

LOS ANGELES COUNTY GRAND JURY



FINAL REPORT 1988-89

FINAL REPORT
LOS ANGELES COUNTY GRAND JURY
1988-89



LOS ANGELES COUNTY BOARD OF SUPERVISORS

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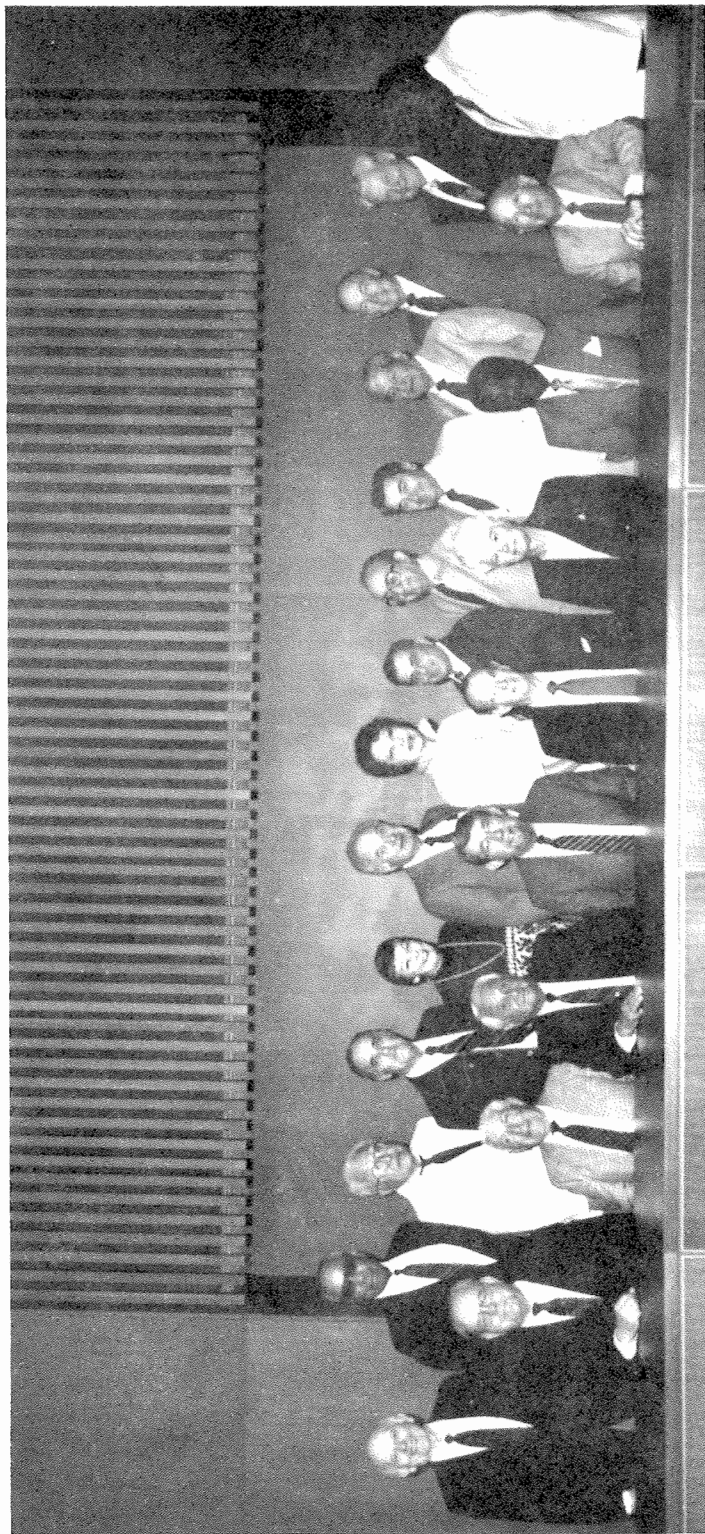
MICHAEL D. ANTONOVICH, FIFTH DISTRICT

ACKNOWLEDGEMENT

The Grand Jury Editing Committee would like to thank all members of the panel, particularly the committee chairmen, for the hard work and the cooperative spirit exhibited in the production of this final report. The Editing Committee is deeply indebted to Kathy Spann, Grand Jury Staff Secretary, for her invaluable assistance and guidance. Our thanks to Sara Sproul and Ron Sato of the Superior Court Support Services Section for their careful efforts in preparing the copy for printing. We are also most appreciative of Wendy Moss for her expert legal advice and sound judgment. Printing is by Fast Lane Printers of Pasadena.

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GRAND JURY 1988-89

Standing Back Row L to R: H. E. Resnick, Frank Kelker, George Ogawa, Mario Negri, Margaret Kogut, Robert Lamb, Emma Fischbeck, Daniel Strauss, Joseph Baranoff, Louis Brutocao, Danny Elias, Roger Ayers, James Hart, Marvin Crayton

Seated Front Row L to R: Denny Morrissey, Cecil Greenwold, Sidney Dwoskin, Lawrence Keller, Robert D. Leland, Dorothy Keye, Johnnie Raines, Mayfield Marshall

Not in Picture: Jerry Santana

1988-89 GRAND JURY ROSTER

Member

Roger D. Ayers
Joseph O. Baranoff
Louis Brutocao
Marvin A. Crayton
Sidney Dvoskin
Danny D. Elias
Emma E. Fischbeck
Cecil Greenwold
James A. Hart
Frank L. Kelker
Lawrence C. Keller
Dorothy L. Keye
Margaret J. Kogut
Robert A. Lamb
Robert D. Leland
Mayfield Marshall, Jr.
Denzil A. Morrissey
Mario C. Negri
George Ogawa
Johnnie E. Raines
Hyman E. Resnick
Jerry Santana (Resigned)
Daniel J. Strauss

Community

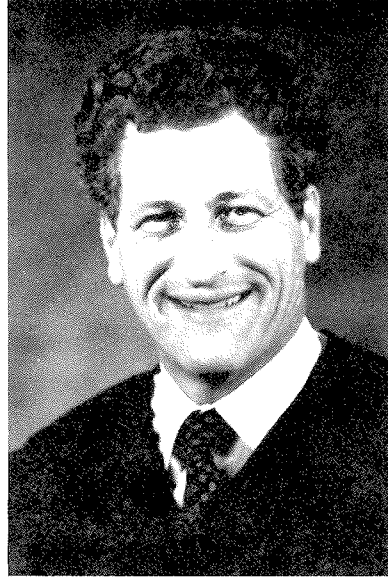
Palos Verdes Estates
Pacific Palisades
Covina
Claremont
Los Angeles
Los Angeles
West Covina
Los Angeles
Rancho Palos Verdes
Los Angeles
Van Nuys
Palos Verdes Estates
Woodland Hills
Los Angeles
Burbank
La Canada
Whittier
Hollywood
Torrance
Los Angeles
Los Angeles
Azusa
Woodland Hills

Nominating Judge

Richard F. Charvat
Bernard J. Kamins
Gregory C. O'Brien, Jr.
Victor Barrera
Gilbert C. Alston
Joseph R. Kalin
Gregory C. O'Brien, Jr.
David M. Rothman
Edward A. Hinz, Jr.
Richard P. Kalustian
Jack T. Ryburn
Carlos E. Velarde
James P. Natoli
Maurice Hogan, Jr.
Bernard Kaufman
Coleman A. Swart
Harold Shabo
Marsha N. Revel
Ernest M. Hiroshige
Grand Jurors Committee
S. S. Schwartz
Richard Montes
Leslie W. Light



Honorable Richard P. Byrne
Presiding Judge
Superior Court
1988-89



Honorable David Horowitz
Supervising Judge
Superior Court
1988-89



GRAND JURY STAFF

Standing L to R: Kathy Spann, Staff Secretary; Wendy Moss, Legal Advisor

Seated L to R: Lois Johnson, Court Reporter; Ruth Ruiz, Investigator

FOREMAN'S STATEMENT



Robert D. Leland, Foreman

The 1988-89 Los Angeles County Grand Jury is pleased to present this Final Report to the Board of Supervisors and to the citizens of Los Angeles County. It is the product of almost a year of reading, visitations, interviews, discussions and writing in the process of investigating the governments of the county, cities and special districts. We are proud of this report, which reflects a great deal of work by all our members. I would like to thank those jury members who spent extra hours and weekends to complete their reports.

This has been a year of learning, new insights, some genuine frustrations, hard work, lots of fun and personal growth for all of us. We came together as a group of total strangers and each of us is leaving richer in having worked with an intelligent, capable, dedicated and very diverse group. It is the breadth of personalities and backgrounds that has made our group strong. Through the course of the year, we have learned to enjoy each other and have developed into a group that could strongly disagree with each other, in a respectful manner; but when the discussion was over and the democratic process prevailed, the group moved on together working on another project. This was true in committee decisions as well as in the full jury. The democratic vote has determined all actions of the committees and the jury. We have been truly an open, deliberating group.

One of the unique opportunities of serving on the Grand Jury has been to meet the people who make government work. One of my strongest impressions of the year has been the high quality of the county and city professional officials with whom we have worked. They are well educated, highly professional, intelligent and dedicated people. They are working under the pressure of serving great numbers of people and always operating within the budget constraints that impede their programs.

We have talked with those who strongly feel there are never sufficient funds, and we have heard from those who make the case that it is a problem of the right distribution of the funds that are available. I don't know which point of view is most accurate. There is some truth in both positions. I only know that everywhere we went we saw what budget constraints were doing to programs, the facilities and the problems of meeting human needs.

I wish more people in the county could have the unique opportunity we have had to examine the successes and problems of our county. As a result of these experiences, these grand jurors would have a great deal to contribute if they were to serve on a city or county commission or committee.

The Grand Jury is deeply indebted to our most knowledgeable and efficient staff secretary, Kathy Spann, and to our legal advisor, Wendy Moss. Wendy has proven to be a most judicious advisor and has helped us in so many ways to keep our perspective.

It has been a wonderfully stimulating year and a privilege to serve as Foreman of the Los Angeles County Grand Jury.



STEERING COMMITTEE

Standing L to R: Sidney Dvoskin, Johnnie Raines, Lawrence Keller

Seated L to R: Robert D. Leland, Dorothy Keye



COMMITTEE CHAIRMEN

Standing L to R: Daniel Strauss, James Hart, Lawrence Keller, Roger Ayers, Denny Morrissey, Marvin Crayton, Sidney Dvoskin

Seated L to R: Cecil Greenwold, H. E. Resnick, Robert D. Leland, Emma Fischbeck

AUDIT COMMITTEE



AUDIT COMMITTEE

Standing L to R: Joseph Baranoff, Dorothy Keye, Cecil Greenwold

Seated L to R: Robert Lamb, Roger Ayers, Chair

AUDIT COMMITTEE

Purpose

The California Penal Code, Sections 925, 925a and 928 gives the Grand Jury responsibility and authority to investigate and report on the management policies and fiscal needs of county offices and departments, joint powers agencies and special purpose assessment and taxing districts within Los Angeles County, and to make fiscal audits of cities within the county. Tasks related to carrying out these activities have traditionally been delegated by the Grand Jury to the Audit Committee. This effort includes selection of a contract auditor for review, consultations during the review process, and recommendations for approval by the Grand Jury. However, the Audit Committee acts only with the advice and consent of the entire Grand Jury. The Grand Jury is empowered to engage the services of experts to assist in its investigations. In Los Angeles County the Grand Jury has annually contracted with an audit firm to provide this service.

Committee Projects

1. Selection of the Contract Auditor

In August 1988, requests for proposals were sent by the Audit Committee of the 1988-89 Grand Jury to the 14 firms that had expressed an interest in serving the Grand Jury as its contract auditor. The 1988-89 Audit Committee studied each of the proposals received from the five firms who responded to our request, interviewed representatives from each firm and sought information from previous clients regarding their experiences in working with the various firms.

At the same time that this review was being accomplished, the Audit Committee was considering potential subjects for audit, with a view to identifying which firms had personnel locally based with the specialized experience necessary to expeditiously carry out the responsibilities of the Grand Jury.

On September 29, 1988, Coopers and Lybrand was recommended by the Audit Committee and was selected by the Grand Jury as its contract auditor for 1988-89.

2. Audit Committee Review Process

A committee (petitioning committee) which wishes to have an audit considered makes a request in writing to the Audit Committee. The chairman of that committee appears before the Audit Committee for the purpose of clarification and amplification

of the requested audit. Following that meeting, the chairman of the Audit Committee presents the audit request to the full Grand Jury with the concept request. At this point, the chairman of the petitioning committee will provide amplification to the full jury as necessary. The next step is for the petitioning chairman to meet with the Audit Committee and the contract auditor to establish the feasibility of the audit and to discuss the scope. The contract auditor then makes a preliminary study of the proposed audit, develops a scope and provides a budget price. The petitioning chairman then presents the final audit proposal to the full Grand Jury for approval. If amplification is necessary, the Audit Committee chairman will provide it at this point.

3. Manner of Conducting Audits

Fiscal realities make it impossible for the Grand Jury to perform full-scale audits of departments the size of most of those in Los Angeles County. Generally, the Grand Jury's objective is to review selected aspects of a department's operations to determine whether it has policies, procedures, personnel and equipment to provide an appropriate level of service, is operating in compliance with applicable laws, and has the internal control mechanisms which provide the departmental managers with the necessary information to identify and correct any problems. The department would then be able to direct and plan so that it could meet its goals.

The reviews conducted by the 1988-89 Grand Jury contract auditor are reported in full in a separate volume which is on file at the office of the Grand Jury, the City of Los Angeles Public Library, the Los Angeles County Law Library and various university libraries. All of the audits performed by the contract auditor were undertaken with knowledge that there was no duplication of a recent audit of the specific area by past grand juries, by the County Auditor Controller, or by any other agency of the County. The audits conducted by the 1988-89 Grand Jury contract auditor are on file at the same locations as separate reports.

The following contract audits were undertaken in 1988-89 and are reported under the committee name appearing in parenthesis.

1. The AFDC Homeless Assistance Program (Government Operations Services)
2. Los Angeles County Grand Jury Citizen Complaint Processing (Grand Jury Communications)
3. Community Redevelopment Agency: Compton (Government Operations Finance)
4. Community Redevelopment Agency of the City of Los Angeles (Government Operations Finance)
5. City of Los Angeles Community Redevelopment Agency: Replacement Housing (Government Operations Finance)
6. The Los Angeles County Foster Care Program (Delivery of Human Services)

7. The Los Angeles County Foster Care Licensing and Recruiting Function (Delivery of Human Services)
8. Compliance with Health Standards for Restaurants (Delivery of Health Services)
9. Juvenile Court Health Services (Delivery of Health Services)
10. Strategic Planning: Los Angeles County Cities and Departments (Strategic Planning)
11. Water Reclamation Planning: City of Los Angeles Department of Water & Power (Government Operations Services)
12. Trauma Centers and County Hospital Facilities: Los Angeles County Department of Health Services (Delivery of Health Services)
13. City of West Covina Community Redevelopment Agency: Management Review (Government Operations Finance)
14. City of West Covina Community Redevelopment Agency: Expanded Management Review (Government Operations Finance)
15. The Acquisition of the Alhambra Public Works Building (Audit)
16. Battered Women: Services and Shelters (Delivery of Human Services)

4. Publication of Contract Audit Reports

Reports of the contract auditor were published in a hardbound cover for distribution to the Supervising Judge, each County Supervisor (if the County is involved), each City Council member (of a city which is involved), the agency audited, and appropriate other recipients as determined by the Grand Jury.

Areas Investigated

I. THE ACQUISITION OF THE ALHAMBRA PUBLIC WORKS BUILDING

PURPOSE

The purpose of our investigation for the Grand Jury was to examine specific issues pertaining to the acquisition of the public works building.

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of the acquisition of the Department of Public Works Headquarters building located at 900 Fremont Avenue, Alhambra, California (hereinafter referred to as the Alhambra Facility). The review was requested by the Grand Jury as a result of recent media coverage concerning the propriety of the transaction and the methodology used in the acquisition decision.

BACKGROUND

In 1984, the Los Angeles Board of Supervisors approved the plan to consolidate the operations of the Flood Control District, the Road Department and the public works functions of the County Engineers-Facilities Department into the Public Works Department (Department). Along with the consolidation of functions, the Board also wanted to house the Department within one facility.

SCOPE OF WORK

Investigate the process utilized by Los Angeles County for capital acquisitions. Review the Department's procedures to acquire the Alhambra Facility. Document components of cost of Alhambra facility.

METHOD OF INVESTIGATION

We investigated the informal procedural process utilized by Los Angeles County for capital acquisitions.

- Conducted interviews with County officials who were responsible for the acquisition of capital property for the County and a representative of the Auditor Controller's Office.
- Obtained and documented our understanding of the informal capital acquisition process used by the County of Los Angeles.
- Reviewed and confirmed our understanding of the above process with the Chief Administrative Officer.

We investigated the sequence and chronology of events leading to the acquisition of the Alhambra Facility.

- Conducted interviews with 17 individuals associated with the purchase of the Alhambra Facility.
- Obtained and reviewed documents pertaining to the options analyzed for the purchase of the Alhambra Facility.
- Reviewed documents and correspondence relating to the consolidation of the Department and acquisition of the Alhambra Facility.

We investigated the degree of compliance of the purchase of the Alhambra Facility with the informal procedures normally followed by the County of Los Angeles.

- Compared the acquisition of the Alhambra Facility with our understanding of the informal acquisition procedures.
- Compared the acquisition of the Alhambra Facility with current procedural guidelines available within the Real Property Branch of the Facilities Management Department.

FINDINGS

From the formation of the Department in 1984, to the acquisition of the Alhambra Facility in 1987, the Department pursued two primary facilities options for consolidation of the Department in one location. The first option considered involved a lease analysis and several development options at the Alcazar Facility. Prior to the consolidation of the Department, the 37 acre Alcazar location included the Road and Flood Control Departments. The second option considered was the Alhambra Facility (Sears Tower). The two location options were formalized and presented to the Board of Supervisors in December 1986.

A. PROCEDURES FOR THE ACQUISITION OF CAPITAL PROPERTIES

There are no formal adopted guidelines stipulated by law that describe the procedures required to be performed in a capital acquisition. In the acquisition of the Department building, the Board of Supervisors authorized the Director of the Department to have full authority to administer and negotiate on behalf of the Board all capital property acquisitions within the boundaries of the department.

B. OPTIONS ANALYZED FOR THE PUBLIC WORKS DEPARTMENT HEADQUARTERS

The County analyzed two options for the Department building. The County did not circularize "requests for proposals of properties" to identify options other than Alhambra. Since there are no formal County procedural guidelines for capital acquisitions, the County is not in violation of the informal procedures in their handling of the acquisition of the Alhambra Public Works building. However, due to the limited number of options analyzed, the methodology of procedures used in the acquisition may not have yielded the most favorable results to the County.

C. ESCALATION IN THE PURCHASE PRICE OF THE ALHAMBRA BUILDING

Based upon our review of documents and our interviews, the escalation in the price of the Alhambra facility was due to the following items:

	1987 (in millions)			
	Jan	March	April/May	May Contract
Building and land	\$40.0	\$33.0	\$39.0	\$37.0
Tenant improvements (to bring the building up to code)	2.5	2.5	6.8	7.6
Asbestos removal				
Sprinkling				
HVAC				
Construction of the Annex	—	7.0	—	6.1
Automotive Service Center				
Computer Center				
Parking Structure				
Additional land purchased				1.2
Project Administration		*	1.3	.5
Total	\$42.5	\$42.5	\$47.1	\$52.4

The January analysis above presented the Retail Center as an option for Dependency Courts. When the final contracts were analyzed, the increase through December 1988 totalled over \$10 million or 25% above the January 1987 estimate. This escalation was due to staff analysis and reviews of contracts that excluded the additional need to construct the annex and purchase land in replacement of the Retail Center, with an estimated value of \$7.5 million. There was no well documented trail of the negotiations which resulted in the escalated price.

*Project construction was being negotiated in March. The May contract combined design fees with tenant improvement budgets.

RECOMMENDATIONS

- 1. The Grand Jury recommends the Board of Supervisors ensure that formal procedural guidelines on the acquisition of capital properties are adopted by the County and distributed to the various County departments. The guidelines should provide for general procedures to be followed in order to ensure that the methods utilized in the acquisition of capital properties are sufficient for**

County purposes and are consistently followed. Additionally, such guidelines should allow for the pursuit of unique opportunities subject to appropriate internal controls.

2. The Grand Jury recommends the Board of Supervisors establish guidelines governing the documentation of the methodology used in the selection of options to be analyzed for capital property acquisitions. An appropriate methodology provides support for decisions made and a reporting mechanism to a superior for accountability. If a County department chooses or is directed to pursue capital acquisition alternatives, reasons for analyzing limited options, the uniqueness of a project, and other such items should be clearly documented. Since the County manages public funds, it is imperative that proper documentation, as support for decisions on expending funds, are thoroughly reviewed by officials with a high level of expertise in such matters.
3. The Grand Jury recommends the Board of Supervisors adopt guidelines to maintain complete and well-organized files on capital acquisitions. Due to the County's involvement in various projects using public funds, all documents are subject to public review. Without complete and well organized files, the County will incur unnecessary time and research to compile and answer questions.

II. CITIZENS' COMPLAINTS

Citizens' complaints received by the Grand Jury and referred to the Audit Committee were reviewed by all members of the committee. The committee researched the issue raised in the complaint and, where necessary, used the Grand Jury investigator. In other instances, the members of the committee interviewed appropriate parties to the complaint. A letter was written to the complainant first to acknowledge receipt of the complaint and second to advise the complainant of the results of the investigation. As of May 1, 1989, the committee had received and reviewed three citizens' complaints.

APPENDIX

(The Appendix for the contract audit report is not included below.)

PERSONS INTERVIEWED

Accounting and Consulting Firms

Arthur Young & Co.
Coopers & Lybrand
Deloitte Haskins & Sells
Price Waterhouse
Booz Allen and Hamilton, Inc.

Tyler McCauley, Chief, Audit Division, Auditor Controller's Office
Kathy Spann, Grand Jury Staff Secretary
Frank Bereny, 1987-88 Audit Committee Chairman
Harry Koulos, Chief, Special Investigations Division, Chief Administrative Office
Susan Herman, General Manager, City of Los Angeles, Department of Telecommunications
Thomas Tidemanson, Director, Los Angeles County Department of Public Works

SITE VISITS

Office of the Auditor Controller
Board of Supervisors' Audit Committee meetings

GRAND JURY COMMUNICATIONS COMMITTEE



GRAND JURY COMMUNICATIONS COMMITTEE

Standing L to R: Lawrence Keller, Chair, Mayfield Marshall

Seated L to R: George Ogawa, Marvin Crayton

Not in picture: Jerry Santana

GRAND JURY COMMUNICATIONS COMMITTEE

Mission Statement

The mission of the Grand Jury Communications Committee was to facilitate the flow of information from the grand jury to the public (sometimes through the Board of Supervisors) and from the public to the grand jury. The committee was also concerned with the flow of information within the grand jury.

