www.NewberryCSD.net](http://www.NewberryCSD.net))

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**CLOSED SESSION:**

**PUBLIC EMPLOYMENT: (Government Code Section 54957)**

"To consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee."

**Treasurer - Employment**

**REPORT FROM CLOSED SESSION:**

**1. WELCOME TO GUESTS**

- 2. PUBLIC COMMENTS:** This is the time and place for the General Public to address the Newberry Community Services District Board of Directors on matters within their jurisdiction that are not currently on the printed agenda. A Request to be Heard Card must be completed and submitted to speak. State law prohibits the Newberry Community Services District Board of Directors from addressing any issue not previously included on the agenda. The Board of Directors may receive comments and set the matter for a subsequent meeting. Speakers are asked to limit their comments to three (3) minutes.

Any member of the audience who would like to address the Board on a specific agenda item is required to complete a Request to be Heard Card and submit to the Secretary of the Board, prior to REVIEW AND APPROVAL OF THE AGENDA. Speakers will be limited to three (3) minutes and are asked to voluntarily identify themselves for the record. Speakers will be given an opportunity to address the Board on the specific agenda item prior to the Board's motion and discussion of the agenda item.

**3. SUGGESTED FUTURE AGENDA ITEMS, INFORMATION, QUESTIONS FROM BOARD MEMBERS AND STAFF**

The president shall poll the Directors followed by staff.

**4. WRITTEN COMMUNICATIONS**

All written communications are available for public viewing in the office during regular business hours and at the Secretary table at all meetings.

**LAFCO Meeting date of 9-18-2013 with an Agenda Item referencing Grand Jury Response to NCSD (Agenda Item #8)**

**5. REVIEW AND APPROVAL OF THE AGENDA - Action Item**

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 8  
**PAGE** 23-24

**RESPONSE**

On July 9, 2013 the Newberry Community Services District Board of Directors reviewed amendments to their current NCSD Policy # 3075, NCSD Purchasing Card Use Agreement, and on August 27, 2013 approved and passed the amendments and revisions to NCSD Policy # 3075 including the Credit Card Usage Agreement and Cardholder Acknowledgement and Responsibility Form. These amendments/changes went into effect on September 1, 2013.

The NCSD Board of Directors has also separated the duties of their staff by adding additional staff members.

General Manager

District Treasurer

District Office Assistant

Board Secretary

Fire Dept. Office Administrator

The 2013-2014 Fiscal Year Budget reflects the allowance of pay for all positions. Currently all said positions are filled except Board Secretary. That position is being covered by the Board Administrator until a Board Secretary is appointed/hired.

Please see attached copy of Agenda Item 9E dated July 9, 2013.

Also, please see attached copies of NCSD Policy # 3075, Credit Cardholder/User Acknowledgement and Responsibility Agreement and Purchasing Cardholder/User Expense Explanation Form.

# NEWBERRY

## COMMUNITY SERVICES DISTRICT

**AGENDA MATTER:**

NCSD Purchasing Card Use Agreement and NCSD Policy #3075

**EXECUTIVE SUMMARY:**

Per Grand Jury Report dated June 28, 2013 pg 23 ..."Revise its purchase card policies to exclude Board members from use, include additional policies to ensure sufficient funds for paying authorized transactions, spending and transaction limits per cardholder, and requirement that cardholder use personal fund to pay for transactions that lack the timely submission of sufficient documentation, as well as penalties and fees resulting from

**DISCUSSION:**

- Review NCSD Policy #3075 - Purchasing Card Usage
- Review NCSD Policy Credit Card Usage Agreement
- Review CAL-Card SAMPLE of Credit Cardholder Acknowledgement and Responsibility Form
- Review CAL-Card Required Training for Administrators and Cardholders

**RECOMMENDED ACTION:**

- Immediate removal of any purchasing cards assigned to directors and non-staff
- Appoint NEW Purchasing Card Administrator including Approval Officer, Billing Officer and Card Holder
- Creation of NEW Purchasing Card Use Agreement
- Creation of NEW Purchasing Card procedures including limits, proper documentation collections and guarantee of timely payment process
- Define duties between General Manager, Treasurer, Purchasing Card Administrator and Card Holder
- Creation of Process for handling disputes on un authorized purchases and a requirement for that card holders use personal funds when they violate Purchasing Card Policy
- Assign fuel cards to the NSVFD vehicles with limits
- Establish NCSD Corporate Card for reoccurring monthly expenses

PROPOSED BY	FUNDS BUDGETED	FUNDS AVAILABLE	MEETING DATE
Director Ridler	n/a	n/a	July 9, 2013
APPROVED BY	AMOUNT REQUIRED	CATEGORY	ITEM NUMBER
President Royalty	n/a		9E

# Newberry Community Services District

## POLICY HANDBOOK

**POLICY TITLE:** Purchasing Card Usage  
**POLICY NUMBER:** 3075

**3075.1** Purpose The purpose of this policy is to prescribe the internal controls for management of District purchasing cards.

**3075.2** Scope This policy applies to all individuals who are authorized to use District purchasing cards and/or who are responsible for managing purchasing card accounts and/or paying purchasing card bills.

**3075.3** Implementation A purchasing card shall be assigned to the General Manager for monthly re-occurring auto pay bills. Purchasing cards shall not be issued to members of the Board of Directors. All recipients/users of purchasing cards shall read and sign the Credit Cardholder Acknowledgement and Responsibility Agreement.

**3075.4** Payment All purchasing card bills shall be paid in a timely manner to avoid late fees and finance charges and to take advantage of the incentive rebate program.

**3075.4.1** All purchasing card expenses shall be reasonable and necessary for day to day furtherance of District business. **No personal expenses shall be charged** on a District purchasing card. If there is an overlap on a transaction between personal and District business, the purchasing cardholder/employee shall pay for the transaction personally and then request reimbursement by the District.

**3075.4.2** All purchasing card transactions require third-party documents (receipts) attached and the District purpose annotated by the cardholder/user including chart of account number and purpose of purchase. Each Department Head shall review and verify all required documents are attached by completing the Purchasing Cardholder/User Expense Explanation Form before submitting to the Treasurer. Failure to provide the required documents will result in the cardholder/user paying for the transaction out of their own personal money.

