



**RESPONSE
ACCOUNTABILITY**



RESPONSE ACCOUNTABILITY

INTRODUCTION

Each year the Grand Jury is required by law (California Penal Code, Section 933(c)) to submit a Final Report to the presiding judge of the Superior Court with appropriate recommendations and results from investigations conducted by the Grand Jury.

The Grand Jury decided to review and follow up on some past Grand Jury reports. Prior reports were reviewed, various reports were selected for follow-up, and interviews were conducted. These interviews determined if the recommendations made and agreed to, were actually completed.

This section of the Final Report contains updates on four of those past issues:

- San Bernardino County Central Collections
- San Bernardino County Public Defender
- San Bernardino County Registrar of Voters
- San Bernardino International Airport (SBIA)

SAN BERNARDINO COUNTY CENTRAL COLLECTIONS

FINAL REPORT YEAR: 2010 – 2011

Recommendation Number: 2011-30

Stated: Have Central Collections continue to track the effectiveness of the recommended fee increase to support future fee adjustments.

The Department/County agreed to the recommendation, stating:

The County is implementing this recommendation. For fiscal year 2011-2012, the Interim Public Defender has asked Central Collections to conduct a fee study to determine the Public Defender's cost for indigent representation. The Interim Public Defender will work with Central Collections to establish a procedure for reviewing indigent representation fees every two years. Any fee adjustment should be discussed with the Public Defender and must be approved by the Court before implementation.

Should Central Collections conduct a fee survey, counties such as Riverside, Santa Clara, Orange, Sacramento, and San Diego will be considered as they have comparable populations to San Bernardino County.

Question: Has the recommendation been implemented?

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

SAN BERNARDINO COUNTY PUBLIC DEFENDER

Final Report: 2010 – 2011

Recommendation Number: 11-30

Stated: Have Central Collections continue to track the effectiveness of the recommended fee increase to support future fee adjustments.

The Department/County agreed to the recommendation, stating:

The County is implementing this recommendation. For fiscal year 2011-2012, the Public Defender has asked Central Collections to conduct a fee study to determine the Public Defender's cost for indigent representation. The Public Defender will work with Central Collections to establish a procedure for reviewing indigent representation fees every two years. Any fee adjustment should be discussed with the Public Defender and must be approved by the Court before implementation.

Should Central Collections conduct a fee survey, counties such as Riverside, Santa Clara, Orange, Sacramento, and San Diego will be considered as they have comparable populations to San Bernardino County.

Question: Has the recommendation been implemented?

Answer:

To date, the recommendation has not been implemented. The Public Defender's Office is working with Internal Audit on the fee study. However, it is a complicated process and the Public Defender's Office and the Internal Auditor's Office are not in agreement with some of the legal policies that are involved. Some of the Public Defender's fees have been adjusted such as the \$50.00 fee for misdemeanors, which was increased to \$150.00, and the \$150.00 fee for felonies, which was increased to \$500.00.

The Public Defender's Office is currently conducting their bi-annual review of their indigent representation fees. However, no procedure is presently in place. The new Chief of Administration is working on this procedure on a continuing basis. This procedure should be in place by mid-year, 2013.

Conclusion:

This Response Accountability Report will be included in the Grand Jury's 2012-2013 Continuity Report for possible follow-up by the incoming 2013-2014 Grand Jury.

SAN BERNARDINO COUNTY REGISTRAR OF VOTERS

FINAL REPORT YEAR: 2006-2007

Recommendation Number: 2007-81

Stated: The temperature in the Registrar of Voters (ROV) warehouse should be a constant 78 degrees. [This was because of the temperature sensitive paper for the VeriVoter Printer attached to the Direct Recorder Electronic (DRE) device.]

The Department agreed to the recommendation, stating:

They will continue to monitor this to insure the temperature remains a constant 78 degrees.

Question: Has the recommendation been implemented?

Answer: Yes

The temperature is checked at least once daily by staff.

How is it working? This procedure is working well, as expected.

Recommendation Number: 2007-83

Stated: Make sure the DREs are working properly and there is plenty of paper available.

The Department agreed to the recommendation, stating:

They will continue to address this issue to insure the machines are working properly and paper is available.

Question: Has the recommendation been implemented?

Answer: Yes

If so, how was it implemented/what changes were made?

The ROV has assigned staff to make sure paper is always available and that machines, if inoperative, receive prompt repairs.

How is it working? There have been no appreciable problems since an assigned staff person is responsible for this recommendation.

Recommendation Number: 2007-83

Stated: All Security Cameras in the building should be in operation.

The Department agreed to the recommendation, stating:

At the conclusion of the building remodel project, the security cameras will be back in operation.

Question: Has the recommendation been implemented?

Answer: Yes

If so, how was it implemented/what changes were made?

After the remodeling was complete, all security cameras were re-installed and have been functioning properly for the past five years.

SAN BERNARDINO INTERNATIONAL AIRPORT (SBIA)

BACKGROUND 2010 – 2011

The Grand Jury conducted a follow-up review of the 2010-2011 Grand Jury recommendations to San Bernardino International Airport Authority Commission (SBIAA).

