



County of Yolo

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November 8, 2012

Honorable Daniel P. Maguire
Judge of the Yolo Superior Court
725 Court Street, Department 16
Woodland, CA 95695

REVISED WITH
ADDITIONAL
INFORMATION
FOR F-17

Dear Judge Maguire:

Response to the 2012-13 Grand Jury Report on Yolo County Probation Department

The 2012-13 Grand Jury issued a report on the Yolo County Probation Department on October 15, 2012 and has requested the Yolo County Auditor-Controller to respond to certain findings and recommendations contained therein. Our responses are stated below, under each of the Grand Jury findings and recommendations.

F-2: ADC is the sole provider of assessment tools used by YCPD.

Auditor-Controller's Response: We agree partially. ADC is the sole paid provider of assessment tools used by YCPD. The Interim Probation Chief Officer informs that the department has also used Ohio Pre-Trial Risk Assessment Tool which was available at no cost. Our upcoming audit of contract practices at the Probation Department will clarify this finding.

F-3: The YCPD manager was the sole contract administrator for ADC.

Auditor-Controller's Response: We agree partially. The YCPD manager in question was a department head who had overall authority and responsibility on the contract; however, our preliminary review indicates that contract payments were processed in the normal manner, involving approval of finance staff in the Probation Department as well as staff in the Auditor-Controller Department.

F-4: The YCPD manager had a dual relationship with the CEO of ADC.

Auditor-Controller's Response: We agree with the finding, based on information obtained from the County Administrator's office.

F-5: ADC invoices were received and approved solely by the YCPD manager.

Auditor-Controller's Response: We do not agree with the finding. Our preliminary review indicates that some invoices were received and approved by other finance staff in accordance with countywide procedures.

F-9: The YCPD manager used airline credits earned as a Yolo County employee to travel from Sacramento to Utah and Arizona on non-county business.

Auditor-Controller's Response: We cannot confirm this finding since we have no access to the manager's private travel records. We note that there is no county policy prohibiting such usage of airline credit.

F-11: The YCPD manager guided ADC in completing invoices for payment despite having a dual relationship with the CEO.

Auditor-Controller's Response: We cannot confirm this finding at this time, but note that it is not an unusual business practice for a contract administrator to guide a vendor in the completion of invoices to be submitted to the county to ensure that they comply with the county requirements. Our upcoming audit will clarify this finding.

F-12: The YCPD manager authorized a strategically complex pay package for MIT trainers.

Auditor-Controller's Response: We do not agree with the finding. The YCPD manager might have instructed trainers to improperly record time in such a way as to increase their pay, but would not be able to "authorize a strategically complex pay package" due to established internal control in the payroll and HR system. Our upcoming audit will clarify this finding.

F-13: The method of compensation for MIT trainers was not approved by Yolo County Human Resources (YCHR).

Auditor-Controller's Response: We agree with the finding. Our preliminary review indicates that the enhanced compensation to MIT trainers was not specifically authorized by the Human Resources Division.

F-14: Some trainers were directed to falsify timesheets.

Auditor-Controller's Response: We cannot confirm this finding until our upcoming audit is completed.

F-15: Timecards were submitted improperly.

Auditor-Controller's Response: We cannot confirm this finding until our upcoming audit is completed.

F-16: There are no agreements for other counties to reimburse Yolo County for MIT training conducted by the Yolo County staff.

Auditor-Controller's Response: We do not agree with this finding. Our preliminary review indicates that there were agreements with Alameda, Santa Cruz and Yuba counties to reimburse Yolo County for MIT training costs. Our upcoming audit of contracting process will clarify this finding.

F-17: No invoices have been submitted by YCPD to other counties for training reimbursement and no reimbursements have been received by Yolo County.

Auditor-Controller's Response: We do not agree with this finding. Our preliminary review indicates that some reimbursements have been received from the partner counties: as of 10/31/12, \$4,116.04 paid by Alameda County was recorded on 9/20/12 and \$8,584.67 paid by Santa Cruz County was recorded on 10/12/12; a further \$10,114.32 are receivable from these two counties. Our upcoming audit of contracting process will clarify this finding.

F-18: Yolo County has no code of conduct or professional code of ethics for high level management employees to follow.

Auditor-Controller's Response: We partially agree with this finding. While the Yolo County Administrative Policy Manual contains a Code of Ethics for Procurement that is relevant to this case, the County does not have a general code of ethics applicable to upper management employees.

R-1: The ADC contract should be reviewed by Yolo County Counsel and the County Administrative Officer to determine by December 28, 2012 the operational fitness and financial viability of ADC.

Auditor-Controller's Response: The County Administrator and the County Counsel have informed that this recommendation will be implemented.

R-3: The MIT compensation package should be reviewed by December 28, 2012 to determine if YCPD management has the authority to authorize a compensation package.

Auditor-Controller's Response: This recommendation will be implemented in conjunction with our upcoming audit of payroll practices at the Probation Department by the end of December 2012.

R-4: The scheduling of MIT training on days not at work should be reviewed by December 28, 2012 to determine if this is a violation of the MOU.

Auditor-Controller's Response: This recommendation will be implemented in conjunction with our upcoming audit of payroll practices at the Probation Department by the end of December 2012.

R-5: No single Yolo County manager should have singular authority over the development and implementation of a contract or vendor.

Auditor-Controller's Response: This recommendation requires further analysis and will be fully considered after completion of the upcoming audit of contract practices at the Probation Department by the end of December 2012.

R-6: The timesheets for MIT trainers should be audited and overpayments should be recovered by December 28, 2012.

Auditor-Controller's Response: This recommendation will be partially implemented: the audit will be completed by the end of December but recovery of overpayments may extend into 2013.

R-7: Yolo County should closely monitor YCPD to ensure no dual relationship exist between employees and outside contractors.

Auditor-Controller's Response: This recommendation will be fully considered after completion of the upcoming audit of contract practices by the end of December 2012.

R-8: Yolo County should perform an audit of payments to ADC and determine if any payment irregularities occurred and recoup funds as necessary by December 28, 2012.

Auditor-Controller's Response: This recommendation will be implemented.

R-9: Any agreements and/or payments for reimbursement for MIT training from other counties should be reviewed for compliance with Yolo County's financial policies and procedures.

Auditor-Controller's Response: This recommendation will be implemented.

We appreciate the opportunity to respond to the Grand Jury Report.

Sincerely,



Howard Newens
Auditor-Controller &
Treasurer-Tax Collector

Cc: Yolo County Board of Supervisors via Clerk of the Board