**3075.4.3** The Treasurer shall review and approve purchasing card transactions received from Department Head(s) or cardholder/users before payment is made. Transactions NOT containing the required documentation will be sent back to the department head(s) or cardholder/user.

**3075.4.4** The Treasurer or General Manager will inform the Board if additional purchasing cards are necessary to conduct the business of the District.

**3075.4.5** The Treasurer or Purchasing Card Administrator shall have the authority to recommend internal usage guideline for District purchasing cards to the Board for approval.

**3075.4.6** The Department Heads and Board shall have the authority to request the Purchasing Card Administrator suspend, limit, or revoke the purchasing card of any cardholder.

**3075.5**      Accounting All purchases shall indicate the department and chart of account number they will be applied towards (Administration, 1006.4 Education Expense: Mileage). No one (1) purchase shall go over 1/12th of that chart of account numbers total fiscal budget unless pre-approved by the Board. Completion of the Purchasing Cardholder/User Expense Explanation Form will accompany all purchases for payment.

# Newberry Community Services District

## POLICY HANDBOOK

**POLICY TITLE:** Credit Cardholder/User Acknowledgement and Responsibility Agreement

The U S Bank Purchasing Card Number # \_\_\_\_\_ has been assigned to \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_.

By signing this form the above named person acknowledges they are responsible for the security of the purchasing card and for the appropriate use(s) of this card for departmental and official purchases only, as describe in NCSD Policy # 3075 . **No personal purchases are allowed.** Furthermore, the above named person has participated in the training video per CAL-Card Requirements and understands fully their agency's policies and procedures. This Agreement includes all cardholders and all card users.

The above named person understands this card is valid only while employed in the department; upon termination of employment or transfer to another department or agency the cardholder must relinquish this card to the assigned Purchasing Card Administrator for their agency.

\_\_\_\_\_  
Cardholder/User

\_\_\_\_\_  
Date

\_\_\_\_\_  
Purchasing Card Administrator

\_\_\_\_\_  
Date

# Newberry Community Services District

Purchasing Cardholder/User Expense Explanation Form

Date of Purchase \_\_\_\_\_ Name of Cardholder/User \_\_\_\_\_

Department Incurring Expense \_\_\_\_\_ Chart of Account # \_\_\_\_\_

Brief explanation of expense \_\_\_\_\_

\_\_\_\_\_

Copy of receipt attached \_\_\_\_\_ Original receipt received \_\_\_\_\_

Amount budgeted for Chart of Account used \_\_\_\_\_ Amount remaining \_\_\_\_\_

\_\_\_\_\_  
Signature of Department Head authorization payment approval

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

GROUP Newberry Community Services District  
AGENCY/DEPARTMENT Board of Directors  
SUBMITTED BY  
Peter Porritt/General Manager

DATE September 25, 2013  
RECOMMENDATION NO. 9  
PAGE 23-24

**RESPONSE**

On July 9, 2013 the Newberry Community Services District Board of Directors considered possible way to reduce non-warranted expenditures within the District. Agenda Item 9B addressed this concern. The final decision made by the Board of Directors was to remove the monthly warrant register from the consent calendar and make it Item 9A on the monthly regular meeting agenda. The Board of Directors also gave staff direction that any item not considered normal monthly expense or any expense in question shall be a separate item on the agenda for specific review. This adjustment has already alerted the District to two (2) such expenses. Please see copy of regular monthly meeting agenda with Agenda Item 9A addressing the warrant register.



# Newberry Community Services District

Established 1958

## BOARD OF DIRECTORS REGULAR MEETING AGENDA

Tuesday, August 27, 2013

6:00 pm

Newberry Community Center  
30884 Newberry Road  
Newberry Springs, CA 92365

Posting Locations:

- Newberry CSD Office
- Newberry CSD Website ([www.NewberryCSD.net](http://www.NewberryCSD.net))

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**1. WELCOME TO GUESTS**

- 2. PUBLIC COMMENTS:** This is the time and place for the General Public to address the Newberry Community Services District Board of Directors on matters within their jurisdiction that are not currently on the printed agenda. A Request to be Heard Card must be completed and submitted to speak. State law prohibits the Newberry Community Services District Board of Directors from addressing any issue not previously included on the agenda. The Board of Directors may receive comments and set the matter for a subsequent meeting. Speakers are asked to limit their comments to three (3) minutes.

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**3. SUGGESTED FUTURE AGENDA ITEMS, INFORMATION, QUESTIONS FROM BOARD MEMBERS AND STAFF**

The president shall poll the Directors followed by staff.

**4. WRITTEN COMMUNICATIONS**

All written communications are available for public viewing in the office during regular business hours and at the Secretary table at all meetings.

**5. REVIEW AND APPROVAL OF THE AGENDA - Action Item**

Review agenda for the purpose of rearranging the order of the Agenda, adding emergency items, or removing items from the Agenda, or moving items from the consent calendar for discussion and/or separate action.

**6. CONSENT CALENDAR - Action Item**

All matters on the Consent Calendar are to be approved on one motion, unless a Board member, staff member, or any member of the public requests a separate action on a specific item. Questions for **clarification purposes** can be asked prior to acceptance of the consent calendar.

July 9, 2013 Special Meeting Minutes  
July 23, 2013 Regular Meeting Minutes  
July 30, 2013 Special Meeting Minutes

**7. REPORTS**

- 7A Sheriff Department Report
- 7B Fire Department Report
- 7C General Manager/Purchasing Card Administrator/Board Administrator Report(s)
- 7D Multi-CSD Luncheon Report
- 7E MWA Technical Advisory Committee Report
- 7F Finance Committee Report
- 7G Parks Report

**8. SPECIAL PRESENTATION**

None

**9. BUSINESS ITEMS**

1. Present Item. 2. Public Comment 3. Motion 4. Director Discussion

- 9A Review and Approval of the NCSD July 2013 Warrant Register Action Item
- 9B Final Approval of the 2013-2014 NCSD Budget and Adopt NCSD Resolution No. 65-2013 for the 2013-2014 Fiscal Year Budget Action Item
- 9C Appoint one candidate by majority vote of the Board to fill vacancy on the NCSD Board created by Director Owens' resignation and completes his term ending 12-2015 Action Item
- 9D Public Records Request Action Item
- 9E 2003.1 Contract Labor: Landscape Bids Action Item
- 9F Basketball Project Proposal Update Action Item
- 9G Securing of NCSD Main Building Action Item
- 9H Duarte's Landscape Invoice Action Item

**CLOSED SESSION:**

**PUBLIC EMPLOYMENT: (Government Code Section 54957)**

"To consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee."