Goals

Develop an ongoing publicity and public relations program designed to provide a consistent placement of news stories with all media, area wide and local.

Integrate all committees' findings of cost-saving measures and reallocation of funds into a format which might be issued as an interim report on this subject or be included in the final report.

Develop an orientation program for the incoming 1989-90 Grand Jury.

Initiate a program designed to provide continuity from prior grand juries to incoming grand juries.

Systemize the revision and refinement of current Grand Jury Guidelines.

Committee Projects

1. The Communications Committee assisted other committees in the preparation and placement of news releases primarily on the subject of interim reports.
2. The goal of reporting cost-savings was thought to be a worthwhile endeavor in the beginning of the 1988-89 Grand Jury's term. In actuality, however, no significant areas of savings and/or reallocation of county funds were uncovered during the grand jury's investigations of various county departments.
3. The Communications Committee prepared agendas for incoming grand jury orientations. These programs were reviewed with the Superior Court Committee on Grand and Trial Juries before implementation.
4. The Communications Committee undertook the task of organizing and refining changes in the Grand Jury Guidelines prepared for the previous grand jury. These

revisions were the result of the agreement of the entire panel. This final document will be presented to the 1989-90 Grand Jury for its consideration.

5. The 1988-89 Grand Jury continued the work of previous grand juries in examining emergency procedures in the Criminal Courts Building. The Communications Committee arranged for a presentation to the full panel by Ron Fernstrom, Emergency Coordinator. Countywide plans for a major disaster such as an earthquake are well advanced and localized plans for a single building emergency are close to completion. Marshal Fernstrom felt that availability of advanced design field radios would complete equipment needed by his staff to work with any emergency situation.
6. Carpet and furniture in the grand jury hearing room have been in place since the Criminal Courts Building was completed in 1973. The grand jury quarters were painted approximately four years ago but the paint used was not washable. The Grand Jury came into dirty walls, shabby furniture and worn carpets. After research into sources of available funds, the panel approved a recommendation by the Communications Committee to make a formal request of the Superior Court to refurbish the grand jury quarters. This was approved and should be completed by the beginning of the term of the 1989-90 Grand Jury.

Areas Investigated

The Communications Committee was impressed by the audit of Grand Jury Operations conducted by Peat, Marwick, Mitchell and Company for the 1981-82 Grand Jury. However, the handling of citizen complaints by the grand jury was not included in that audit. The Communications Committee thought that without such information, an understanding of the grand jury's "watch dog function" would be incomplete. The panel approved an audit of the processing of citizen complaints to be done by the contract auditor, Coopers & Lybrand. An executive summary of that study follows.

GRAND JURY CITIZEN COMPLAINT PROCESS

PURPOSE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of citizen complaint processing, subsequent follow-up, and resolution procedures by county agencies and the Grand Jury. The review was requested by the Grand Jury as a result of its desire to improve its effectiveness in processing citizen complaints and to improve its responsiveness to citizen concerns.

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury identified several issues related to the processing of citizen complaints and the subsequent follow-up by county agencies and the Grand Jury. The Grand Jury was concerned that citizen complaints were not being processed effectively and efficiently.

BACKGROUND

The Grand Jury is charged with the responsibility of investigating and reporting on the operations, accounts, and records of county officers, departments and functions. It also has the same responsibility for cities, joint power agencies, redevelopment agencies, school districts and special districts within the county. The general term for the Grand Jury's investigative and reporting responsibility is the "watchdog function." One of the tools available to the Grand Jury for fulfilling the watchdog function is the complaint process.

Complaints are received by the Grand Jury through one of three sources: (1) law enforcement officials, (2) members of the Grand Jury, and (3) citizens or non-law enforcement county personnel.

While there are clear guidelines and laws that govern a grand jury's responsibility to hear and investigate criminal complaints, the law is less clear on the grand jury's responsibility to respond to citizen complaints. The 1988-89 Grand Jury members feel that inherent in their "watchdog" function is the responsibility to be responsive to citizen complaints. However, succeeding grand juries are not required to be responsive to complaints. Each new grand jury determines how it will respond to citizen complaints. As a result, the continuity in responding to complaints between grand juries can be an issue.

Each new grand jury must learn to follow-up on corrective actions promised by departments and agencies and decide how to process citizen complaints. Because they are inexperienced, new grand juries are more likely to concentrate on new citizen complaints rather than following-up on past complaints. In addition, because new grand jury members take a period of time to learn their roles and to form committees, the disposing of complaints inherited from the former grand jury is delayed.

SCOPE OF TOPIC

The Grand Jury Communications Committee of the 1988-89 Los Angeles County Grand Jury requested that Coopers & Lybrand, as contract auditors, conduct a study of the processing of citizen complaints and the subsequent follow-up by county agencies and the grand jury.

The study included an evaluation of the following areas:

- Timeliness of complaint processing through the grand jury.
- Timeliness, quality, and appropriateness of investigative agency responses.
- Availability of support staff to follow-up on complaint resolution between grand jury sessions.
- Issues and agencies which have a high frequency of citizen complaints.

METHOD OF INVESTIGATION

Coopers & Lybrand performed the following steps:

- Conducted interviews with 22 individuals associated with public and private organizations throughout the county in order to determine the following information:
 - Parameters for service level standards
 - Workloads associated with processing citizen complaints
 - Staffing requirements to provide adequate administrative staff in support of complaint processing and follow-up
 - Mechanisms in place to have complaints reach the grand jury
 - Opportunity for improving the processing and flow of complaints.
- Reviewed applicable sections of relevant documents to determine the grand jury's role in responding to citizen complaints as follows:
 - California State Penal Code.
 - Charge to the Grand Jury.
 - Los Angeles Grand Jury Guidelines.
 - Final Report to the 1981-82 Los Angeles County Grand Jury on the "Role and the Effectiveness of the Grand Jury," by Peat, Marwick, Mitchell & Company, January, 1982.
 - Memo, dated October 17, 1988, to the current chairman of the Grand Jury Communications Committee regarding "Critical Review of Peat, Marwick & Mitchell Audit Report."
 - Los Angeles Times article, "State Grand Juries Failing Civil 'Watchdog' Function," August 5, 1986.
- Reviewed information obtained from citizen complaint logs and files to determine the timeliness of citizen complaint processing as follows:
 - Developed a matrix of key data elements necessary to evaluate the timeliness of complaint processing.
 - Obtained assistance from members of the Grand Jury Communications Committee to gather the data and complete the matrix.

- Prepared flow charts of the processing requirements for a complaint within the grand jury's operations as follows:
 - Evaluated procedures in Los Angeles County Grand Jury Guidelines.
 - Interviewed the Grand Jury foreman, committee chairs, staff secretary, and legal advisor to document the current grand jury's citizen complaint process.

FINDINGS

The 1988-89 Grand Jury citizen complaint process has worked effectively in receiving, responding to and tracking complaints. During our interviews, we found that the current Grand Jury has provided timely and appropriate responses to citizens submitting complaints.

However, improvements can be made in the complaint process related to the following areas:

- Initiating a complaint form
- Tracking, reporting, and disposing of complaints
- Increasing complaint volume
- Maintaining continuity of complaint handling from one grand jury to the next
- Categorizing citizen complaints

All grand jury citizen complaints must be written. Most are letters which are often difficult to interpret. In this connection, the feasibility of providing a standardized complaint form was investigated. A complaint form would be simpler for complainants to use because it would help complainants to focus on specific information regarding the complaint. In addition, complaint forms are easier to complete than letters are to write.

Citizen complaint tracking information is available only on a limited basis from the complaint log maintained by the staff secretary. However, more detailed tracking and status information could be maintained by summarizing information reported in the minutes of grand jury panel sessions.

Committees and the foreman often respond to and close complaints before the disposition is presented to the grand jury panel. This expedites the complaint handling process at the expense of a majority vote of the full grand jury panel.

Present members of the grand jury feel the number of complaints received is low and an effort should be made to improve citizen access to the complaint process. Seventy-four citizen complaints were received by the 1987-88 Grand Jury. The 1988-89 Grand Jury is expecting to receive approximately the same number.

The continuity of the grand jury's investigative process breaks down between grand jury sessions. New grand juries have only the prior grand jury reports and some limited informal contacts to provide them with the status of citizen complaints. As the term of the grand jury approaches the end of its year, the grand jury finds it difficult because of time constraints to investigate citizen complaints and follow-up on investigative agency responses.

The grand jury does not have a method of identifying trends in citizen complaints other than relying on the administrative staff's or the legal advisor's prior experience. The ability to identify trends would allow the grand jury to identify issues and agencies which are the subjects of a significant number of citizen complaints and which should be investigated further.

RECOMMENDATIONS

- 1. The Grand Jury recommends that a form be created and made available for citizen complaints to the Grand Jury. See Exhibit A — Grand Jury Citizen Complaint Form. All complaints to the Grand Jury must be in writing. The use of a citizen complaint form would offer citizens an alternative to submitting a letter and would guide them in providing relevant facts regarding their complaints.**
- 2. The Grand Jury recommends that the final disposition of each citizen complaint be made by the Grand Jury as a panel. Committees will review, discuss, and investigate complaints, as necessary, and recommend the complaint disposition to the panel. The Grand Jury panel will have the opportunity to discuss and challenge the recommendation and make the final decision.**
- 3. The Grand Jury recommends that the tracking and reporting of citizen complaints be improved by establishing a complaint log to be maintained by the Grand Jury secretary. See Exhibit B — Grand Jury Panel Citizen Complaint Log. The new log would be in addition to the log maintained by the staff secretary and would be used to summarize complaint information entered into panel minutes. The new log will provide grand jury members access to the status of complaints that are not assigned to their committees.**
- 4. The Grand Jury recommends that targeted performance standards be established for handling citizen complaints. The targeted standard for receiving, investigating and disposing of a citizen complaint will be eight weeks. The Grand Jury foreman will be responsible for following up on complaint to ensure timely processing.**
- 5. The Grand Jury recommends that procedures be established to follow-up corrective actions related to certain citizen complaints promised by outside agencies. The foreman, using information from committee chairs, should prepare a list of such promised actions and the responsible agency, department or**

commission performing the follow-up review. The list should be passed on to succeeding grand juries to provide continuity and to ensure promised actions are completed.

6. The Grand Jury recommends that information related to active citizen complaints received by a grand jury be formally passed to the succeeding grand jury. This will help to ensure the continuity of citizen complaint investigations during the transition of grand jury panels.
7. The Grand Jury recommends that a temporary citizens complaint committee be established early in a grand jury's term. The temporary committee will process complaints until permanent committees can be established.
8. The Grand Jury recommends the establishment of a categorized complaint file so long term problem trends, developed over multiple grand jury sessions, can be highlighted through periodic review of the file by grand jurors. The Grand Jury foreman will be responsible for determining which citizen complaints should be copied and placed in the file.
9. The Grand Jury recommends that periodic press releases be distributed to publicize its "watchdog" function and the citizen complaint process. The press releases will serve to increase public awareness of a grand jury and inform citizens of its function and responsibilities.
10. The Grand Jury recommends that a flow chart of the citizen complaint process be incorporated into the Los Angeles County Grand Jury Guidelines' description of the citizen complaint process. The flow chart will supplement the written description of the process and will visually explain the complaint process to new jurors.
11. The Grand Jury recommends that complaint processing within the grand jury operations be improved by eliminating an unnecessary step. The foreman, after initialling his approval of complaint correspondence should forward the complaint directly to the staff secretary for typing instead of returning it to the originating committee. See Exhibit D -- Proposed Flow of Citizen Complaint Process. This will eliminate redundant reviews and additional delays in providing responses to complainants.

APPENDIX

(The Appendix for the contract audit report is not included below.)

DOCUMENTS REVIEWED

Peat, Marwick, Mitchell & Company audit report on 1981-82 Grand Jury

PERSONS INTERVIEWED

Juanita Blankenship, Assistant Director, Office of Juror Management, Los Angeles Superior Court

William Wallace, Grand Jury Coordinator, Office of Juror Management, Los Angeles Superior Court

Pam Everett, Assistant Director, Public Affairs, Los Angeles County Chief Administrative Office

Gene Hall, Assistant Division Chief, Printing Services Division, Los Angeles County Purchasing and Stores
Department

Ron Sato, Supervisor, Special Support Services, Los Angeles Superior Court

Honorable Ernest Hiroshige, Los Angeles Superior Court

Honorable Ronald E. Cappai, Los Angeles Superior Court

Ronald Fernstrom, Deputy Marshal, Criminal Courts Building, Disaster Coordinator

LOS ANGELES COUNTY GRAND JURY
13-303 CRIMINAL COURTS BUILDING
210 WEST TEMPLE STREET
LOS ANGELES, CALIFORNIA 90012

CITIZEN COMPLAINT FORM INSTRUCTIONS

Background

The Los Angeles County Grand Jury is a group of 23 citizens selected by the Los Angeles Superior Court. The Grand Jury is charged with the responsibility of investigating and reporting on the operations, accounts, and records of county officers, departments, and functions. It is also given the same responsibility for cities, joint power agencies, redevelopment agencies, school districts and special districts. The general term for the responsibility is the Grand Jury's "watchdog function." One of the important tools the Grand Jury uses in performing the watchdog function is the citizen complaint process.

The Grand Jury's citizen complaint process is most effective when a citizen has first tried to resolve the complaint with the appropriate agency. If a citizen receives an unsatisfactory response from the agency, or if the citizen is fearful of making a complaint directly to the agency, a complaint may be made to the Grand Jury.

All citizen complaints must be written and are processed in confidence. The Grand Jury is obligated to maintain the secrecy of the complaint and will not divulge information regarding the originator of the complaint in its investigations.

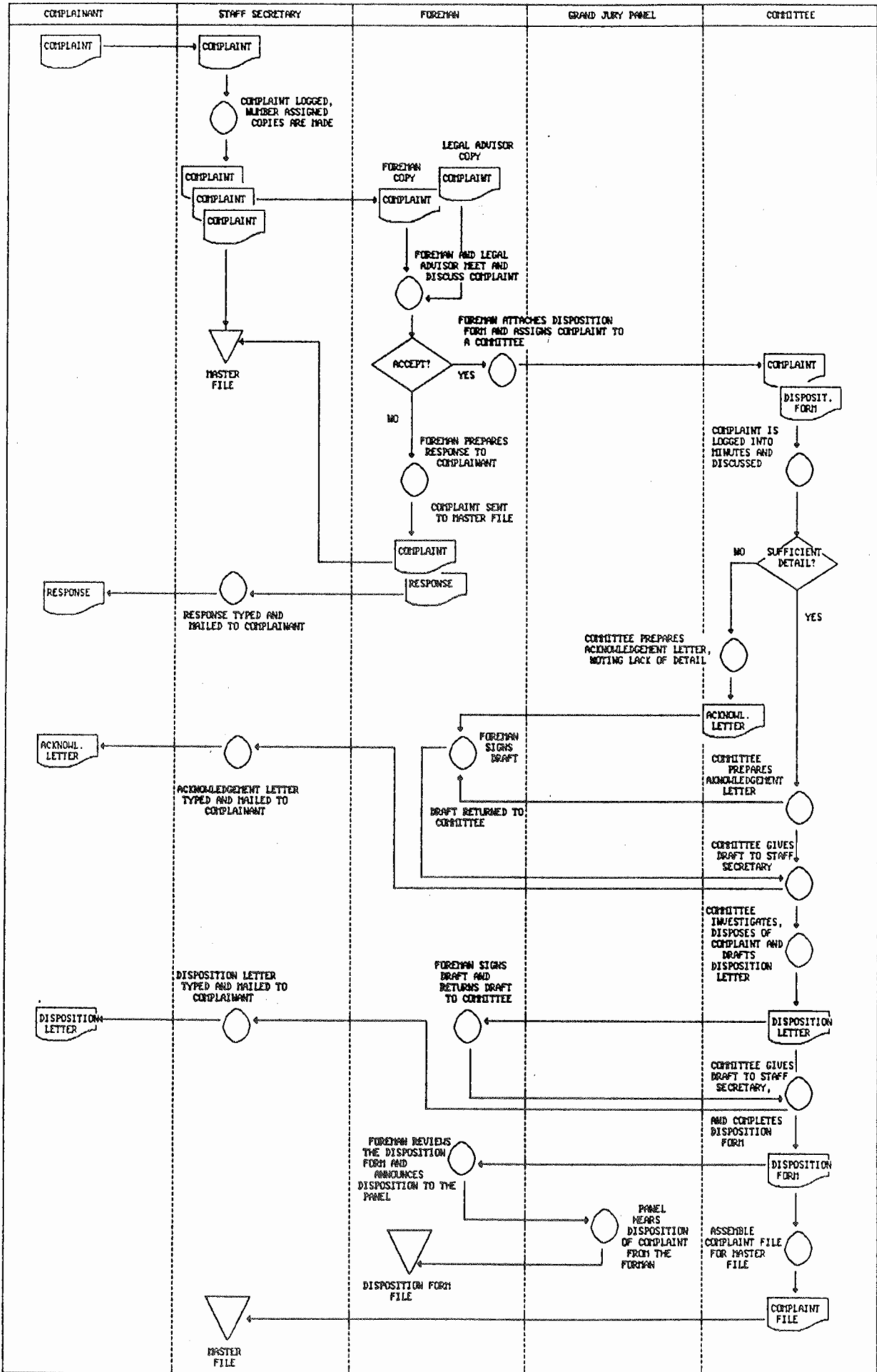
Every citizen has the right to submit a complaint to the Grand Jury. The complaint may be regarding any official or department of county, municipal, school district or special district agencies. Los Angeles County Superior Courts, California State and Federal officials and agencies are outside the jurisdiction of the Grand Jury.

Procedure

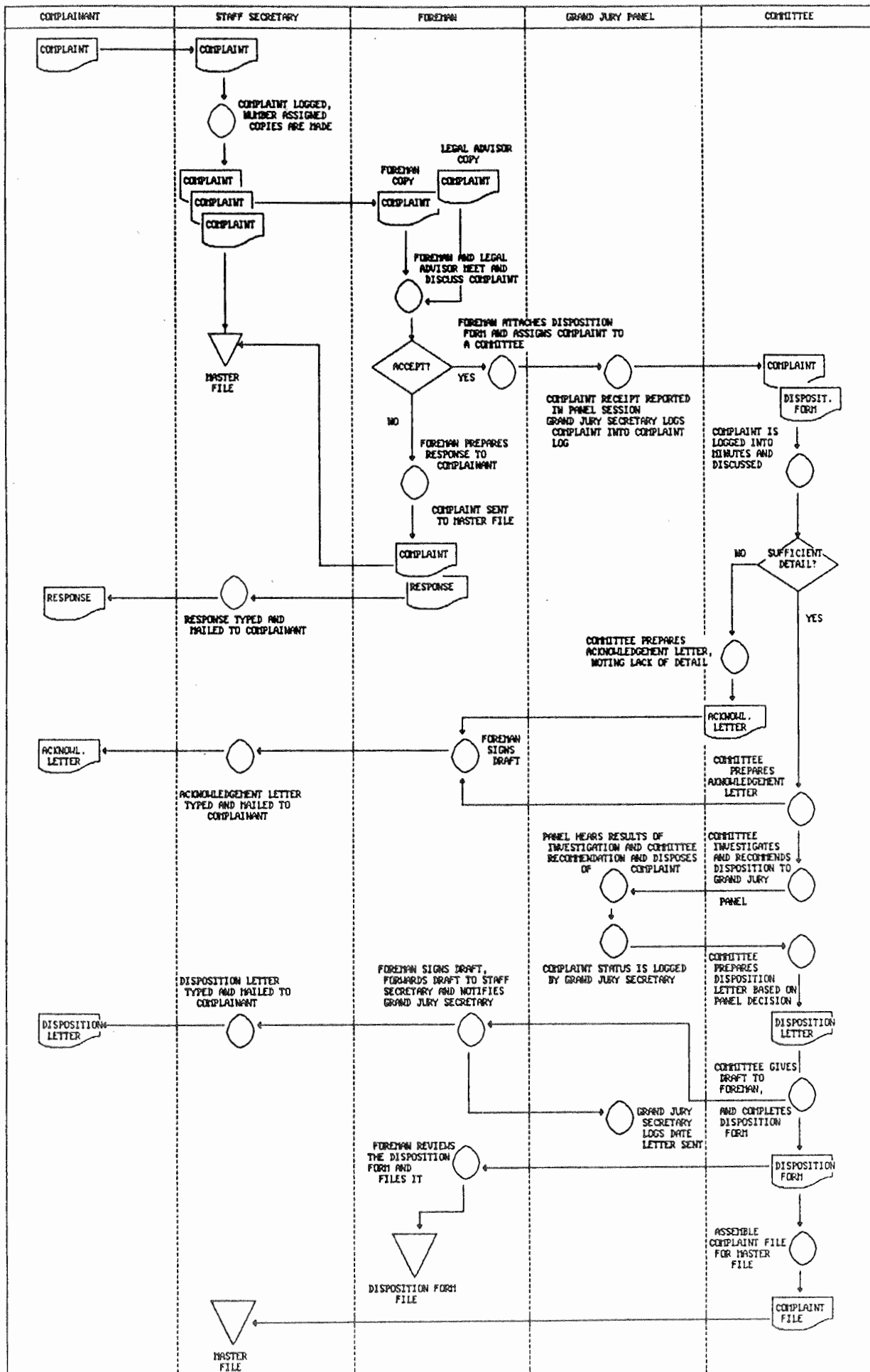
To complete the Grand Jury Citizen Complaint Form, provide your name, address and daytime phone number. This information will remain confidential and will be used to correspond with you regarding the complaint. Provide specific complaint information in the other sections. Additional pages may be attached to the form. Mail or deliver the complaint to the Grand Jury.

After a complaint is received it is forwarded to a committee within the Grand Jury for investigation. After the investigation, you will be notified, in confidence, of the complaint's final disposition.

