

2005-2006
YOLO COUNTY GRAND JURY
FINAL REPORT

A report for the citizens of Yolo County

June 30, 2006
Woodland, California

Letter to Judge:

GRAND JURY
County of Yolo
P.O. Box 2142
Woodland, CA 95776
June 30, 2006

Judge Thomas E. Warriner
Yolo County Superior Court
725 Court Street
Woodland, CA 95695

Dear Judge Warriner:

Pursuant to the mandates of section 888 *et sequential*, the 2005-2006 Yolo County Grand Jury duly, ethically and professionally executed its legislated obligation within the framework of the pertinent sections of the California Penal Code (PC) during the year of its sworn empanelment, and presents to the Court, the Final Report.

It has been a busy year starting with the comprehensive training provided under the requirements of PC 914 *et seq.*, receiving 21 public complaints, accepting and undertaking 11 investigations which fell within our purview, issuing 17 subpoenas, 8 subpoena Duces Tecum's, presenting indictments on 2 defendants to the Yolo County Superior Court and issuing, because of the critical and serious nature of the evidentiary findings, two interim reports.

In performing its duties the Grand Jury was subjected to public criticism, which was to be expected, as historically, grand juries are typically accused of poor judgment or error in findings, usually by those who were the subjects of the enquiries.

The nineteen jurors, all volunteers without salary, worked an extraordinary number of hours in the aggregate, sometimes through weekends and nights, interviewing witnesses, assiduously examining written and sworn testimony, judicially and objectively determining conclusions and writing reports. This extensive dedication of service was to assure the citizens of Yolo County that their governmental institutions were operating lawfully, ethically, competently and efficiently, and could not have been realized without the patient and intelligent assistance of the District Attorney's office. The on-going and invaluable consultations permitted the jury to constantly work within the legislated operating rules, procedures and responsibilities and return reports that are factual and responsible.

The Grand Jury also thanks its advisory judge for his constant availability, unswerving, timely and practical advice and counsel.

Sincerely,

Charlotte I. Beal, Foreman
2005-2006 Yolo County Grand Jury

INTRODUCTION

About the Grand Jury

The California Constitution requires each county to appoint a Grand Jury to guard the public interest by monitoring local government. The Yolo County Superior Court appoints 19 Grand Jurors each year from a pool of volunteers. The Yolo County Grand Jury is an official, independent body of the Court, not answerable to administrators or the Board of Supervisors.

Unlike grand juries in other states, a California Grand Jury's primary responsibility is to promote honesty and efficiency in government by reviewing the operations and performance of county and city governments, school districts, and special districts. Based on these reviews, the Grand Jury issues a report that may state its findings and recommend changes in the way government conducts its business. Copies are distributed to public officials, county libraries, and the news media. The governing body of any public agency must respond to Grand Jury findings and recommendations within 90 days. An Elective Officer or Agency Head must respond to Grand Jury findings and recommendations within 60 days. (See Appendix for responses to the 2004-2005 Grand Jury report.)

The Grand Jury also investigates complaints from private citizens, local government officials, or government employees. Complaints must be submitted in writing and should include any supporting evidence available. You can request a complaint form at your local library or from the Grand Jury at P.O. Box 2142, Woodland, CA 95776. Grand Jurors are sworn to secrecy and, except in rare circumstances, records of their meetings may not be subpoenaed. The secrecy ensures that neither the identity of the complainant nor the testimony offered to the Grand Jury during its investigations will be revealed. The Grand Jury exercises its own discretion in deciding whether to conduct an investigation or to report its findings on citizen's complaints. Any juror who has a personal interest in a particular investigation is recused from discussion and voting regarding that matter.

The findings in this document report the conclusions reached by the Grand Jury. Although all the findings are based upon evidence, they are the product of the Grand Jury's independent judgment. Some findings are the opinion of the Grand Jury rather than indisputable statements of fact. All reports included in this document have been approved by at least 12 jurors. The Grand Jury's final responsibility is to consider criminal indictments, usually based on evidence presented by the District Attorney. On its own initiative, however, the Grand Jury may investigate charges of malfeasance (wrongdoing), misfeasance (a lawful act performed in an unlawful manner), or nonfeasance (failure to perform required duties) by public officials. To be eligible for the Grand Jury, a citizen must be at least 18 years old, have resided in Yolo County for at least one year, exhibit ordinary intelligence and good character, and possess a working knowledge of English. Following a screening process by the Court, Grand Jurors are selected by lottery. If you are interested in becoming a Grand Juror, submit your name to the Jury Commissioner, 725 Court Street, Room 303, Woodland, California 95695, or telephone (530) 406-6824 or 6825.

The 2005–2006 Yolo County Grand Jury

Charlotte Beal (Foreman), *Woodland*

Robert Brouhard, *Davis*

Dennis Dingemans, *Davis*

Vincent J. Gonzales II, *Woodland*

Beverly Graham, *West Sacramento*

Chris Griffith, *Woodland*

Joanne Hickcox, *Woodland*

Mary Kay Hill, *West Sacramento*

Todd Juchau, *Davis*

Charles Judson, *Davis*

Catherine Kennard, *West Sacramento*

Robert Kunst, *Winters*

Stanley Moorhead, *Woodland*

Larry Nofziger, *Woodland*

Phillip Rexroad, *Woodland*

Lee T. Sheldon, *Woodland*

Leanne Thomson, *Woodland*

David Trauner, *El Macero*

Mary M. Irwin, *Davis*, was sworn in but was unable to complete the term.

INVESTIGATIONS

Yolo County Department of Employment and Social Services

REASON FOR REVIEW

Recommendation 05-07 of the 2004-2005 Grand Jury Final Report on the Yolo County Department of Employment and Social Services (DESS) requested that the 2005-2006 Grand Jury follow up on last year's report and recommendations.

BACKGROUND

The 2004-2005 Yolo County Grand Jury found merit and validity to a complaint regarding inappropriate behavior on the part of upper level managers in DESS, including: a documented history of harassment of subordinate staff, allegations of mismanagement of DESS funds, and a documented failure to properly fund investigations into welfare fraud.

FACTS

1. A list of common problem themes to be addressed by DESS administrators was generated by staff at a retreat sponsored by the Interim County Administrative Officer (CAO).
2. Diana Williams was appointed Interim Director. A permanent director was installed on February 1, 2006.
3. Money has been made available for investigation into welfare fraud.
4. The lack of staff continues to be a major problem at DESS.
5. Witnesses testified that harassment of employees by the remaining Assistant Director, whom the 2004-2005 Grand Jury recommended be suspended and investigated, continued. The interim CAO indicated to the current Grand Jury that he was working to resolve this problem. The interim CAO has subsequently left County employment.

FINDINGS

1. Persistent staff shortages place an undue burden on current DESS employees, but DESS appears to be resolving staffing issues.
2. The response to the failure to support and fund welfare fraud investigations has been adequate.
3. The current Grand Jury found it unsettling to hear testimony that an Assistant Director cited in last year's report continued to harass DESS employees.

RECOMMENDATIONS

06-30 The Department of Human Resources must be more aggressive in recruiting new employees for DESS.

06-31 The new Director of DESS must carefully monitor the behavior and progress of the Assistant Director in question.

06-32 The 2006-2007 Grand Jury should review the status of the DESS with regard to the issues cited by the 2004-2005 and 2005-2006 Grand Juries.

RESPONDENTS

SOURCES

Yolo County Chief Administrative Officer, Interim
Yolo County Chief Administrative Officer, Permanent
Yolo County Department of Employment and Social Services, Employees
Yolo County Department of Employment and Social Services, Interim Director

Interim Report

Yolo County Housing Authority

REASON FOR REVIEW

For several years, Yolo County Grand Juries have received numerous complaints about systemic harassment, mismanagement and financial irregularities within the Yolo County Housing Authority (HA) and its related entities. There are many allegations of impropriety that run the gamut from widespread incompetence and unqualified management personnel to potential criminal malfeasance and collusion between the HA management and some members of its governing entity.

METHODOLOGY

Because of the number and severity of the complaints received, the 2005-06 Grand Jury has subpoenaed the records of the HA and has requested that all financial documents be subject to an independent audit. Staff members, Commissioners, and County Supervisors have been requested or summoned to appear before the Grand Jury to testify about their actions, or lack thereof, on behalf of those members of our community most in need of healthy and safe housing and who are least able to secure their rights. The District Attorney of Yolo County has been apprised that criminal prosecution may be warranted.

BACKGROUND

The Yolo County Housing Authority is a quasi-governmental body funded by federal grants and state pass-throughs. The US Department of Housing and Urban Development (HUD) is responsible for the oversight of the nation's housing authorities and provides the rules and regulations under which they operate. Those regulations provide guidelines for employees, commissioners, and clients of each housing authority throughout the country.

Ideally, the HA screens applicants for public housing, Section 8 vouchers, Migrant Worker Housing, and Senior housing. That screening is to determine eligibility based on income, criminal background and citizenship status. The HA is supposed to monitor all housing elements for health and safety violations, gang and drug activities, and to provide maintenance and repairs as needed.

The Board of Commissioners is appointed by the Board of Supervisors to provide oversight to the HA. The Commissioners provide the checks and balances required to assure that our needy citizens are protected and that the HA is on sound financial footing.

The HA has an annual budget of approximately \$14 million. This includes service for approximately 1400 families in Yolo County, including Section 8, public housing, senior housing and migrant workers. The HA receives funding for 44 employees.

FACTS

The Grand Jury received evidence through documents and sworn testimony of multiple witnesses as follows:

The Executive Director

The Executive Director of the HA was not in the top 10 candidates for the position and did not have the necessary educational background, training or job experience to justify his employment. Prior to his employment at the HA, there is no record that he was ever employed in any housing-related occupations. Witnesses believe he was a farm worker union organizer before he was hired and that he has a Master's Degree in Hispanic Studies. The Executive Director's employment was orchestrated and approved by the voting majority of the Board of Commissioners, despite objections by the Commission's screening committee and others.

Under the Executive Director's tenure:

- New employees are hired, not for their qualifications or abilities, but for their potential for loyalty to the Executive Director. Many of the new hires are single mothers who desperately need to get and keep their jobs. The incentives to do what they are told are manifest.
- The work environment created by the Executive Director is one of fear and unease. All employees are required to work in enclosed rooms; all doors, including the kitchen and bathrooms, are locked. All employees are required to locate their computer screens facing the door and employees must sit with their backs to their doors to enable the Executive Director to inspect their computer screens.
- Employees are discouraged from interacting with one another, even on business-related matters. All of the HA is segregated so that one unit is not aware of what another may be doing on common tasks.
- Other than the public entrance and reception area, all other portions of the new HA office complex are off limits. Commissioners have reported that they are not allowed to tour the facilities to inspect the operations, even though such inspections are encouraged by the HUD guidelines.
- Multiple actions have been filed against the Executive Director and HA for harassment and creating a hostile work environment. The first of these actions was filed within two months of his hiring and was settled for \$135,000.
- HA employees have no protection from harassment or "unjustified termination." The HA employees are represented by a local Teamsters' Union and have no civil service protections. They can be hired and fired at will, without appeal.
- Some employees who are out of favor with the Executive Director have been given settlements allowing them to work at home on non-essential tasks for full pay, for as long as eighteen months. These settlements contain non-disclosure clauses.
- The Executive Director has knowingly hired undocumented aliens and persons with criminal records, bankruptcies or other financial improprieties. HUD policy prohibits such hiring.
- The HA is now classified as a "Troubled Agency" by HUD for numerous irregularities.
- Evidence has been presented that the Executive Director will retaliate against any Commissioner or employee who challenges or even questions him. Any person deemed by him to be uncooperative is first threatened and then retaliated against. The voting majority of the Board of Commissioners has been complicit in some of these actions. Some of the

witnesses who appeared before the Grand Jury, either willingly or under subpoena, expressed concerns about retaliation if they appeared. There are numerous instances showing these concerns are justified, including physical threats, property damage, evictions, terminations, etc. There is evidence that the Executive Director altered, destroyed and/or backdated documents to support his retaliatory acts.

