

Yolo County Grand Jury Report and Response Follow-up: Elections Office Indiscretions and Culpability

SUMMARY

The 2017-18 Yolo County Grand Jury (Grand Jury) reviewed the required responses to the findings and recommendations made by the 2016-17 Grand Jury in their report, “Yolo County Elections Office Indiscretions and Culpability.” The Elections Office is within the Assessor/Clerk-Recorder/Registrar of Voters Department. The original complaint cited a range of issues including misuse of public funds, noncompliance with County policies and procedures, conflicts of interest, poor management, nepotism, and cronyism. Additionally, the report found that inadequate training was provided to the County Elections Officer and Elections Office staff. The 2016-17 Grand Jury received the report from a special review of the Elections Office conducted by the Yolo County Department of Financial Services to identify areas for improvement. As a result of that review, the Assessor/Clerk-Recorder/Registrar of Voters Office developed a Corrective Action Plan to be implemented by the newly appointed Elections Officer. The current Grand Jury followed up on the implementation and effectiveness of that Corrective Action Plan.

During the investigation, the current Grand Jury found that improvements have been made to operational practices related to controls, policies, and procedures. In addition, stronger and more consistent leadership is now present within the Elections Office. The Grand Jury confirmed that additional training programs for the Elections Office have been developed and are in place to ensure adherence to Federal and State laws as well as County policies and procedures. However, the Grand Jury recommends that all training be documented to show subject matter and attendance in order to achieve a higher level of accountability. The Grand Jury also recommends that an *annual* Department of Financial Services internal audit be conducted, because at present the Elections Officer is being held accountable by the voters only once every four years.

BACKGROUND

The original complaint in 2016 raised a broad range of issues. The current (2017-18) Grand Jury selected the following significant topics from the original Grand Jury Report, as well as the relevant County responses, for further investigation and corrective implementation:

- Misuse of public funds
- Non-compliance with County policies and procedures
- Poor management
- Lack of consistent formalized training for personnel, related to Federal and State Laws and County policies and procedures

The above concerns, identified in the original report, involved misuse of public funds and possible negative impacts on implementing guidelines for appropriate and sound

elections. The Grand Jury chose to investigate the complaint further as it relates to the California Penal Code, Section 925:

The grand jury shall investigate and report on the operations, accounts, and records of the officers, departments, or functions of the county including those operations, accounts, and records of any special legislative district or other district in the county created pursuant to state law for which the officers of the county are serving in their ex-officio capacity as officers of the districts.

METHODOLOGY

The current Grand Jury first reviewed the original 2016-17 Grand Jury Report (published in June 2017), along with related responses dated August 2017 (see Bibliography). The current Grand Jury gathered additional evidence of implementation and improvement related to the Corrective Action Plan and related controls, policies, procedures and department training, as explained below.

Between April 6, 2017, and March 20, 2018, information was obtained as follows:

- Interview of the senior executive accountable for corrective follow-up and improvement on topics included in the Corrective Action Plan.
- Letter from Elections Officer to the Yolo County Financial Oversight Committee (see Bibliography) and Internal Audit Department.
- Documented communication from the Department of Financial Services (Internal Audit Department) to the Yolo County Financial Oversight Committee.
- Letter from the Yolo County Counsel’s office providing guidance regarding “Contracting Authority of the Elections Department” that falls within Elections Code 13001 and 14100 (see Bibliography).
- Elections Office Corrective Action Plan updated documents reflecting “action item” progress.
- Email from Elections Officer providing requested documents from the November interview.
- Email from the Elections Officer providing updated information indicating that the department training tracking roster is not always used to document completed training of Elections Office staff.
- Documented communication from the Financial Services Department (Internal Audit Department) to the Yolo County Financial Oversight Committee.

- Elections Officer provided a new Corrective Action Plan with updated documents reflecting “action item” progress.
- Documented communication from Internal Audit Manager advising of Internal Audit procedure for reviewing the Corrective Action Plan.
- Email from County of Yolo Chief Financial Officer advising that there exist no separate special accounts that track purchases made outside normal County procurement policies and procedures under Elections Code 14100.
- Email from Internal Audit Manager confirming receipt of final Elections Office Corrective Action Plan from Elections Office along with “142 pages of evidence that includes contracts, policies... etc.”
- Meeting with Yolo County Department of Human Resources.

DISCUSSION

The current (2017-18) Grand Jury investigated several areas of concern from the 2016-17 Grand Jury Election Office report to validate that corrective action had taken place.