EXISTING FLOW OF CITIZEN COMPLAINT PROCESS



PROPOSED FLOW OF CITIZEN COMPLAINT PROCESS



CRIMINAL JUSTICE COMMITTEE



CRIMINAL JUSTICE COMMITTEE

Standing L to R: H. E. Resnick, Emma Fischbeck, Daniel Strauss

Seated L to R: Danny Elias, James Hart, Chair

CRIMINAL JUSTICE COMMITTEE

Purpose

The Criminal Justice Committee reviews requests for investigative hearings and subpoenas as presented by the District Attorney and investigates and attempts to resolve criminal complaints. This year, the Criminal Justice Committee was assigned the mandated responsibility to inquire into the condition and management of the jails within the County (Penal Code Section 919). In addition, the adequacy of gun control laws was investigated.

Areas of Concern

- Review, investigation and resolution of criminal complaints
- Gun control
- Inspection of Jails

Areas of Investigation

I. CRIMINAL COMPLAINTS

As of April 1, 1989, the committee reviewed 12 requests for investigative hearings or subpoenas. The committee also investigated 36 criminal complaints against public officials. The allegations ranged from rudeness to felonies. Several complaints did not come under the jurisdiction of the Grand Jury.

We were assisted by our legal advisor in reviewing the complaints. Some of the investigative work was done by the committee, but most of it was done by a special investigator assigned to the Grand Jury by the District Attorney's Office.

The committee has diligently reviewed all assigned complaints. When outside agencies were not involved, the committee resolved the complaints in an expedient manner. In those complaint investigations when an outside agency was involved, the committee's completion date depended on the administrative and investigative procedures of that agency. The committee felt that some complaints were not resolved in a timely manner.

II. GUN CONTROL

PURPOSE

The purpose of this study was to determine if California laws pertaining to gun ownership and possession are adequate.

FOCUS/ISSUE

The issue of "gun control" was assigned to our committee in August 1988, as an area of concern for the 1988-89 Los Angeles County Grand Jury. This gun control report is the culmination of a five-month study. It is hoped that some confusion about guns and gun control may be reduced and this project may stimulate further investigation and action by governmental agencies and concerned citizens.

SCOPE

The Criminal Justice Committee of the 1988-89 Los Angeles County Grand Jury investigated the legitimate ownership and possession of guns by private citizens in California by performing the following:

- Reviewed existing California and Federal laws
- Evaluated the positions of a broad spectrum of knowledgeable parties

METHOD OF INVESTIGATION

Our methodology used for this review consisted of interviews, documents and exit verifications.

Interviews

Sherman Block, Sheriff, Los Angeles County Sheriff's Department

William Booth, Commander, Los Angeles Police Department, Press Relations for the Chief of Police

Lawrence Fetters, Commander, Los Angeles Police Department, Commission Operations

Michael Ley, Sergeant, Los Angeles Police Department, Training Division, Law Instructor

James Malley, Special Inspector, United States Treasury Department, Bureau of Alcohol, Tobacco and Firearms

David Marshall, State Liaison, Institute for Legislative Action, National Rifle Association

Fred Romero, Field Representative, California and Nevada, National Rifle Association

Robert Talcott, President, Los Angeles Police Department Commission

Manager, Retail Gun Store at the Los Angeles Police Department Academy Manager, National Gun Sales Store in Reseda

Claude L. Farris, Lieutenant, Los Angeles County Sheriff's Department

Documents Reviewed

Federal Firearms Regulations, Department of Treasury, Bureau of Alcohol, Tobacco and Firearms

State Laws and Published Ordinances-Firearms, Department of Treasury, Bureau of Alcohol, Tobacco and Firearms

California Penal Code Gun Control Act of 1968 as amended, digest, Harry Hogan, Specialist in American National Government, Government Division, United States Department of Justice

The Use of Weapons in Committing Crimes, Michael Rand, et al, U.S. Department of Justice, Bureau of Justice Statistics

The Armed Criminal in America, James D. Wright, U.S. Department of Justice, National Institute of Justice

Washington Post News Articles

Los Angeles Times News Articles

Policy Analysis (The Case Against Gun Control), CATO Institute by David Kopel

The American Hunter, Monthly publication of the National Rifle Association

Radio Station KNX Editorials and replies by the National Rifle Association

Guns Don't Die, People Do; Handgun Facts, Pete Shields, Chairman, Handgun Control, Inc.

The Right to Keep and Bear Arms, A report on the Subcommittee of the Constitution of the Committee on Judiciary of the United States Senate

The Great American Gun War; Ten Myths About Gun Control; Gun Law Failures; Semiauto Firearms; The Myth of the "Saturday Night Special," National Rifle Association

Exit Verifications

Sherman Block, Sheriff, Los Angeles County Sheriff's Department

William Booth, Commander, Los Angeles Police Department, Press Relations for the Chief of Police

Steve Mayes (National Rifle Association) for Fred Romero, Field Representative, California & Nevada, National Rifle Association

FINDINGS

- The gun control battleground in the State Legislature is concerned with definitions.
- It is extremely difficult to define types of firearms and impractical to define them by manufacturer or model number. (Model numbers may be changed at the discretion of the manufacturer.)
- The principle issue of gun control is the conflict between the rights of the gun owner and the right of the public's safety.

- We found that law enforcement agencies throughout the county are concerned about being out-gunned by the criminal element.
- Semiautomatic rifles or shotguns are fast becoming the weapon of choice by criminals.
- Most semiautomatic weapons are easily convertible to fully automatic, which are illegal without special license.
- Magazines are increasing in size and are now capable of holding in excess of 60 rounds. A citizen has no legitimate need for firepower of excessive magazine capacity.
- The law is inconsistent in having a fifteen-day waiting period/background check for the purchase of handguns, and not having a waiting period for all other firearms.
- A waiting period for all guns will provide a desirable cooling off period.
- Repeat misdemeanor offenders, under the present law, may not be charged with a felony for carrying a concealed weapon.

RECOMMENDATIONS

1. **The Grand Jury recommends that the Los Angeles County Board of Supervisors promote and support state legislation that will prevent the future sale, purchase or possession of all semiautomatic rifles and semiautomatic shotguns.**
2. **The Grand Jury recommends that the Los Angeles County Board of Supervisors promote and support state legislation that will require the registration of all semiautomatic rifles and semiautomatic shotguns by their current owners.**
3. **The Grand Jury recommends that the Los Angeles County Board of Supervisors promote and support state legislation that will restrict the cartridge capacity of all guns to a maximum of sixteen rounds of ammunition.**
4. **The Grand Jury recommends that the Los Angeles County Board of Supervisors promote and support state legislation that will extend the present fifteen-day waiting period for the purchase of handguns to all guns.**
5. **The Grand Jury recommends that the Los Angeles County Board of Supervisors promote and support state legislation that will raise the classification from a misdemeanor to a misdemeanor/felony (wobbler) for carrying a concealed weapon without a permit.**

III. JAILS

PURPOSE

The purpose of the committee was to inquire into the condition and management of adult detention facilities in Los Angeles County.

METHOD OF INVESTIGATION

The report of the 1986-87 Los Angeles County Grand Jury Jails Committee and citizen complaints were the bases for selection of jails visited. Eleven (11) adult detention facilities in Los Angeles County were visited by this committee. In addition, the entire Grand Jury was given an announced tour of the Central Jail. All committee inspections were unannounced. Holding facilities and jails as well as the Los Angeles County/University of Southern California Medical Center were visited. All committee members participated in all jail visits whenever possible. The committee designed an inspection form with suggestions from previous grand juries, the Los Angeles Police Department, the Los Angeles County Sheriff's Department and the American Civil Liberties Union. The focus was on jail management and control, as well as on conditions such as security, food, health and sanitation.

FINDINGS

Operations were found to be efficient and physical conditions at the majority of the premises ranged from acceptable to very good. Most were very crowded. The food was good everywhere. At one time or another we all ordered the "mainline" meal, which is the meal served to the inmates. We were walked through inmate dining areas at mealtime on several occasions and saw large portions of wholesome food being served. In every instance, the kitchens were immaculate and staffed with professional nutritionists and experts in every aspect of food preparation. In some of the local city jails, restaurant food was ordered and delivered hot to the prisoners. Court lockup facilities normally served a cold lunch, usually a sandwich and a piece of fruit. The committee was continually impressed with the logistic ability of the Los Angeles County Sheriff's Department to accomplish the gargantuan job of moving thousands of inmates each day to and from the courts.

Facilities Visited (rating: acceptable to very good)

- Unit #1, Los Angeles County/University of Southern California Medical Center Jail Ward
- Long Beach City Jail
- Hall of Justice
- Criminal Courts Building Lockup
- West Los Angeles Municipal Court Lockup

- San Fernando Municipal Jail
- Beverly Hills Municipal Jail
- North Valley Division Superior Court Holding Facility
- Peter J. Pitchess Honor Ranch

Facility Visited (rating: poor)

- Long Beach Court Lockup Building

The Long Beach Court Lockup building was built in 1960 but is at present far from being an adequate holding facility. Our inspections revealed the following conditions:

- Overcrowding
- Poor sanitation
- Frequently broken telephones
- No air circulation
- Broken and exposed electrical wiring
- Peeling paint
- A tar floor that is difficult or impossible to clean
- Need for a new juvenile holding cell
- No security elevator

In our visits to the Long Beach Court Lockup building, we found in each instance that there was severe overcrowding on inmate floor 4-D. In each instance we also found only a portion of inmate floor 2-D being used. We were told and we understand that this disparity in inmate density is due to the need to keep juveniles and adults separated.

We determined that, if another place could be found in the building for juvenile holding, inmate floor 2-D could be used for adult inmates. This would provide 140 more spaces for adult inmates. We found a possible location for juvenile holding on the sixth floor immediately adjacent to a courtroom: a configuration that could be patterned after the juvenile holding rooms on the fifth floor. We understand that the Chief Administrative Office is currently looking elsewhere on the fifth and sixth floors for space for juvenile holding rooms.

RECOMMENDATIONS

1. **The Grand Jury recommends that the Board of Supervisors direct the appropriate authority to immediately correct the facility deficiencies at the Long Beach Court Lockup building.**
2. **The Grand Jury recommends that the Board of Supervisors direct the Chief Administrative Office to find alternate juvenile holding rooms at the Long Beach Court Lockup building in order to free 140 additional spaces for adult inmates.**

APPENDIX

Jails

PERSONS INTERVIEWED

Lt. Ed Kreins, Beverly Hills Police Department

Sgt. Thomas Robinson, North Valley Division, Superior Court Holding, Los Angeles County Sheriff's Department

Capt. Robert A. Fernandez, Peter J. Pitchess Honor Ranch, Los Angeles County Sheriff's Department

Lt. Wilma Findon, Peter J. Pitchess Honor Ranch, Los Angeles County Sheriff's Department

Lt. Dan Peavy, City of San Fernando Police Department

Deputy Greg Emboy, West Los Angeles Municipal Court Holding, Los Angeles County Sheriff's Department

Sgt. Les Arnold, Los Angeles County Sheriff's Department

Senior Deputy Bob Belair, Los Angeles County Sheriff's Department, Long Beach Municipal Court Holding

Sgt. Gregory F. Saballone, Los Angeles County Sheriff's Department, Criminal Courts Building Holding

Lt. G. Hetzel, Los Angeles County Sheriff's Department

Capt. Alan L. Chancellor, Hall of Justice, Los Angeles County Sheriff's Department

Sgt. Stephen Eliakedas, Long Beach City Police Department

W.D. Meeks, Long Beach City Police Department, Long Beach City Jail

Sgt. Steve Manthorne, Los Angeles County Sheriff's Department, Unit #1 Commander, Los Angeles County/University of Southern California Medical Center Jail Ward

Phyllis Johnson, Juvenile Courts Delinquency Coordinator, Los Angeles Superior Court

Commissioner Robert Fletcher, Long Beach Juvenile Court

Mike Henry, Division Chief, Public Safety Division, Chief Administrative Office

Dennis Petty, Head Deputy, Long Beach Branch Office, Los Angeles County District Attorney's Office

Bryan Woolridge, Deputy-in-Charge, Long Beach Juvenile Office, Los Angeles County District Attorney's Office

Steve Hough, Deputy Public Defender, Long Beach Branch Office, Los Angeles County Public Defender's Office

DELIVERY OF HEALTH SERVICES COMMITTEE



DELIVERY OF HEALTH SERVICES COMMITTEE

Standing L to R: Louis Brutocao, Mario Negri, Frank Kelker, Denny Morrissey
Seated L to R: Johnnie Raines, Sidney Dwoskin, Chair, Margaret Kogut

DELIVERY OF HEALTH SERVICES COMMITTEE

Purpose

Our mission was to assess the delivery of health services in Los Angeles County with primary focus on all county facilities including hospitals, clinics, jails and juvenile justice facilities; to determine possible cost savings and reallocation of funds.

Areas of Concern

An original list of 30 areas of concern was developed while the committee reviewed 39 available reports, invited 24 resource persons for conferences and made 13 site visits at which time we conferred with a total of 76 department administrators, managers and line personnel.

The tentative list of 30 was later consolidated into five categories which included:

- Trauma Centers
- Training
- Level of health services for children in justice system facilities
- Justice services
- Facility maintenance and expansion

Subsequently the above were further delimited and some additional areas were defined and added; inspection of restaurants, blood donor programs, responsibility to advise patients on side effects of medication and Catalina Hyperbaric Treatment Chamber.

Background

The committee's study of the delivery of health services in Los Angeles County was stimulated by the attention by the local media which described in alarming terms pending financial problems and severe curtailment of services. Six hospitals with a combined licensed bed capacity of 4,310, became a primary concern. The 1987-88 workload indicated an average daily census of 2,875, admissions numbering 167,000 and annual out-patient visits of 1.26 million; yet, serious curtailments were being discussed at the state and local levels.

The missions of the Los Angeles County hospitals were in jeopardy:

- acute and rehabilitative patient care
- teaching of physicians undergoing speciality training
- research

Committee Projects

The committee received and responded to three citizen complaints focusing on delivery of health services in Los Angeles County hospitals and jails.

A health inspection checklist consisting of 24 items was developed by the committee in order to make site visits and inspections more productive.

Finally, as the committee became aware of the hospitals' overall issues and needs it became apparent that there were short and long range problems to be solved. In addition to the financial crisis, emergency service problems, nursing shortages, maintenance, and space problems, it became apparent that the issue of trauma centers and hospital expansion needed to be addressed. This became one of the contracted studies included in this report.

Areas of Investigation

The Delivery of Health Services Committee finalized six areas. Three were contract studies and three were in-house projects:

- Juvenile Court Health Services
- Trauma Centers and County Hospital Facilities
- Compliance with Health Standards for Restaurants
- Physician Responsibility for Patient Information on Medication Side Effects
- Voluntary Blood Donations Program
- Catalina Hyperbaric Treatment Chamber

I. JUVENILE COURT HEALTH SERVICES

PURPOSE

The purpose of this study was to perform a review of the level of health services provided by the Juvenile Court Health Services Division (JCHS) of the Department of Health Services (DHS) to the Probation Department's juvenile facilities and to the Department of Children's Services (DCS) at MacLaren Children's Center.

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury identified the following key issues related to the delivery of medical health services in the Juvenile Court system. One, standards and service levels related to the delivery of medical health services in the Juvenile Court system were established in 1976 and may not match current needs. Two, the population of the Probation Department's juvenile facilities and MacLaren Children's Center has increased without a proportionate increase in the availability of funds to provide health services. Three, the Probation and Health Services Departments define the necessary delivery of medical health services at different levels.

BACKGROUND

In 1976, the Los Angeles County Probation Department had a health care function within the department and was solely responsible for providing health care to juveniles in the county's juvenile halls and camps. (Currently, JCHS is responsible for providing health care services under the jurisdiction of the Probation Department.) There were a series of newspaper articles describing overcrowding in juvenile facilities, including stories that juveniles were sleeping on the floor. There were also allegations in the newspaper regarding inadequate medical care being provided to detained juveniles. In this connection, there were allegations that insufficient control existed over the use of psychotropic (tranquilizing) medications which were being dispensed by probation staff.

As a result of these allegations, the Los Angeles County Board of Supervisors created a Task Force to review the level of health care services provided to detained juveniles in the county. The Task Force's study resulted in 27 recommendations that were presented to the Board of Supervisors. The following three principal recommendations were included:

1. The health care function should be transferred from the Probation Department to the DHS.
2. The health care program should be affiliated with a school of medicine.
3. The level of health care services provided to detained juveniles in Los Angeles County should be in accordance with the American Academy of Pediatric standards for juveniles housed in juvenile court residential facilities.

On January 1, 1977, the DHS assumed responsibility for the health care of detained juveniles in the detention halls and camps, and formed a new division named JCHS. Under the direction of a new Medical Director, Dr. Charles Baker, the division immediately began making changes to bring the level of health care up to the American Academy of Pediatric standards and to seek affiliation with a school of medicine.

By 1984, JCHS had improved its delivery of health services to the extent that it was one of the first programs in the nation to be accredited by the National Commission on Correctional Health Care. Also, in that year JCHS assumed responsibility for providing medical services to the DCS at MacLaren Children's Center.

SCOPE OF TOPIC

The scope of the work involved two major objectives: one, determine if present standards and service levels related to the delivery of health services in the Juvenile Court system match the standards that were established in 1976; and two, assess the desired level of health services which can be provided to the Probation and Children's Services Departments by JCHS.

METHOD OF INVESTIGATION

The following major tasks were performed in reviewing the services provided by the JCHS Division.

Investigated key areas involved with the delivery of health services to youths in the Juvenile Court system.

- Conducted more than 36 interviews, including the following information sources:
 - Four interviews with DCS information sources
 - One interview with Geraldine Dunn, Public Health Commission Chairman
 - Ten interviews with Probation Department personnel
 - Eighteen interviews with JCHS personnel
 - One interview with Larry Roberts, DHS Deputy Director
 - One interview with Bonnie Norman, R.N., Correctional Health Care Consultant
 - One interview with Nancy Daly, Children's Commission Chair
- Reviewed the organizational structure and responsibilities of three county departments involved in providing health services to juveniles.

Investigated pertinent reports and statistical information.

- Reviewed the 1976 Task Force study to assess the basis of standards previously established and their applicability in today's environment.
- Reviewed the November 1988 report of the JCHS Program Review Committee, initiated by the DHS, to gain an understanding of the Department's evaluation of JCHS.

- Developed and evaluated comparative information related to the delivery of health services, including specific information regarding the following area programs:
 - City of New York
 - San Francisco County
 - San Bernardino County
 - Ventura County
 - California Youth Authority
- Identified the types of health services which should be and are provided within the Probation and Children’s Services Departments’ juvenile facilities.
- Reviewed reports resulting from the annual inspections of juvenile facilities by the DHS.

Investigated facilities and health care delivery systems.

- Reviewed the process for accrediting JCHS centers to provide various kinds of health services.
- Determined the number of county facilities and census where juveniles are housed and the comparative levels of health services support available at each site.
- Visited the following sites to review the environment in which health care services are provided:
 - Central Juvenile Hall
 - Los Padrinos Juvenile Hall
 - San Fernando Juvenile Hall
 - Camp Scott
 - Camp Scudder
 - MacLaren Children’s Center
- Met with representatives from the Probation Department to review the approval process for the delivery of health services to juveniles.

Investigated the sources of funding and the categories of expenditures.

- Identified mandated changes in expenditure levels and determined the process used to allocate budgeted funds.
- Determined the potential levels of Medicare/Medi-Cal coverage and the potential for cost recovery.

Investigated the process for the delivery of health services.

- Evaluated the potential for delays in treatment services for critical types of health problems.
- Determined the extent of examinations done at the time an individual enters and exits the institution.
- Determined whether procedures to deal with communicable diseases are established with appropriate protocols and are followed.
- Determined the role of Probation and Children's Services Departments' personnel in the delivery of health services.
- Evaluated the service levels and the costs of providing health services against existing standards and budgets.

FINDINGS

The Probation and the Children's Services Departments have responsibility for their health care budgets but do not control health care expenditures nor health care staff utilization. Responsibility for the JCHS budget was transferred in 1986 from the DHS to the Probation Department for probation facilities, and to the DCS for MacLaren Children's Center. Although health care expenditures are still controlled by JCHS, Probation and DCS are provided limited information upon which to evaluate health care decisions. In addition, scheduled meetings were not held between the JCHS Medical Director and Probation's executive management until December 1988. Consultations between JCHS staff at the juvenile halls and hall superintendents have been infrequent.

JCHS and the Probation Department disagree on the desired level of health care to be provided to incarcerated youth. JCHS defines the appropriate level of health care services from a medical professional's perspective. The Probation Department has a budgetary perspective of the required level of care which requires them to balance the cost of medical care with the budgetary demands of other probation programs. In this connection, the JCHS's philosophy is to provide a level of care equivalent to the community standard, which is defined as the level of care available to juveniles at comparable county facilities, such as the comprehensive medical centers.

JCHS is considered by health care professionals to deliver a high level of care, comparable to the level of care provided by county comprehensive medical centers.

The Probation Department has issued a Request for Proposal to contract the delivery of health care services to San Fernando Valley Juvenile Hall and camps, including Camps Scott, Routh, Scudder and Holton. Contracted health services are being considered for two reasons: (1) to control and lower the cost of health services provided

to detained juveniles; and (2) to comply with a mandate from the Board of Supervisors to "privatize" county services. However, concerns exist involving the delivery of health care services by an outside vendor. The concerns focus on the ability of an outside vendor to provide the same level of health care services at a lower cost than is currently provided by the County.

Limited communication exists between JCHS and the Probation Department. Until December 1988, regular meetings were not held between JCHS and Probation Department management. This has resulted in strained working relationships between the executive management of the Probation Department and JCHS. Management data (e.g., staffing and incident reporting) required to evaluate physician and nurse coverage at the juvenile halls, camps and MacLaren Children's Center is not available. As a result of the limited management information, Probation is unable to properly evaluate the volume and quality of services provided against cost.

Adjustments in JCHS staffing may be possible to reduce staffing costs and improve the level of care provided through consolidation and realignment of physician and nursing staff assignments.

Additional opportunities may exist for reducing JCHS costs through greater use of Probation and Children's Services' staff in the delivery of health services. In addition, automation of JCHS medical records represents an area of potential productivity improvement.

RECOMMENDATIONS

- 1. The Grand Jury recommends the Department of Health Services establish improved budgetary controls over Juvenile Court Health Services through one of two methods:**

One, place the same controls over Juvenile Court Health Services as Probation and Children's Services Departments would require over an outside health care vendor.

Two, split Juvenile Court Health Services and merge the health care services functions into the Probation and Children's Services Departments.