- Travel for the Executive Director is paid by HA credit cards. It has been alleged that he has changed his travel plans at the last minute for his convenience on several occasions. These changes have caused the HA to purchase full-fare tickets and absorb the extra cost of the non-refundable tickets. It has also been testified to that the Executive Director and one or more Commissioners have traveled to training and conference sites, but have not attended the meetings. He regularly books himself into \$600-\$700/day rooms.
- During the time that the General Services Manager position was vacant, the Executive Director alone decided which bills would and would not be paid.
- Witnesses stated that the Executive Director and recording secretary are the only HA staff permitted to interact with the Commissioners. It has been reported that the Executive Director has altered the official minutes of Commission meetings.
- Tenants receiving HA assistance are prohibited from sheltering or abetting gang or drug activities. Failure to comply is cause for immediate eviction. Known gang members have moved into subsidized housing units with family members and drug sales have continued unabated.
- Witnesses also alleged that employees of the HA are taking kickbacks from tenants.

The Executive Director negotiated a new employment contract before his original contract had expired. He drafted this contract with the legal staff he hired, then submitted it to the Commission. The contract includes:

- A "no-cut" provision, requiring two years full salary on termination, as well as a retroactive pay raise. The Executive Director altered the agenda to move the approval of his contract to a later meeting, when the supporting votes would be present. Had the original agenda been followed, the contract would have been rejected.
- The Executive Director receives a salary of \$130,000 per year, plus \$20,000 for expenses, but he also submits receipts for expense reimbursement. He also receives a car allowance, alleged to be \$600 per month.
- Witnesses testified that HA funds may have been used to pay his personal credit card debt.

Financial Matters

In 2004 a new General Services Manager was selected and hired by the Executive Director, over the objection of the HA hiring committee. This was an individual with absolutely no bookkeeping, accounting or financial management experience, who kept no records, no receipts, and no General Ledger.

- The General Services Manager had previously filed for bankruptcy. HUD regulations prohibit the employment of any person in such a position who has filed for bankruptcy. The Executive Director was aware of the bankruptcy and other credit issues at the time of hiring.
- The General Services Manager developed his own system of accounting on an Excel spreadsheet with no backup documentation. Employees and vendors were often not paid or their checks bounced. Some vendors will no longer extend credit to the HA. Records were lost and/or destroyed.
- Social Security taxes were withheld from employees' paychecks, but not forwarded to the Social Security Administration for credit to the employees' retirement accounts. This occurred for at least two years and some of the funds remain unaccounted for. Some of the employees are unsophisticated and may not realize the omissions occurred.
- As a result of the General Services Manager's incompetence, the annual HUD audit could not be completed properly. The HA spent in excess of \$300,000 on outside accounting firms, as well as consultants, in order to organize the books to submit an audit to HUD. Whether the audit was credible to HUD is unknown to the Grand Jury at this time.
- The General Services Manager failed to bill the State for more than \$1 million for the Migrant Worker Program.
- This individual was fired for incompetence and was immediately rehired as a \$50-an-hour "consultant." He does no work at the facility during business hours, but sometimes arrives at the office after the close of business. The Grand Jury has been unable to determine what services, if any, he provides or the total compensation paid.
- Funds have been rerouted from their designated purposes in order to alleviate cash flow problems. It is estimated that the HA currently has a negative cash flow in excess of \$500,000.
- Witnesses alleged that HA maintenance employees are performing services on commercial properties owned by New Hope and Nueva Esperanza, HA spin-off corporations. Witnesses stated that these staff members were ordered to falsify HUD documents to indicate the work was performed on HA residential properties. At the same time, maintenance on HA properties has been neglected.
- The Executive Director received approval from the Commission to install a new accounting software system. Since the purchase of the system, the Executive Director has not provided the Commission with an accurate financial statement. The Chairman of the Commission determined that if the financial statement was not accurate, there should be no financial accounting to the Commission until such time as the software problems were resolved.
- The Commission has had no financial accounting for more than six months and the software problems are not fixed. If and when a financial statement will be available to the Board of Commissioners is not known.
- The accounting software package is used by HAs around the country and while not considered the most sophisticated system, an expert has testified that it is adequate to the needs of the HA. The problems reported to have caused the delays attributed to software system are highly unlikely. There are allegations that the Executive Director continuously requests technical changes from the vendor, some of which the program is not designed to do.
- Loans that the HA could not pay were restructured to substantially higher principal amounts.
- Witnesses allege that questionable transactions have occurred between non-profit and for-profit HA entities. These entities have used HA funds for the purchase of commercial properties. It has been reported that the federal Office of the Inspector General is investigating the HA for irregularities with the purchase and rehabilitation of their new office building at 147 West Main St., Woodland.
- The HA provides a college scholarship fund for teens. There appears to be no criteria or requirement that a recipient actually use the funds for higher education purposes. The \$1,000 scholarships are made payable to the recipient and there is no follow-up. Civic groups who sponsor events such as car shows provide money for this fund. Those proceeds have been insufficient to cover the cost of the payouts. Whether HA funds were used for this unauthorized purpose is unknown.

- Accounting employees are kept in separate offices and are not allowed to talk to one another.

Legal Issues

The HA has contracted with a private law firm for legal representation at an hourly rate.

- These attorneys were hired by the Executive Director; their contract has a provision that their services cannot be terminated if there is any active litigation against the HA. Given the number of actions (current and potential), it is unlikely that the contract with this firm can ever be terminated under these provisions.
- These attorneys are ostensibly counsel to the HA. However, it appears that the Executive Director primarily confers with counsel, acts on the Commissioners' behalf and deals with legal issues against the HA.
- Legal fees are reported to exceed \$300,000 annually. This significantly exceeds annual legal fees paid by housing authorities that are many times larger than the HA. County Counsel is authorized by State law to provide such services and can do so at an estimated cost of less than \$100,000.

FINDINGS

1. The Executive Director treats the HA as his own personal fiefdom. It is clear he lacks the qualifications and experience to properly administer this multi-million dollar department. However, this does not excuse the apparent criminal neglect, corruption, malfeasance, misfeasance, and incompetence which are rife throughout the HA.
2. The Board of Commissioners, the Board of Supervisors, and the Department of Housing and Urban Development have all failed to serve those in our community most in need of assistance. The Board of Commissioners has not exercised due diligence in assuring that the employees of the HA are hired because of their qualifications and, once hired, are protected from coercion, harassment, and retribution from the Executive Director. The Commissioners have failed to exercise their oversight responsibilities for the HA operations.
3. The Board of Supervisors, as a body, has been complicit in the state of the HA because of their failure, in spite of complaints, to require that their appointed Commissioners do the job they were appointed to do.
4. The Teamsters Union has failed in its duty to properly represent the clients at the HA against the actions of the Executive Director.
5. The finances at HA are in complete chaos. There is questionable and/or improper debt structure, commingling of funds (among HA, New Hope and Nuevo Esperanza), investments, property acquisitions, leveraging of federal funds, waste and/or gift of public funds.
6. The reprehensible state of affairs at the HA is so widespread and substantial that the Grand Jury believes it must be deliberate.

RECOMMENDATIONS

- 06-09 The Board of Supervisors should immediately disband the Board of Commissioners, as provided for in the federal regulations, and assume oversight and management of the HA until such time as all allegations are investigated and criminal charges, if any, have been filed.
- 06-10 The Board of Supervisors should place the Executive Director and Assistant Director on Administrative Leave, without pay, effective immediately.
- 06-11 The Board of Supervisors should contact HUD and demand an immediate review of HA accounting irregularities and an explanation for its lax oversight.
- 06-12 The Board of Supervisors should immediately begin an investigation of all financial dealings, loans, and debts incurred by the HA, New Hope and Nuevo Esperanza corporations. A determination should be made as to whether funds were properly allocated and loans were obtained with legitimate documentation.
- 06-13 The Board of Supervisors should seize all remaining financial records and provide an independent audit of the HA, New Hope and Nuevo Esperanza finances.
- 06-14 The Board of Supervisors should assure that all employees are re-screened according to HUD guidelines to determine their qualifications to perform the functions for which they were hired. Background checks must be a part of the process to assure the safety of the public and protect public resources.
- 06-15 The Board of Supervisors should investigate the charges of bribery, kickbacks, and threats by the Executive Director to tenants, and current/former Commissioners and employees.
- 06-16 The Board of Supervisors should investigate the allegations that HA maintenance personnel have been used for non-authorized purposes.
- 06-17 The Board of Supervisors should suspend the services of the HA's outside counsel pending an investigation of their contract with the HA.
- 06-18 The Board of Supervisors should provide HA employees with appropriate representation who will act on their behalf to prevent further abuses. Employee protections and recourse should be defined and enforced.

RESPONDENTS

The Yolo County Board of Supervisors: Recommendations 06-09 through 06-18

SOURCES

Complainants
Witnesses
Documents

City of Davis Public Works Department **Water and Wastewater Services**

REASON FOR REVIEW

The Grand Jury investigated a citizen's complaint alleging that the City of Davis (1) was wrong in complying with excessive state and federal waste discharge requirements and (2) was in violation of the portion of Proposition 218 that requires notification prior to any increase in user rates.

BACKGROUND

Davis operates under the Council-Manager form of government with a five-member council, elected at large by city residents. The City Manager serves as the administrative head of city government overseeing the departments of Fire, Police, Parks and Community Services, Finance, Planning and Building, and Public Works.

Like other cities in California, Davis must balance its strong policies for environmental stewardship with the protection of interests of its ratepayer citizens. The city is not the sole decision maker in this process; regulatory requirements are imposed by state and federal agencies based on laws and regulations they have adopted, as well as their own judgment. The city interacts with the regulatory agencies to advocate the outcomes that the city believes are appropriate, but if the city's views are not adopted, the only options are appeals and litigation.

METHODOLOGY

Members of the Grand Jury conducted an interview with executive staff from the City of Davis Public Works Department to ascertain whether or not the city was in violation of the required notification processes for increasing water and sewer rates and whether or not those rate increases were excessive. Also at issue was whether or not the city exceeded regulatory requirements by upgrading its facilities to meet tertiary discharge treatment standards.

Staff provided the Grand Jury with details of the city's regulatory compliance for the issuance of the required National Pollution Discharge and Elimination System (NPDES) permit from the Central Valley Regional Water Quality Control Board.

Staff also provided the Grand Jury with the city's "Draft Wastewater Facilities Strategic Master Plan, Executive Summary". This new document outlines federal and state waste discharge requirements and provides the supporting documentation for the city's decision to upgrade/construct a system to provide tertiary treatment capability.

FACTS

1. Personnel within City of Davis Public Works Department performed multiple tests and met stringent reporting requirements needed to obtain the NPDES permit from the Regional Water Quality Control Board.
2. The City of Davis Public Works Department and several other municipal dischargers within the region filed appeals to the State Water Resources Control Board.
3. Prior to instituting the rate increases needed to bring the waste discharge system into compliance with regulatory requirements, the Davis City Council strove to comply with the notification procedures established by Proposition 218, passed in 1996 as a statewide voter initiative.
4. The City of Davis Public Works Department exercised due diligence in pursuing regulatory relief through the appeals process for those portions of the permit that it deemed excessive. As an unfortunate consequence of the outcome of the appeals process, Davis' innovative pre-existing system for using large, wildlife-friendly, open-air sewage-treatment ponds cannot be retained in the upgrade from secondary to tertiary treatment.
5. The regulatory requirements imposed on the City of Davis and on other municipal dischargers cannot be determined to be an unfunded mandate. The federal government sets the mandatory standards requirements and it does not recognize the concept of unfunded mandates. The state's regulatory agencies are in these matters enforcing compliance with federal requirements.
6. The City of Davis does not have a tiered system of fees that can accommodate reduced rates for low-income residents or senior citizen households. The city has provided the opportunity for citizens to express their preferences for the institution of such a rate structure. There are no known grants available to defray the costs of upgrading municipal systems or to subsidize the costs of a tiered rate payment structure.

FINDINGS

1. The City of Davis Public Works Department correctly complied with state and federal waste discharge requirements.
2. The City of Davis Public Works Department acted within the notification requirements contained within Proposition 218.

RECOMMENDATIONS

None.

SOURCES

City of Davis Public Works Department

City of Davis, "Draft Wastewater Facilities Strategic Master Plan, Executive Summary"

Yolo County Assessor's Office

REASON FOR REVIEW

The Yolo County Grand Jury received a request to investigate the Yolo County Assessor's Office for allegations including:

- Issuance of biased real property assessments to selected taxpayers and upper-level management in the Assessor's Office; and
- Low office morale resulting from heavy workloads, lack of staffing, poor promotion potential, lack of management communication, favoritism, and/or retaliation.

This complaint and resulting investigation dealt only with the real property appraisal section of the Assessor's Office.