**Treasurer** - Employment

**REPORT FROM CLOSED SESSION**

**ADJOURN**

**DECLARATION OF POSTING:**

I, Robert Royalty, **declare under penalty of perjury**, that I am the President of the Board of Directors, of the Newberry Community Services District, and posted the foregoing Agenda, 72 hours prior to the stated meeting, at the District Offices on the 23rd Day of August, 2013 in a place accessible to the public and the District's website at [www.NewberryCSD.net](http://www.NewberryCSD.net).

Approved by: \_\_\_\_\_

Robert Royalty, Director/Board President

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 10  
**PAGE** 23-24

**RESPONSE**

On July 9, 2013 the Newberry Community Services District Board of Directors addressed many issues in Agenda Item 9E, this item was included. The Board of Directors appointed Jodi Howard, District Office Assistant, as the Purchasing Card Administrator which includes training of all Cardholders. The new Purchasing Card Policy # 3075 and supporting forms went into effect September 1, 2013. Copies of the above mentioned are included in this packet.

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 11  
**PAGE** 23-24

**RESPONSE**

Although many of the items discussed by the Newberry Community Services District Board of Directors has hit areas close to this item, it has not been addressed separately from other items. The agreed enforcement of current Policies and By-Laws until new/amended ones are presented is a start. The separation of duties between staff also will help this process along with staff pulling any items other than normal District expenses and placing them on the agenda as a single item of discussion.  
As our General Manger settles in to his new job responsibilities like this item will be directly addressed.

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 12  
**PAGE** 23-24

**RESPONSE**

With the creation and approval of Policy # 3075 and supporting forms that detail the purchases allowed in conjunction with the 2013-2014 Fiscal Year Budget with chart of account numbers the hope is this will clear up past confusion and alert staff to misuse of District Charge Cards. The separation of duties of staff now requires each level of review to sign off on all purchases before payment or reimbursement is requested. The separation of the monthly warrant register from the consent calendar and the monthly Agenda Item 9A addressing the warrant register along with staff singling out any other than normal expenses of the District should also bring any discrepancies to the attention of the Board of Directors.

**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 13  
**PAGE** 23-24

**RESPONSE**

On August 13, 2013 the Newberry Community Services District Board of Directors hired Peter Porritt as their new General Manager. On September 5, 2013 Mr. Porritt started his position as General Manger for the District (after having successfully completed a live scan and background check). Mr. Porritt is aware there are several key items that will need to be addressed and these items are listed.

A. On July 9, 2013 the NCSD Board of Directors addressed the need for the creation of a Legal Counsel Log Book. This document will aid in the tracking of correspondence with the District's Legal Counsel.

Please see attached copy of Agenda Item 9K dated July 9, 2013 along with "Confidential" District Legal Counsel Log Book document.

B. On July 9, 2013 the NCSD Board of Directors addressed the need for a current Newberry Springs Volunteer Fire Department Policy Handbook. Per NCSD Policy # 1071 this document is to be created by the Fire Chief and District General Manager. On July 30, 2013 the NCSD Board of Directors appointed/hired Robert Rogers as their Assistant Fire Chief. He will be acting Fire Chief until such time as a Fire Chief is appointed/hired or he is promoted. The Board of Directors feels confident that Mr. Rogers and Mr. Porritt are qualified to begin this process.

Please see attached copy of Agenda Item 9H dated July 9, 2013.

C. On July 9, 2013 the NCSD Board of Directors addressed the need for the creation of a document to help track the records of the District. Again, this is an item that once all staff members are trained and comfortable with their daily duties will be addressed.

Please see attached copy of Agenda Item 9J dated July 9, 2013 along with Catalog of District Documents form.

# NEWBERRY

## COMMUNITY SERVICES DISTRICT

### AGENDA MATTER:

Creation of NCSD Legal Counsel Log Book and review NCSD Policy #3092

### EXECUTIVE SUMMARY:

Per Grand Jury Report dated June 28, 2013 pg 24 ...."Establish District Legal Counsel Log to ensure the District is in compliance with the Policy Handbook and maintains adequate internal control."

### DISCUSSION:

Review NCSD Policy #3092, Communication with District Legal Counsel  
Review Sample NCSD "Confidential" District Legal Counsel Log Book Document

### RECOMMENDED ACTION:

Approve creation of NCSD "Confidential" District Legal Counsel Log Book and direct staff to create such a document and present to Board for final Approval

PROPOSED BY	FUNDS BUDGETED	FUNDS AVAILABLE	MEETING DATE
Director Ridler	n/a	n/a	July 9, 2013
APPROVED BY	AMOUNT REQUIRED	CATEGORY	ITEM NUMBER
President Royalty	n/a		9K



# NEWBERRY

## COMMUNITY SERVICES DISTRICT

### AGENDA MATTER:

Creation of NSV Fire Department Policy Handbook and review of NCSD Policy #1071

### EXECUTIVE SUMMARY:

Per Grand Jury Report dated June 28, 2013 pg 24 ..."Policy handbook for the Fire Department to ensure that the District is in compliance with the Policy Handbook and maintains adequate internal controls."