- 2. The Grand Jury recommends to the Probation Department and the Department of Children's Services that the appropriate level of health services to be provided to juveniles in probation facilities and MacLaren Children's Center continue to be equivalent to the services provided in comparable county health facilities providing medical services to juveniles. This level is generally referred to as the "community standard."**

3. **The Grand Jury recommends the Board of Supervisors ensure that a consistent level of health services continue to be provided to all juveniles at all county facilities that is, at a minimum, equal to the community standard. To aid in ensuring a consistent level of health services, consideration may be given to convening a special task force to clearly define the community standard.**
4. **The Grand Jury concludes to the Board of Supervisors that the level of health care provided by Juvenile Court Health Services appears to meet the level established by the 1976 Task Force.**
5. **The Grand Jury recommends the Probation Department perform a thorough cost and service evaluation at an appropriate time after implementation of the medical services contract. This evaluation should be performed for the San Fernando Valley Juvenile Hall and Camps Routh, Scott, Scudder and Holton to assess the impact of the Department's utilization of outside health care vendors.**
6. **The Grand Jury recommends the Probation Department and Juvenile Court Health Services establish regular monthly meetings to improve communication. In addition, Juvenile Court Health Services should improve records maintenance and provide improved management information to Probation on a regular basis. This information, in conjunction with monthly meetings, will allow the Probation Department to obtain a thorough understanding of health services provided and thus improve control over health care services.**
7. **The Grand Jury recommends the Department of Health Services perform an analysis of the Juvenile Court Health Services staffing structure. As part of the analysis, productivity measurements should be established and utilized to periodically evaluate staffing and required service levels.**
8. **The Grand Jury recommends the Department of Health Services evaluate alternatives to present Juvenile Court Health Services health care practices to identify potential cost savings. In this connection, the Department of Health Services should evaluate utilizing trained non-medical staff to perform clerical duties and to dispense medications, thus reducing nurse staffing costs while maintaining current service levels and control over medications. In addition, the Department of Health Services should evaluate the feasibility of computerizing Juvenile Court Health Services' medical records to reduce excessive manual tracking and processing.**

II. TRAUMA CENTERS AND COUNTY HOSPITAL FACILITIES

PURPOSE

The purpose of this review is to examine trauma care services in Los Angeles County and the related need for expansion of County hospital facilities to support trauma care services.

FOCUS ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of trauma care services in Los Angeles County. The review was requested by the Delivery of Health Services Committee to determine the adequacy of existing trauma care facilities in the County and the need for expansion of County hospital facilities to support trauma care services.

BACKGROUND

Trauma is the leading cause of death among people between the ages of one to 38 years and is the third leading cause of death for people of all ages. Trauma care is defined by the American College of Surgeons as "a life-threatening injury or series of injuries that requires immediate surgical intervention if the patient is to survive." The County of Los Angeles Department of Health Services (DHS) has offered the following "definition of a trauma patient:"

- Critical trauma patients include, but are not limited to, those with major blood loss and/or shock, severe cardio-respiratory distress, blunt or penetrating wounds to the trunk, head, neck or spine requiring prompt surgical intervention.
- A trauma center will be expected to provide prompt, definitive treatment to persons sustaining critical injury as a result of vehicular accidents, gunshot or knife wounds, falls or other violent incidents.

Trauma centers in Los Angeles County are designated as Level I, II or Rural according to trauma criteria for designation, established by the Board of Supervisors. In addition to exceeding the requirements of emergency room care, all County designated trauma centers require both a general surgeon and an anesthesiologist to be in-house and immediately available 24 hours per day. Trauma centers must have the following services: clinical laboratory, surgical service, basic emergency service, intensive care unit, pediatric care; and the following capabilities: acute hemodialysis, acute spinal cord injury management and programs for quality assurance.

The DHS was formed in 1972 by order of the Board of Supervisors. The Emergency Medical Systems (EMS) Division of that department currently administers the County's

trauma care system. County planning began over ten years ago for the trauma system which would provide care throughout the County.

In 1983, the DHS began implementing the current trauma care system which was approved by the Board of Supervisors. Participating hospitals would agree to participate in the

trauma care system, including paying an annual fee of \$15,000. The annual fee has since varied between \$15,000 and \$35,400. In this connection, hospital response was positive. Between December of 1983 and July of 1986, 23 hospitals opened trauma centers with County designations of Level I, II or Rural.

The EMS responded to approximately 420,000 emergency calls in 1986. Of the total number of calls, 11,456 were identified as trauma victims and were transported to trauma centers. The number of trauma patients has continued to grow. In 1988 over 14,000 trauma patients were treated.

Since 1985, eight private hospitals in Los Angeles County have withdrawn from the trauma care system, principally because of financial constraints. One of the chief causes of private trauma center losses is non-paying or indigent patients. In June of 1986, the Los Angeles Indigent Services Program was cancelled. This program compensated private hospital trauma centers for non-paying indigent patients under the Medically Indigent Adult Program. In 1988, California voters approved Proposition 99 which resulted in increased state excise taxes on cigarettes and tobacco products in order to provide increased funding for various health-related services including trauma care. However, much of the potential revenue from these taxes has been diverted to other uses at the state level. In fiscal year 1988-89, \$7.2 million was provided by Los Angeles County for trauma and special funding. These funds were provided mainly to private trauma hospitals and private physicians. Nonetheless, private hospitals have claimed this amount to be inadequate. These special funds expired on January 1, 1989.

The withdrawal of several private trauma centers from the trauma care system has placed additional financial burdens on the remaining open centers and has created severe capacity problems both at private and County hospitals. In addition, large areas of the County are no longer within the trauma system's stipulated 20-minute ground transport time of a designated trauma center. More recently, St. Joseph's Medical Center of Burbank has announced that it will withdraw from the trauma system. This will render large areas of the East San Fernando Valley without trauma system coverage.

SCOPE OF WORK

The study included a review of the overall County trauma care system and the related need for expansion of County hospital facilities to support trauma care services. This is a high level review focusing on key factors impacting trauma care and the potential need for Los Angeles County hospital facilities expansion.

METHOD OF INVESTIGATION

Our methodology used for this review consisted of the following major work steps:

We investigated factors influencing response time and the shortage of hospital trauma facilities in the County:

- Interviewed key senior level staff from the DHS.

We investigated research on trauma center services:

- Interviewed representatives from the Hospital Council of Southern California and the Los Angeles County Medical Association.
- Interviewed representatives from the State of California Office of Statewide Health Planning and Development.
- Interviewed representatives from the State of California Assembly Office of Research.
- Reviewed numerous publications on the subject of trauma care systems.

We investigated trauma center facilities:

- Performed site visits at Los Angeles County/USC Medical Center, Harbor/UCLA Medical Center and UCLA Hospital & Clinic Medical Center.
- Interviewed a representative from an affected hospital bargaining unit.
- Reviewed numerous articles and reports specifically identifying the reasons for hospitals leaving the trauma care network.
- Reviewed State and County regulations concerning requirements for various levels of trauma and emergency care at approved facilities.

We investigated County planning and funding for trauma care:

- Interviewed representatives from the DHS including the following sections: Emergency Medical Services Agency, Division of Hospitals, Office of Planning Management Information and Budget, Controller's Office and Office of Strategic Planning.
- Reviewed numerous funding proposals for Los Angeles County trauma care at the County, State and Federal levels.

- Reviewed long-range County plans for funding and expanding trauma care in the County.

We reviewed the materials provided by the Delivery of Health Services Committee reflecting their studies of trauma care services within the County.

FINDINGS

- A. Six of eight private hospitals which withdrew from the County trauma system cited economic reasons. Economic considerations include cost of staffing, inadequate reimbursement from MediCal, and the inability of some patients to pay for medical services.

In addition to the trauma centers already withdrawn, St. Joseph Medical Center of Burbank announced on April 19, 1989 that it will withdraw from the County trauma system effective June 19, 1989 because of financial reasons.

- B. Portions of the West County, the Eastern San Gabriel Valley and communities in the vicinity of Los Angeles International Airport are not within the designated 20-minute distance from a trauma center. In addition, residents of the Antelope Valley, mountainous areas and Catalina Island are dependent on the availability of helicopter transport for access to a designated trauma center.

A large portion of the East San Fernando Valley will be left without coverage under the County trauma system after St. Joseph Medical Center of Burbank withdraws from the system in the near future.

- C. Data provided by the Hospital Council of Southern California indicates that among 12 private hospitals surveyed, the average loss per trauma patient was \$11,514 for those covered under MediCal and \$4,230 among those classified as "cash patients."

- D. Despite the initially perceived attractiveness of having a County-designated trauma center on site, private hospitals are withdrawing from the trauma system. These withdrawals are expected to continue unless governmental financial assistance is increased. The major causes cited for the withdrawal of hospitals from the trauma system are as follows:

- The number of trauma patients is increasing and consequently the number of non-paying patients has increased. In 1986, approximately 11,500 patients were seen in 22 trauma centers. In 1988, approximately 14,000 trauma patients were seen in the 16 remaining trauma centers.
- Inadequate reimbursement is provided to private hospitals for under- and un-insured patients.

- Inadequate reimbursement is provided by payment mechanisms including Medicare's Diagnostic Related Group system and MediCal's payment levels for emergency care.
- County hospitals have a decreased ability to accept transfers of stabilized patients.
- Inadequate reimbursement is provided to private physicians for under and un-insured patients.

E. Frequently, hospitals must postpone scheduled surgeries for their private patients, and physicians must redirect patients to non-trauma hospitals to avoid potential surgery schedule cancellations. In the process, operations and income sources are affected for both trauma hospitals and physicians.

Since physicians are extremely influential in directing hospital policy and planning, their attitudes toward trauma centers are crucial to trauma center existence. Therefore, in response to physicians' complaints, private hospitals have established various financial incentive programs. Most programs reflect some form of fixed reimbursement plan.

The DHS has included in its 1988-89 fiscal budget approximately \$2.5 million for private physician reimbursement for indigent care. Although the DHS estimates its needs will be approximately \$6.3 million for this purpose in 1989-90, it is uncertain whether this amount will be realized.

F. During peak activity periods, especially evenings and weekends, patient volumes often exceed capacity at multiple trauma center locations, including County trauma hospitals. This often results in several trauma centers simultaneously being unable to accept patients for extended periods of time. As a result of site visits at County trauma hospitals, it was determined that even if hospitals have available beds, there may not be adequate staffing or sufficient beds in an appropriate category of care.

G. The County has responded to limited capacity and other related trauma system problems with the following programs:

- Priority Transfer Agreement Program
- Short-Term Funding for Indigent Care
- Emergency Enhancements Program
- Long-Term County Hospital Expansion Proposals.

The programs, while addressing many of the trauma care needs in the County, do not appear to offer enough solutions. They do not provide adequate preemptive steps or incentives to prevent additional trauma centers from withdrawing from the trauma care system or to ensure the preservation of the County trauma system. The following limitations have been cited:

- Increased demand for trauma services at existing trauma facilities: As traffic accidents and violent crimes continue to increase in number, so will the demand for trauma care. From 1986 through 1988, the number of trauma patients treated in the County changed from approximately 11,500 in 1986 to over 14,000 in 1988, an overall increase of 22% over three years. Meanwhile, existing trauma centers already are having to divert potential trauma patients on a regular basis, because of full-capacity conditions.
- Reduced capacity from the continued withdrawal of trauma centers: Concurrent with the increase in the number of patients is the decline in the number of trauma centers in the trauma system: from 1985 through 1988, the number of trauma centers declined from 23 to 15. Additional withdrawals are widely anticipated. As more private trauma centers withdraw from the system, remaining trauma centers will experience greater demand for their services as patients are re-routed and as the number of trauma victims increases among the County's population at large.
- Reduced trauma system coverage: As private hospitals continue to withdraw from the trauma system, wider areas of the County will be left beyond the stipulated 20-minute ground transport time from a designated trauma center. The long-term County hospital expansion proposals will not provide trauma system coverage for at least five years for those in the County who are currently outside the 20-minute ground transportation standard. Furthermore, the County proposals do not appear to anticipate further private hospital trauma center withdrawals.
- Higher expenses later to make up for missed opportunities now: Without sufficient funding now, the County and State are potentially risking millions of dollars of their future funding resources by default. Expenditures of funds now to keep existing private trauma centers solvent could cost significantly less than future alternatives such as inducing private hospitals to re-enter the trauma care system or building even more County hospital trauma facilities.

Regardless of how current trauma system problems ultimately are resolved, proper planning at this stage could avoid the loss of millions of dollars at the County and State levels in future years.

- H. Neither a strategic plan nor a strategic planning function appears to exist at the County level specifically addressing the current problems and issues facing trauma centers in Los Angeles County.

A comprehensive County plan supported by adequate financial commitments is not available to ensure the preservation of the County trauma system. Without a shift in budget priorities at the State and County levels, it is widely anticipated that private hospitals will continue to withdraw from the trauma system. The County has adopted strategic planning as a means of determining its major priorities and resource allocations. Through the strategic planning process, consensus can be achieved to determine specific financial commitments from specific entities to make these priorities a reality.

The County had a clear vision and direction for county-wide trauma care when it originally formulated the County trauma system. There was wide agreement and consensus to support the trauma system at both County and State levels. Private hospitals eagerly participated in the system because they had financial and other incentives. However, financial incentives diminished, hospitals began withdrawing from the trauma system.

The original vision for the trauma system received wide support as a program not requiring heavy governmental funding. This situation has now changed. Without further governmental funding, it is widely anticipated that private hospitals will continue withdrawing from the trauma system.

The current situation differs significantly from what was originally envisioned. It does not appear that government budget priorities have shifted to reflect this change. The County trauma system has not been given a high enough budget priority either at the State or County level to ensure its preservation.

The County has adopted strategic planning as a means of determining its major priorities and future directions. The DHS established its Office of Strategic Planning in August 1986.

The basic approach to strategic planning involves three major stages. First, goals are identified. Second, strategies and policies are identified to achieve these goals. Third, detailed plans are developed to ensure that the strategies are implemented to achieve the ends sought. Accordingly, the strategic planning process comprises three major types of plans: strategic plans, medium-range programs, and short-range budget and operating plans.

Through the strategic planning process, consensus can be achieved to determine the following criteria:

- a. Program priorities.
- b. Appropriate funding levels and sources for these priorities.
- c. Specific financial commitments from specific entities to make these priorities a reality.

RECOMMENDATIONS

- 1. The Grand Jury recommends to the Los Angeles County Board of Supervisors that the saving of lives be given the highest priority and that adequate county and state funding be allocated for the restoration of the county trauma system as it was originally proposed.**
- 2. The Grand Jury recommends that the Department of Health Services Strategic Planning Office develop a strategic plan for trauma care in Los Angeles County. This strategic plan should address trauma care separately from emergency care. A county financial commitment level should be established to adequately compensate private hospitals for indigent trauma care and thereby help sustain the solvency of existing designated private hospital trauma centers.**
- 3. The Grand Jury recommends that the Department of Health Services integrate its hospital expansion proposals with the strategic plan for trauma care.**
- 4. The Grand Jury recommends that the Department of Health Services develop a trauma care contingency plan for 1989-90, in addition to a strategic plan for trauma care. The contingency plan should include the following components:**
 - Estimated county funding requirements for the current fiscal year needed to avert further private hospital trauma center withdrawals from the trauma care system.**
 - Critical steps for the County to perform in the event of further withdrawal of private hospital trauma centers.**
 - An evaluation of potential savings if the County were to subsidize private hospital trauma centers to prevent their exit from the trauma system, in exchange for the long-term financial loss which would be incurred in the event of further private trauma center withdrawals.**
- 5. The Grand Jury recommends that the Department of Health Services integrate its annual budgeting process with the trauma care strategic plan and contingency**

plan. The annual trauma care budget should have specific, annual budget targets, in agreement with the County strategic plan for trauma care. This type of long-range planning would avoid emergency funding on an ad hoc basis.

6. The Grand Jury recommends that the Department of Health Services hold additional meetings with private hospitals to determine what levels of funding would be required to bring private hospitals back into the County trauma system as it was originally proposed.
7. The Grand Jury recommends that the Department of Health Services implement new measures to improve communication with private hospitals and private physicians regarding trauma care in the County.
8. The Grand Jury recommends that the Department of Health Services establish a reasonable, long-range financial commitment to compensate private hospitals and private physicians for indigent trauma care.
9. The Grand Jury recommends that the Department of Health Services meet with hospitals participating in the County trauma system to determine levels of funding required to adequately compensate private hospitals for indigent trauma care.
10. The Grand Jury recommends that the Department of Health Services meet with private hospitals and private hospital physicians to determine reasonable levels of private physician compensation in private hospitals for indigent trauma care.
11. The Grand Jury recommends to the Board of Supervisors, that in order to encourage the return of private hospitals to the County trauma system, the County no longer charge private hospitals annually for their participation in the County trauma system. The annual payment amount should be determined as a result of discussions between the Department of Health Services and private hospitals. The Department of Health Services has been charging private hospitals between \$15,000 and \$35,400 annually to participate in the County trauma system.
12. The Grand Jury recommends to the Board of Supervisors that the County pay private hospitals participating in the County trauma system, a fixed amount per completed trauma case to help offset losses associated with operating trauma centers. The fixed amount should be determined as a result of discussions between the Department of Health Services and private hospitals.

13. The Grand Jury recommends that the Board of Supervisors pursue through its legislative contacts revenue sources at the State level. The Grand Jury recommends that a permanent source of funding be established and mandated for the sole purpose of supporting trauma centers.

Since the majority of trauma cases are automobile-related, the Grand Jury recommends that related revenue sources be pursued as follows:

- Vehicle taxes.
- Gasoline taxes.
- Automobile insurance recovery.

The Grand Jury further recommends that the following additional revenue sources also be pursued:

- The creation of a special assessment district for the sole purpose of emergency medical services enhancement.
- Sales taxes.
- Taxes on beer and wine.
- Universal mandated health insurance.
- Community redevelopment funds (from cities).

III. COMPLIANCE WITH HEALTH STANDARDS FOR RESTAURANTS

PURPOSE

The purpose of this review is to examine the ability of the Los Angeles County Department of Health Services (DHS) to meet its inspection requirements for restaurants.

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of restaurant inspection requirements. The review was requested by the Delivery of Health Services Committee to determine if the recruitment, training, staffing and revenue resources are adequate to enable the County to meet its inspection requirements.

BACKGROUND

The responsibility for the inspection of restaurants in Los Angeles County lies with the Bureau of District Environmental Services (DES) of the DHS.

SCOPE OF WORK

The study included an evaluation of the following areas:

- Adequacy of inspection requirements for restaurants as they relate to maintenance of health standards.
- Existence of staffing shortages which prevent the County from meeting the frequency goals.
- Determination of whether the DHS is being adequately compensated for the cost of inspections when multiple visits are required.
- Adequacy of standards and procedures used in determining the health of foodservice workers.
- The frequency of inspections at restaurants.
- Review of the selection process for restaurant inspections.
- Determining the existence of opportunities to develop a better working relationship with the California Restaurant Association.

METHOD OF INVESTIGATION

- Reviewed the organization, structure and responsibilities of the DHS in meeting compliance standards for the inspection of restaurants.
- Determined if inspections are standardized for all restaurants.
- Determined the steps and process required for opening a restaurant once it has been closed. Determined whether the inspector is required to return and reinspect the restaurant prior to reopening.
- Determined the number of site visits required on a facility over a specified period of time; and whether there is a difference in treatment between large and small restaurants. Documented selection criteria and standards for inspecting restaurants.

- Determined if statistics are available on the number of times restaurants are inspected.
- Determined the current level of staffing and the level of compliance required, and if there are staffing shortages.
- Determined the requirements for being hired as an Environmental Health Specialist (inspector) and whether existing criteria can be adjusted; for example, the hiring of two-year degree, community college graduates to be hired as trainees under supervision of a Registered Environmental Health Specialist.
- Identified alternatives to current education and experience requirements to increase the number of applicants.
- Determined the number of currently budgeted and filled positions for Environmental Health Specialists.
- Interviewed a representative of the California Restaurant Association to determine opportunities for an improved working relationship to solve County staffing problems, to reduce restaurant violations and to reinforce communication between restaurant owners and the Health Department.
- Interviewed the President of the Los Angeles County Association of Environmental Health Specialists.
- Determined the feasibility of implementing an "A-B-C" grading system similar to the one used in San Diego.
- Assessed current staffing and staff load requirements, in terms of the number of restaurants in the County compared to the staff available to monitor requirements.
- Documented the basis on which the DHS determines the charging of fees to restaurant operators.
- Obtained comparable statistics available at the County and State levels to assess the performance of Los Angeles and other counties.

FINDINGS

- A. Systems and procedures are in place to verify health standards. In this connection the County utilizes professionally trained Environmental Health Specialists, generally accepted inspection procedures and a system of quality control in order to meet its inspection requirements. However, insufficient staffing levels prevent achievement of recommended inspection frequencies.

- B. State recommended frequencies as well as County goals for inspections are not being met. The State of California Department of Health recommends that restaurants be inspected at least four times a year. Although the County of Los Angeles uses the State recommendation as their goal for restaurant inspection frequencies, the actual average frequency of inspection for fiscal 1987-88 was 1.6 times.

The failure of the County to attain the goal is attributed almost entirely to staffing issues, including the inability to retain qualified staff. In general, it would appear that if the DES could retain an experienced staff of Environmental Health Specialists the frequency goal would be attained.

- C. Insufficient staffing levels which prevent achievement of recommended inspection frequencies are attributed to the inability of the DES to attract and retain qualified individuals. DES is unable to retain qualified individuals mainly because of inadequate pay scales and lack of promotional opportunities inside of DES.

The utilization of persons with an Associate degree in Science as a means of solving staffing problems faced by DES is limited by current statutes, the level of education required to be effective, the ability to complete training and educational requirements for registration and promotion and the ability to meet the desired levels of professional standards.

- D. Statistics are not currently attainable which can provide a basis for determining the cost of reinspection. However, there is currently a study underway by the DHS to determine the cost of these inspections.

Health officials have expressed the following concerns regarding the charging of reinspection fees; the potential for becoming fee oriented and criticism by operators that reinspections are performed solely for the purpose of generating revenues.

In this connection, the Board of Supervisors has required that a system for charging fees for reinspection be developed and implemented by July 1, 1989.

- E. The benefits of a program requiring health certificates and/or physical examinations for foodservice workers cannot be assessed because of the limited control an examination provides. The effectiveness of the examination and the health certification are limited to the immediate period in which the examination is performed, after which infection can occur. Proper hygiene can sufficiently prevent the spread of bacteria that would be detected in the examinations, while health certificates and/or physical examinations can promote a false sense of security.