BACKGROUND

The Yolo County Assessor's Office appraises all real and personal property located in the County. The Office prepares an annual assessment roll identifying the property, owner, and taxable value. The assessment roll totals approximately \$16 billion based on more than 62,000 real and personal property assessments.

FACTS

1. Evidence was provided regarding assessments for selected taxpayers or upper-level management.
2. Valuation of properties on the assessment rolls can be affected by reasonable variations in professional opinions, Proposition 13, and valuation methods. An independent expert found only minor irregularities with the information provided.
3. Witnesses presented conflicting opinions of the severity and scope of morale issues. The testimony was essentially undisputed that management has taken steps to increase communication with the real property appraisers. The Assessor's Office has taken steps to authorize additional staff and supervisory positions. Staff meetings were announced, but witnesses indicated they had not yet begun. The steps taken by management were initiated independently of this investigation.

FINDINGS

1. No malfeasance or misfeasance was found with respect to assessments for selected taxpayers or upper-level management.
2. The use of residential property in Davis as comparables for certain unique West Sacramento properties (with an arbitrary location adjustment) may create valuation errors. The use of other valuation methods or similarly situated comparables outside of Yolo County may be more appropriate.

3. A small number of properties were miscoded in the computer system, resulting in omission from annual reviews. Due to budget issues at the state level, independent reviews may be too infrequent to identify problems at the county level.
4. Morale issues appear minor. Steps were taken by the Assessor's Office that should address these issues.

RECOMMENDATIONS

06-19 The Assessor's Office should avoid the use of residential property in Davis as comparables for unique West Sacramento properties (with an arbitrary location adjustment). Use of other valuation methods or similarly situated comparables outside of Yolo County is more appropriate.

06-20 If the State cannot provide yearly independent reviews of real property audits, then annual or bi-annual reviews by an independent source should be initiated. These reviews will help locate minor problems in the system and provide employee training as portions of Yolo County become more urbanized.

06-21 The Assessor's Office should continue its efforts to authorize additional staff and supervisory positions. To the extent possible, internal promotions are recommended.

06-22 The Assessor's Office should continue its efforts to increase communication at all staff levels. Monthly or bi-monthly meetings with all staff are recommended.

RESPONDENT

Yolo County Assessor's Office: Recommendations 06-19 through 06-22

SOURCES

Complainant

Current and former employees, Yolo County Assessor's Office

Assessment/Appraisal expert

Documents and records: Yolo County Assessor's Office, Woodland Building Department

Interim Report

Yolo County Health Department

REASON FOR REVIEW

The Yolo County Grand Jury received a request to investigate the Yolo County Health Department for allegations of inappropriate behavior on the part of upper-level managers, including:

- A documented history of harassment of subordinate staff,
- Allegations of irregularities in the management of funds, and
- Allegations of back-dating employment records to provide unwarranted retirement benefits.

BACKGROUND

The mission of the Yolo County Health Department is to protect and enhance the health and safety of the residents of Yolo County. This Department is responsible for protecting and improving the health of residents of the county and assuring that quality health services are available and accessible.

It provides public health services for all residents of Yolo County, including detection and prevention of communicable diseases, health education, immunizations, and registration of births and deaths. It also supports and monitors special programs for families with children, senior citizens, and other populations with special health needs. In addition, this Unit provides environmental health information to all residents in the County, while managing medical and dental care services for some children with chronic health problems, indigent populations, persons who are incarcerated, and residents receiving adult day health services.

A major change took place in the upper-level management structure in 2001, when the positions of Health Officer and Director were merged into a single position of Director/Health Officer.

FACTS

Hostile Work Environment

Witnesses stated that the Assistant Directors of Health consistently intimidate and demean staff by inappropriately disciplining them in both individual and group settings. Additionally, some witnesses reported incidents of harassment. Individuals were reprimanded for very minor infractions, or for stating their opinions. In addition, some of the Assistant Directors displayed inappropriate anger in the workplace. Further, it was reported that individuals were targeted and harassed until they quit or retired. This is particularly true of the public health nursing staff where, in the space of five years, more than one-half of the nurses have quit or retired. None of these nurses who testified said that they left because of poor salaries.

The interviewees also indicated that the Director/Health Officer is a good Health Officer, but a very poor program manager. They testified that she seems to have little vision for the Department, is perceived as unwilling to hear about problems and allows, or in some cases condones, inappropriate behavior by her Assistant Directors.

The interviewees consistently focused on one Assistant Director—the Director of Nurses. In their testimony, they characterized her as a micromanager who is a poor decision-maker, who is quick to anger and is threatened by and disrespectful toward her staff. In addition, she has been reported as excessively driving staff and assigning them tasks for which they have no background and/or training. She has formally reprimanded nurses for: a) a jacket falling off a chair, b) leaving a computer monitor on while going to the restroom and c) sending E-mail to colleagues to alert them of an upcoming conference.

Employees have also been directed to refuse to answer questions that residents of Yolo county may phone in. Rather, she has instructed staff to direct callers to consult a physician or to look up the information themselves on the Internet.

Funding Irregularities

Testimony indicated that during the past five years, salary increases for upper management have ranged from a low of 20% to a high of 47%, with little change in duties; one part-time senior administrative employee is believed to have received a 100% increase. Most of this is said to have been accomplished by changing job titles and by switching jobs from one Assistant Director position to another, and then back again.

This Division, during the past five years, has consistently shown a monetary surplus of from one to three million dollars at the end of each fiscal year. Revenue from sources other than the county has actually exceeded expenses in many of these years.

Back-dated Hiring Practices

Multiple witnesses stated that hiring dates of some staff were believed to have been back-dated to result in inappropriate increases in retirement benefits. The law does not permit members of the Grand Jury to access information contained in individual personnel files.

FINDINGS

1. The Grand Jury finds that the Department of Health has been poorly managed. Since the start of this investigation, staff have consistently described a culture of fear and harassment within the Health Department. From witness statements, it is clear that this milieu of inappropriate management, retaliation and hostility has been created and/or condoned by the senior management of the Department. Some of the interviewees indicated that the Assistant Directors refuse to speak to each other for protracted periods of time. Such conditions have made it difficult, if not impossible, for many of the workers to perform their duties adequately or to their level of professional satisfaction.
2. The Director/Health Officer is overburdened by handling both the Directorship and the position of Health Officer. It appears that the Department has functioned better in the past when the responsibilities of the Director/Health Officer were carried out by two individuals rather than one.
3. Other concerns of the Grand Jury are the closing of programs such as Health Care for the Aged and TB Screening and the severe cutting of programs such as Immunization, in the Public Nursing sector. Given that their financial reports indicate that funds are available for hiring personnel and for other costs associated with delivering these health care programs, members of the Grand Jury are concerned that the reputation of this Department as a hostile work environment has become well known throughout the profession. The Grand Jury is also concerned that valuable health care services have not been continued, despite an apparent funding surplus.

Because the Grand Jury was unable to access documents contained in confidential employee personnel files, it was impossible to prove or disprove the allegation of altered hiring dates.

RECOMMENDATIONS

Based on the above findings:

06-01 The Yolo County Board of Supervisors and the Yolo County Administrative Officer should evaluate the Director/Health Officer and the Deputy Directors of the Health Department as to their interaction with employees and handling of funding, with the intent of retraining, demoting, or dismissing said individuals.

06-02 The Yolo County Board of Supervisors and the Yolo County Administrative Officer should split the position of Director/Health Officer, returning to the organizational structure that was in effect during 1999-2000 fiscal year.

06-03 The Yolo County Administrative Officer should hire a Director of Health who has managerial training and experience, one who can successfully articulate and implement a plan for the Unit.

06-04 The Yolo County Administrative Officer should review the salary structure of the Department of Health with the intention of providing fair, consistent, and reasonable compensation to all employees.

06-05 The Yolo County Administrative Officer should establish some method for employees to air their grievances before an impartial person or committee so that problems with administrators can be identified and resolved without retaliation.

06-06 The Yolo County Administrative Officer should establish an impartial group responsible for conducting worker satisfaction surveys, and for distributing only the results to the Board of Supervisors, the County Administrative Officer, the Director of the Unit and the employees of the Unit. Raw data should be held in confidence to prevent retaliation against individuals.

06-07 The Yolo County Auditor and the Yolo County Administrative Officer should review the budgeting practices of the Health Department with a view to assuring accuracy in reporting and appropriate use of available funds.

06-08 The Yolo County Administrative Officer and the Director of the Department of Human Resources should insure that hiring dates for both current and former employees of the Department of Health are accurate and should create a system that prohibits any inaccuracies in the future.

RESPONDENTS

The Yolo County Board of Supervisors: Recommendations 06-01 and 06-02

The Yolo County Administrative Officer: Recommendations 06-01 through 06-08

Yolo County Auditor's Office: Recommendation 06-07

Yolo County Director of Human Resources: Recommendation 06-08

SOURCES

Current and former staff, Yolo County Department of Health

Various Yolo County documents

Response of the Board of Supervisors, the Yolo County Administrator and the Yolo County Auditor-Controller to the 2005-2006 Grand Jury's Yolo County Health Department Investigation **Grand Jury Finding:**

Other concerns of the Grand Jury are the closing of programs such as Health Care for the Aged and TB Screening and the severe cutting of programs such as Immunizations, in the Public Nursing Sector. Given that their financial records indicate that funds are available for hiring personnel and for other costs associated with delivering these health care programs, members of the Grand Jury are concerned that the reputation of this Department as a hostile work environment has become well known throughout the profession. The Grand Jury is also concerned that valuable health care services have not been continued, despite an apparent funding surplus.

Response of the Auditor-Controller:

We respond only to the financial aspect of the finding stated above.

We disagree partially with the part of the finding relating to program cuts. Of the three programs mentioned, we found that only the Preventive Health Care for the Aged was discontinued as of January 2005, mainly because of unavailable nursing staff.

We agree with the part of the finding relating to funding surplus. In the recent five complete fiscal years, the Department has recorded an average annual surplus of \$856,700 and as high as \$1.4 million, with fund balance increasing from \$3.0 million to \$6.0 million.

Recommendation 06-01:

The Yolo County Board of Supervisors [YCBOS] and the Yolo County Administrative Officer should evaluate the Director/Health Officer and the Deputy Directors of the Health Department as to their interaction with employees and handling of funding, with the intent of retraining, demoting, or dismissing said individuals.

YCBOS' Response:

The recommendation has been partially implemented.

Evaluations of the Health Department Director/County Health Officer, deputy directors and other department personnel have been conducted routinely as required by county policy. The Board of Supervisors and the County Administrator have determined that the Health Department Director/County Health Officer and the deputy directors of the department have been evaluated on factors including, among other things, their interaction with employees and handling of funding as appropriate to their job classifications. Pursuant to existing county policy all employees will continue to receive periodic evaluations of their job performance.

Evaluations are not done "with the intent" to retrain, demote or dismiss, although those actions may be pursued as a result of an evaluation. Evaluations should be a fair measure of an employee's performance and not conducted with any pre-determined outcome.

Recommendation 06-02:

The Yolo County Board of Supervisors and the Yolo County Administrative Officer should split the position of Director/Health Officer, returning to the organizational structure that was in effect during 1999-2000 fiscal year.

YCBOS' Response:

This recommendation will not be implemented because it is not warranted.

Yolo County developed the combined functions of Director/Health Officer after significant review and careful analysis. Factors included examination of redundant or overlapping functions, greater structural and budgetary efficiency and qualifications of staff.

Yolo County's combination of functions is not unique. Pursuant to both contract and policy, Yolo County uses eight other counties for purposes of benchmarking salary and other personnel data (Butte, Sutter, Placer, Sacramento, El Dorado, San Joaquin, Solano and Napa). Of the eight comparable counties, four have a structure similar to Yolo County, i.e., combined department head/health officer. The other four counties have a separate health director (non-medical doctor) as department head along with a medical doctor-health officer.

We note that organizational structures must be flexible enough to take into account the changing demands of state, federal and professional regulation, including budgetary fluctuations. The reorganization of the department was conducted in response to those factors and may at some point in the future benefit from a different organizational structure. At this time, no structural changes are warranted.

Recommendation 06-03:

The Yolo County Administrative Officer should hire a Director of Health who has managerial training and experience, one who can successfully articulate and implement a plan for the Unit.

YCBOS' Response:

This recommendation will not be implemented because it is not warranted.