### DISCUSSION:

Review NCSD Policy #1071 Newberry Springs Fire Department Policies

Make appointment of qualified and informed Fire Chief and General Manager a priority so this task may be accomplished per NCSD Policy #1071

### RECOMMENDED ACTION:

Recognize importance of Fire Department Policy Handbook and its creation upon appointment of Fire Chief and placement of General Manager

PROPOSED BY	FUNDS BUDGETED	FUNDS AVAILABLE	MEETING DATE
Director Ridler	n/a	n/a	July 9, 2013
APPROVED BY	AMOUNT REQUIRED	CATEGORY	ITEM NUMBER
President Royalty	n/a	Fire Department	9H

# NEWBERRY

## COMMUNITY SERVICES DISTRICT

### AGENDA MATTER:

Establish catalog of ALL NCSD retained documents and review NCSD Policy #3090

### EXECUTIVE SUMMARY:

Per Grand Jury Report dated June 28, 2013 pg 24 ..."Establish Catalog of all retained District records to ensure that the District is in compliance with the Policy Handbook and maintains adequate internal controls."

### DISCUSSION:

Review NCSD Policy #3090, Records Retention  
Review Sample NCSD Catalog of District Documents

### RECOMMENDED ACTION:

Approve creation of NCSD Retained Catalog of District's Retained Documents and direct staff to create such a document and present to Board for final Approval.

PROPOSED BY	FUNDS BUDGETED	FUNDS AVAILABLE	MEETING DATE
Director Ridler	n/a	n/a	July 9, 2013
APPROVED BY	AMOUNT REQUIRED	CATEGORY	ITEM NUMBER
President Royalty	n/a		9J



**2012-2013 GRAND JURY REPORT  
RESPONSE FORM**

**GROUP** Newberry Community Services District  
**AGENCY/DEPARTMENT** Board of Directors  
**SUBMITTED BY**  
Peter Porritt/General Manager

**DATE** September 25, 2013  
**RECOMMENDATION NO.** 14  
**PAGE** 23-24

**RESPONSE**

On August 13, 2013 the Newberry Community Services District Board of Directors hired Peter Porritt as their new General Manager. On September 5, 2013 Mr. Porritt started his position as General Manger for the District (after having successfully completed a live scan and background check). Mr. Porritt is aware there are several key items that will need to be addressed and this item is a large one.

This particular item will require the help of the Assistant Fire Chief (acting as Fire Chief) The goal for completion of this recommendation is January 2014.



# Newberry Community Services District

Established 1958

## BOARD OF DIRECTORS SPECIAL MEETING

Tuesday, July 9, 2013

6:00 pm

Newberry Community Center  
30884 Newberry Road  
Newberry Springs, CA 92365

### MINUTES

This Document is provided as a complement to the audio recording intended to be included with approval of this document as the official minutes of the herein referenced meeting. A digital copy of the audio recording shall be referenced for identification as "Minutes - July 9, 2013 - AUDIO PORTION"

**CALL TO ORDER:** President Royalty called the meeting to order 6:05 p.m.

**ROLL CALL:** By President Royalty

Director Snively - Present  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Present  
Director Royalty - Present

#### PLEDGE OF ALLEGIANCE

1. WELCOME TO GUESTS
2. PUBLIC COMMENTS NONE
3. REVIEW AND APPROVAL OF THE AGENDA

#### Special Meeting: July 9, 2013

**MOTION:** Director Ridler moved, seconded by Director Snively to accept the Agenda as written with the noted corrections that Business Items are 4 not 9  
President Royalty call for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

**NOTE:** For the record Director Owens arrived at 6:11 p.m.

#### 4. BUSINESS ITEMS

##### 4A. NCS D President regains control of Meeting(s)

**Recommended Action:** Discussion Only

##### **PUBLIC COMMENTS:**

Robert Vasseur

**NOTE:** Review of our current rules/policies and use of Robert's Rules of Order

**4B. Re-Adopt NCSD Numerical Accounting System, Develop basic accounting system and Appoint a monthly review committee**

**Recommended Action:** Assign Chart of account numbers to all general ledger accounts  
Appoint a Budget Review Committee

Schedule Special Monthly Meetings to pre approve all expenses/warrant registers prior to approval of consent calendar at NCSD regular monthly meetings

Move warrant registers from consent calendar to item 9A at NCSD regular monthly meetings

**PUBLIC COMMENT:**

Robert Vasseur

Paula Deel

**MOTION:** Director Ridler moved, seconded by Director Snively to Adopt NCSD Numerical Chart of Accounting System, Develop basic accounting system and appoint a monthly review committee

President Royalty call for the vote

Director Snively - Aye

Director Williams - Absent

Director Owens - Aye

Director Ridler - Aye

Director Royalty - Aye

President Royalty appoints Debbie Farrington chairperson of Budget/Finance Committee and acknowledges Daphne Lanier, Robert Shaw and Robert Vasseur as members

**NOTE:** Moving warrant register to Business Item 9A for pre-review

**4C. Hire qualified and sufficient staff for NCSD**

**Recommended Action:** Examine applicants closer to ensure they are well qualified for positions

Treasurer, keep this position separate and redefine job duties including establishment of correct account procedures for the District

Board Secretary, keep this position separate and redefine job duties including the creation of a process to record, transcribe, post and safe guard all meeting minutes and post results within 2 weeks including catalog system of all minutes/audio

General Manager, keep this position separate and redefine job duties and enforcement of NCSD Policies

Fire Dept Administrator, keep this position separate and redefine job duties and enforcement of NCSD Policies

**PUBLIC COMMENTS:**

None

**MOTION:** Director Owens moved, seconded by Director Ridler to hire qualified people

**AMENDED MOTION:** Director Ridler moved, seconded by Director Snively to recognize the positions of Board Secretary, Treasurer, General Manager and Fire Dept

Administrator as 4 separate positions with their own duties and set compensation

President Royalty called for the vote

Director Snively - Aye

Director Williams - Absent

Director Owens - Aye

Director Ridler - Aye

Director Royalty - Aye

**MOTION:** Director Ridler moved, seconded by Director Snively to set compensation for the 4 positions, Board Secretary, Treasurer, General Manager and Fire Dept Administrator

Board Secretary - \$200 monthly salary

Treasurer - \$300 monthly salary

General Manager - \$783 monthly salary

Fire Dept Administrator - \$600 monthly salary

President Royalty called for the vote  
Director Snively - Aye  
Director Williams - Absent  
Director Owens - Aye  
Director Ridler - Aye  
Director Royalty - Aye

**4D. Approve in Concept the Proposed 2013-2014 Newberry Community Services District Budget**

**Recommended Action:** Approve in concept the proposed 2013-2014 Fiscal year NCSD Budget

Direct staff to keep the proposed budget posted at the District office and on the website until final acceptance of the 2013-2014 Fiscal year NCSD Budget by action of the board  
Place agenda item for final acceptance of the 2013-2014 Fiscal Year NCSD Budget at the August 27, 2013 Regular Meeting

**PUBLIC COMMENTS:**

None

**MOTION:** Director Snively moved, seconded by Director Ridler to approve concept of the proposed 2013-2014 NCSD Budget

President Royalty called for a break at 7:32 p.m.