- F. The method of selection used by the DES appears to be equitable, and is not biased in favor of restaurants which are highly visible to the community. The selection method used is designed to ensure that all restaurants receive equal attention and that all complaints are answered.
- G. The DHS has proposed an ordinance which would require Mandatory Food Protection Certification Requirements for Foodservice Managers. Training of foodservice managers would enhance public safety and is supported by industry representatives.

Public safety would be greatly enhanced through an educational training program in food sanitation and personal hygiene for foodservice workers. San Bernardino and San Diego Counties currently require that all foodservice workers complete a three hour training class. It is generally accepted that education plays an important role in preventing the spread of illness.

- H. The DHS and the California Restaurant Association currently have a working relationship and work together to solve problems relating to public health issues faced by restaurants.

In addition, the Food Sanitation Advisory Committee (FSAC) is an organization comprised of representatives of industry and the DHS. The purpose of FSAC is to act in an advisory capacity to the DHS in developing policies, regulations and interpretive guides for the food sanitation programs. In addition, FSAC assists in acquainting the food industry with health and sanitation rules, regulations and policies and their importance.

RECOMMENDATIONS

1. **The Grand Jury recommends that the Department of Health Services' Bureau of District Environmental Services determine the feasibility of utilizing additional inspection methods. For example a method known as "Hazard Analysis Critical Control Point" places emphasis on the steps in the food preparation process where the food is actually handled, rather than the physical condition of the restaurant in order to prevent the spread of food borne illnesses. The State Department of Health is currently advocating and providing training to local health agencies for this method of inspection.**
2. **The Grand Jury recommends that the Department of Health Services and the Bureau of District Environmental Services develop a long-range plan that will eventually increase restaurant inspection frequency to the State recommended minimum level of four times per year. This plan should include analysis of staffing requirements, staff retention, methods of inspection and implementation of food sanitation training programs for the industry.**

3. **The Grand Jury recommends that once inspection frequency goals are met, the Bureau of District Environmental Services should determine the feasibility of implementing a restaurant grading system similar to one currently used in San Diego County. Such a grading system would provide added incentive to operators to comply with the State Health Code.**
4. **The Grand Jury recommends that the Department of Health Services establish a multi-level grading system for Registered Environmental Health Specialists in the Bureau of District Environmental Services similar to the one used by the Hazardous Materials unit of the Department of Environmental Health. Implementation of this system would aid in solving current retention problems and provide long-term career growth opportunities within District Environmental Services.**
5. **The Grand Jury recommends that the Bureau of District Environmental Services conduct a study into the feasibility and legality of employing "para-professionals" to perform duties not requiring the use of Environmental Health Specialists. These "para-professionals" could be utilized to reduce the workload of the Environmental Health Specialists. As an example, San Francisco utilizes similar employees to respond to general sanitation complaints in cases not relating to restaurants where Environmental Health Specialists are not initially required.**
6. **The Grand Jury recommends that the Bureau of District Environmental Services investigate the possibilities of using specialization as an alternative to current staffing procedures. The use of specialists would allow the inspector to gain a more in-depth knowledge of both the particular area of specialty and the health laws pertaining to the specialty.**

Additional consideration should be given to the possibility of using a rotational system whereby the Environmental Health Specialist would specialize in each area for a certain amount of time thereby maintaining the broad based experience that was gained during the training process.

7. **The Grand Jury recommends that the Board of Supervisors and the Department of Health Services carefully consider all issues relating to the charging of reinspection fees prior to implementation of the mandated system for collection of these fees. Health officials express concerns about the added administrative tasks involved, the potential for becoming fee oriented and the potential criticism from operators that reinspections are held solely to raise revenue.**
8. **The Grand Jury recommends that a restaurant be charged a reinspection fee only if a second reinspection is necessary. Most original inspections reveal violations that require a reinspection to determine if these violations have been corrected.**

9. **The Grand Jury recommends that the Board of Supervisors support the proposed County ordinance that would provide for a Mandatory Food Certification Program for foodservice managers. Such a program would greatly enhance public safety and provide much needed education for the managers.**
10. **The Grand Jury recommends that the Department of Health Services investigate the possibility of implementing a mandatory food sanitation and personal hygiene training program for all foodservice workers, similar to the FIRST program in effect in San Bernardino County.**
11. **The Grand Jury recommends that the Department of Health Services and the California Restaurant Association work together in developing food sanitation training programs for the foodservice industry.**

IV. PHYSICIAN RESPONSIBILITY FOR PATIENT INFORMATION ON MEDICATION SIDE EFFECTS

FOCUS/ISSUE

This investigation was to determine if there is a regulation or policy that specifically requires physicians to inform patients of side effects or possible side effects of prescribed medication.

In addition to the many existing drugs, the Food and Drug Administration has approved the use of newly researched drugs that have a variety of side effects which may result in serious adverse reactions.

Presently, the average patient wants to communicate with his doctor, and depends on him alone for advice and information. The patient is not made aware that literature is available from his pharmacist describing the side effects of medication. He is given literature only if he request such information. In addition, the pharmacist, when asked for literature, is usually very busy and only hands the patient a short memorandum of the drug; sometimes describing the side effects in a vague or superficial manner.

Unfortunately, the many minorities in Los Angeles County and those who cannot communicate well in English, are at a great disadvantage to learn of medication side effects.

METHOD OF INVESTIGATION

In our effort to locate a specific regulation requiring doctors to inform patients of side effects or possible side effects of drugs, we interviewed eight medical authorities.

FINDINGS

Department of Health Services' policy, #314 Informed Consent, states: "The prescriber has the responsibility to inform patients of the effects of the prescribed drug, consistent with good medical practice and professional judgment." Both the Board of Medical Quality Assurance's Legal Counsel and the Pharmacy Board reports that there is no regulation or policy that specifically refers to a requirement that physicians must inform patients of the side effects of medication. The California Medical Association informed us that their attorney was unable to find any specific California statute or regulation requiring a physician to inform a patient of adverse consequences.

All doctors contacted were unable to quote or refer to a specific regulation mandating doctors to inform patients of side effects of prescribed drugs. In fact, some doctors considered it a nuisance and a time-consuming responsibility.

In the State of California there have been several civil cases, all holding physicians responsible for informing the patients of all medical risks and treatment options.

In the State of California there are over 64,000 doctors and in the County of Los Angeles there are 25,000 doctors. Los Angeles County alone employs over 1,000 full-time doctors and 1,200 interns and residents. The population of Los Angeles County is 8,206,866 while the estimated population of the State of California is over 20,000,000.

Pharmacists and the Cancer Information Center, National Cancer Institute, have listed the following side effects of some medicines:

- Bloody stool
- Blurred vision
- Breathing problems
- Liver dysfunction
- Asthmatic attacks
- Cardiovascular irregularities
- Decreased hearing
- Ulcers
- Fever
- Sore throat
- Swelling of limbs
- Gastrointestinal bleeding with a fatal outcome
- Hair loss, etc.

CONCLUSIONS

A specific strict law holding the physician responsible to inform patients of any possible adverse consequences of prescribed drugs may save the County of Los Angeles time and money in defending potential civil cases. In addition, such a law might possibly prolong or save the lives of some patients.

RECOMMENDATION

- 1. The Grand Jury recommends the Los Angeles County Board of Supervisors initiate or support whatever measures are necessary to require physicians to inform their patients as to the side effects or possible side effects of prescribed medication.**

V. VOLUNTARY BLOOD DONATIONS PROGRAM

PURPOSE

An extensive research into existing programs of voluntary blood donations at major Los Angeles County hospitals was made to determine if changes may be beneficial.

FOCUS/ISSUE

This topic was investigated when we learned from the news media that there was a critical blood shortage, resulting in postponing elective surgeries. According to the American Red Cross officials, this region is in the midst of the most serious blood shortage in its history. They claim the current shortage continues a trend that has existed the past few years, and the shortages are getting more severe and more prolonged.

METHOD OF INVESTIGATION

To determine the status of blood donations at Los Angeles County hospitals we requested comparative data for the years 1985 through 1988. Contact was made with the administrators of six major Los Angeles County hospitals, plus discussions with knowledgeable medical authorities.

FINDINGS

Listed below are the results of our questionnaires to six major county hospitals.

Rancho Los Amigos Medical Center

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
1. Average number of pints of blood collected each month by volunteer blood donor program	0	0	0
2. Average number of pints of blood needed each month in hospital	250	205	200
3. Average number of pints of blood purchased each month from American Red Cross or other sources	250	205	200
4. Average cost per month of blood purchased from American Red Cross or other sources	\$11,000	\$9,000	\$11,700
5. Employee participation in donating blood	0%	0%	0%

High Desert Hospital

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
1. Average number of pints of blood collected each month by volunteer blood donor program	0	0	0
2. Average number of pints of blood needed each month in hospital	55	63	77
3. Average number of pints of blood purchased each month from American Red Cross or other sources	44	49	40
4. Average cost per month of blood purchased from American Red Cross or other sources	\$2,240	\$2,695	\$2,340
5. Employee participation in donating blood	0%	0%	0%

Olive View Medical Center

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
1. Average number of pints of blood collected each month by volunteer blood donor program	0	0	0
2. Average number of pints of blood needed each month in hospital	100	100	150
3. Average number of pints of blood purchased each month from American Red Cross or other sources	100	100	150
4. Average cost per month of blood purchased from American Red Cross or other sources	\$5,300	\$5,300	\$8,700
5. Employee participation in donating blood	0%	0%	0%

Los Angeles County-University of Southern California Medical Center

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
1. Average number of pints of blood collected each month by volunteer blood donor program	313	289	219
2. Average number of pints of blood needed each month in hospital	3,756	3,732	3,773
3. Average number of pints of blood purchased each month from American Red Cross or other sources	3,228	3,231	3,339
4. Average cost per month of blood purchased from American Red Cross or other sources	\$147,118	\$153,695	\$156,000
5. Employee participation in donating blood	23%	17%	21%

Harbor-U.C.L.A. Medical Center

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
1. Average number of pints of blood collected each month by volunteer blood donor program	239	275	283
2. Average number of pints of blood needed each month in hospital	884	816	847
3. Average number of pints of blood purchased each month from American Red Cross or other sources	648	580	601
4. Average cost per month of blood purchased from American Red Cross or other sources	\$35,478	\$33,930	\$37,863
5. Employee participation in donating blood	10%	15%	25%

Martin Luther King, Jr./Drew Medical Center

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
1. Average number of pints of blood collected each month by volunteer blood donor program	200	210	250*
2. Average number of pints of blood needed each month in hospital	850	900	1,000
3. Average number of pints of blood purchased each month from American Red Cross or other sources	650	680	800
4. Average cost per month of blood purchased from American Red Cross or other sources	**\$50,000	\$60,000	\$70,000
5. Employee participation in donating blood	20%	20%	33%

* Some donor units are discarded due to increased required screening procedures.

** Includes blood and components.

The above comparative figures of county hospitals show, in the majority of cases, an obvious increase in the purchase of blood from the American Red Cross while there is a decrease in donated blood.

Three major Los Angeles County hospitals have no blood donor program and depend on American Red Cross for their needs. The six county hospitals paid American Red Cross \$3,439,236 for the year 1987-88. Compared with the current cost of blood purchased from the American Red Cross, Dr. Daniel B. Brubaker, Pathologist at Harbor-U.C.L.A. Medical Center, outlined the potential savings if the hospitals were self-supporting for blood usage:

Packed Red Cells and Platelets — Savings of 76% of actual American Red Cross charge.

Fresh Frozen Plasma — Savings of 62% of actual American Red Cross charge.

Cryoprecipitate — Savings of 55% of actual American Red Cross charge.

Dr. Daniel B. Brubaker, Head of Blood Bank/Diagnostic Immunology at Harbor- U.C.L.A. Medical Center, estimates savings of over \$600,000 per year if his hospital were totally self-sufficient for blood usage.

Further research at non-county hospitals indicates approximately one-third of their required blood is obtained from voluntary donations.

Some hospitals have intensive, positive, aggressive, and professionally supervised programs of blood acquisition and included in their programs are:

1. Autologous donations
2. Blood donation registries
3. Mobile units
4. Special incentives

CONCLUSIONS

The Grand Jury is well aware of the added expense and problems in testing whole units of blood for Acquired Immune Deficiency Syndrome (AIDS), hepatitis and other viral infectious diseases, but the ultimate financial benefit by not resorting to American Red Cross is outstanding.

If the six major Los Angeles County hospitals acquired their total needs for blood from voluntary donations, the annual savings could exceed two million dollars.

RECOMMENDATIONS

- 1. The Grand Jury recommends a thorough cost evaluation by the Los Angeles County Chief Administrative Officer and the Department of Health Services be performed to assess the actual savings if the county hospitals become self-sufficient in acquiring blood in lieu of making purchases from outside sources.**
- 2. The Grand Jury recommends the Los Angeles County Department of Health Services organize a blood bank task force with physicians, administrators and other staff members to spear-head a positive, assertive program so that the county hospitals may be self-sufficient with blood and establish a net working blood program between themselves.**
- 3. The Grand Jury recommends to the Los Angeles County Department of Health Services that county hospitals Rancho Los Amigos Medical Center, High Desert Hospital and Olive View Medical Center establish blood donor programs. We suggest they become involved in their respective communities and pattern their blood collection after the successful method now employed by Dr. Daniel B. Brubaker at Harbor-U.C.L.A. Medical Center.**
- 4. The Grand Jury recommends to the Los Angeles County Department of Health Services the use of mobile blood units to obtain more community participation in donating blood. Possible solicitation of voluntary blood may be obtained from service clubs, local colleges, business establishments, employees of all city and county facilities including the fire department and law enforcement agencies and, if practical, from the Los Angeles County jail and Sybil Brand Institute.**

VI. CATALINA HYPERBARIC TREATMENT CHAMBER

PURPOSE

The study was to determine the need and level of service of the Hyperbaric Treatment Chamber located at Catalina Island.

METHOD OF INVESTIGATION

A site visit was made to confer with the project director from the University of Southern California and staff of the Department of Beaches and Harbors that provide paramedic services in the Catalina Island area.

FINDINGS

It was determined that while there was a great deal of coordinated effort between the Hyperbaric Program, the Department of Health Services and the Department of Beaches and Harbors, the financial picture was not encouraging.

The treatment program which is open 24 hours a day, seven days a week, focuses on air embolism and decompression diseases. People who have spinal injuries are stabilized at the Los Angeles County/University of Southern California Medical Center and frequently sent to Rancho Los Amigos for long term treatment. In these instances a possible revenue source to be used might be private insurance.

It is noted that since the opening of the Northridge Hospital hyperbaric treatment facility, patient intake has dropped by approximately 50%. If the Catalina Treatment Center is allowed to close because of recent changes in the law, it could not qualify to be reopened.

Ninety percent of the patients received at the program are recreational scuba divers. Some 160 embolism patients have been treated since the opening of the program. Over one million scuba dives occur a year in the waters of the west end of Catalina.

The committee was advised that an additional \$36,000 from the County would assure program continuance.

CONCLUSION

The committee thinks that the program represents a type of highly specialized "trauma center" and might possibly be considered in the Department of Health Services' trauma center grid plan.

RECOMMENDATIONS

- 1. The Grand Jury recommends that the Board of Supervisors allocate funds to cover anticipated deficit for 1988-89.**
- 2. The Grand Jury recommends that the Department of Health Services make appropriate arrangements with patients' insurance companies when transfers are made to Rancho Los Amigos for treatment of long duration.**
- 3. The Grand Jury recommends that the Board of Supervisors allocate additional funds to assure program continuance for 1989-90.**

APPENDIX

(The Appendices for the contract audit reports are not included below.)

DOCUMENTS REVIEWED

Detention Facility Evaluation Reports, 1985
1987-88 Los Angeles County Grand Jury Final Report
Report on Children's Social Services in Los Angeles County, 1988
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The Skid Row Medical Outreach Project, 1988 Los Angeles County Hospitals, History, Workload, Mission,
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Materials Regarding Underfunding of Los Angeles County Department of Health Services, 1988
SB 1732, 1988
Los Angeles County Department of Health Services, History, Size, Budget, Programs, 1988

Health Center Operations, Facilities, Workload, Organization, Services, 1988
Patients Rights (California Health and Safety Code Sections 1599.1, 1599.2 and 1599.3)
Letter from California Medical Association, San Francisco (including memorandum of recent civil court cases)
Letter from Department of Health Services, Los Angeles, California
The Basic Principles of Consent (from the California Legislature regarding doctors consent)
Six responses from Los Angeles County hospitals concerning five questions on blood donor program for the years 1985 through 1988
Letter from Dr. Daniel B. Brubaker, Pathologist, Los Angeles County Harbor—U.C.L.A. Medical Center
Detailed reports of blood analysis at Harbor—U.C.L.A. Medical Center
American Red Cross Fee Schedule for blood and blood products

RESOURCE PERSON

Francis J. Dowling, Director, Office of Contracting & Management, Department of Health Services
David Willis, Jr., Chief Sanitarian (retired)
Dr. Charles J. Baker, Director, Juvenile Court Health Services, Department of Health Services
Carl A. Williams, Assistant Director, Hospitals, Department of Health Services
Caswell A. Evans, Director, Programs, Department of Health Services
William H. Kern, Director Medical Services, Los Angeles County Sheriff's Department
Geraldine L. Dunn, Chairman, Public Health Commission
Donald H. Clinton, Past President, California Restaurant Association
Stanley R. Kyper, Executive Vice President, California Restaurant Association
Patricia L. Hyden, Director, Strategic Planning, Department of Health Services
Ralph Lopez, Deputy, Environmental Health, Department of Health Services
Fred Leaf, Chief, Inspection and Audit Division, Department of Health Services
David Zeiglia, Director of Communications, Los Angeles County/University of Southern California Medical Center
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Linda Ramsey, Assistant Superintendent, California Medical Association, San Francisco
Kenneth M. Jones, California Medical Association
Dr. Walter Lusk, Dr. T. Godfrey, Dr. C. Terry, Kaiser Permanente Hospital, Sunset Boulevard
Dr. Richard Koch, Children's Hospital, Sunset Boulevard
Wendy Moss, Legal Advisor, Los Angeles County Grand Jury
Dr. Daniel B. Brubaker, Department of Pathology, Los Angeles County Harbor— U.C.L.A. Medical Center
Stephenie King, Supervisor, Blood Donation Center, Kaiser Permanente Hospital, Sunset Boulevard, Los Angeles, California
Dr. Dubuse Dent, Pathologist, Glendale Memorial Hospital, Glendale, California
Dr. Richard Horowitz, Pathologist, St. Joseph Memorial Hospital, Burbank, California
Dr. John H. Clark, M.D., M.P.H., Chief Physician, Medical Services, Los Angeles County Sheriff's Department
Dr. K. Johnson, Orthopedic Surgeon, Los Angeles County Sheriff's Department
Walter N. King, Associate Director, Medical Services, Los Angeles County Sheriff's Department

SITE VISITS AND RESOURCE PERSONS

Los Angeles County/University of Southern California Medical Center

J.L. Buckingham, Executive Director
Harvey D. Kern, Special Assistant to Executive Director
Richard R. Pacheco, Chief Operations Officer
Sol Bernstein, M.D., Medical Director
Margaret Salvatore, Special Assistant

Fotine O'Connor, R.N., Director, Nursing Services and Education
George Frank, Security
William Rooney, Administrator, Administrative Support Services
Josefat Banuelos, Administrator, Financial Management
David L. Hancock, Administrator, Medical Support Services
Armida Duran, Supervisor, Cancer Center
Bobbie Gavn

Central Jail Medical Ward

William H. Kern, Director
Walter N. King, Associate Director
Ramona N. Horton, Associate Director
Dianna C. Estes, R.N., Associate Director of Nursing

High Desert Hospital

Roy Fleishman, Administrator
Dr. Harry Glenchur, M.D., Medical Director
J. Harris, Associate Administrator
B. Moseley, Nursing Director
S. Brown, Personnel Officer
Cheryl Smith, Head Nurse

Olive View Hospital

Douglas D. Bagley, Administrator
Bruce Pickens, M.D., Medical Director

Harbor-U.C.L.A. Medical Center

Edward J. Foley, Administrator
William H. Swanson, M.D., Medical Director
Peggy Nazarty, R.N., M.G.N., Director of Nursing
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Dave Runke, Associate Administrator, Information Systems
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Ahmed Kater, Associate Administrator Finances

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William A. Delgado, Administrator
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Jonathan Williams, Information Systems Officer
Walter Graham, Financial Assistant

H. Claude Hudson Comprehensive Health Center

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Dr. Carol E. Henneman, M.D., Medical Director
Larry Pittman, Assistant Administrator
Dr. Gary McClelland, Chief Women's Medicine and Out-patient Surgery
Elizabeth Jones, R.N., Nursing Director
Leticia Gonzales, Assistant Administrator, Urgent Care

Ruth Temple Health Center Clinic

Dr. Hampton Deslonde, M.D., District Health Officer

Central Juvenile Hall

Dr. Charles J. Baker, M.D., Medical Director, Juvenile Court Health Services
Herbert Zipperstein, Superintendent
Laura Lowther, R.N., Director of Nursing
Susan Huscroft, M.D., Chief Physician
Silvia Smith, Assistant Superintendent

Camp Gonzales

Robert Stanley, Director
Howard Steinberg, Supervisor
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Dr. Charles J. Baker, M.D., Medical Director, Juvenile Court Health Services

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Lynn Loufek, R.N., Assistant Director of Nursing
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Keith Kovach, Chief Financial Officer
Molly Doyle, Speech Pathologist

Sybil Brand Institute (Medical Services)

William H. Kern, Director
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Thelma Tsunokai, R.N., Director of Nursing
Dianne Estes, R.N., Associate Director of Nursing
Nila West, R.N., Assistant Nursing Director
Walter N. King, Associate Director
Ramona N. Horton, Associate Director

Catalina Hyperbaric Treatment Chamber

Dr. Andrew A. Pilmanis, Director

John McCay, Sergeant, Department of Beaches and Harbors

Ron Ryan, Supervisor, Volunteer Coordination, University of Southern California

DELIVERY OF HUMAN SERVICES COMMITTEE



DELIVERY OF HUMAN SERVICES COMMITTEE

Standing L to R: Marvin Crayton, Cecil Greenwold, Chair, Mario Negri,
Danny Elias

Seated L to R: Johnnie Raines, Robert Lamb

Not in picture: Jerry Santana

DELIVERY OF HUMAN SERVICES COMMITTEE

A Declaration of Conscience

The Delivery of Human Services Committee of the 1988-89 Los Angeles County Grand Jury is concerned for the welfare of the disadvantaged in our community. Programs are being cut and fail to provide many basic human services to the needy in our community. In many instances, money properly spent could rehabilitate persons to become contributors to our society instead of takers. Lack of funds is the usual excuse. We suggest that the priorities are wrong.