The present Health Director/County Health Officer is a well-trained manager in addition to being a nationally recognized public health physician. Dr. Bette Hinton, in addition to six years of management experience with Yolo County, has another eleven years of management experience in Sacramento County as their County Health Officer/Director of Public Health Promotion and Education, supervising 120 employees. Additionally, Dr. Hinton has eight years of management experience as Health Officer/Director of the Monongalia County Health Department (Morgantown, West Virginia).

By various measures, the Yolo County Health Department is well-managed. In 2005, the department was one of 39 nationwide to receive the "Model Practice Award" from the National Association of County and City Health Officials (NACCHO). The department has been without audit exception in the WIC (Women, Infant and Children) program for the last nine years. Last year, the California Department of Health formally recognized the fiscal division staff for exemplary performance. The department has also received two California State Association of Counties (CSAC) Challenge Awards; the first for the Yolo Health Alliance and the most recent for the Pharmacy Patient Assistance program.

Recommendation 06-04:

The Yolo County Administrative Officer should review the salary structure of the Department of Health with the intention of providing fair, consistent, and reasonable compensation to all employees.

YCBOS' Response:

This recommendation has already been implemented.

The Board of Supervisors, County Administrator and the Director of Human Resources note that the existing salary structure of Yolo County Health Department positions, as well as all other positions in the County, are studied periodically and benchmarked to market. Countywide salary surveys occur in concert with the collective bargaining process. Almost all Health Department employees enjoy the benefit of strong advocacy by several employee unions, all of which have contractually agreed to present salary provisions. Salary decisions at variance with standard County policy require a review by the Director of Human Resources, the County Administrator or the Board of Supervisors, depending on the action. Reviews are conducted to ensure fairness and consistency in salary administration.

The Board of Supervisors, the County Administrator and the Director of Human Resources have been sensitive to recruitment and retention issues in the Health Department that in part, have a relationship to salary. To address this issue, the Human Resources Department, in concert with the Health Department, developed retention differentials for nurses adding up to 15% of salary as a reward for longevity and service. This initiative was recommended by the County Administrator and approved by the Board of Supervisors on February 15, 2005. These two departments are currently working on additional salary and classification changes to enhance nurse retention and recruitment. It should be noted again that there is a severe nationwide nurse shortage.

Recommendation 06-05:

The Yolo County Administrative Officer should establish some method for employees to air their grievances before an impartial person or committee so that problems with administrators can be identified and resolved without retaliation.

YCBOS' Response:

This recommendation has been implemented.

There are currently a number of avenues, formal and informal, that employees may use to express concerns in a confidential environment without fear of retaliation. Employees may, by Administrative Policy and County Code, contact the county's Affirmative Action/Equal Employment Opportunity Officer in the Human Resources Department, managers both within and without their department, the Director of Human Resources, and/or the County Administrator.

As to allegations of "inappropriate management, retaliation and hostility[.]" The county takes seriously any charges of such behavior. Because of these allegations in the Grand Jury's report, the county secured the services of an independent investigator to receive comments and information from both current and former Health Department employees. The county issued an invitation to all current Health Department employees and all former employees who separated (for any reason) since January 1, 2004.

Our own review and the extensive independent investigation failed to establish a "hostile work environment." The review and investigation show that the vast majority of department employees to be generally satisfied with their working conditions and supportive of department management. Nearly all staff disagreed with the Grand Jury's finding that the department had a "culture of fear and harassment." Our investigation did find however, that within one division in the department, poor communication and interpersonal conflict existed between management and staff. The county and department are committed to taking corrective action to improve this situation.

The County Administrator, in concert with the Human Resources Department, is evaluating ways to improve and enhance existing outlets for employees to raise their concerns in a neutral and confidential environment.

Recommendation 06-06:

The Yolo County Administrative Officer should establish an impartial group responsible for conducting worker satisfaction surveys, and for distributing only the results to the Board of Supervisors, the County Administrative Officer, the Director of the Unit and the employees of the Unit. Raw data should be held in confidence to prevent retaliation against individuals.

YCBOS' Response:

This recommendation will be implemented in fiscal year 2006-07.

Recommendation 06-07:

The Yolo County Auditor and the Yolo County Administrative Officer should review the budgeting practices of the Health Department with a view to assuring accuracy in reporting and appropriate use of available funds.

Auditor-Controller Response:

Auditor-Controller and County Administrator's staff conducted a joint review of the Health Department budgetary practices during the fiscal years 2000-01 through 2004-05. We summarize our findings and recommendations below.

Budgetary Practices

We noted that the Health Department's fiscal staff largely followed the County Administrator's standard budget procedures during the period reviewed. However, there is one budgetary practice that may cause unusual variances: the department traditionally budgets nursing staff at or near authorized levels despite continuing high vacancies. This optimistic staffing assumption has resulted in large amounts of unused funds being returned to fund balance at year-end. We recommend that the department utilize more conservative budget assumptions that are based on realistic staffing levels.

Timing of Revenues

State reimbursements and allocation often come late in the fiscal year, creating a challenge for department fiscal staff in the budget forecasts. In 2003-04 in particular, faced with uncertain state funding and an estimated shortfall of \$2 million in their Realignment Fund, the Department adopted cost-cutting measures, which reduced their discretionary spending without significantly affecting programs. Later in the fiscal year, the shortfall did not materialize and state funds came through, resulting in an unanticipated surplus of \$1.9 million in Realignment funds.

Since then the county has implemented certain changes that improved the timeliness of budget reports, namely a 4th quarter budget monitor report from all departments, a detailed revenue tracking report, and an enhanced accounts receivable module that allows departments to track receivables systematically.

Program Cuts

Of the three programs mentioned by the Grand Jury, Immunization, TB Screening and Health Care for the Aged, only the latter was discontinued in January 2005. The other two programs continue to operate to the present. The main cause was the severe and continuing shortage of nursing staff, which mirrored a nationwide issue and which was compounded by a hiring freeze instituted by the county in response to budgetary shortfall.

YCBOS' Response:

This recommendation has already been implemented.

While the Auditor-Controller has responded separately, and in detail on this recommendation, the budgeting and financial administration function of the Health Department is already monitored at least quarterly by staff of the County Administrator's office and all expenditures are reviewed by the Auditor-Controller.

Health Department funding is driven largely by state and federal law and availability of state and federal funds. In addition to monitoring the accurate reporting and appropriate use of funds by the County Administrator and the Auditor-Controller, expenditures of state and federal funds are also subject to audit by state and federal governments.

Recommendation 06-08:

The Yolo County Administrative Officer and the Director of the Department of Human Resources should insure that hiring dates for both current and former employees of the Department of Health are accurate and should create a system that prohibits any inaccuracies in the future.

YCBOS' Response:

This recommendation has already been implemented.

The hiring dates of both current and former employees are accurate and strong controls are currently in place by the Human Resources Department and the Auditor-Controller's office to maintain the integrity of the records.

When employees are hired, records are created in Human Resources that are held in a permanent file within Human Resources, as well as transmitted to the department and to the Payroll Division of the Auditor-Controller's office. The hiring of a permanent employee also triggers coverage by the California Public Employee's Retirement System (CalPERS). Allowing an

inaccuracy or changing of a hiring date would require approval by Human Resources, the Payroll Division, the department and the employee, and would cause an inquiry by CalPERS.

We note also that the county's Human Resources records are audited by the State Merit Systems agency and payroll records are audited as part of the annual independent audit by the County's outside audit firm.

YCBOS' Additional Comments:

The Board of Supervisors and County Administrator acknowledge the work and community service of the Grand Jury.

The findings and recommendations contained in the report are serious and in some cases cite specific individuals by job title. In these cases, it may be helpful for Grand Jurors to meet with these specific individuals prior to finalizing the report. To such an end, I would offer to facilitate access to these individuals as well as provide additional information and, more importantly, the opportunity to provide additional pertinent facts that may be relevant to the investigation.

[signed] Sharon Jensen, County Administrator

Response of the 2005-2006 Grand Jury to the Yolo County Board of Supervisors and the County Administrator Regarding the Yolo County Health Department Investigation

In its interim report, the 2005-2006 Grand Jury detailed major areas of concern regarding alleged inappropriate managerial behavior in the Yolo County Health Department, including:

- a) a documented history of harassment of subordinate staff,
- b) allegations of irregularities in the management of funds and
- c) allegations of back-dating employment records to provide unwarranted retirement benefits.

The Grand Jury has received a report from the Yolo County Auditor/Controller's Office indicating that the Health Department has been given recommendations for making their bookkeeping and budgeting processes more transparent, thus satisfactorily addressing point "b", above.

The Yolo County Director of Human Resources has assured the Grand Jury that the integrity of hiring records will be maintained through cooperation of three agencies: The Auditor/Controller's Office working in concert with The Department of Human Services and CalPERS. This satisfies the Grand Jury's third concern "c", above.

After receiving the response from the Chief Administrator and the Board of Supervisors sent to Judge Warriner, the Grand Jury interviewed employees of the Health Department relating to item "a" above. All of these witnesses had been interviewed by the independent investigator hired by the County in response to the Grand Jury's Interim Report. Some had been interviewed by the Grand Jury previously, but others were new to the process. The Grand Jury also took testimony from the independent investigator.

Collectively, the witnesses who had been interviewed by the investigator subsequently gave strikingly similar testimony under oath before the Grand Jury. Some of their comments describing the investigator include the following:

- "She was there to defend the Health Department."
- "She was very confrontive."
- "She was not neutral."
- "She did not promise confidentiality."
- "She told me [in two cases], 'If you don't want them to know, don't tell me'."
- "She dissuaded me of my testimony."
- "She was very argumentative."
- "She put words into my mouth."
- "She completely denied that there were problems in the Health Department."

Some of these employees were concerned that there would be retaliation, and therefore were unwilling to speak honestly with the investigator. These people indicated they felt secure with the confidentiality offered by the Grand Jury.

The investigator stated under oath before the Grand Jury that:

- she had promised confidentiality to employees,
- her interviews ran from five to forty minutes each, averaging twenty minutes per interview,
- she had interviewed forty-five individuals during her investigation,
- she billed the County for forty hours of work, including her written report, and
- she found employees of the Health Department to be polarized.

As indicated in the response of the Yolo County Board of Supervisors and the Chief Administrator, there is one division in the Department in which poor communication and interpersonal conflict exists between management and staff. The response also indicates that the County and Department are committed to taking corrective action to improve this situation. As of the writing of this response, according to witnesses, there have been no changes in the climate of fear, hostility and retaliation in this division.

The Grand Jury concludes that this is an excellent example of two things: a) the poor management skills of the Director of Health and b) the Board of Supervisors is once again abdicating their oversight responsibility to the community. The Grand Jury challenges the impartiality of the "independent" investigation.

Communicare Health Centers
REASON FOR REVIEW

The Yolo County Grand Jury received a citizen's complaint of possible mismanagement within the Communicare Health System. The complainant was especially concerned with lay-offs that occurred on or about July 22, 2005 at the Peterson Clinic in Woodland and at other Communicare facilities in the county. In addition, the complainant expressed apprehension about the proposed closing of the Knights Landing facility.

BACKGROUND

Communicare is a non-profit health care provider for indigent adults, as well as for uninsured and underinsured families. Many of the clients are field workers who may be in this country illegally. Such individuals are not able to obtain insurance and are often unable or unwilling to access normal sources of medical services. Only in cases of genuine medical crisis can they receive treatment in emergency rooms at local hospitals.

Because the health of each member of a community has the potential to affect that of all, Communicare works with the Yolo County Health for Indigents Program (YCHIP) and Sutter Health to provide medical services for needy residents. Sutter Health, a large non-profit provider of health care services in Northern California, currently holds the contracts for providing medical services to those in the county unable to access it otherwise. One of the entities with which Sutter Health contracts locally is Communicare.

A minimum of fifty-one percent of the Communicare Advisory Board is made up of its clientele. Other members are concerned residents of Yolo County. New members, each of whom may serve a maximum of nine years, are nominated and selected by the board.