The 2016-17 Grand Jury identified several areas of concern with the Election Officer’s mismanagement activities and practices, which did not follow State law or the Yolo County Codes of Governance. The California State Government Code, section 25303, states in part:

The board of supervisors shall supervise the official conduct of all county officers, and officers of all districts and other subdivisions of the county, and particularly insofar as the functions and duties of such county officers and officers of all districts and subdivisions of the county relate to the assessing, collection, safekeeping, management or disbursement of public funds. It [board of supervisors] shall see that they faithfully perform their duties, direct prosecutions for delinquencies, and when necessary, requires them to renew their official bond, make reports and present their books and account for inspection.

The Grand Jury followed up on the Corrective Action Plan that was developed by the Elections Office in response to the Department of Financial Services special review of the Elections Office for the period of July 1, 2005, to December 31, 2015. The purpose of this review was to help management identify areas that should be reviewed and changes that should be implemented. The current Grand Jury confirmed that deficiencies mentioned in the Corrective Action Plan included the following:

- Adhering to the County’s contract and procurement policies along with appropriate review and approvals by the Board of Supervisors or County Counsel.

- Establishing and implementing appropriate policy and procedure controls related to issuing and use of Yolo County purchase cards, procurement contracts, and vendor agreements. Existing purchase cards, procurement contracts, and vendor agreements were also identified and reviewed with respect to adherence to Yolo County policies and procedures.
- Training of staff and management related to appropriate use of Yolo County property and equipment, and following policies and procedures covering procurement, accounts payable, accounts receivable, department contracts, and corresponding management approval levels.
- Training and cross training of staff and management related to appropriate job descriptions, duties, and classifications. New job classifications were approved by the County Board of Supervisors on April 4, 2017, and confirmed as implemented by the County Department of Human Resources.
- Following Department of Human Resources practices covering hiring, payment of vendors and non-employees other than through Yolo County payroll system, and adherence to Yolo County policies and procedures.
- Completing an inventory of all Elections Office equipment and property controls, recapturing and tracking all electronic equipment, and cancelling inappropriate cell phone service.
- Consulting with the Yolo County Information Technology department for appropriate use and security of all electronic equipment, both current inventory and new acquisitions.
- Reviewing and correcting all improper procedures being used related to California Elections codes 13001 and 14100, which covers purchases and one-time payments, with the guidance of County Counsel and Department of Financial Services.
- Following up by the Department of Financial Services, every six months, to determine whether the Corrective Action Plan continues to be implemented effectively.

FINDINGS

The Grand Jury found that:

- F1. The Corrective Action Plan has been implemented and is consistently reviewed and updated.
- F2. Management effectiveness, adherence to and creation of County and Elections Office policies, procedures, and controls were addressed.

- F3. Adherence to Department of Human Resources expectations in the areas of hiring, job classifications, job descriptions, separation of duties, and payments for temporary, provisional, or extra help has improved.
- F4. Staff training programs and consistency have increased. However, the training is not regularly tracked and documented.
- F5. Increased oversight of and interaction with the Elections Office senior leadership and operations by the Chief Administrative Officer, Department of Financial Services, Department of Human Resources, and County Counsel have occurred. However, there is no ongoing independent performance review of the Elections Office.

RECOMMENDATIONS

Given the appointment of the new Elections Officer in 2016 and the confirmed improvement of Elections Office operational practices, the Grand Jury has only two further recommendations to make:

- R1. Because of the critical need for ongoing training in all areas, the Elections Office should maintain documentation of all training classes and individual instruction that includes, at minimum: signatures of individuals attending with date and topic covered.
- R2. Elected officials are not subject to 360-degree performance review (i.e., feedback from an employee's subordinates, peers, and supervisors). Given that elected officials are accountable only to the voters every four years, the Department of Financial Services should conduct a full audit of the Elections Office annually. Operational and human resource practices should be included in order to ensure compliance with all Federal, State, and County laws, codes, and policies and procedures.

REQUIRED RESPONSES

Pursuant to Penal code section 933.05, the grand jury requests responses as follows:

From the following elected officials:

- Assessor/Clerk-Recorder/Registrar of Voters – F4, F5; R1, R2

From the following governing bodies:

- Yolo County Board of Supervisors – F4, F5; R1, R2

INVITED RESPONSES

From the following individuals:

- County Administrator – F4, F5; R1, R2

- Chief Financial Officer – F4, F5; R1, R2

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted subject to the notice, agenda, and open meeting requirements of the Brown Act.

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury.
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BIBLIOGRAPHY

California Elections code 13001:

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=ELEC§ionNum=13001

California Elections code 14100:

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=ELEC§ionNum=14100

Yolo County Financial Oversight Committee

<http://www.yolocounty.org/home/showdocument?id=27589>

Grand Jury 2016-17 final report: <http://www.yolocounty.org/business/community/grand-jury/yolo-county-grand-jury-reports>

Grand Jury 2016-17 final report responses included in the Continuity Report

<http://www.yolocounty.org/business/community/grand-jury/yolo-county-grand-jury-reports>