It is the considered opinion of this committee that a concerted effort to provide better education, job training and family planning must be made.

Because more people are living longer, many elderly people find that their careful planning for old age no longer provides for their basic needs. Inflation and medical costs have wiped out any security they thought they had. Social security by itself is no longer adequate.

We must not turn our backs on those who need our help: the poor, the jobless, the homeless, the elderly, the mentally disturbed and the thousands of abused and abandoned children. Many veterans are now jobless, homeless and mentally and physically ill.

If we do not address these issues now, they will get progressively worse. We urge our legislators to address these concerns.

Purpose

The purpose of the Delivery of Human Services Committee is to investigate and seek to improve delivery of human services to the citizens of Los Angeles County.

Areas of Concern

- Foster Care
- Foster Parents — Recruitment, Training and Licensing
- Battered Women: Shelters and Services
- Juvenile Court Mediation Program
- Gangs

Background

This committee could not effectively direct its attention to all the issues. Consequently, we elected to focus on the delivery of foster care and foster parents recruitment, training and management. To a lesser degree, we dealt with shelters and services available to battered women, mental health and gangs. To deal with these issues, we commissioned Coopers and Lybrand to conduct three audits: (1) A Review of the Los Angeles County Foster Care Program, (2) The Los Angeles County Foster Care Licensing and Recruiting Function and (3) Battered Women: Shelters and Services. We also commissioned a minor report on the Department of Mental Health. These subjects are addressed in detail in separate reports. In addition, we gave some attention to the Juvenile Court Mediation Program and have included a report on this issue.

I. THE LOS ANGELES COUNTY FOSTER CARE PROGRAM SYSTEM

PURPOSE

The purpose of the investigation was to conduct a review of the Los Angeles County Foster Care Program operational environment with emphasis on child abuse prevention and mental health support.

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers and Lybrand to review the adequacy of care provided to children in the foster care system. The Grand Jury was concerned that children who were denied access to homes, could be misplaced in the foster care system, or were not receiving appropriate levels of care.

BACKGROUND

The mission of the Department of Children's Services (DCS) is to ensure that all children living in Los Angeles County have a safe and nurturing home environment. When not possible, children are placed in foster care, which is the temporary, full-time care of children outside of their own homes. Children enter the foster care system through no fault of their own, rather than children who enter the probation system because of behavior related problems.

SCOPE OF TOPIC

- Determine the adequacy of the foster care system and procedures in place for tracking and monitoring children in foster homes.
- Determine the availability and access of foster homes to children.

- Determine the current social worker caseloads and assess the impact of caseloads on the ability to perform required duties.
- Determine the level of compliance with existing procedures and guidelines to support appropriate levels of foster care.

METHOD OF INVESTIGATION

We investigated compliance to state guidelines for processing children into the foster care system.

- Reviewed Public Law 272 and Senate Bill 14, which established guidelines to be followed when children enter the foster care system.
- Reviewed DCS procedures manuals.
- Interviewed DCS social workers who are responsible for bringing children into the foster care system.

We investigated the existence of manual and computerized controls in place to track children in the foster care system.

- Obtained an understanding of the computer systems in operation.
- Assessed procedures in place related to manual tracking and monitoring of children.
- Obtained an understanding of the supervisory controls over the work performed by DCS social workers.

We investigated controls in place to determine if children entering the foster care system receive long-term physical and mental health care.

- Reviewed county medical treatment policies for foster care children.
- Interviewed DCS social workers.
- Interviewed foster parents.
- Interviewed a Los Angeles County psychological counselor.

We investigated procedures followed for licensing foster homes and renewing foster care licenses.

- Reviewed the Los Angeles County foster home licensing procedures manual.

- Interviewed DCS social workers who administer licensing requirements.
- Interviewed foster parents.

FINDINGS

1. There is an insufficient supply of appropriate foster care homes for children entering the foster care system, especially for children with special needs. The licensing period for new foster homes can deter some prospective foster parents from applying for licenses.
2. Medical and dental care of foster children is not provided in a consistent manner. There is no mandatory health screening or psychological assessment prior to placement of children into foster homes. Health information is maintained with the child by the foster parents, often without a backup copy in the case services file.
3. Many DCS social workers have potentially excessive caseloads, making it difficult to closely monitor children in the foster care system. The excessive number of cases per worker also prevents disciplinary action against DCS social workers not performing required monitoring steps.
4. Case file management is paper intensive, which can result in a disproportionate amount of time spent on administrative functions rather than child monitoring.
5. There are few provisions made for 18 year olds leaving the foster care system. An "Independent Living Program" has recently been instituted; however, fewer than half the referrals made by DCS graduated from the program last year. It appears that most 18 year olds leaving the foster care system are inadequately prepared to properly enter the community. Examples of where deficiencies may exist are educational levels, marketable job skills, and independent living adaptability.
6. Foster parents lack mandatory training which could help them better understand requirements and support available to them from DCS. Approximately half of all new foster parents leave the foster care program within the first two years. An exit survey conducted by DCS showed that many foster parents felt they received little support from DCS.

RECOMMENDATIONS

1. **The Grand Jury recommends that steps be taken to increase the availability of foster homes. The Department of Children's Services should evaluate the recruiting strategy used to bring new foster parents into the foster care system.**

The Grand Jury further recommends that the time required to accomplish the licensing procedures be shortened. Recruiters should provide more assistance to prospective foster care parents in completing application requirements.

2. The Grand Jury recommends that regional emergency shelter facilities be established, where children removed from homes are taken for processing before placement into a foster home. These facilities should provide mandatory health screenings, and educational and psychological assessments. In this connection, health and psychological profiles should be utilized by the Department of Children's Services social workers in the placement process. These facilities will allow the Department of Children's Services social workers to spend more time monitoring children rather than spending time finding immediate placements.

The Grand Jury further recommends that individual summary information files for foster children be implemented. The file would contain placement history, medical information and education history. The file would stay with each foster child and be maintained by foster parents, with the Department of Children's Services social workers monitoring completeness.

3. The Grand Jury recommends that the case assignment of the Department of Children's Services social workers be revised to encompass children within a territory. This would result in more consistency, facilitate monitoring, and improve control over children in homes.
4. The Grand Jury recommends that paperwork requirements placed on the Department of Children's Services social workers be reduced. An evaluation should be performed of forms and paper flow processing procedures to streamline the Department of Children's Services social workers' paperwork requirements. The Department of Children's Services should evaluate the feasibility of utilizing a portable computer system to reduce paperwork.
5. The Grand Jury recommends that the "Independent Living Program" be evaluated for program and cost effectiveness. The cost of the program should be assessed to determine whether funds are being effectively used.
6. The Grand Jury recommends that mandatory training of foster parents be required. This would improve the retention of foster parents in the system and assist parents in obtaining assistance as needed. The Department of Children's Services should make it a priority to educate foster parents and, as such, encourage them to attend voluntary training available through the community colleges.

II. THE LOS ANGELES COUNTY FOSTER CARE LICENSING AND RECRUITING FUNCTION

PURPOSE

The purpose of the investigation was to conduct a review of the Department of Children's Services (DCS) recruiting and licensing procedures for foster homes within Los Angeles County.

FOCUS/ISSUES

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to review a possible lack of appropriate foster homes available for children placed in the foster care system. The Grand Jury was concerned that children were being placed in inappropriate foster homes.

BACKGROUND

The Bureau of Placement Development within the DCS is responsible for the following:

- Developing placement resources and providing support services to foster homes, group homes and small family homes;
- Providing high quality care and treatment for children placed in emergency shelter care;
- Licensing, evaluating and monitoring placement services; and
- Raising public awareness of the need for placement resources for abused children.

Children are placed in the most appropriate facility to meet their needs when their home environment is a danger to them.

SCOPE OF WORK

- Determine whether there is a shortage of appropriate foster homes available for placement of foster children by reviewing the following areas:
 - Recruiting and licensing within the Bureau of Placement Development of the DCS.
 - Retention of family foster homes by the DCS.
 - Priority of placement into facility types by the DCS.

- Contracting out the recruiting of foster parents is being considered by the DCS. We were advised of this action during the course of our project, but because of time constraints, did not address this issue.

METHOD OF INVESTIGATION

We investigated the recruiting strategy used by the DCS to target potential foster parents.

- Reviewed recruitment policies as determined by the DCS.
- Reviewed the Los Angeles County Foster Home Recruitment Program manual.
- Interviewed the four Los Angeles County recruiters.

We investigated how recruiter performance standards are set.

- Reviewed the performance standards as set by the DCS.
- Reviewed the *Foster Home Recruiter's Handbook*.
- Interviewed the recruiting supervisor and the DCS Administrator in charge of recruiting for the DCS.

We investigated the DCS strategy to retain foster parents.

- Interviewed DCS personnel involved in the retention of foster homes.
- Interviewed DCS recruiters.
- Interviewed foster parents.

We investigated the licensing process.

- Reviewed the State of California requirements to license placement facilities.
- Evaluated DCS procedures to license placement facilities.
- Reviewed the backlogs in the licensing area of the Bureau of Placement within the DCS.
- Interviewed personnel involved in the license processing.

We investigated the procedures and adherence to procedures to place children in foster care facilities.

- Reviewed procedures used by Vacancy Control to place children in foster family homes.
- Reviewed procedures used by the Special Placement Unit to place children in small family homes and group homes.
- Reviewed procedures used to place children in private family foster agencies.
- Interviewed Vacancy Control and Special Placement Unit personnel.

FINDINGS

- A. The focus of recruiting by the DCS has changed from a personalized focus to one aimed at a higher level global community awareness. Recruiting strategies focus on “global” awareness of foster parenting through civic activities, rather than the “grassroots” one-to-one development of relationships with potential foster parents.
- B. Performance standards are based on the tasks that must be performed rather than on the results of those tasks. In order to have standards that are quantifiable, recruiters must perform basic recruitment activities. However, recruitment activities are not matched against the source and successful completion of new foster parent applications. Applications received are not tracked against the recruiter responsible for the foster parent successfully recruited.
- C. Recruiters are not provided with data which identify geographic areas having the greatest need for foster parents or alternatively which areas have the largest number of foster children. As a result, recruiters do not know where to search for new foster parent homes and do not have a basis on which to concentrate their efforts.
- D. Although the recruiting and licensing functions are interdependent, there is relatively little interaction between the two areas. Both functions should have similar goals and objectives which include identifying and processing foster parents. However, there appears to be insufficient communication between the two functions.
- E. There are valuable services provided children by the private family foster agencies through the provision of additional homes and services. However, there is limited DCS monitoring of family foster agencies.
- F. Insufficient focus is provided on foster parents that may want to adopt a child.

- G. Insufficient activities and resources are directed at the retention of foster parents. Recruitment activities are focused on receiving new applications. In this connection, the DCS separates the recruiting and retention functions, and appears to place a higher priority on getting new foster parents into the program rather than keeping them. Approximately half of all foster parents leave the foster care system within the first two years. Cited by former and current foster parents as concerns are unsatisfactory relationships with DCS personnel and problems regarding slow payments to providers.
- H. Children coming into the foster care system are often suffering from extreme abuse or neglect. Foster parents are frequently not prepared for the type of children coming into the foster care system. In this connection, foster parent training/education is suggested, but is not currently mandatory as part of the program.
- I. There is insufficient control over licensing packages from initiation of the application through the issuance of a license. The length of time and the processing of licensing packages are not monitored in a consistent manner. Monitoring of the application package is done by the individual licensing unit. Because procedures within licensing units are being revised, there is a lack of consistency in follow-up. The Bureau of Placement has set a target for 90 days to grant a license from the time the application is submitted, which licensing workers find difficult to meet. If a license is not granted within 90 days, the application file is closed and reopened.
- J. Licensing DCS social work caseloads may be excessive and prevent the timely processing and follow-up of applications.
- K. Accurate vacancy control information for family foster homes is not always available. DCS social workers and foster parents sometimes circumvent the system by placing children through informal networks outside of the DCS.

RECOMMENDATIONS

1. **The Grand Jury recommends that the Department of Children's Services recruiting unit be combined with the licensing unit. The recruiting and licensing functions are interrelated and have the same goal of bringing new foster parents into the foster care system. These units currently report to different unit heads. Combining the two functions would also enable the workers to identify those applicants not meeting licensing requirements, thereby providing the opportunity to correct deficiencies before an application is submitted.**

The Grand Jury further recommends that the Department of Children's Services' licensing workers also assume some of the responsibilities of recruiting new foster parents. The job of licensing workers should be changed to include related recruiting functions, prescreening, processing and granting licenses. This would result in more efficient processing through improved communication and

coordination, eliminating inappropriate or incomplete foster parent applications.

2. The Grand Jury recommends that the recruiting strategy of the Department of Children's Services be changed from a process of community awareness to utilizing direct contact between the recruiting/licensing worker and the potential foster parent.

The Grand Jury further recommends that recruiting/licensing workers be provided with data identifying geographic areas that have the greatest need for foster parents. Alternatively areas which have the largest number of foster children should be targeted.

3. The Grand Jury recommends that the retention of existing family foster homes be made a priority by the Department of Children's Services. Because of the transfer of the recruitment unit to the licensing department, the department head over Foster Homes Professional Support should be dedicated to the retention of foster parents in the foster care program.

The Grand Jury further recommends that the following retention support for foster parents be established as priorities by the Department of Children's Services:

- Foster parents should be treated as a member of the foster child's decision making team.
 - Foster parents should be treated with professionalism and dignity by Department of Children's Services professionals.
 - The hotline should be publicized as a resource for foster parents to call with questions and concerns.
4. The Grand Jury recommends that the Department of Children's Services make foster parent training mandatory. Training should begin with mandatory orientation attendance and ongoing in-service training. Training required should be focused on the type of children cared for by the foster parents.

The Grand Jury further recommends that the Department of Children's Services evaluate increasing the number of foster parent trainers from one to two. The second trainer should be bilingual Spanish/English.

5. The Grand Jury recommends that the Department of Children's Services be provided the resources to monitor the private family foster agency foster homes in order to determine that service level standards and child safety measures are maintained.

6. **The Grand Jury recommends that the Department of Children's Services evaluate the feasibility of utilizing child adoption applicants as potential foster parents in appropriate circumstances. In this connection, the parents could provide foster homes until a child suitable for adoption is identified. Based on the stated policies of the Department of Children's Services regarding reunification of natural parents with their children, it should be made clear to all foster applicants that foster children should not be considered eligible for subsequent adoption, unless reunification with the natural parents is no longer an option.**
7. **The Grand Jury recommends that the Department of Children's Services track vacancies for foster family homes by usage preferences for categories of children rather than by license. A foster parent might be licensed for a broad group of children, but only be willing to accept children that fit specific characteristics. The vacancy control report must accurately reflect the foster parent preference. This will prevent unnecessary contact and searches for child placement. Critical need areas should be discussed with foster parents rather than defaulting to vacant homes with the appropriate license.**

III. LOS ANGELES COUNTY SERVICES AND RESOURCES FOR BATTERED WOMEN

PURPOSE

The purpose of the Coopers & Lybrand investigation for the Los Angeles County Grand Jury was to examine the resources available to assist battered women in Los Angeles County.

FOCUS/ISSUE

The Grand Jury directed Coopers & Lybrand to perform a review of assistance available to battered women because of the increasing community awareness that domestic violence is a serious problem. In this connection, the Grand Jury is interested in determining the level of support services available. The Grand Jury focused its attention on how this problem is addressed within Los Angeles County. Specific concerns included the level of community awareness, availability of battered women programs and access to resources and services to battered women within Los Angeles County.

BACKGROUND

Domestic violence in the form of wife abuse, for purposes of this report, is defined as abusive behavior which occurs within an intimate relationship between adults. A battering relationship is one characterized by fear, oppression and control. Specific

forms of domestic violence include physical violence, sexual violence and/or psychological violence. Domestic violence is against the law.

Domestic violence is a common crime, as highlighted by the following statistics:

- According to the United States Surgeon General, battering is the single largest cause of injury to women in the United States.
- In Los Angeles County, approximately 15 percent of the calls received by the Los Angeles County Sheriff's Department and the Los Angeles Police Department involve domestic disputes (County of Los Angeles Domestic Violence Council).
- The 1984 California State Legislature established that 35 to 40 percent of all assaults are related to domestic violence, and further concluded that the reported incidence of domestic violence represents only a portion of the total number of incidents of domestic violence (Section 13700 of the California Penal Code).
- Fifty to 60 percent of the 47 million couples in the United States have had at least one violent incident, and 10-25 percent suffer violence as a common occurrence (Gelles, 1979).

METHOD OF INVESTIGATION

We investigated the special needs of and the support requirements needed by battered women.

- Interviewed the Los Angeles County staff responsible for contracting with battered women's shelters to provide crisis intervention.
- Interviewed representatives of battered women's shelters.

We investigated the profile of individuals eligible for assistance and how services and resources are accessed.

- Interviewed representatives from "Info Line" and battered women's hotlines to understand how women can access services.
- Interviewed representatives from women's organizations.

We determined the types of agencies providing assistance and what assistance is available from them.

- Interviewed representatives from the Los Angeles County Department of Public Social Services (DPSS) and the Department of Mental Health (DMH).

- Interviewed representatives from the Los Angeles County Sheriff's Department, District Attorney's Office and Los Angeles City Attorney's Office.

We determined the level of coordination between agencies to assist battered women.

- Interviewed representatives from battered women's shelters.
- Interviewed Los Angeles County personnel, including representatives from DPSS, DMH and Department of Community and Senior Citizens Services.
- Attended the Domestic Violence Council meeting to determine the scope and severity of current issues involving battered women.

FINDINGS

- A. Shelter space for battered women is limited. Frequently, women cannot find shelter space because of inadequate supply of specifically designated battered women's shelter beds. There are approximately 400 shelter beds for women and their families in Los Angeles County; approximately 150 families can be accommodated in shelters at any one time. Fewer than 10 percent of women requesting shelter space can be accommodated.
- B. Standard homeless shelters are not able to deal with the special circumstances and needs of battered women, which include the following requirements:
 - Safety from her batterer;
 - Safe and wholesome atmosphere for children, along with child care if needed;
 - Strong network of support and knowledge of where and how to get services and resources directed to helping battered women;
 - Crisis intervention services;
 - Emergency transportation to shelters or to support services when needed.
- C. Concerns exist that battered women's shelters are limited in the services they can provide because of funding shortages. Resources are limited in terms of available shelter beds and transitional housing for battered women. However, once a women enters a battered women's shelter facility, she is provided a high level of comprehensive private and county support services. In addition, outreach programs are able to provide specific services.
- D. Los Angeles County agencies do not coordinate their services into a comprehensive service plan to deal with the needs of battered women. Los Angeles County offers

few direct services specifically for battered women. County services offered are available to those who qualify, which can include battered women. Battered women's shelters, which are private, non-profit entities, provide many of the direct services to battered women. It appears that private organizations prefer to remain autonomous from the county and, therefore, discourage increased county control over their operations.

- E. There is a concern that Los Angeles County departments who provide direct services are not responsive to the special needs of battered women. Battered women, who need services from Los Angeles County, deal primarily with the DPSS and the District Attorney's Office. Although there are no programs that serve battered women specifically because they are battered, each DPSS office coordinates with private shelters. In this connection, each DPSS office, which has a shelter within its district, has designated a person to act as the Domestic Violence District Liaison between the shelter and the district office. The District Attorney's Office provides services to battered women through the Victim/Witness Assistance Program.
- F. Concerns exist that it is difficult for battered women to locate emergency resources within Los Angeles County. However, battered women can locate emergency resources within Los Angeles County from numerous and readily accessible sources, including law enforcement agencies, hospitals, friends and relatives, telephone operators, "Info Line" and related county agencies, such as the DPSS and the District Attorney's Office.

Law enforcement is required to provide a Domestic Violence Information Sheet when called out on a domestic violence dispute. Currently, the Sheriff's Department's information sheet lists only three resource numbers which give assistance countywide, rather than community resources. The Sheriff's Department has revised the information sheet and will test a pilot program of staffing selected stations with volunteers. The volunteers will be available to provide information and referral service. However, testing of this pilot program and distribution of the revised Domestic Violence Information Sheet has not yet been done.

- G. There are numerous resource lists available to assist battered women, which results in duplication of effort by Los Angeles County, Los Angeles City and private agencies.
- H. There is a shortage of resources available to assist batterers. Although Los Angeles County has set Batterer's Treatment Program Guidelines, there are currently no funds available to set and monitor mandatory program standards for programs available for batterers.
- I. Concerns exist that there is a need for more education to make the community aware of the domestic violence problem and its prevention, and the services and resources available to assist battered women and batterers.

- J. Concerns exist over the ability of current domestic violence reporting to accurately estimate the extent of the domestic violence problem in Los Angeles County. In 1987, the Bureau of Criminal Statistics reported 39,898 domestic violence related calls for assistance in Los Angeles County; statewide there were 181,112 calls.

RECOMMENDATIONS

1. **The Grand Jury recommends that the Board of Supervisors, through an appropriately designated county agency, work with private support groups to develop and maintain one primary resource document. The resource document should provide a list of services and resources available from county, city and private community resources and be available to all groups providing support to battered women.**
2. **The Grand Jury recommends that Board of Supervisors encourage the Los Angeles County Sheriff's Department to implement the use of revised Victim Assistance Fact Sheet given to women. This Fact Sheet is provided to women when law enforcement responds to a domestic violence call.**
3. **The Grand Jury recommends that the Los Angeles County Sheriff's Department implement its proposed Family Abuse Intervention Resources (FAIR) pilot program. This program will place volunteers in selected Sheriff's stations to follow-up with victims of domestic violence.**
4. **The Grand Jury recommends that the Board of Supervisors establish a program to work with appropriate county agencies and private sector groups to increase community awareness of laws against domestic violence and the severity of punishment. As an example, this program can be performed through the existing network of community outreach programs staffed and provided by major county departments, such as the Department of Public Social Services and the Department of Mental Health.**
5. **The Grand Jury recommends that the Los Angeles County Sheriff's Department, the Los Angeles City Police Department and the District Attorney's Office continue in their efforts to standardize and computerize the tallying of domestic violence cases. This standardization is necessary to facilitate the tracking of evaluation of trends in domestic violence cases. Appropriate information will permit improved allocation of resources and improved coordination with private groups.**
6. **The Grand Jury recommends that the Department of Public Social Services continue to maintain its liaison and outreach program with private shelters. The efforts by the Department of Public Social Services, in this area, have been described as effective by private groups.**

IV. JUVENILE COURT MEDIATION PROGRAM

PURPOSE

The Delivery of Human Services Committee adopted for study the Juvenile Court Mediation Program for child abuse and neglect cases.