FACTS

According to witnesses:

1. Because of the presence of Communicare Health Centers, Yolo is unique among California counties in providing an excellent "safety net" for those who are indigent, uninsured or underinsured.
2. Sutter Health, Yolo County Department of Health and other grant providers regularly review the finances of Communicare. Sutter Health and Yolo County review Communicare financial statements monthly.
3. The Knights Landing facility was opened at the insistence of the director of the Yolo County Department of Health and at least two members of the Board of Supervisors.
4. The Knights Landing facility has been open approximately 20 hours per week. Even this level of availability has exceeded the demand for services.
5. The Communicare clinic in Knights Landing has lost approximately \$100,000.00 each year since its inception.
6. In spite of having Communicare services available in their community, many Knights Landing residents went to adjacent counties or to Woodland for medical care. Those who did frequent the Knights Landing clinic were generally not covered by Medi-Cal or by any other entity that reimbursed Communicare.
7. Some Communicare Health Centers, such as that located in West Sacramento, are almost self-supporting because of high rates of Medi-Cal reimbursement.
8. Financial losses experienced by the Communicare clinic in Knights Landing have a negative effect on all the clinics, such as that in Woodland, that are not self-supporting because of low number of Medi-Cal participants or other reimbursement. Downsizing in July 2005 was proportionate to the budget at each clinic. Actual outlay from Sutter Health did not include Medi-Cal reimbursements to Communicare. Therefore, clinics that did not have a high proportion of Medi-Cal or other sources of reimbursement had the highest rate of employee furloughs.
9. Sutter Health, though expecting financial loss on its contract with Communicare, has expressed some dismay at having lost one million dollars on this agreement last year.
10. The Communicare Executive Director writes grants and, according to witnesses, "is very good at it." This results in significant revenue enhancement for the program.
11. Shortly after the lay-offs in question, Communicare's director instituted a quarterly administrative update that is distributed to all staff, outlining what is happening financially to the organization and how Communicare and its employees will be affected as a result.
12. A large number of laid-off staff has been rehired. In addition to the quarterly report, these rehires appear to have had positive impact on employee morale.

FINDINGS

1. Communicare, together with Sutter Health and YCHIP, does an excellent job of providing important services to the Yolo County population.
2. With such excellent oversight, there is little possibility that misappropriation of funds occurred. The Grand Jurors found no evidence of any financial mismanagement.
3. The Knights Landing facility appears to have been opened without due research, consideration and deliberation.
4. The significant annual loss at Knights Landing places undue burdens on other Communicare Health Centers, as well as on Sutter Health.
5. Unless other funding sources are identified, Communicare should consider closing the Knights Landing clinic, both because of the lack of demand for services at that site and its record of financial losses.
6. The Executive Director of Communicare does a fine job of locating appropriate auxiliary funding sources and excels at writing grant proposals.
7. Communicare's Executive Director should continue to keep open all channels of communication with staff in order to retain employee morale and cooperation. Staff reported that knowing both the positive and problematic things that are happening within the organization results in reduced stress.

RECOMMENDATIONS

06-26 Communicare should be supported by all available means because it provides invaluable services to an otherwise unserved or underserved sub-population in Yolo County.

06-27 Serious consideration should be given to closure of the Communicare clinic in Knights Landing.

06-28 If the Knights Landing clinic is closed and it is found that some residents are unable to access other Communicare facilities, purchase of a van for transporting these clients, and others in outlying portions of the county, should be considered.

06-29 The Executive Director is encouraged to continue efforts to manage transparently, so that staff is well informed.

RESPONDENTS

The Yolo County Board of Supervisors: Recommendations 06-26 through 06-28

Executive Director, Communicare: Recommendation 06-29

SOURCES

Communicare staff and administrators

The Sutter Contract Administrator

Woodland Daily Democrat, pertinent articles

Woodland Joint Unified School District Hiring Practices

REASON FOR REVIEW

The Grand Jury investigated a citizen's complaint questioning the hiring practices of the Woodland Joint Unified School District (WJUSD) with regard to filling the vacant Principal position at Woodland High School. The complainant expressed concern that the District's hiring protocols may not have been followed, since the individual selected as Principal had been a sitting member of the WJUSD Board of Trustees, and because of the short application timeframes noted in the local newspaper.

BACKGROUND

The WJUSD includes six pre-schools, twelve K-6 elementary schools, two middle schools, two comprehensive senior high schools, one continuation high school, and an adult school. Student population for grades K-12 exceeds 10,500. A seven-member Board of Trustees governs the WJUSD. Their student base is mostly from Yolo County, and includes a small section of Sutter County.

FACTS

The 2005-2006 Grand Jury interviewed WJUSD administrative staff. Documents were provided detailing their efforts to advertise the vacant position, screen the applications, interview candidates, and eventually submit an employment offer. The evidence demonstrated that:

1. The vacant Principal position was initially advertised in January 2005. Repeated announcements of the vacancy were made, each with an application cutoff date of "until filled".
2. A standing committee screened the applications and a second panel held interviews, as called for in WJUSD protocols. A job offer was not made as a result of these processes. The board member in question did not sit on these panels.
3. Witnesses testified (and documentation supports) that the new principal followed these steps in the hiring process:
 - Although WJUSD legal counsel indicated she could apply for the position while still a member of the Board of Trustees, she opted to resign her board position prior to submitting an application "because she was concerned about the appearance of impropriety."
 - The candidate announced her intent to resign from the board on May 25, 2005. Her resignation was officially accepted the next day by the County Superintendent's office. At a special board meeting on June 1, 2005, she was appointed as Principal of Woodland High School.
4. Newspaper accounts did not accurately report this timeline.
5. Counsel for the WJUSD reviewed this hiring process and determined that it conformed to all applicable laws.

FINDINGS

The advertisement, screening, interview, and hiring processes associated with filling this vacancy conformed to all applicable laws and guidelines. According to testimony, the new principal exceeded requirements regarding the timing of her board resignation and subsequent employment.

RECOMMENDATIONS

None.

SOURCES

Complainant

Executive Staff, WJUSD

Documentation from WJUSD, including board minutes and agendas

Opinion of WJUSD Counsel

Willow Oak Fire District

REASON FOR REVIEW

The Yolo County Grand Jury received a complaint regarding alleged misappropriation of funds by administrators of the Willow Oak Fire District (the District) and the Willow Oak Fire Department (WOFD). Specifically, the complaint alleged that certain District personnel were not compensated for out-of-district duties, and that administrators retained these monies for personal use.

BACKGROUND

The District, served by the WOFD, is located west of the City of Woodland and contains approximately 9,000 residents. In addition to a Chief, the WOFD currently maintains a staff of two full-time firefighters and 26 volunteer firefighters. Responding to about 230 calls for service in the 35-square mile District each year, the WOFD may also provide mutual aid to surrounding cities not located within the District itself.

FACTS

Upon State request, the District supplies both personnel and equipment for fire suppression needs throughout the western United States. The number of these types of requests for service fluctuates annually depending upon differing fire conditions. The State compensates the District for expenses incurred during these assignments. Volunteer staff are paid a stipend from these State reimbursements.

In addition to periodic County audits, the District is also subject to independent audits performed by non-county accountancy firms.

FINDINGS

After witness interviews and expert review of District accounting documents, the Grand Jury found no evidence of malfeasance on the part of District administrators or fire officials.

RECOMMENDATION

06-54 Although the Grand Jury found no evidence of wrongdoing, it recommends that District administrators codify all payment arrangements in regard to volunteer staff.

RESPONDENTS

Chairman, Board of Commissioners, Willow Oak Fire District: Recommendation 06-54

SOURCES

Yolo County Auditor-Controller

Administrators and staff, Willow Oak Fire District

Administrators and staff, Willow Oak Fire Department

Police Department, Yuba Community College District

REASON FOR REVIEW

The Yolo County Grand Jury received a complaint regarding a potentially illegal incident at the Woodland campus of the Yuba Community College District (YCCD). The complaint alleged mishandling of the incident and subsequent investigation by the YCCD Police Department staff.

BACKGROUND

The YCCD operates five campuses and several outreach centers stretching across California's northern central valley. The Woodland campus, known as Woodland Community College, encompasses seven buildings, and there are plans to expand facilities and a variety of programs.

FACTS

1. The alleged incident involved possible criminal sexual activity in a vehicle parked at a remote location on campus grounds at approximately 9:40 p.m.
2. The police officer testified that he approached the vehicle and made contact with the two occupants, whom he believed were in a "compromising" situation. During his "very brief" contact with the pair, the officer positively identified the driver as an acquaintance he recognized as a YCCD certificated employee he had known for years.
3. The alleged driver and his spouse were separately interviewed under oath. He testified he was not the driver of the car and was not present at the scene; his wife testified the timing of his arrival home that evening would make it impossible for him to have been the driver of the car.
4. The complainant provided a document from YCCD indicating they had made a report to the Yolo County District Attorney's office. YCCD management testified that a report of this incident was never filed with the Yolo County District Attorney's office.
5. At the time of the incident, the officer had been employed by YCCD for less than one year. He failed to obtain appropriate identification from the vehicle occupants or to note the vehicle license number. Further, he was able to make only a vague description of the passenger or the vehicle color and model type.
6. Witnesses stated that police and administrative staff at YCCD have conducted separate investigations of this incident. At the time of the Grand Jury's interviews, the results of both YCCD investigations were inconclusive with regard to the identification of the vehicle passenger and the potentially criminal nature of the activities inside the vehicle.
7. Witnesses reported that the following actions have been taken: a) a letter of reprimand was placed in the personnel folder of the certificated employee for failing to cooperate with the investigation, and b) the police officer was counseled about his handling of the incident and received remedial training from his superior officer.

FINDINGS

1. The officer testified under oath as to the identity of the driver. The identified driver testified under oath that he was not—and his wife testified he could not have been—at the scene that evening. The identification of the vehicle passenger has not been discovered, nor has the vehicle involved been identified.
2. The results of the YCCD investigations have been inconclusive. While the officer does believe the activities of the two people in the car were sexual in nature, and while that allegation may seem reasonable in these circumstances, the Grand Jury is unable to make that conclusion based on the few facts available. Further, while criminal activity may have occurred, at the time of the Grand Jury investigation, that allegation also remains questionable.
3. The actions of the police officer, however, do raise concerns for the Grand Jury. It seems obvious the police officer did not follow established investigative policies and procedures during this incident. During our investigation, YCCD managerial staff acknowledged their concerns with the officer's conduct; they emphasized their ongoing efforts to provide appropriate and adequate training of all YCCD law enforcement staff.

RECOMMENDATIONS

Based on the above findings, the 2005-2006 Yolo County Grand Jury recommends that:

06-23 The Grand Jury for 2006-2007 follow up with the Yuba Community College District to ensure that remedial training of the officer in question has resulted in his improved job performance.

06-24 The Chief of Police for the Yuba Community College District demonstrate that he has in place a formalized training plan that has been implemented. Such a plan should include training for new hires as well as in-service training for experienced officers.

06-25 The Director of Human Resources for the Yuba Community College District demonstrate that in-service training, focusing explicitly on laws and ethics, has been provided to all certificated employees. A plan should be in place to insure that such training is offered to all new hires, and on an in-service basis at regular intervals.

RESPONDENTS

Chief of Police, Yuba Community College District: Recommendation 06-24

Director of Human Resources, Yuba Community College District: Recommendation 06-25

SOURCES

Complainant

Police Department Staff, Yuba Community College District

Human Resources Department Staff, Yuba Community College District

Washington Unified School District

REASON FOR REVIEW

The 2005-2006 Yolo County Grand Jury received a citizen's request to investigate the Washington Unified School District (WUSD) in West Sacramento regarding a broad range of issues, including:

- Potential conflicts of interest involving WUSD administrative staff and Board members, WUSD legal counsel, members of the Bond Oversight Committee, and the Mayor of West Sacramento;
- Violations of the Ralph M. Brown Act; and
- Inappropriate use of existing district resources and acquisition of additional funds to construct the new high school.

BACKGROUND

The WUSD Board of Education oversees the education of all West Sacramento students at eight elementary schools, one middle school, one comprehensive high school and one continuation high school. A five-member school board selects the WUSD Superintendent, who in turn supervises all other district staff.

Explosive growth in West Sacramento has necessitated the district to address an expanding student population. Two new elementary schools have recently been built. Voters passed a \$52,000,000 school bond, and plans have been drafted for the construction of a state-of-the-art high school in the "Southport" section of the city. The new high school is intended to replace the existing River City High School.

FACTS

The Grand Jury interviewed witnesses under oath, attended months of WUSD Board meetings, perused articles, editorials and letters to the editor from local newspapers and reviewed several documents provided by witnesses. As a result of this testimony, documentation, and first-hand observations, the Grand Jury believes these facts:

The WUSD administration has been in an ongoing state of flux. The current Superintendent and the Assistant Superintendent of Curriculum and Instruction are both serving on an interim basis. The Associate Superintendent of Human Resources has been with the WUSD less than two years. The principal of River City High School (RCHS) has been reassigned to the continuation high school; an interim principal now leads RCHS.