President Royalty called meeting back to order at 7:43 p.m.

**NOTE:** Let the record reflect Director Owens left the meeting at 7:45 p.m.

**AMENDED MOTION:** Director Ridler moved, seconded by Director Snively to approve in concept the 2013-2014 NCSD Budget with the following changes

Administration item 1012.4 increase to \$3600, Fire Department item 2.1 reduced to zero, FD item 4.1 to \$2500, FD item 4.3 to \$750, FD item 5.1 to \$1000, FD item 5.2 to \$1500, FD item 6.1 to \$260, FD item 7.5 to \$5335, FD item 8.1 to \$200 with total income and expense of \$205,800.00

President Royalty called for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

**NOTE:** Debbie Farrington will get clean copy to Jodi Howard for posting and the Board thanks her and the committee for all their hard work

**4E. NCSD Purchasing Card Use Agreement and NCSD Policy #3075**

**Recommended Action:** Immediate removal of any purchasing cards assigned to directors and non-staff

Appoint new Purchasing Card Administrator including Approval Officer, Billing Officer and Card Holder

Creation of new Purchasing Card Use Agreement

Creation of new Purchasing Card procedures including limits, proper documentation collections and guarantee of timely payment process

Define duties between General Manger, Treasurer, Purchasing Card Administrator and Card Holder

Creation of Process for handling disputes on un authorized purchases and a requirement for that card holder use personal funds when they violate Purchasing Card Policy

Assign fuel cards to the NSVFD vehicles with limits

Establish NCSD Corporate Card for reoccurring monthly expenses

**PUBLIC COMMENTS:**

Paula Deel

Debbie Farrington

Ellen Johnson

**MOTION:** Director Snively moved, seconded by Director Ridler to remove purchasing cards assigned to directors - appoint new purchasing card administrator including approval officer - creation of new purchasing card agreement - creation of new purchasing card procedures including limits, proper documentation collections and guarantee of timely payment process - define duties between GM, Treasurer, Purchasing Card Administrator and Card Holder - Creation of Process for handling disputes on un authorized purchases and requiring card holder use personal funds when they violate Purchasing Card Policy - assign fuel cards to the NSVFD vehicles with limits - and establish NCS D Corporate Card for reoccurring monthly expenses

- Original Motion broke into separate Motions -

**MOTION 1:** Director Ridler moved, seconded by Director Snively to immediately remove Director Owens' purchasing card

President Royalty called for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

**MOTION 2:** Director Ridler moved, seconded by Director Snively to appoint Jodi Howard as new purchasing card administrator and approval officer and training administrator

President Royalty called for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

**MOTION 3:** Director Ridler moved, seconded by Director Snively to create new Purchasing Card Use Agreement and present to the board

President Royalty called for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

**MOTION 4:** Director Ridler moved, seconded by Director Snively to create a new purchasing card procedure and present to the board

President Royalty called for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

**MOTION 5:** Director Ridler moved, seconded by Director Snively that definition of duties between GM, Treasurer and Purchasing Card Administrator should be with job description

President Royalty called for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

**NOTE:** Dispute agreement should be included with User Agreement - Fuel Card and Corporate Card assignment given to Jodi Howard

**4F. District's Finances and Spending  
Recommended Action - Discussion Only**

**PUBLIC COMMENTS:**

None

- NOTE:** re present this idea after budget resolution
- 4G. Enforcement of existing NCSD By-Laws and Policy Handbook while current By-Laws and Policy Handbook are reviewed/updated**  
**Recommended Action - Discussion Only**  
**PUBLIC COMMENTS:**  
None  
**NOTE:** follow current rules and present for first review in August, By-laws & Policies
- 4H. Creation of NSV Fire Department Policy Handbook and review of NCSD Policy #1071**  
**Recommended Action - Discussion Only**  
**PUBLIC COMMENTS:**  
None  
**NOTE:** Fire Dept will present to Board when ready
- 4I. All NCSD Directors attend CSDA & CSAC Leadership Courses and AB 1234 Ethics Training**  
**Recommended Action - Discussion Only**  
**PUBLIC COMMENTS:**  
None  
**NOTE:** training should be considered after January 2014
- 4J. Establish catalog of ALL Retained District documents and review NCSD Policy #3090**  
**Recommended Action - Discussion Only**  
**PUBLIC COMMENTS:**  
None  
**NOTE:** recommend use of form after hiring of full staff
- 4K. Creation of NCSD Legal Counsel Log Book and review NCSD Policy #3092**  
**Recommended Action - Discussion Only**  
**PUBLIC COMMENTS:**  
None  
**NOTE:** recommend use of form after staff in place

**ADJOURN**

Director Ridler moved, seconded by Director Snively to adjourn the meeting  
President Royalty called for the vote

Director Snively - Aye  
Director Williams - Absent  
Director Owens - Absent  
Director Ridler - Aye  
Director Royalty - Aye

President Royalty declared the meeting adjourned at 8:35 p.m.