The recommendations were as follows:

Section 1. Internal Controls

- 1.1 Direct management to develop comprehensive policies within 12 months of the receipt of the report.
- 1.2 Direct management to refine processes for ensuring the comprehensive documentation of business processes and transactions.
- 1.3 Convene a workshop to evaluate approaches to improving the quality and understandability of management reports to the governing board.
- 1.4 Adopt a policy to rotate financial auditing firms every five years.
- 1.5 Solicit proposals from qualified auditing firms to provide financial service for the next five year cycle.

Section 2. Construction Management

- 2.1 Immediately require SBIAA management to strengthen controls and reporting to the commission including:
 - a. Implementing procedures for the use of contingency funds for existing and future capital projects.
 - b. Require Chief Financial Officer review and approval of all expenditures prior to disbursement of capital funds.
 - c. Enforce all provisions in the Terminal and Fixed Based Operator (FBO) leases requiring the developer to provide detailed monthly reports. The Commission should also require the developer to provide such reports to the Commission meetings.
 - d. Engage the services of a reputable, independent auditing firm to examine all expenses incurred as a result of Terminal Development and FBO Projects. The scope of such an audit should include a review of construction meeting minutes to determine if the developer purposely inflated costs.

Section 3. Equipment Acquisition

- 3.1 Make a formal policy decision to only authorize contracts after they have been signed, on condition of Commission approval, so it can properly review such contracts and to ensure that all major agreements are accompanied by signed and executed contracts.
- 3.2 Formally approve a purchasing policy that includes revisions to address the deficiencies identified in our review, eliminate the *Negotiated Purchases* section of the purchasing policy and require that all purchases above \$25,000 (or a different threshold deemed more appropriate by the Commission), regardless of purpose, require a formal contract to be approved by the Commission.
- 3.3 Set a regular schedule for reviewing, revising, and formally approving updates to the purchasing policy.
- 3.4 Engage the services of a reputable, independent auditing firm to examine the representations and warranties made by Norton Development management and SBIA management in connection with the purchase of used equipment as well as the amount actually spent on such equipment, and the estimated useful life and/or resale potential resale of the equipment
- 3.5 Formally direct the Interim Executive Director and Assistant Director to cease from approving and further fund payments to Norton Development or any third parties with agreements to provide services in connection to the used aviation equipment, which was originally authorized on July 3, 2007.

Section 4. Lawsuit Settlement

- 4.1 Engage the services of a reputable, independent auditing firm to examine the representations and warranties made by Norton Aircraft Maintenance and SBD Properties management in connection with the *Settlement and Mutual Release Agreement* and, if found to be false or untrue, demand immediate repayment of the Insurance Loan, Rent Credit and Temporary Aircraft Rehabilitation Loan Balance.

Section 5. Contractor Relations

- 5.1 Direct staff to review current contracts for construction services and Airport operations with the companies he manages to identify modification that may be necessary to protect the Inland Development Agency and SBIAA from potential future risk.

BACKGROUND 2012 - 2013

SBIA responded to the 2011-2012 recommendations on June 8, 2011. The recommendations were acceptable, with one exception, Recommendation 3.5 was determined to be “not applicable.” Each recommendation had the number of months by which the requirements of the recommendations would be met. The number of months varied from one to 12 months.

Information regarding the
San Bernardino County Grand Jury
or an application to serve on the Grand Jury
can be obtained by contacting the

Office of the Grand Jury
351 North Arrowhead Avenue, Room 200
San Bernardino, CA 92415-0243

Office: (909) 387-3820

Fax: (909) 387-4170

Information is also provided on the website at www.sbcounty.gov/grandjury

FACTS

1. The Grand Jury received SBIA's Policies and Procedures manuals on November 7, 2012. A review of the Policies and Procedures manual by the Grand Jury found several of the original recommendations by the 2010-2011 Grand Jury had not been specifically identified. The original list of questions were each noted with "Yes" with a note to location in the manual or "Not answered." SBIAA responded to questions regarding these issues in a satisfactory manner.
2. The Grand Jury members have been attending the SBIAA Board meetings since October, 2009. The Board Meeting agendas identify each possible item that might be a conflict of interest for a Board member. If there is conflict of interest, the affected Board member would leave the meeting until after the item is voted upon by the remaining Board members. The government code for conflict of interest statute is printed in each Board agenda. The Grand Jury has noted this procedure is being followed at all meetings. The Board agendas have complete information regarding all the recommendations of the 2010-2011 Grand Jury and are available for public review.
3. Due to the court actions taken on behalf of SBIAA by the current Interim Executive Director, the previous Master Leaseholder/Construction Manager has been removed from any involvement in SBIA operations.

FINDINGS

1. SBIA has completed the recommendations put forth by the 2010-2011 Grand Jury. (Facts 1, 2)
2. Former personnel in charge of SBIA operations no longer have any input to current operations. (Fact 3)

CONCLUSION

SBIA has implemented all of the Grand Jury recommendations.

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