Issues of Public Trust

Several witnesses expressed their concerns regarding over-familiarity among the WUSD Board members, administrative staff and district counsel. They testified to a hotel room visit, a dinner at the home of a WUSD Board member, and repeated passing of notes at Board meetings among those administrators, WUSD Board members, legal counsel and select audience members.

Witnesses testified that one member of the Board had a dispute with the high school baseball coach. When that coach was investigated and subjected to discipline, this Board member did not recuse himself from any of the pertinent discussions or decision-making procedures.

The Bond Oversight Committee (BOC) members are West Sacramentans appointed February 10, 2005 to oversee the \$52,000,000 bond approved for the construction of the high school. The Ethics Policy of the BOC prohibits committee members and their families from participating in any contracts with the WUSD for a period of two years. The Grand Jury obtained a document drafted by one BOC member on April 12, 2005 asking to pursue the purchase and development of WUSD property. Further, the "New High School Monthly Progress Report No. 2" from March 24, 2005 documents a meeting between representatives of the land development company owned by this BOC member, "to explore joint use opportunities with the school's performing arts theater...the representatives are looking into the physical aspects of developing a portion of the property with a commercial movie complex."

The Mayor of West Sacramento is employed by EdVoice, an advocate for charter schools through Aspire Public Schools.

Testimony indicates that after a presentation by Aspire Public Schools at a WUSD Board meeting, the mayor announced, "the entire City Council supports this." He has apparently also repeatedly stated that there will soon be several charter schools in West Sacramento. While a high school may be "the hub of the community" and "it's hard to divorce that from the city," concern was expressed to the Grand Jury regarding the mayor's apparently overlapping interests. Further, the Aspire presentation was conducted in collaboration with U. C. Davis and Sacramento City College, the latter being the employer of WUSD Board Member Mary Leland.

Brown Act Violations

Witnesses appearing before the Grand Jury testified that WUSD Board members have violated the Brown Act by discussing district issues in closed session that are not reported during the public session. Documentation was provided which the Grand Jury believes validates this concern.

The Grand Jury heard testimony that one Board member repeatedly and inappropriately discussed an employment/arbitration issue (concerning the high school baseball coach) in closed session. On a different occasion, a second Board member was overheard to say, "What's the big deal? It's only the Brown Act."

The Interim Superintendent arranged for both the Board and community members to attend a training session on the Brown Act. Subsequent observations indicate WUSD staff appear more cognizant of potential violations while in public session, but the Grand Jury heard contrasting testimony regarding the Board's adherence to the Act while in closed session.

Inappropriate Use of WUSD/Yolo County Resources

Matching funds of over \$1,000,000 for the Bridgeway Island Elementary School were not obtained because the grant paperwork was not filed on time.

A private consultant was hired to perform a review of River City High School operations, according to one witness, "in anticipation of litigation." The WUSD legal counsel covered the consultant's costs, and then requested reimbursement from the district.

One Board member questioned in open session why Associated Student Body (ASB) account balances shown "in the books" do not match bank balances. Additionally, one purchase detailed in an ASB account, a poster-making machine costing over \$12,500, temporarily put the account into an overdraft situation until funds could be transferred from another account.

Witnesses indicated the district conducts staff training and development exercises with assistance from Sacramento County, rather than through the resources available at the Yolo County Department of Education.

Staff Conduct Issues

Witnesses testified that at least one adult on the high school staff has repeatedly charged items to a personal credit card and has been reimbursed from ASB funds, a questionable procedure.

In an open Board session, one Board member expressed concern about WUSD policy regarding staff's acceptance of gifts from vendors, potentially in exchange for purchases, orders, or contracts for goods and services from these vendors. This member also expressed a concern about the practice of telecommuting and questioned whether the WUSD has a policy providing for staff working unsupervised at their homes.

New High School in Southport

Current plans for the new high school in Southport will require \$32,000,000 more than the WUSD has available. Witnesses indicated that options for closing the gap include the architects "paring down" the size of some facilities, including the theater. Additional funding may be obtained by selling "excess" WUSD land holdings.

The high school will utilize the "Small Learning Communities" (SLC) concept, which divides the student body into smaller "schools within a school" and "career academies". Administrators acknowledged they are about two years behind in their SLC

implementation timeframe, which may impact federal grant funding, but excellent progress has been made in the past few months. Additionally, WUSD staff are skeptical about this change. According to testimony, WUSD is taking eminent domain action against at least two Jefferson Blvd. homeowners in order to place an entrance to the high school at the intersection of Jefferson Blvd. and Higgins Road. This driveway was not in the site plans shown to the community prior to their vote on the school bond.

FINDINGS

1. The turnover and short tenure in WUSD leadership has kept the district in a state of chaos, with the result that no comprehensive long-range plan for the district has been established.
2. Activities involving over-familiarity among WUSD administrative staff, Board members and legal counsel have created and are perpetuating a deep distrust of the Board and administrators with a knowledgeable segment of the community.
3. There has been a failure to recuse when a conflict of interest occurs.
4. At least one active BOC member has sought land acquisition and development contracts with the WUSD, in direct conflict with the committee's Ethics Policy.
5. Witnesses expressed concern that the Mayor of the City of West Sacramento may be exercising undue influence in advancing the development of charter schools in the area while employed by EdVoice and that a sitting Board member is employed by another charter school proponent, giving the impression of a hidden agenda.
6. Members of the WUSD Board have historically violated the Brown Act and have expressed little regard for potential repercussions. Although they have received at least one training session specifically addressing the Brown Act, testimony indicated that inappropriate topics continue to be discussed during closed session.
7. Financial errors have occurred which brought about huge losses of district funds.
8. Irregular procedures have been used to reimburse at least one consultant to the district.
9. Concerns have been voiced regarding the potential for district contracts to be awarded to vendors in exchange for gifts to staff.
10. Yolo County training resources are not being fully utilized.
11. There are inadequate protections, checks and balances on ASB funds at the high school. There appears to be a lack of clear guidelines about the use of ASB funds. Control over these funds is lacking. Faculty and staff are making decisions about significant purchases and orders without appropriate oversight, creating opportunities for unethical behavior.
12. There seems to be a lack of clarity about telecommuting policies in the district.
13. The plans for the new high school are significantly over budget. The method(s) to resolve the shortfall bring yet another arena of contention to an already fractured relationship with the community.
14. Eminent domain action is being taken against West Sacramento residents to allow for an entrance to the high school that was not in the original site plans put before the voters.
15. The Interim Assistant Superintendent of Curriculum and Instruction has been making significant progress with the implementation of the SLC concept.

RECOMMENDATIONS

- 06-36 The WUSD Board must hire and unanimously support a permanent superintendent with experience in bringing differing factions to consensus, generating trust with parents and staff and activating SLCs. Given the depth and breadth of experience required by this individual, the Grand Jury believes the hire should be new to the WUSD and compensation should be of secondary concern.
- 06-37 Administrators, Board members and legal counsel, who are fully aware of the community's distrust, should make every effort to conduct themselves professionally and avoid situations that may appear inappropriate.
- 06-38 It is incumbent upon members of the WUSD Board to recuse themselves from discussions and voting when a topic that presents a conflict of interest arises. Each member of the Board must be scrupulous about self-examination in such matters. It is also the responsibility of any Board member who may be aware of a conflict or potential conflict of interest of another member who has failed to recuse him/herself to address that issue with said member.
- 06-39 The WUSD Superintendent shall be aware of the BOC by-laws and ensure no contracts are drafted to benefit BOC members, their families or their holdings.
- 06-40 The Mayor and WUSD Board Members should discontinue utilizing city and district functions to promote the agendas of their other employers.
- 06-41 The Yolo County Superintendent of Schools, or his designee, should attend all closed session meetings of the WUSD Board for one calendar year to police members from violating the Brown Act.
- 06-42 The WUSD Superintendent should ensure every effort is made to obtain the Bridgeway matching funds.
- 06-43 The Assistant Superintendent for Business Services should more closely monitor purchasing and ordering procedures to avoid the appearance of or actual inappropriate actions on the part of district employees.
- 06-44 The Assistant Superintendent for Business Services must supervise purchasing and ordering procedures so that contracts are not assigned because of favors or friendship extended to the parties responsible for vendor selection.
- 06-45 The WUSD Superintendent and Yolo County Superintendent of Schools should form a partnership to bring Yolo County training resources to district staff.
- 06-46 The Assistant Superintendent for Business Services should ensure that ASB funds are appropriately utilized and monitored. A system for making approved purchases on an emergency basis, such as a WUSD-issued credit card, should be provided to staff that must repeatedly make such purchases. District policy should discourage the use of personal credit cards.
- 06-47 The WUSD Superintendent should develop a policy of telecommuting for employees of the district. If such a policy already exists, the Superintendent should educate employees about the pertinent guidelines.
- 06-48 The WUSD Board should expeditiously close the significant gap in high school funding to meet federal grant mandates, to allow construction to begin for timely student occupancy and to win community support and trust.
- 06-49 The WUSD Board, Superintendent and high school administrators must increase their efforts to educate the community and staff about the SLC concept in order to build enthusiasm for conversion to that program.
- 06-50 The WUSD Board of Education should ensure that any eminent domain actions taken are absolutely necessary.
- 06-51 It is imperative that the WUSD Board of Education promptly does the following:
- Secure strong leadership.

- Develop a written statement of process and procedures to be followed by each Board member at all times. Process must be congruent with procedure.
- Develop a strategic plan for the district.
- Discontinue the habit of micromanaging the district's affairs.
- Conduct its business in as transparent a manner as possible.

06-52 Members of the 2005-2006 Yolo County Grand Jury hope that the public, as well as students, faculty, administrators and staff of the WUSD, will welcome and support the new Superintendent who is hired to lead the district, with the understanding that this individual is not responsible for decisions and actions taken previous to employment in this district. The Grand Jury further hopes the Superintendent will give the rebuilding of trust among the public, students, faculty, staff and administrators the highest priority.

06-53 The 2006-2007 Yolo County Grand Jury should monitor and report on the progress of the WUSD.

RESPONDENTS

The Washington Unified School District (WUSD) Board of Education: Recommendations 06-36 through 06-38 and 06-48 through 06-51

The WUSD Superintendent of Schools: Recommendations 06-37, 06-39, 06-42, 06-45, 06-47 and 06-49

WUSD's Legal Counsel: Recommendation 06-37

WUSD Board Member Mary Leland: Recommendation 06-40

Mayor, City of West Sacramento: Recommendation 06-40

Yolo County Superintendent of Schools: Recommendations 06-41 and 06-45

WUSD Assistant Superintendent for Business Services: Recommendations 06-43, 06-44 and 06-46

River City High School Principal: Recommendation 06-49

SOURCES

County and WUSD Administrative staff

WUSD Board Members

Parents and Students

Various documents and newspapers

Esparto Unified School District Unauthorized Use of E-Mail and Copying Equipment

REASON FOR REVIEW

The Yolo County Grand Jury received a citizen's complaint of unauthorized use of e-mail and copying equipment in the Esparto Unified School District (EUSD).

BACKGROUND

The EUSD oversees one elementary school, one middle school, and Esparto and Madison High Schools.

FACTS

1. On or about October 26, 2005, e-mail messages written by union members in the EUSD were distributed on the district electronic mail system. These messages urged union members to participate in a precinct walk and to volunteer to assist with a phone-banking effort in preparation for California's November election, in which education issues were to be decided.
2. The principal of Esparto High School, after being made aware of the activity, contacted the EUSD superintendent. He, in turn, contacted the attorney representing the EUSD. This attorney counseled the superintendent to advise union leaders that their organization must stop using the school district's time and equipment for their purposes. The union members ceased using district equipment and promptly issued an apology.

FINDINGS

1. This episode had been brought to a successful and appropriate close prior to the conclusion of this investigation by the Yolo County Grand Jury. The Superintendent of the EUSD testified that there has been no recurrence of the problem with the union and that he does not expect to encounter a similar problem in the future. In the opinion of the 2005-2006 Yolo County Grand Jury, an error in judgment occurred, was handled appropriately by district administrators and responded to suitably by the union leadership.
2. No further action is required in this matter.

RECOMMENDATIONS

None.