BACKGROUND

The 1987-88 Los Angeles County Grand Jury in their final report addressed the mediation program and recommended that it be increased and used to facilitate dependency proceedings.

The committee continued the study of increased use of mediators begun by the 1987-88 Grand Jury. That report received the National Association of Counties 1988 "County Achievement Award."

The Juvenile Court also received a grant approved by the Board of Supervisors from State funds for alternate dispute resolution programs. This resulted in the addition of a second mediator for the development of a judicial review mediation program.

METHOD OF INVESTIGATION

We interviewed personnel of the Dependency Court including mediators and the Presiding Judge of the Juvenile Court. We read pertinent materials dealing with the mediation process. We reviewed the 1987-88 Los Angeles County Grand Jury's Final Report.

FINDINGS

Statistics supplied by the Juvenile Court mediator indicate that there has been a consistent success rate averaging 68 percent since the program was initiated in 1983. This includes cases where there were both complete or partial resolutions of the issues. The percentage of case resolutions is approximately the same whether referrals to the mediator are in the high or low range.

The major problem has been the inconsistency of referrals. During the last six months of 1988 the three Courts with the highest referral rates had numbers of 93, 89 and 79 respectively. The three Courts with the lowest numbers had 4, 5 and 19, respectively.

This great variation is the result of many variables operating within each Court; the major reason being the absence of either legislation or Court Rules on the subject. Existing local Court Rules encourage the mediation process but permit lawyers to refuse to participate if they are unable to make an appointment due to their own calendar

congestion. This results in no benefit to the Court system and calendar congestion for both the Court and counsel continues to increase. Counsel is able to refuse participation without further inquiry by the Court.

Precedent for resolving the above problems can be drawn from the Family Law Department of the Los Angeles County Superior Court. In 1973 they began experimenting with the referral of contested custody and visitation matters to Conciliation Court mediators prior to cases being set for trial on those issues. In 1976 this procedure was made mandatory by local Court Rules. In 1980 this mandatory procedure was established statewide by legislation. The success of this program has resulted in its adoption by many countries throughout the world.

An expeditious mediation program will do more than save money in court proceedings. It will reduce the amount of time children spend in foster homes thus making existing foster homes more available for other children. It will also accelerate treatment programs for children and families by earlier resolution of cases. Finally, it will enable families to become directly involved in case planning without litigation which sometimes has a traumatic effect on them.

The program and experience is already there. It only requires more intensive implementation.

CONCLUSION

The Delivery of Human Services Committee believes the same process should be used to expand the Juvenile Court Mediation Program. The Superior Court has established a highly innovative Child Abuse and Neglect Mediation Program which is still the only one of its type in the country. In the same spirit of innovation, we strongly make these recommendations.

RECOMMENDATIONS

- 1. The Grand Jury recommends the Los Angeles County Board of Supervisors initiate firm rules for a mandatory mediation program with defined criteria.**
- 2. The Grand Jury recommends that the Los Angeles County Department of Children's Services, the Los Angeles County Counsel as its attorney, and attorneys participating in court proceedings cooperate in this program.**

V. GANGS

The Delivery of Human Services Committee did not make an in-depth study of the gang situation in Los Angeles County. While this issue is of great concern to the people of this community, we felt that the issue was too complex for us to pursue. We are aware that there are many interest groups already dealing with this problem; police gang details, concerned citizen groups and city, county, state and federal government task forces. The committee is of the opinion that these special interest groups are better prepared to make meaningful recommendations dealing with this extremely difficult problem area. Nevertheless, it is the hope of the committee that the Los Angeles County Board of Supervisors direct their attention to the gang problem, which impacts on all of society and must not be ignored.

APPENDIX

(The Appendices for the contract audit reports are not included below.)

PERSONS INTERVIEWED

Honorable Kathryn Doi Todd, Prior Presiding Judge of the Juvenile Court
Honorable Paul Boland, Presiding Judge of the Juvenile Court
Julius Libow, Mediator, Dependency Court
Michelle Lewis, Director, Probation Department, Placement Coordinator
Elaine Lomis, Skid Row Out-patient Mental Health Clinic
Helen Maxwell, Superintendent, MacLaren Children's Center
Art Tantardino, Director, Probation Department, Dorothy F. Kirby Center
Richard Kushi, Director, Skid Row Out-patient Mental Health Clinic
Robert Chaffee, Director, Children's Services Department
John A. English, Supervising Deputy Probation Officer, Crenshaw Area Office
Dr. Dolores J. Richie, Head, Office of Education, Dorothy F. Kirby Center
Aros Mouton, Director, Probation Department, Crenshaw Area Office
Phyllis Key, Director, Skid Row Out-patient Mental Health Clinic
Dr. Solomon Henderson, Principal, Juvenile Community Schools
William K. Burkart, Superintendent, San Fernando Juvenile Hall
Roberto Quiroz, Director, Los Angeles County Department of Mental Health
Fred Berson, Principal, Camp Afflerbaugh School
Jack McMahon, Probation Department, Director, Camp Afflerbaugh
Harry Cummings, San Fernando Juvenile Hall
Mary Dederick, Director, Camp Scott
Barry Nidorf, Chief Probation Officer
Kathy Durand, President, Foster Parents Association
Roger Smith, Supervising Deputy Probation Officer, Gang Detail

FACILITIES VISITED

San Fernando Valley Juvenile Hall, Sylmar
MacLaren Children's Center, El Monte
Skid Row Mental Health Services, Los Angeles

Probation Field Service Office (Crenshaw), Los Angeles
Dorothy F. Kirby Center (Probation Department), Los Angeles
Eastlake Juvenile Hall, Los Angeles
Northeast Juvenile Justice Center-Intake & Detention Control, Eastlake Juvenile Court
Camp Afflerbaugh-Paige, LaVerne
Camp Scott (Probation Department), Saugus
Out-patient Mental Health Clinic, Los Angeles

GOVERNMENT OPERATIONS-FINANCE COMMITTEE



GOVERNMENT OPERATIONS-FINANCE COMMITTEE

Standing L to R: James Hart, Dorothy Keye, Joseph Baranoff

Seated L to R: Lawrence Keller, Emma Fischbeck, Chair

GOVERNMENT OPERATIONS—FINANCE COMMITTEE

Purpose

The purpose of the Government Operations-Finance Committee was to investigate and research methods of effecting cost-savings through improved monitoring of selected county government entities.

Areas of Concern

The following items were assigned to this committee:

- Citizen Complaints
- Community Redevelopment Agencies
- Adequacy of Los Angeles County Employees Retirement Funding
- Welfare Dollar Error Rates, Los Angeles County Department of Public Social Services
- Internal Controls within the Los Angeles County Purchasing and Stores Department
- Effectiveness of Reassessment Procedures within the Los Angeles County Tax Assessor's Office

Background

With the exception of community redevelopment agencies, a preliminary inquiry into these areas of concern revealed that county administrators were aware of problem areas and were addressing them.

I. CITIZEN COMPLAINTS

The Government Operations-Finance Committee received, reviewed and took appropriate action on nine citizens' complaints.

II. COMMUNITY REDEVELOPMENT AGENCIES

The Grand Jury's concern with community redevelopment agencies was due to an apparent lack of accountability, constant media coverage alleging mishandling of responsibilities and citizen complaints.

The committee mailed a request for information to all community redevelopment agencies in Los Angeles County regarding compliance with state law in the matter of their activities with low, very low and moderate income housing. The committee recommends that the background information received remain on file and available to future grand juries in the Grand Jury Office and updated from year to year. Although all 65 community redevelopment agencies responded, some appeared reluctant and others forwarded incomplete information. Certain community redevelopment agencies were selected for audits based in part on these surveys. An executive summary of these contract audits follows.

COMMUNITY REDEVELOPMENT AGENCY: LOS ANGELES

PURPOSE

The purpose of the investigation was to examine specific issues pertaining to the Community Redevelopment Agency of the City of Los Angeles (Agency).

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of the Agency's compliance with state law pertaining to the 20% set-aside funds for fiscal years June 30, 1986, June 30, 1987 and June 30, 1988, reporting of housing units, placement of tenants in housing and usage of relocation subsidies.

The Agency was selected for review primarily because of citizen complaints, and the recent media attention concerning alleged hidden and misleading information reported by the Agency.

BACKGROUND

Redevelopment agencies' primary source of funding is through tax increment financing. The law provides that 20% of tax increment funds be set aside for very low, low and moderate income housing.

SCOPE OF WORK

Review the 20% set-aside housing funds. Evaluate definition of "family housing unit." Review controls for reporting to the State. Review compliance with the law governing placement of qualified tenants. Review relocation subsidies and practices.

METHOD OF INVESTIGATION

We investigated compliance of the 20% set-aside of tax increments for fiscal years

June 30, 1986, June 30, 1987 and June 30, 1988 as follows:

- Obtained understanding of law changes.
- Recomputed tax increment allocation for propriety and reasonableness.
- Obtained explanations and reviewed support for project areas allocating less than 20% of tax increments for low and moderate income housing.
- Tested 20% set-aside expenditures for fiscal years June 30, 1986, June 30, 1987 and June 30, 1988.

We investigated and evaluated housing units statistics as follows:

- Obtained Agency's definition and usage of a dwelling unit.
- Obtained an understanding of procedures used by the Agency for reporting of statistical data for State and City external reporting purposes.
- Examined source documents provided by the Agency and used by the State and City in published reports.

We investigated relocation subsidies:

- Obtained and reviewed procedures used by the Agency to expend relocation subsidies.
- Obtained and reviewed housing unit relocation subsidy amounts for each fiscal year June 30, 1986, June 30, 1987 and June 30, 1988.

FINDINGS

There is ambiguity in the state law pertaining to the definition of a dwelling unit and the usage of low and moderate designated funds for "homeless" shelters.

The Agency reports data to both the State and City for public usage. Certain areas of the Agency's internal controls of reporting need strengthening since there appear to be weaknesses in the current reporting process.

Furthermore, the Agency has no adopted set of policies and procedures governing its operations, relating to low and moderate income housing.

Recertification of some designated very low, low and moderate income housing tenants after the initial admittance into a redevelopment project is not performed by the Agency. State law does not require recertification.

We tested allocations and expenditures for compliance with the laws applicable to the 20% set-aside. No significant exceptions were noted for the items tested.

RECOMMENDATIONS

- 1. The Grand Jury recommends the Board of Supervisors and the Los Angeles City Council propose/support legislation that clearly defines certain terminology used by redevelopment agencies in their gathering and reporting of statistical data to the State such as "Dwelling Units," "Family," etc. Legal definitions in this area would facilitate the consistency of reported statistical data to the State by all redevelopment agencies.**

The Grand Jury further recommends the Agency make a formal request of the State to clarify the definition of a dwelling unit for statistical reporting purposes to ensure consistency of reported dwelling units from the various redevelopment agencies. The Grand Jury also recommends the Agency adopt a formal definition of a dwelling unit for reporting purposes. Additionally, the Agency should incorporate the definition in the Agency's housing policy manual therefore providing a clear definition which will facilitate consistency when gathering and reporting statistical and cost data to outside entities.

- 2. The Grand Jury recommends the Board of Supervisors and the Los Angeles City Council propose/support legislation to clarify the law related to the propriety of expending low and moderate income funds on homeless shelters.**

The Grand Jury also recommends the Agency make a formal request to the State to clarify the definition of low and moderate income housing to include or exclude "homeless" shelters.

- 3. The Grand Jury recommends the Agency review the State Controller's reporting instructions and comply with the categorization of revenues and expenditures as stipulated by the State and footnote any deviations to the reporting instructions.**
- 4. The Grand Jury recommends the Agency formally request the Los Angeles City Council prepare written instructions for requested information. In the absence of a clear understanding, the Grand Jury further recommends the Agency fully disclose descriptions of components included on a report.**

Additionally, the Grand Jury recommends the Agency take whatever action necessary to identify and correct any errors, ambiguities, differences between estimated and actual costs, etc. in its internal cumulative statistical data to date to ensure its integrity since this statistical data will continue to be compiled on a cumulative basis.

5. **The Agency's accountability for data appears to stop once the data is submitted to the City or State. Therefore, the Grand Jury recommends the Agency review published State and City reports since the publishings are the final reporting to the public as to the statistics of the Agency's activity.**

The Grand Jury further recommends the Agency develop a formal review procedure of all Agency data published in State and/or City reports. This review should be performed by a responsible individual within the Agency to ensure its integrity. The review process should include a mechanism for providing feedback to the publishing entity as to discrepancies noted.

6. **The Grand Jury recommends the Agency adopt a formal written set of policies and procedures for all Agency activities pertaining to the low and moderate income housing fund. The manual should be modified on an annual basis to ensure that legal and Board changes are made on a timely and uniform basis throughout the Agency. Additionally, the manual should include a "glossary" of ambiguous and frequently used terms.**
7. **The Grand Jury recommends the Board of Supervisors and the Los Angeles City Council propose/support legislation requiring the periodic recertification of all very low, low and moderate income tenants.**

The Grand Jury also recommends the Agency consider recertifying all very low, low and moderate income tenants on a periodic (three or five year) basis.

8. **The Grand Jury recommends the Agency establish a formal review process for statistical data and designate a person responsible for such review.**
9. **The Grand Jury recommends the Board of Supervisors and the Los Angeles City Council propose/support legislation requiring the approval of an independent body in any situation where an Agency is seeking exemption from the 20% set-aside requirement in whole or in part.**

CITY OF LOS ANGELES COMMUNITY REDEVELOPMENT AGENCY:

REPLACEMENT HOUSING

PURPOSE

The purpose of our investigation for the Grand Jury was to examine state law related to replacement housing at the Community Redevelopment Agency of the City of Los Angeles (Agency).

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of the Agency's compliance with state law pertaining to the replacement of certain low and moderate income housing destroyed or removed in connection with the Agency's redevelopment plans and to ascertain if the Agency has adequate systems, policies, procedures and controls in place to ensure and monitor compliance on an ongoing basis. The review was requested by the Grand Jury as a result of recent media attention pertaining to the Agency and the Grand Jury's concern as to whether the Agency was replacing the required number of dwelling units as prescribed by state law.

BACKGROUND

The Agency's primary responsibility is to eliminate slums and blight, revitalize older neighborhoods, provide additional housing, encourage economic development and create employment opportunities. To accomplish these objectives, the Agency is authorized to prepare and implement redevelopment project plans in approved project areas. Funds to implement the redevelopment project plans are received from federal grants, tax increment financing and the sale of various types of debt instruments.

The preparation of redevelopment project plans and their method of implementation is regulated by various provisions of the State of California Community Redevelopment Law of the Health and Safety Code. These laws prescribe the procedures the Agency must adhere to during the implementation of a redevelopment project.

Certain provisions of state law require the Agency to prepare redevelopment plans for each project area to be redeveloped.

SCOPE OF WORK

Evaluate the Agency's compliance with state law pertaining to the replacement of certain low and moderate income dwelling units destroyed or removed in connection with the Agency's redevelopment plans. In connection with the Agency's redevelopment plans, ascertain if the Agency has adequate systems, policies, procedures and controls in place to ensure and monitor compliance with state law on an ongoing basis. The period covered and tested by this review was Replacement Housing Plans adopted or amended during the period January 1, 1977 to December 31, 1984, which also included a Replacement Housing Plan adopted January 7, 1985.

METHOD OF INVESTIGATION

We investigated the Agency's compliance with its replacement housing requirement.

- Obtaining an understanding of state laws pertaining to replacement housing.
- Conducting interviews with selected Agency staff and others.
- Obtaining an understanding of procedures, where applicable, used by the Agency for ensuring and monitoring compliance with state law.
- Examining selected source documents provided by the Agency.

Introduction

The Agency is responsible for ensuring that the removal and replacement of low to moderate income persons' dwelling units in a project area, as identified in a Replacement Housing Plan, meets the criteria of applicable law prescribed in the State of California Community Redevelopment Law of the Health and Safety Code. Further, the Agency is also responsible for ensuring that all tenants occupying those dwelling units designated as low and moderate income persons' dwelling units are occupied by persons or families meeting the income levels prescribed by state law and, in addition, that a prescribed number of replacement units be designated for very low income persons or families.

FINDINGS

Agency's Status of Housing Production Reports

There is an absence of written procedures to ensure that all Replacement Housing Plans for dwelling units are included in the Status of Housing Production reports.

Procedures to Ensure Compliance with State Law Section 33334.5 - Replacement of Destroyed Housing

The Agency does not have written procedures to ensure its compliance with state law pertaining to the replacement of destroyed dwelling units within four years from the time an existing dwelling unit is demolished or removed.

Grand Jury's Concern on Replacement Housing

Though the Agency did not have written procedures to ensure compliance with State Law Section 33334.5, Coopers & Lybrand concluded that the Agency did replace dwelling units identified in Replacement Housing Plans adopted or amended during the period January 1, 1977 through December 31, 1984, including a Replacement Housing Plan

adopted January 7, 1985, in excess of dwelling units destroyed and that the dwelling units were replaced within four years from the date of demolition of the dwelling units.

RECOMMENDATIONS

- 1. The Grand Jury recommends the Agency implement written procedures to ensure that all units included in Replacement Housing Plans are appropriately tracked and monitored through the use of Status of Housing Production reports. These procedures could include: (1) periodic review of Status of Housing Production reports to verify that all replacement housing project dwelling units included in those reports are supported by a Replacement Housing Plan, and (2) periodic review of Replacement Housing Plans to verify that all units in those Plans are included in the Status of Housing Production reports.**
- 2. The Grand Jury recommends the Agency implement written procedures to ensure that copies of demolition permits for all demolished dwelling units and all certificates of occupancy for replacement dwelling units be received by the Agency and filed in the project files to be used as a basis for the date of dwelling unit demolition and replacement. The Agency's procedures should also encompass criteria whereby, on a periodic basis, tests are performed on these permits and certificates to ensure the time spread between demolition and replacement is not greater than four years.**

THE CITY OF WEST COVINA COMMUNITY REDEVELOPMENT AGENCY: MANAGEMENT REVIEW

PURPOSE

The purpose of our investigation was to examine specific issues pertaining to the Community Redevelopment Agency of the City of West Covina (Agency).

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review and to evaluate the adequacy of the Agency's policies and procedures for selection, approval and monitoring of developers. In addition, Coopers & Lybrand was directed to evaluate the overall adequacy and effectiveness of the Agency's policies and procedures pertaining to the 20% tax increment set-aside and replacement housing requirements.

The Agency was selected for review primarily because of continuing adverse media attention concerning the relationship between the Agency and its developers.

BACKGROUND

The Agency was formed in 1971 to guide West Covina's economic development through the redevelopment of certain blighted areas. The Agency's primary source of funding is through tax increment financing. State redevelopment law provides that 20% of the tax increment funds be set aside for very low, low and moderate income housing.

SCOPE OF WORK

Perform a high level review of the Agency's organization structure and review process for housing activity.

- Review the policies and procedures in effect for selection, approval and monitoring of project developers.
- Review the policies and procedures implemented to ensure compliance with the 20% tax increment set-aside and replacement housing requirements.

METHOD OF INVESTIGATION

We investigated the organizational structure and review process utilized by the Agency for housing activity.

- Obtained and documented understanding of the organizational structure through review of the Agency's organization chart.
- Reviewed the job descriptions of Agency staff including representative duties and the related training, experience, knowledge and abilities required for each job.
- Conducted interviews with Agency and West Covina City officials regarding their job duties, training and experience.

We investigated the informal policies and procedures utilized by the Agency in selection, approval and monitoring of developers.

- Conducted interviews with Agency employees who are responsible for gathering and analyzing data to be used in selection, approval and monitoring of developers and representatives from the Finance, Human Services and Planning Departments of the City.
- Reviewed selected documents to verify representations made to the above inquiries.
- Reviewed and confirmed our understanding of the informal process with the Assistant Executive Director of the Agency.

We investigated the informal policies and procedures utilized by the Agency to ensure compliance with the 20% tax increment set-aside and replacement housing requirements.

- Obtained an understanding of state law pertaining to the 20% set-aside requirement.
- Conducted interviews with Agency staff responsible for implementing the 20% set-aside and West Covina City officials responsible for administering the housing needs of the City, including low and moderate income housing.
- Reviewed documents submitted to the State by the Agency relating to the 20% set-aside.

FINDINGS

In relation to 20% tax increment set-aside:

- A. The Agency has no policies or procedures to ensure compliance with the 20% set-aside law.
- B. There is uncertainty as to whether the Agency can use Community Redevelopment Grant and Federal Section 8 Funds to establish that the City of West Covina is making a substantial effort to meet the needs of low and moderate income households.
- C. Certain amounts reported by the Agency to the State in 1988 did not agree to underlying documentation.
- D. There are no guidelines to ensure compliance with the replacement housing laws.

In relation to the selection, approval and monitoring of developers:

- E. The Agency has no policies or procedures in place to select, approve and monitor developers.
- F. There is no job description for the Executive Director of the Agency.
- G. Job descriptions on file address only representative duties of Agency staff and responsibilities that may be inherent in each position are not addressed.
- H. There are no guidelines to provide for project options or alternatives, which leaves the Agency in a position of accepting developer proposals as is or lose potential incremental tax dollars.
- I. There are no guidelines for preparation of financial and economic analyses

presented to the Agency's Board. This makes it difficult to compare projects for approval or to compare projects already approved. In addition, such analyses do not address potential additional costs to the Agency or City.

- J. There is no policy to address the method and timing of payments to be made to the Agency by developers.
- K. The review procedures over financial and economic analyses appears insufficient, especially considering the fact that Agency staff preparing the analyses do not have financial backgrounds.

RECOMMENDATIONS

In relation to 20% tax increment set-aside:

- 1. The Grand Jury recommends that the Agency adopt a formal set of policies and procedures for all Agency activities pertaining to the Low and Moderate Income Housing Fund. These policies and procedures should be reviewed on an annual basis to ensure that legal and Board changes are made on a timely and uniform basis.**
- 2. The Grand Jury recommends that the Agency, the Board of Supervisors, and the City of West Covina make a formal request to the State to clarify the definition of "a substantial effort" and what monies may be used to determine if that effort is being met in relation to the needs of the community.**

The Grand Jury also recommends that the Agency obtain a legal opinion as to whether or not Community Development Block Grant and Section 8 monies may be used in determining whether the City of West Covina is making a substantial effort to meet the low and moderate income housing needs.