Respectfully Submitted,

**Kathleen S Ridler**

Director Ridler - Board Administrator  
July 10, 2013

**Newberry Community Services District  
2013-2014 Proposed Budget**

**1000.0 ADMINISTRATION**

<b>1001.0 Advertising</b>	<b>\$300.00</b>
<b>1002.0 Annex</b>	
1002.1 Annex Capital Improvement	\$0.00
1002.2 Annex/Parking Lot Electric	\$1,250.00
1002.3 Annex Propane	\$1,800.00
1002.4 Annexr Repair/Maintenance	\$500.00
<b>1003.0 Auditor</b>	<b>\$29,150.00</b>
<b>1004.0 Bank Fees</b>	<b>\$100.00</b>
<b>1005.0 Director Stipends</b>	<b>\$4,500.00</b>
<b>1006.0 Education Expenses</b>	
1006.1 Education: Tuition	\$3,925.00
1006.2 Education: Books	\$500.00
1006.3 Education Expense: Lodging	\$555.00
1006.4 Education Expense: Mileage	\$800.00
<b>1007.0 Election Expenses</b>	<b>\$3,000.00</b>
<b>1008.0 LAFCO</b>	<b>\$100.00</b>
<b>1009.0 Legal Expenses</b>	<b>\$5,000.00</b>
<b>1010.0 Office Expense</b>	
1010.1 Office Supplies	\$750.00
1010.2 Office Equipment: Maintenance/Repair	\$600.00
1010.3 Office Equipment: Purchases	\$0.00
1010.4 Postage/Shipping	\$500.00
1010.5 Annex Telephone/Fax	\$500.00
1010.6 Subscription/Membership Fees	\$500.00
1002.3 Annex Internet	\$1,000.00
<b>1011.0 Outside Bookkeeping</b>	
1011.1 Stewart's	\$580.00
<b>1012.0 Administrative Personnel Expenses</b>	
1012.1 Salary: Board Secretary	\$2,400.00
1012.2 Salary: General Manager	\$9,400.00
1012.3 Salary: Office Assistant	\$7,200.00
1012.4 Salary: Treasurer	\$3,600.00
1012.5 Payroll Taxes (District Portion)	\$3,250.00
1012.6 California State Distribution - no cost item	\$0.00
1012.7 Department of Justice - Live Scane	\$210.00
<b>1013.0 SDRMA Insurance: Liability/Bonding</b>	<b>\$4,700.00</b>
<b>SUB-TOTAL</b>	<b>\$86,670.00</b>

**Newberry Community Services District  
2013-2014 Proposed Budget**

**2000.0 PARK & RECREATION**

<b>2001.0 Community Events</b>		
2001.1	Community Event: Advertising	\$150.00
2001.2	Community Event: Expenses	\$12,500.00
<b>2002.0 Community Center Expenses</b>		
2002.1	Consumable Supplies	\$850.00
2002.2	CSD Electric	\$6,000.00
2002.3	CSD Propane	\$3,000.00
2002.4	Contract Labor: Cleaning	\$4,620.00
2002.5	Health Permits	\$1,000.00
2002.6	Maintenance/Repair: CSD Building	\$500.00
2002.7	Pest Control	\$600.00
<b>2003.0 Grounds Expenses</b>		
2003.1	Contract Labor: Landscape	\$4,900.00
2003.2	Disposal Services	\$1,800.00
2003.3	Maintenance/Repair: Equipment	\$500.00
2003.4	Maintenance/Repair: Grounds	\$1,500.00
2003.5	Maintenance/Repair: Well	\$1,000.00
2003.6	Mojave Water Agency Fees	\$100.00
2003.7	Park: Capital Improvements	\$0.00
2003.8	Park: Electric	\$900.00
2003.9	Water Testing Fees	\$600.00
<b>SUB-TOTAL</b>		<b>\$40,520.00</b>

**3000.0 STREET LIGHTS**

3001.0	Street Lights	\$5,000.00
<b>SUB-TOTAL</b>		<b>\$5,000.00</b>



**Newberry Community Services District  
2013-2014 Proposed Budget**

**5000.0 INCOME**

<b>5001.0 Interest</b>	
5001.1 Bank Interest	\$500.00
5001.2 Certificate of Deposit	\$0.00
5001.3 Savings Account	\$0.00
<b>5002.0 Rental</b>	
5002.1 Building Rental	\$800.00
5002.2 Equipment: Table/Chairs	
<b>5003.0 Fire Department</b>	
5003.1 Fire Department: Burn Permits	\$2,000.00
5003.2 Fire Department: Response Charges	\$0.00
5003.3 Fire Department: Grant Income	\$0.00
5003.4 Fire Department Donations	\$0.00
<b>5004.0 Other Income</b>	
5004.1 Kiewitt Fund Transfer for public events	\$10,000.00
5004.2 Rebate: Purchasing Card	\$0.00
5004.3 Copies	\$0.00
5004.4 Fireworks Donations	\$2,500.00
<b>5005.0 San Bernardino County Tax Share</b>	<b>\$190,000.00</b>
<b>TOTAL</b>	<b>\$205,800.00</b>

**Expense Totals**

1000.0 Administration	\$86,670.00
2000.0 Park and Recreation	\$40,520.00
3000.0 Street Lights	\$5,000.00
4000.0 Fire Department	\$73,610.00
<b>Total</b>	<b>\$205,800.00</b>
BALANCE BETWEEN INCOME AND EXPENSES	\$0.00





# LAFCO

## Local Agency Formation Commission for San Bernardino County

215 North "D" Street, Suite 204  
San Bernardino, CA 92416-0480  
909.383.9900 | Fax 909.383.9901  
E-mail: lafco@lafco.sbcounty.gov  
www.sbclafco.org

Established by the State of California  
to serve the Citizens, Cities, Special Districts  
and the County of San Bernardino

### COMMISSIONERS

JIM BAGLEY  
Public Member

KIMBERLY COX, Vice Chair  
Special District

JAMES V. CURATALO, Chair  
Special District

ROBERT A. LOVINGOOD  
Board of Supervisors

LARRY McCALLON  
City Member

JAMES RAMOS  
Board of Supervisors

DIANE WILLIAMS  
City Member

### ALTERNATES

DAWN ROWE  
City Member

JANICE RUTHERFORD  
Board of Supervisors

SUNIL SETHI  
Public Member

ROBERT W. SMITH  
Special District

### STAFF

KATHLEEN ROLLINGS-McDONALD  
Executive Officer

SAMUEL MARTINEZ  
Assistant Executive Officer

MICHAEL TUERPE  
Project Manager

REBECCA LOWERY  
Clerk to the Commission

### LEGAL COUNSEL

CLARK H. ALSOP

September 25, 2013

RECEIVED  
SEP 27 2013

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN BERNARDINO  
OFFICE OF THE PRESIDING JUDGE

Honorable Marsha G. Slough, Presiding Judge  
Superior Court of California  
County of San Bernardino  
303 West Third Street, Fourth Floor  
San Bernardino, CA 92415-0302

Dear Judge Slough:

This response is provided to the *2012-13 San Bernardino County Final Grand Jury Report* identifying issues related to the Newberry Community Services District and the Local Agency Formation Commission for San Bernardino County (hereafter LAFCO).