SOURCES

Esparto Unified School District staff and administrators

TOURS

Port of Sacramento

One of the assigned tasks of the Grand Jury is to perform periodic reviews of county agencies, special districts and Joint Powers Authorities (JPA). In November 2005, members of the Grand Jury met with the management of the Port of Sacramento for a tour and overview of the Port's facilities and to discuss with them the options the port is considering to make it a viable operation once again. This report reflects the status of the Port at the time of our November review.

BACKGROUND

The Sacramento-Yolo Port District operates an inland river port on a deep-water channel adjacent to the Sacramento River. The port owns the land and the facilities and functions as an independent unit of local government. Recent municipal actions have altered the composition of the Board of Commissioners so that for the first time, the Commission will be comprised entirely of sitting elected officials and in the near future, all those officials will be from the City of West Sacramento and Yolo County.

The Port has facilities on 150 acres of land located in the City of West Sacramento. Those facilities include five berths, three ship loaders, bulk warehouses, transit sheds, grain elevators, railways, a foreign trade zone and outside storage areas. The Port also owns 420 acres of undeveloped land south of the harbor, 90 acres along the south side of the barge canal, and approximately 3,000 acres along the right-of-way of the deep-water channel.

In any particular year, the Port's financial performance is dependent upon: a) weather throughout the world and b) governmental policies regarding the purchase of basic grains and commodities. Variations in commodity markets for products such as wood chips can greatly affect the port's financial performance. Generally speaking, relatively few tons can make the difference between profit and loss.

FINDINGS

1. The Port is in significant financial distress and the public has taken an active interest in how the Port proposes to recover and become solvent again, if possible. There have been proposals for a cement fabricating facility that were soundly opposed by the residents of Southport. There have been suggestions for selling off land for development to generate short-term cash flow and most recently, the Port of Oakland has indicated an interest in structuring a joint operating agreement with the Port to handle some of its barge traffic destined for Interstate 5 and Interstate 80 truck transit.

2. Competition from the Port of Stockton with its deeper channels and more modern facilities has lured away some of the Port's historic customer base and further eroded the Port's financial security. Changing market conditions and the inability to accommodate today's larger vessels have also contributed to the Port's decline.

3. A Master Plan is under development for the land around the Port and management is seeking to create a niche market customer base that can better be served by a smaller but more service-oriented facility. They are looking at innovative and unconventional marketing strategies that may revitalize waterborne commerce in the area.

4. Congress has authorized the federal cost share needed to deepen the existing channel that would make the Port a more desirable facility. However, the Port has not had the funds to meet the local share requirement. Those potential new markets and a mutually beneficial agreement with the Port of Oakland could conceivably create the positive cash flow that the Port needs to stay operational.

RECOMMENDATIONS

None. The Grand Jury thanks the Port management staff for their time and attention, and wishes them well as they strive to meet their strategic goals.

SOURCES

Director, Port of Sacramento

Director of Engineering, Port of Sacramento

Director of Operations, Port of Sacramento

Captain, Port Police Department

Yolo County Jails

REASON FOR REVIEW

California Penal Code 919(b) mandates that the grand jury will investigate the conditions and management of public detention facilities and report its findings on an annual basis. This year's panel toured the jail facility in mid-November 2005.

BACKGROUND

The Monroe Detention Center is the main jail for Yolo County. Since opening in 1991, the Center has been utilized to detain individuals of all security classifications pending their arraignment, during trial, and post sentencing. Upon arrival at the Center, all inmates are first screened for potential physical and mental health needs, and necessary treatment is provided. Inmates are then classified, housed, clothed and fed according to established policies and procedures. A new clothing policy, making use of striped jumpsuits, has been implemented to cut costs for clothing male inmates.

The jail has experienced inmate overcrowding since 2002. Inmates are relocated to facilities in Glenn County on a regular basis. Additionally, the facility is understaffed due to budget cuts and recruitment difficulties. On the date of the tour, a proposal was placed before the Yolo County Board of Supervisors to build a facility for 116 new jail beds. The panel later learned this proposal had been passed, which will significantly alleviate any current overcrowding.

The Leinberger Memorial Minimum Security Detention Center is adjacent to the Monroe Center and houses those inmates determined to require a less restrictive environment. These inmates may regularly be placed on work crews serving a wide variety of county functions. Some inmates, after a careful and thorough screening process, may even be placed on home restriction utilizing ankle bracelet tracking devices. While this program also may alleviate jail overcrowding, it is only one of many programs used to aid in inmates' successful re-entry into society.

The Grand Jury would like to express its appreciation to the jail staff for their patience and cooperation during this tour, and for their ongoing professionalism and dedication while serving the citizens of Yolo County.

FINDINGS

The Leinberger and Monroe staff continue to conduct themselves with diligence and professionalism while contributing to the safety of the citizens of Yolo County.

RECOMMENDATIONS

None.

Yolo County Juvenile Detention Facility

REASON FOR REVIEW

California Penal Code 919(b) mandates that each year members of the Grand Jury investigate and report on the conditions and management of public detention facilities. The Grand Jury toured this facility on December 8, 2005.

BACKGROUND

A division of the Probation Department, the Juvenile Detention Facility is the temporary detention and treatment facility in Yolo County for minors who are charged with violation of the law or who have violated conditions of probation. Its mission is to protect the public from the delinquent acts of minors while providing for the safety and security of detainees and staff in accordance with the law.

Yolo County's new detention facility was in the planning stages for many years. In 2000, federal grant funds became available and in May 2001, the county received 75% of the funding needed for construction of a modern juvenile detention facility in Woodland. Additional funding came from development impact fees. By March 2004, construction had begun and occupancy was planned for August 2005. The project came in on time and under budget.

FACTS

The new facility has a capacity of ninety beds. It is modular in design, with thirty beds in each unit. All state required standards for physical layout and programming have been met. Educational, medical, dental and counseling services are provided.

FINDINGS

The Grand Jury believes the new facility will serve the public for many years, providing better security, safety and improved programming. The supervisors and staff should be commended for maintaining a high degree of professionalism, compassion and efficiency.

RECOMMENDATIONS

None.

Woodland Police Department Facilities

REASON FOR REVIEW

Pursuant to California Penal Code 919(b), which requires county grand juries to inquire into correctional facilities or places of detention in the county, the Grand Jury toured the new Woodland Police Department facilities on November 9, 2005.

BACKGROUND

Encompassing roughly 40,000 square feet, these facilities contain all practical and administrative functions of the Woodland Police Department. Opened in 2004, department administrators believe the new physical plant to be a vast improvement over previous facilities and will provide needed room for additional staff as the City of Woodland grows. Given current growth models, the facility should adequately accommodate police department functions until approximately 2026. At that time, the City will be forced to find an alternative location for auxiliary police facilities due to the lack of space for such growth at this site. Built under the streamlined "design-build" protocol, the Department's physical plant is impressive. The facility is a nationally recognized showcase for both workplace efficiency and environmental awareness, and has received multiple awards for dedication to environmentally sound building design. These measures may help to reduce energy costs as prices continue to escalate. Relations with neighbors of the facility are good, with no complaints received.

Security measures are excellent. Entrance to secure areas is controlled by passkey-operated doors, and the perimeter is monitored by closed circuit television at all times. Secure sally ports provide an additional security measure during ingress and egress of criminal suspects. Entrance to evidence containment areas is strictly controlled. Similarly, standards for the handling of weaponry and access to range facilities are well established.

FINDINGS

The Grand Jury believes the foresight and attentiveness to present and future needs contained in the building's design serve to underscore the Woodland Police Department's dedication to professional policing and proactive community service.

RECOMMENDATIONS

None.

Yolo County Libraries

REASON FOR REVIEW

As part of its responsibility for oversight of public institutions within the County, the Yolo County Grand Jury visited the Woodland City Library and the Esparto Library.

BACKGROUND

The seven-unit Yolo County Library System consists of six branches located in Clarksburg, Davis, Esparto, Knights Landing, West Sacramento, and Yolo, and an association with the Woodland City Library.

Woodland City Library

FINDINGS

1. The Woodland City Library has undergone extensive remodeling which has greatly enhanced its ability to serve the citizens of Woodland and the surrounding community. Design and decorative changes in the facility's entryway have maintained its historical ambience while creating a pleasant and functional area for perusal of periodicals, newspapers, and new acquisitions. Expanded loan desk access, reference materials, and related services are also available.
2. Additional floor space has allowed the expansion of the Children's section; new table space, seating, and enhanced lighting have resulted in expanded use by children and their parents.
3. New record-keeping capabilities allow more careful monitoring of facility utilization and provide exceptional service to visitors. Improvements are seen in management of inter-library loan requests, new acquisition requests, reference services requests, and current holdings activity records retrievals. Improvements have contributed to a steady increase in the utilization of services to area residents and are important in developing grant requests for additional support of facility operations.
4. The Library benefits from the support provided by the Friends of the Woodland Library.

RECOMMENDATIONS

None. The Grand Jury thanks Library Director Miller and the library staff for their time, cooperation, and ongoing efforts to provide excellent service to area residents.

Esparto Branch Library

FINDINGS

1. The Esparto Branch of the Yolo County Library is located adjacent to Esparto High School and is appropriately sited to provide services to that segment of the community's population.
2. The design and decoration of the facility are highly conducive to resource utilization; the interior is light and airy and features artworks from local artisans. In the entryway is a display of local archeological artifacts collected by area residents.

3. One section follows an amphitheatre motif, allowing groups—especially youngsters—to listen and observe presenters with maximum effectiveness.
4. The library staff are readily available to provide assistance. Coordination with other library branches, via inter-library loan and other resources, works well in satisfying the interests and requests of borrowers in a timely manner.
5. The work that went into the design and operational planning of the Esparto Branch, as well as the enthusiasm displayed by staff members, have resulted in a facility providing splendid services to the community in an environment conducive to learning and recreation.

RECOMMENDATIONS

None. The Grand Jury appreciates the time and consideration of library staff and their positive efforts to serve Esparto residents.

Yolo County Schools

REASON FOR REVIEW

The California Penal Code requires that grand juries shall, on a selective basis, examine and report on the operations and records of districts within the county. This year, as part of its review of county school districts, the Grand Jury chose to visit Esparto High School and Winters High School.

BACKGROUND

Yolo County students attend schools within eight districts. Officials from neighboring counties supervise three of these school districts, those in Clarksburg, Dunnigan, and Knights Landing. The Yolo County Board of Education oversees the five remaining districts.

The Esparto Unified School District (EUSD) and the Winters Joint Unified School District (WJUSD) serve the student population in western Yolo County. The two comprehensive four-year high schools in these districts are Esparto High School, with approximately 280 students and Winters High School, with a student population near 565.

During their visits to these two high schools, members of the Grand Jury focused their attention on the student records management and maintenance systems.

The Grand Jury thanks the staff at both schools for their cooperation during these visits.

FINDINGS

1. The student records at both high schools are being collected, stored, and secured in a manner consistent with all applicable rules and procedures. Access to all records is limited and appropriately controlled.
2. Staff at both campuses reported that long-term data storage needs are inadequate and the length of time such records should be retained is unclear.
3. At Esparto High School, the current data system is outdated and cumbersome. Appropriate record review by staff and parents is a slow, time-consuming process that reduces the efficiency of administrative staff.

RECOMMENDATIONS

06-33 Record retention requirements should be obtained from the Yolo County Office of Education.

06-34 The Superintendents of both school districts should seek appropriate funding for physical plant and/or equipment modifications for the long-term storage of student records.

06-35 The EUSD Superintendent should acquire the technical upgrades and access required to utilize the AERIES data collection system at Esparto High School.

RESPONDENTS

Superintendents, Esparto Unified School District and Winters Joint Unified School District: Recommendation 06-33

Superintendents, Esparto Unified School District and Winters Joint Unified School District: Recommendation 06-34

Superintendent, Esparto Unified School District: Recommendation 06-35

APPENDIX

Responses to the 2004-2005 Grand Jury Final Report

In accordance with Section 933[c] of the California Penal Code, the governing body of a public agency or its designated administrator must respond to the Grand Jury recommendations within 90 days. Other named respondents must respond within 60 days. Section 933.05 requires that the responding person or entity respond to both the findings and recommendations of the Grand Jury.

Each recommendation below from the 2004-2005 Grand Jury Final Report is followed by an extract of the respondent's official response. The complete report is available at public libraries in Yolo County. The complete set of responses is available for public view at the office of the Clerk of the Yolo County Board of Supervisors.