**Recommendation #15:** "Review suggestions made in its (LAFCO) 2009 report and include more robust analysis of governance and reorganization options for the next Service Review of the District, scheduled for 2014." (*Italics included by LAFCO staff*)

**Response:** On August 21 and September 18 LAFCO reviewed Recommendation #15 outlined above as well as the Grand Jury concerns related to the operations of the Newberry Community Services District. By action taken September 18, LAFCO has directed its staff to undertake an immediate off-cycle service review for the Newberry Community Services District as well as the Yermo and Daggett Community Services Districts to address the concerns outlined in the Grand Jury Report and Recommendation #15. The Commission chose to look at all three communities on the basis that the original report addressed the regional area and outlined the concerns for future sustainability of services. Due to the severity of the issues identified in the Grand Jury report, LAFCO was concerned that the next service review, while currently scheduled for 2014, would be delayed. Therefore, an off-cycle response was approved.

The Commission's direction to its staff is to undertake a detailed analysis of the various service delivery options (which will include but will not be limited to consolidation, transfer of service to a more regional entity, etc.) available for the area. A copy of the report presented to the Commission for the September hearing is included for your information. LAFCO staff will be contacting the three

Community Services Districts in the near future to request submission of financial and service plan documents to commence the study.

Should you have any questions on this response or LAFCO actions to be undertaken, please do not hesitate to contact me directly at the address or phone number listed above or by email at: [kmcdonald@lafco.sbcounty.gov](mailto:kmcdonald@lafco.sbcounty.gov).

Sincerely,



KATHLEEN ROLLINGS-McDONALD  
Executive Officer

Attachment

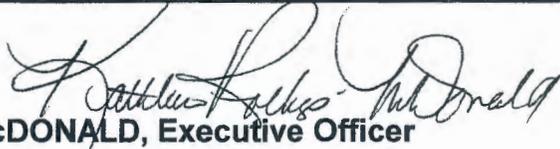
**LOCAL AGENCY FORMATION COMMISSION  
FOR SAN BERNARDINO COUNTY**

215 North D Street, Suite 204, San Bernardino, CA 92415-0490  
(909) 383-9900 • Fax (909) 383-9901  
E-MAIL: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov)  
[www.sbclafco.org](http://www.sbclafco.org)

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**DATE:** SEPTEMBER 10, 2013  
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** Agenda Item #8 – Consideration of Response to San Bernardino County Grand Jury Report Related to the Newberry Community Services District

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**RECOMMENDATION:**

Staff recommends that the Commission approve the response to the San Bernardino County Grand Jury Report related to the Newberry Springs Community Services District as follows:

1. Concur with the 2012-13 Grand Jury Final Report Recommendation #15 and determine the option for addressing the information needs identified – Option #1 or Option #2 – as outlined in this report; and,
2. Authorize the Executive Officer to submit the response to the Presiding Judge of the Superior Court outlining the Option chosen to address the recommendation by the deadline of September 28, 2013.

**BACKGROUND:**

At the August 21, 2013 hearing the Commission reviewed the staff report related to the mandatory response to the 2012-13 Grand Jury Final Report (copy included as Attachment #1) related to the Newberry Community Services District. Recommendation #15 relates to LAFCO and reads as follows (the italics have been provided by LAFCO staff):

“Review suggestions made in its 2009 report (*Service Review for the Communities of Daggett, Yermo and Newberry Springs*) and include more robust analysis of governance and reorganization options for the next Service Review of the District, scheduled for 2014.”

The reorganization options identified in this 2009 report included, among others, is the consolidation of the three CSDs into a single agency, which the staff recommendation supported through a consolidated sphere of influence. The staff's rationale was identified as being that the three CSDs were experiencing governance issues (compliance with audit requirements, budget compliance, etc.) to varying degrees and the consolidation would pool resources to allow for the hiring of professional staff to move them toward compliance. The August staff report provided two options for consideration to respond to the Grand Jury:

**OPTION #1** Concur with Recommendation #15 and direct staff to provide a more detailed analysis of the potential consolidation of the District during the second cycle review, anticipated to be 2014 but could be later in time; or,

**OPTION #2** Concur with Recommendation #15 and because of the severity of the issues identified direct staff to undertake an off-cycle review of the Newberry Community Services District, as well as the Yermo and Daggett Community Services Districts, to provide a more detailed financial and operational analysis for governance options. The only issue with undertaking this option would be funding since the revenues for service reviews must come from the Commission's mandatory apportionment process, as no fees can be charged for the process.

The key issue of concern for LAFCO staff was the estimated cost of in conducting this special study. At the August meeting staff was directed to see if there were mechanisms to reduce the cost of Option #2, then estimated to be between \$15,000 and \$20,000. Staff has reviewed the cost estimate and identified that in order to provide the necessary information on the actual cost and structure of any governance changes (such as a preparation of a financial and governance analysis including documentation of a future board of directors, etc.), the necessary outreach to the residents and property owners in the area, and the costs of hearings before the Commission, staff believes that \$15,000 is needed. Some of the direct costs associated with the estimates anticipated at this time include:

- Notice to all landowners and registered voters of at least a single community meeting, if not more, and the Commission's consideration. In 2009 the cost for conducting a community meeting and providing individual notice had a direct cost of \$2,144. In addition there would be a charge from the Registrar of Voters to provide the mailing list currently estimated at \$240 per district. The total cost for two mailings would be \$4,768.
- Legal advertising in the Desert Dispatch, the newspaper of general circulation in the area, for the prior service review was \$810. The estimate for legal advertising would be \$1,620 (one community meeting and Commission hearing).
- Travel and salary costs for staff to meet with the staff of each of the districts and possibly needing to develop the information to complete the study \$3,000.