Interim Report

Yolo County Department of Employment and Social Services (DESS)

The 2004-2005 Yolo County Grand Jury released an interim report on January 27, 2005, which included recommendations 05-01 through 05-04 for response by the Yolo County Board of Supervisors, recommendation 05-05 for response by the Yolo County Administrative Officer, and recommendation 05-06 for response by the Yolo County Auditor-Controller. These recommendations, the preliminary responses of the respondents, and the Grand Jury's response to the comments offered by the Board of Supervisors' representative were detailed in the 2004-2005 Grand Jury's Final Report.

Grand Jury recommendations 05-01 through 05-03 requested the suspension and termination of three top DESS managers to address the hostile work environment at DESS. The Board of Supervisors deferred their substantive response pending the report filed by their investigator, the Honorable Richard L. Gilbert (Ret.). Similarly, in response to recommendation 05-04 and 05-05 regarding the funding of the Welfare Fraud Investigations Unit and their interactions with DESS staff, the Board of Supervisors and the County Administrative Officer (CAO) deferred to Judge Gilbert's report. In his response to

recommendation 05-06 requesting fiscal audits of the DESS, the Auditor-Controller indicated he would defer his response pending his own investigation. Although this recommendation was addressed to the Auditor-Controller, because Judge Gilbert addressed funding and audit issues in his report, excerpts of his findings are included below.

Because the respondents' substantive responses to recommendations 05-01 through 05-06 were pending investigations concluded after the printing deadline of the 2004-2005 Grand Jury's Final Report, excerpts of their responses are included in this appendix. The official response by the Board of Supervisors was to have County Counsel forward the investigator's report. Pertinent excerpts of that report, which responded only to the Grand Jury's findings, are noted below.

Recommendation 05-01:

Based on the above findings, the Yolo County Board of Supervisors should suspend Mr. Rose from duty. It is further recommended that the Board of Supervisors initiate the personnel proceedings necessary to terminate Mr. Rose's employment.

Recommendation 05-02:

Based on the above findings, the Yolo County Board of Supervisors should suspend Mr. Johnson from duty. It is further recommended that the Board of Supervisors initiate the personnel proceedings necessary to terminate Mr. Johnson's employment.

Recommendation 05-03:

Based on the above findings, the Yolo County Board of Supervisors should suspend Ms. Craig from duty. It is further recommended that the Board of Supervisors initiate the personnel proceedings necessary to terminate Ms. Craig's employment.

Investigator's Report:

The Law prohibits public disclosure of confidential personnel information. In order to respect the rights of employees who have made complaints and those of employees against whom complaints have been made, we cannot include details about "hostile work environment" issues in our public report. The detailed findings supporting our conclusions have been presented to the Board in a separate confidential report. DESS employees have been under considerable stress from a merger, various reorganizations, law changes and budget crises. This would have been true no matter who was managing or what management did. Nonetheless, our investigation supports the conclusion there are workplace conduct issues with certain DESS employees and continuing morale problems severe enough to require action by the Board of Supervisors. We trust the Board's actions will reassure DESS employees that their legitimate concerns are being addressed.

Interim CAO's Response (drafted September 19, 2005):

Since the interim report was issued, Director Jerry Rose and Assistant Director Dana Johnson have left County employment. Diana Williams was appointed as the Interim Director, DESS. We have conducted six different meetings with all DESS staff, established focus groups, surveyed all DESS staff regarding their "top three" issues and have begun implementing the suggested priorities. Leadership begins at the top. The County has made a commitment to finding the best and brightest to lead DESS. We have secured the services of a nationally known public-sector recruitment firm to assist in filling the top positions at the department. Great efforts have been made to engage all staff in a positive dialogue for change that will result in a more effective and productive work environment for all DESS employees.

Recommendation 05-04:

The Yolo County Board of Supervisors should immediately ensure appropriate funding of the Welfare Fraud Investigations Unit, with budgetary control transferred from DESS to the District Attorney.

Recommendation 05-05:

The Yolo County Administrative Officer should create an ombudsman position to actively intercede in conflicts between DESS and the Welfare Fraud Investigations Unit to ensure sensitivity, fairness, and unbiased arbitration. A priority function of this individual should be to coordinate joint interpersonal skills training for DESS and Welfare Fraud Investigations Unit staff.

Investigator's Report:

The negotiations between the District Attorney's Office and DESS have been dysfunctional. There are hard feelings and mistrust on both sides. It may be the District Attorney's Office is not completely acquainted with the complexities of the allocation and claiming system. DESS is skeptical of the District Attorney's Office welfare fraud investigation staffing needs. The departments use different statistical assumptions and do not appear to understand or appreciate each other's perspective. Disputes have persisted without resolution for, in many cases, years. As a result of these disputes and other factors, the relationship between DESS management and certain staff and managers of the District Attorney has deteriorated to an unacceptable level and inhibits both agencies from pursuing their joint missions in the best interest of the citizens of Yolo County. Our findings suggest this is an area the Board should monitor through involvement of its administrative staff and periodic Board review.

Recommendation 05-06:

The Yolo County Auditor should arrange for fiscal audits of DESS by State and Federal funding agencies.

Investigator's Report:

There are no allegations or evidence of personal gain. All the "allegations" stem from efforts to maximize State and Federal reimbursements and minimize General Fund spending. Staff were not directed to change any log or similar document. In the end, it was concluded that only those units delivered to clients could be claimed in the reporting period. Though [time studies are] a complicated issue, we have concluded the allegation is not true. However, absolute certainty on this issue can only be achieved by an unwieldy and expensive audit. The evidence reviewed by us suggests no reason to do that.

Auditor-Controller's Response:

Since the State Department of Social Services has oversight, we will transmit to them the complete Grand Jury findings and recommendations for their action. However, it has been our experience that State and Federal agencies do not have resources to deviate from their normal audit cycle. We will conduct a fiscal review of DESS that will determine the validity of the three allegations of mismanagement of funds. We will recommend further audit work as necessary.

Yolo County Animal Services, Barking Dog Complaint

Recommendation 05-08:

Animal Services, the courts, and the District Attorney's Office should create a process that closes the holes in the collection and enforcement process. A new policy should be generated that reflects follow-up of the court decisions, enforcement of penalties, and collection of fines.

Response of the Yolo County Sheriff/Coroner:

The Sheriff directed that all communications between Animal Services and dog barking complainants be carefully reviewed. The Animal Services Section has updated its communications practices to ensure that individuals who complain about barking dogs are kept informed of the disposition of their complaints.

To establish effective tracking and enforcement of barking dog citations, the Sheriff's department's Animal Services Section is working with the Yolo County Superior Court and the Yolo County District Attorney's Office, as well as with County Counsel and County Administrative Office to review existing county code to determine if there is a more effective means of tracking and enforcing these types of citations.

Response of the Yolo County District Attorney:

We have met to accomplish those efficiencies. However, it should be noted that the DA's office acts only as a consultant in assisting these functions and only by invitation.

Response of the Yolo County Traffic Commissioner and Chief of Animal Services:

None. The information is included in the Sheriff/Coroner's response.

Recommendation 05-09:

Animal Services staff should review mid-year, recently-created training materials to determine effectiveness as well as thoroughness and completeness of the program, and re-write it as necessary.

Response of the Yolo County Sheriff/Coroner:

The Sheriff will continue to review training materials with staff on an ongoing basis.

Yolo County Jails

Recommendation 05-10:

New construction plans should consider "opening" the physical plant design to include better monitoring capabilities. Correctional staff should be able to observe inmate activity from a distance, rather than only upon entering the pod.

Response of the Yolo County Sheriff/Coroner:

This recommendation requires further analysis. Expansions at the Monroe Detention Center will include the latest technology available. Those areas that do not provide for the best visibility will not be duplicated in the new construction. To resolve current visibility issues, a security upgrade project is underway which will increase the number of cameras in the facility.

Recommendation 05-11:

The Sheriff/Coroner and his management team should develop plans, policies, and procedures to establish a Special Emergency Response Team (SERT) to serve as first-responder in the event of an emergency (i.e. inmate riot or hostage situation).

Response of the Yolo County Sheriff/Coroner:

This will be implemented within 90-120 days of budgetary funding. The Sheriff has authorized the establishment of a SERT and has included funding within his budget request. Staff are working with Solano County Sheriff's Department staff who have offered assistance in the development and training of such a team.

Yolo County Police Departments

Recommendation 05-12:

The Yolo County Communications Emergency Service Agency (YCCESA) should look into the troubling issue of radio communications in Winters to rectify the reception difficulty as soon as possible.

Response of the Executive Director and YCCESA Board:

We agree that radio communication in the Winters area is a troubling issue. In September 2004 the YCCESA Board approved a proposal for upgrades to Green Fire (fire dispatch) and the Yolo County Sheriff's Office primary radio systems. Upon successful project completion, the upgrade is expected to improve outbound coverage and to eliminate the need for dispatchers to select a specific transmitter site. Additional radio communications strategies need to be explored cooperatively with YCCESA, the City of Winters, and the Yolo County Sheriff's Office to address additional concerns.

Recommendation 05-13:

The YCCESA, working with the Winters City Manager and Winters Police Chief, should find a way to add a second channel to the present single-channel radio system so that more than one emergency entity can use the system concurrently.

Response of the Executive Director and YCCESA Board:

Today and historically the Winters Police and Winters Fire operate on separate radio channels. In February 2005, YCCESA submitted correspondence with APCO to receive an additional six frequencies that are scheduled to be released by the City of Davis and other existing frequencies in the near future. This would allow law and fire agencies more flexibility in channel usage and would help reduce congestion on existing frequencies.

Recommendation 05-14:

The Winters Police Chief should explore the possibility of using Emergency Preparedness funds to purchase a generator to replace the battery currently used when power outages occur.

Response of the Winters Police Chief:

A request will be made to fund an emergency generator through the next round of grant funding.

Recommendation 05-15:

The Winters City Manager must find a way of providing a locked holding cell in the police station.

Response of the Winters Police Chief:

Due to facility size limitations and Title 15 regulations, it is not practical to provide a locked holding cell at the police department.

Recommendation 05-16:

The Winters City Manager should explore all possible avenues for improving or replacing the police department's current physical facility.

Response of the Winters Police Chief:

The City of Winters is planning to build a new Public Safety facility by the year 2008. The new facility will solve the physical plant issues identified by the Grand Jury.

Yolo County Homeland Security Preparedness**Recommendation 05-17:**

A live action training session should be developed within the coming year. The scenario should include law enforcement, fire, and environmental health and other agencies that the Yolo County Office of Emergency (OES) would consider pertinent to the training.

Response of the OES Coordinator:

OES agrees with the recommendation to conduct a live training session involving multiple disciplines to practice and improve their emergency response capabilities. Two table top exercises were held during the current fiscal year. Yolo Operational Area is also participating in a regional exercise in November 2005. Another medical exercise will be conducted in November for medical and communications staff preparedness. A full scale exercise based on a coordinated multi-discipline, multi-jurisdictional response to terrorism will be conducted within the next fiscal year.

Recommendation 05-18:

Law enforcement representatives should attend a medical table top exercise to understand the nature of complexities these organizations are experiencing, and how far along they are in their development stage.

Response of the Yolo County Sheriff/Coroner:

The Sheriff's Department agrees that law enforcement representatives should train with the medical community and will work with representatives from those disciplines in future training exercises.

Response of the Chief of Police, Woodland:

The Woodland Police Department is committed to exercising our skills in order to prepare for disaster or terrorism response and has participated in table top exercises, a full scale tactical response exercise, and three City of Woodland EOC training exercises to prepare for a local response. We will look for the OES to coordinate such an event to maximize the benefit for all involved. We certainly recognize the importance of such training and look to balance these opportunities with our operational demands.

Response of the Chief of Police, Davis:

The Davis Police Department would be pleased to participate in a medical table top exercise. We feel we could learn a lot about the abilities and limitations of the organizations responsible for providing medical care to our citizens in a crisis. Additionally, we know we can educate the medical community on our abilities and limitations in a critical incident, be it a weapon of mass destruction or a natural disaster.

Recommendation 05-19:

We encourage the Davis Police Department to develop a permanent liaison position with the U.C. Davis Police Department, to better develop intelligence, promote awareness, and enhance security measures of high-risk facilities on campus.

Response of the Chief of Police, Davis:

The Davis Police Department sees tremendous value in developing a permanent liaison position with the U.C. Davis Police Department. While staffing and financing are constant struggles for the Davis Police Department, we are working towards creating the recommended position.