The total of the estimated direct costs are \$9,388. The indirect costs of LAFCO staff, at all levels, to provide the report needed and the presentation to the Commission would consume the remaining \$5,612, for a total cost of \$15,000.

At the July hearing staff identified in the unaudited financial report for Fiscal Year 2012-13 the potential of an additional carryover of \$37,692. Since that time, the final year-end financial reports have been received and this figure has been verified; therefore, there is some additional funding available for this study. LAFCO staff would recommend that if there is an interest in moving forward with a special study of governance options for the three communities, that the cost be divided between LAFCO (\$10,000) and the First District (\$5,000). The First District funding identified in this proposal is for financial assistance to LAFCO staff in gathering and disseminating information on governance options for the three communities. Staff believes that it is extremely important that governance issues be reviewed and discussed within the communities as this will be the last major area of potential developable lands in the I-15 and I-40 corridors for the future, being the gateway to the Mojave Preserve and other federally held lands.

Based upon the Commission's determination of option, staff will prepare the letter response to the presiding judge of the Superior Court and submit by the September 28, 2013 deadline. Should the Commission have any questions, staff will be happy to answer them prior to or at the hearing.

KRM

Attachment – August 12, 2013 Staff Report





County of San Bernardino

# INTEROFFICE MEMO

**DATE:** October 2, 2013

**PHONE:** 386-9000

**FROM:** **LARRY WALKER**   
Auditor-Controller/Treasurer/Tax Collector

**TO:** **MARSHA G. SLOUGH**, Presiding Judge  
Superior Court of California

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**SUBJECT: RESPONSE TO 2012-2013 SAN BERNARDINO COUNTY GRAND JURY REPORT**

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The Auditor-Controller/Treasurer/Tax Collector (ATC) respectfully responds to the 2012-13 San Bernardino County Grand Jury Final Report (hereinafter "The Report"). There was one recommendation in The Report that addresses ATC and one follow-up recommendation from the 2010-11 Grand Jury Report that is also related to ATC.

## Grand Jury Report 2012-13

<u>Finding</u>	<u>Recommendation</u>
No Finding	13-27

## Grand Jury Report 2010-11

<u>Finding</u>	<u>Recommendation</u>
No Finding	2011-30

### Recommendation 13-27

#### [Rec. 6, p.12]

We partially concur with this recommendation, while noting that no funding exists for the suggested work in the absence of voluntary cooperation by the agency. ATC had procedures in place to notify special districts of their duties. For the FY 2009-2010 report, ATC Internal Audits Section (IAS) sent Newberry Community Services District (NCSD) the following reminder and late notice letters:

- Late Notice 1 – July 8, 2011
- Late Notice 2 – February 10, 2012
- Late Notice/Reminder Letter – May 7, 2013

In addition to the letters, ATC also contacted the General Manager of NCSD in February of 2013 to obtain his permission to work directly with the District's external auditors, DB Whitford, to discuss the status and submission of the outstanding reports. DB Whitford informed ATC that due to tax season they were unable to provide the reports, but indicated their intent to submit them as soon as possible.

ATC has modified our special district notification procedures. We now send the reminder letters annually in December. We also begin the late notification process much sooner. Our notification process is as follows:

- **Reminder Letter**-December 1<sup>st</sup> - Letter is sent to remind districts that their financial statements for the previous fiscal year are due to ATC before next June 30<sup>th</sup>.
- **Late Notice 1**-July 1<sup>st</sup> - Delinquent notices are mailed to non-compliant districts.
- **Late Notice 2**-October 1<sup>st</sup> - (three months after the financial statements are overdue).
- **Final Notice**-January 1<sup>st</sup> - (six months after the financial statements are overdue).
- An annual report will be presented to the Board of Supervisors no later than June. The report will include any district that has not submitted annual financial statements to ATC after receiving the final notice from our office. ATC will cause the audit of the non-compliant districts financial statements following the Board of Supervisors' acceptance of the annual report, which will include cost estimates for the delinquent work.

**[Rec. 7, p.12]**

Members of ATC are available to work with the NCSD General Manager to determine the best approach to bring the District in compliance with Government Code section 26909.

**Recommendation 2011-30**

ATC does not concur with the Grand Jury response to the follow-up of this recommendation. ATC's response to this recommendation on September 30, 2011 was not reported as we responded. ATC's response to this recommendation was as follows:

*“ATC Central Collections will cooperate with the Public Defender to implement this recommendation.”*

It appears the County Administration's response was included in place of ATC's response. Central Collections does not conduct fee studies for departments. Central Collections is able to provide limited accounts receivable and collections data to departments for fee studies.

The 2012-2013 Grand Jury's question and answer below does not accurately characterize ATC's responsibility in the implementation of the recommendation.

**Question:** *“Has the recommendation been implemented?”*

**Answer:** *“The recommendation has not been implemented. The Central Collections Department was advised that the Public Defender's Office and Internal Audit are responsible for implementing this recommendation.”*

The Public Defender's office is responsible for implementation of this recommendation. ATC Internal Audits Section does not conduct fee studies and does not have the ability to implement the recommendation. County departments are required to independently review their departmental fees on an annual basis and report to the Board of Supervisors. Any analysis provided by ATC would be conducted by the Management Services Section of the Controller Division. We respectfully request the Grand Jury revise the report to reflect that it is the sole responsibility of the Public Defender's office to implement the recommendation and to clarify that 1) Central Collections is a division within ATC, not a department, and 2) ATC assistance to the Public Defender to study costs is available from ATC Management Services Section.

Please feel free to contact me if you have any questions.

LDW:MJB:wds