- 3. The Grand Jury recommends that the Agency develop a formal review procedure for all data to be reported to entities outside the Agency. This review should be performed by a responsible individual within the Agency to ensure its integrity. This mechanism should provide for documentation of the source of that data and evidence of the review process.**
- 4. The Grand Jury recommends that the Agency obtain the required information from its relocation consultants as soon as practicable to determine when the low and moderate income housing units were destroyed and, if necessary, request a formal extension from the State regarding the replacement of these units.**

The Grand Jury also recommends that the Agency establish guidelines to ensure its future compliance with redevelopment replacement housing laws.

In relation to the selection, approval and monitoring of developers:

- 5. The Grand Jury recommends that the Agency adopt policies and procedures to provide guidance as to how it intends to implement the redevelopment law, specifically in how the Agency will select, approve and monitor developers operating in the redevelopment project areas.**
- 6. The Grand Jury recommends that the Agency prepare a job description for the Executive Director which addresses the duties to be performed.**
- 7. The Grand Jury recommends that the Agency review the current job descriptions of its staff and address responsibilities of Agency positions in relation to the policies and procedures. Such responsibilities should be incorporated into a Policies and Procedures Manual of the Agency. In addition, the Grand Jury recommends that job responsibilities of the Executive Director address the duties to be performed and the related responsibilities inherent in the position, while also considering the duties and responsibilities the Executive Director has as City Manager.**
- 8. The Grand Jury recommends that the Agency establish guidelines to provide for viable options or alternatives to be presented to the Agency and the public when a project developer is to be selected. Such guidelines should address minimum procedures to evaluate project options as well as a consideration of potential impact on a proposed project due to increasing competition from neighboring redevelopment agencies and the feasibility of the "regional" aspects of the Agency's projects.**
- 9. The Grand Jury recommends that the Agency's Board establish guidelines for a financial and economic analyses presentation. These guidelines should provide for financial and economic analyses to be presented in a format that facilitates comparison between alternative current proposals and past proposals. In addition, the analyses should consider the potential impact of pending and current proposals in neighboring areas.**
- 10. The Grand Jury recommends that the Agency's Board adopt a policy for the method and timing of payments relating to changes in developer contracts to ensure that the Agency receives full value for negotiations and contracts entered into with developers.**
- 11. The Grand Jury recommends that the Agency strengthen the review procedures over the financial and economic analyses prepared by its staff, either through the use of outside consultants, the City of West Covina's Finance Department or the hiring of Agency staff with sufficient financial expertise.**

CITY OF WEST COVINA COMMUNITY REDEVELOPMENT AGENCY: EXPANDED MANAGEMENT REVIEW

PURPOSE

The purpose of our investigation was to examine specific issues pertaining to the Community Redevelopment Agency of the City of West Covina (Agency).

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury engaged Coopers & Lybrand to conduct a management review and to evaluate the adequacy of the Agency's policies and procedures for selection, approval and monitoring of developers. In addition, Coopers & Lybrand was engaged to evaluate the overall adequacy and effectiveness of the Agency's policies and procedures pertaining to the 20% tax increment set-aside and replacement housing requirements.

The above procedures were performed by Coopers & Lybrand and a report was issued thereon. Based on the findings noted in the report, the Grand Jury has engaged Coopers & Lybrand to perform an expanded management review relating to coordination between the Agency and other City departments; allocation of common costs from the City to the Agency; and review of actual project revenues as compared to projected revenues. The results of the expanded management review are included in this report.

The Agency was selected for initial review primarily because of continuing adverse media attention concerning the relationship between the Agency and its developers.

BACKGROUND

The Agency was formed in 1971 to guide West Covina's economic development through the redevelopment of certain blighted areas. The Agency's primary source of funding is through tax increment financing.

SCOPE OF WORK

- Interview selected Agency and other City department personnel in order to determine the level of interaction between the Agency and the other City department.
- Review the procedures used in the allocation of City general and administrative costs to the Agency.

- Review actual sales tax and property tax increment revenues as compared to projected tax revenues used in the project planning process for selected projects.
- In addition, Coopers & Lybrand has performed follow-up procedures on two issues identified during work performed on the original management review:
- Review proposed forfeited revenues on Fashion Plaza expansion.
- Review guidelines under redevelopment law as to what constitutes a “disproportionate share” of administrative expenses in relation to all Agency expenses.

METHOD OF INVESTIGATION

We investigated the organizational structure and lines of communication between the Agency and the City of West Covina.

- Reviewed the organizational structure of the Agency and the City of West Covina.
- Conducted interviews with selected Agency and City of West Covina officials.
- Reviewed agendas for interdivision and interdepartmental meetings.

We investigated the methods in use for allocation of City general and administrative costs to the Agency.

- Obtained an understanding of state law pertaining to administrative expenses.
- Conducted an interview with the Agency’s Accounting Manager, who is responsible for recording the allocation of administrative costs.
- Reviewed documents to support the allocation procedures in use.

We investigated the methods and assumptions in use for computing projected sales tax and property tax increment revenues.

- Reviewed documents and reports supporting projections for the Fashion Plaza and West Covina Village projects.
- Reviewed documents and reports for the proposed Fashion Plaza expansion.

FINDINGS

- A. No formal minutes are prepared for Division Manager Group Meetings.
- B. There was a lack of documentation supporting the allocation percentages of several

key executives' salaries and employee benefits from the City to the Agency.

In addition, rent is allocated to the City arbitrarily at a flat rate per year, which is not based on any logical relationship between the City and the Agency.

- C. The State Community Redevelopment Law provides no guidelines to determine what a "disproportionate share" of administrative expenses is in relation to total Agency expenses.
- D. Estimated project revenues used in the planning process are not formally compared to actual sales tax and property tax increment revenues generated by the completed project.
- E. The methodology utilized in projecting future revenues on proposed projects appears incomplete.
- F. The proposed Fashion Plaza expansion indicates the Agency is willing to contribute substantial incremental property and sales tax revenues as an incentive to the developer.

RECOMMENDATIONS

- 1. The Grand Jury recommends that formal minutes be prepared for all Division Manager Group Meetings. Preparation of minutes provides formal documentation of Division Manager Group Meetings and ensures that all participants have a concise, objective account of items discussed and conclusions reached.**
- 2. The Grand Jury recommends that the Agency maintain documentation which supports the percentage allocation of key executive salaries and employee benefits from the City to the Agency. The Grand Jury also recommends that a rational allocation basis be established for rent charged by the City to the Agency and that all allocation percentages in use be reevaluated on a regular basis to determine their reasonableness. In addition, the agreement between the City and the Agency concerning the allocation of the City Accounting Manager's salary, as well as salaries of various City employees, should be formalized and evaluated periodically for propriety.**
- 3. The Grand Jury recommends that the Board of Supervisors and the West Covina City Council recommend/support legislation that provides guidelines within the state law as to what a "disproportionate share" of administrative expenses would be in relation to all expenditures. This would enable all state agencies to monitor these expenses more closely.**

4. The Grand Jury recommends that actual project sales tax and property tax increment revenues be compared and analyzed against projections. This analysis will provide the Agency feedback on the accuracy of the methods and assumptions utilized in preparing the projections.
5. The Grand Jury recommends that the Agency include the following concepts in calculating projections of project sales tax and property tax increment revenues:
 - The effects of inflation.
 - The present value of future cash flows.
 - Quantification of estimated future costs to be incurred by the City as a result of the project.
 - In addition, the Grand Jury recommends that all calculations be reconciled to supporting schedules.
6. The Grand Jury recommends that continued negotiations with the developer be pursued in an effort to improve the proposed terms of the Fashion Plaza Expansion Project in favor of the Agency and City. In addition, the Grand Jury recommends the Agency obtain a legal opinion as to whether state law allows 100% of property tax increment revenues to be contributed as an incentive to the developer in light of the requirement to set aside 20% of tax increment monies for low and moderate income housing needs.

THE COMMUNITY REDEVELOPMENT AGENCY: COMPTON

PURPOSE

The purpose of the investigation was to examine specific issues pertaining to the Community Redevelopment Agency of the City of Compton (Agency).

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of the Agency's compliance with state laws pertaining to the 20% set-aside funds, reporting of housing units, placement of tenants in housing and usage of relocation subsidies for fiscal years June 30, 1981 through June 30, 1988.

The Agency was selected to review primarily because of recent media attention concerning the resignation of the Agency director.

BACKGROUND

Redevelopment agencies' primary source of funding is through tax increment financing. The law provides that 20% of tax increment funds be set aside for very low, low and moderate income housing.

SCOPE OF WORK

Review the 20% set-aside housing funds. Evaluate definition of "family housing unit." Review controls for reporting to the State. Review compliance with the law governing placement of qualified tenants. Review relocation subsidies and practices.

METHOD OF INVESTIGATION

We investigated compliance of the 20% set-aside of tax increments for fiscal years June 30, 1981 through June 30, 1988 as follows:

- Obtained understanding of redevelopment laws of the State of California effective during this period.
- Recomputed tax increment allocation for propriety and reasonableness.
- Obtained explanations and reviewed support for project areas allocating less than 20% of tax increments for low and moderate income housing.
- Tested 20% set-aside expenditures for fiscal years June 30, 1981 through June 30, 1988.

We investigated and evaluated housing units statistics as follows:

- Obtained Agency's definition and usage of a dwelling unit.
- Obtained an understanding of procedures used by the Agency for reporting of statistical data for State and City external reporting purposes.
- Examined source documents provided by the Agency and used by the State and City in published reports.

We investigated relocation subsidies as follows:

- Obtained and reviewed procedures used by the Agency to expend relocation subsidies.

- Obtained and reviewed housing unit relocation subsidy amounts for each fiscal year June 30, 1981 through June 30, 1988, in which relocation subsidies were made.

FINDINGS

- A. There is no generally accepted definition of a dwelling unit included in the state law for usage by redevelopment agencies for the reporting of statistical data to the State.
- B. The state law provides no guidelines to determine what a "disproportionate share" of administrative expenses are in relation to total agency expenses.
- C. The Agency reports data to both the State and City for public usage. Certain areas of the Agency's internal controls over reporting need strengthening since there appear to be weaknesses in the current reporting process.
- D. The Agency has no formal internal review process to ensure the integrity of statistical data reported to the State or the City.
- E. The Agency has no adopted set of policies and procedures governing its operations, relating to low and moderate income housing.
- F. The Agency is expending the 20% set-aside funds for items such as anti-graffiti, fencing and weed clearing. Additionally, support for certain expenditures selected for testing was not obtainable.
- G. No resolutions have been passed by the Agency for years in which the 20% set-aside requirement has not been met. This is not in accordance with state law.
- H. Appropriate supporting documentation for relocation subsidies is not being maintained.

RECOMMENDATIONS

1. **The Grand Jury recommends that the Board of Supervisors and the Compton City Council recommend/support legislation that clearly defines certain terminology used by redevelopment agencies in their gathering and reporting of statistical data to the State such as "Dwelling Units," "Family," etc. Legal definitions in this area would facilitate the consistency of reported statistical data to the State by all redevelopment agencies.**

The Grand Jury further recommends the Agency make a formal request of the State to clarify the definition of a dwelling unit for statistical reporting purposes to ensure consistency of reported dwelling units from the various

redevelopment agencies. The Grand Jury also recommends the Agency adopt a formal definition of a dwelling unit for reporting purposes. Additionally, the Agency should incorporate the definition in a housing policy manual, therefore providing a clear definition which will facilitate consistency when gathering and reporting statistical and cost data to outside entities.

2. The Grand Jury recommends that the Board of Supervisors and the Compton City Council recommend/support legislation that provides guidelines within the State law as to what a "disproportionate share" of administrative expenses would be in relation to all expenditures. This would enable all State agencies to monitor these expenses more closely.
3. The Grand Jury recommends that the Agency review the State Controller's report more closely to ensure the accuracy of the data submitted. Additionally, support for all data related to housing units and construction started and completed should be retained with a copy of the report for the Agency's records.
4. The Grand Jury recommends that the Agency establish a formal process of reviewing published City and State reports since the publishings are the final report to the public as to the statistics of the Agency's activity. Currently, the Agency's accountability for data appears to end once the data is submitted to the City or State.

The review process should be performed by a responsible individual within the Agency to ensure its integrity. The review process should include a mechanism for providing feedback to the publishing entity when discrepancies are noted.

5. The Grand Jury recommends that the Agency coordinate with the City's Housing Department to adopt a formal written set of policies and procedures for all Agency activities pertaining to the 20% set-aside fund. The manual should be modified on an annual basis to ensure that legal and Board changes are made on a timely and uniform basis throughout the Agency. Additionally, the manual should include a "glossary" of ambiguous and frequently used terms.
6. The Grand Jury recommends that the Agency establish procedures to ensure the 20% set-aside allocation is being calculated on an annual basis and that supporting documentation is retained for all Agency expenditures. Additionally, the Agency should ensure that expenditures are within the guidelines established by state law. Any areas of the law that are unclear to the Agency should be brought to the attention of the State and clarification requested.
7. The Grand Jury recommends that the Agency develop a formal procedure to ensure resolutions are passed explaining why the 20% set-aside requirement is not being met in applicable years. The Grand Jury also recommends the Board of Supervisors and the Compton City Council recommend/support

legislation requiring the approval of an independent body in any situation where an agency is seeking exemption from the 20% set-aside requirement in whole or in part.

8. The Grand Jury recommends that the Agency develop a formal procedure to ensure all required supporting documentation for relocation subsidies is maintained in a centralized relocation file.

APPENDIX

(The Appendices for the contract audit reports are not included below.)

PERSONS INTERVIEWED

Community Redevelopment Agencies

Ernani Bernardi, Councilman, Seventh District, City of Los Angeles
Edward G. Feldman, Deputy District Attorney, Los Angeles District Attorney's Office
Marieanne Reich, CPA, CIA, Principal Accountant, Tax Division Los Angeles County Auditor-Controller's Office
Diane Shamhart, Los Angeles County Chief Administrative Office
Leonard Shapiro, Publisher, L. A. Observer
Michi Takahashi, Administrative Assistant, Local Agency Formation Commission
Fernando Villa, Attorney, Parker, Milliken, Clark, O'Hara & Samuelian
Mary Wawro, Senior Assistant County Counsel, Los Angeles County
Dr. Clifford O. Young, Associate Professor, Department of Administration, University of Southern California, San Bernardino
Margaret E. Bell, Representative, Department of Housing and Community Development, Division of Housing Policy, Office of the Controller, State of California, Sacramento
Wayne Beck, Auditor, Division of Local Government and Fiscal Affairs, Bureau of Special Districts, Office of the Controller, State of California, Sacramento
Assemblyman Richard L. Mountjoy, California Assembly, 42nd District

Adequacy of Los Angeles County Employees Retirement Funding

J. Tyler McCauley, CPA, Chief, Audit Division, Los Angeles County Auditor-Controller's Office
Diane Sandoval, Division Manager, Retirement Accounting, Los Angeles County Employees Retirement Association

Welfare Dollar Error Rates - Los Angeles County Department of Public Social Services

Gail Dershewitz, Program Deputy, Quality Assurance, Line Operations Section, Los Angeles County Department of Public Social Services
Rose M. Pigneri, CIA, Principal Accountant-Auditor, Los Angeles County Auditor-Controller's Office

Internal Controls within the Los Angeles County Purchasing and Stores Department

J. Tyler McCauley, Chief, Audit Division, Los Angeles County Auditor-Controller's Office
H.E. Davis, Purchasing Agent in Charge, Los Angeles Purchasing and Stores Department

Effectiveness of Reassessment Procedures within the Los Angeles County Tax Assessor's Office

John Lynch, Assessor, Los Angeles County
Hazel McIntosh, Administrative Deputy, Assessor's Office



GOVERNMENT OPERATIONS-SERVICES COMMITTEE



GOVERNMENT OPERATIONS-SERVICES COMMITTEE

Standing L to R: Mayfield Marshall, Daniel Strauss, Chair, Louis Brutocao

Seated L to R: Roger Ayers, Frank Kelker

GOVERNMENT OPERATIONS—SERVICES COMMITTEE

Purpose

As authorized by the Grand Jury, the committee worked in two areas:

1. to determine the government's responsibility to the homeless; and
2. to investigate environmental problems as influenced by cost effectiveness and politics.

Areas of Concern

The committee chose to focus its investigations in areas where it felt meaningful results could be achieved:

1. How effectively is Los Angeles County implementing the Aid for Families with Dependent Children (AFDC) Homeless Assistance Program initiated on February 1, 1988 as a result of State Assembly Bill 1733?
2. In anticipation of the shortage of potable (drinkable) water in Los Angeles County, is reclaimed water being adequately used as an alternative resource?

To assist the committee in its investigation of the AFDC Homeless Assistance Program, the Grand Jury approved a study by the contract auditor Coopers and Lybrand.

The contract auditor was also requested by the committee to look into the current and future plans of the Department of Water and Power for utilization of reclaimed water.

Executive summaries of the two contract audit reports follow in this section.

I. THE AFDC HOMELESS ASSISTANCE PROGRAM

PURPOSE

The purpose of this review is to examine the administration of the Aid to Families with Dependent Children (AFDC) Homeless Assistance Special Needs Program in Los Angeles County.

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of the AFDC Homeless Assistance Program. The review was requested by the Government Operations-Services Committee to determine the effectiveness of the County's administration of State and Federal funds and of the AFDC Homeless Assistance Program in achieving permanent housing for homeless families.

BACKGROUND

The AFDC Homeless Assistance Program was initiated on February 1, 1988 as a result of State Assembly Bill 1733. This program which was approved by the Governor on September 29, 1987 makes California the only state with this program.

Assembly Bill 1733 created a new non-recurring special need payment for temporary housing for homeless AFDC applicants and recipients. The special need program pays for the security and utility deposits. (The last month's rent is included as part of the security deposit and is only paid then requested by the landlord.) This provides an important resource for homeless families which are frequently excluded from permanent housing by high move-in costs. Since these costs can run as high as \$1,000 for a one bedroom apartment, it has often been difficult for AFDC families to save such a comparatively large amount of money out of their grant. AFDC homeless assistance is based on current or potential eligibility for the AFDC program. In this connection, families already in the AFDC program which have become homeless are immediately eligible for assistance based on verification. Families which are not currently in the AFDC program may receive immediate assistance with temporary housing while also applying to the AFDC program.

The program includes the following features:

- Payments are limited to AFDC eligible families.
- Special need payments provide families with immediate resources for housing.
- A portion of funds already earmarked for AFDC Federal, State and County use were set aside for the AFDC Homeless Assistance Special Needs Program. Funds are available to the Homeless Assistance Program based on AFDC cost sharing

ratios. In this connection, the Federal and State governments pay the majority of AFDC special needs payments.

The purpose of the AFDC Homeless Assistance Program is to provide financial assistance and social services to families and children deprived of support or care due to the death, incapacity, unemployment, or continued absence of one or both parents. State law requires that the program be administered to help maintain and strengthen family life and to encourage parents and children to attain maximum self-support and independence.

SCOPE OF WORK

The study included an evaluation of the following areas:

Administration of State and Federal funds.

- Implementation of program procedures, as they apply to the intake of potentially eligible applicants.
- Access to the program by potentially eligible applicants.
- Documentation of potentially eligible applicants and follow-up activities to assist applicants in obtaining assistance.
- Determination of the basis for the funding of the program and the allocation of direct expenditures and county administrative expenses.

METHOD OF INVESTIGATION

Our methodology used for this review consisted of the following major work steps:

We investigated the organizational structure for the delivery of services:

- Reviewed the organizational structure of the Department of Public Social Services (DPSS) to determine functions performed and the inter-relationship of responsibilities and functions regarding AFDC and the Homeless Assistance Program.

We investigated the administration of the Homeless Assistance Program:

- Conducted interviews at various levels, including both management and line caseworkers. This was done to identify both the overall management objectives and the specific responsibilities and activities within the districts.

We investigated the sources of complaints regarding the implementation and effectiveness of the Homeless Assistance Program:

- Conducted interviews of advocates who have specific interests in the success of the Homeless Assistance Program. This step was performed to assist in identifying potential areas of concern.

We investigated statistical data on program expenditures and implementation:

- Collected and analyzed statistical information related to funding, implementation of the program and associated expenditures.
- Determined and evaluated the State, Federal and County administration procedures for funding the AFDC Homeless Assistance Program. This was performed to determine the method and allocation of funding and costs.

We investigated the process of AFDC Homeless Assistance Program applicants:

- Reviewed and evaluated selected directives, procedures, forms and processing requirements for AFDC homeless assistance applicants. The applicant processing requirements were evaluated to determine access to and standardization of the program's implementation.

FINDINGS

A. Findings regarding processing and documentation of applicants include:

- The DPSS for the County of Los Angeles appears to meet the minimum administrative and funding requirements of the AFDC Homeless Assistance Program, as outlined by the State of California. However, the parameters of the AFDC Homeless Assistance Program are subject to interpretation. In this connection, other counties may interpret standards differently and thus process proportionately more applicants and request a larger proportionate share of funding for the program.
- An initial screening process used by some DPSS districts is considered to be intimidating by homeless advocacy groups. A concern exists that the nature of the screening process results in potentially eligible applicants not pursuing the application process. Processing of potentially eligible applicants is performed in two different ways and is determined by the districts. The differences in processing result from the differences in the volume of applicants, in languages spoken, and in the types of services provided at each location. The screening process for AFDC applicants has been in use for approximately ten years.

- Applicants who sign a withdrawal form are not counted as part of the homeless assistance denial (determined to be ineligible) statistics. A concern has existed that potential applicants sign a withdrawal from the application process and are not counted. If applicants withdraw from the application process they are not counted as part of the denial statistics. However, these applicants are counted as part of the overall AFDC applicant statistics. As of March 1, 1989, the Application for Public Assistance will have a "check box" which asks "Are you homeless?" Affirmative responses to this question will not be compiled for statistical purposes.
 - There is no formal follow-up procedure for applicants who are initially denied temporary shelter or permanent housing. The County is not required to perform follow-up on applicants who have been determined ineligible for the AFDC Homeless Assistance Program. However, if the applicant is an approved AFDC recipient, an eligibility worker will have ongoing communications with recipients. Applicants who are denied are usually referred to other programs.
 - Since the AFDC Homeless Assistance Program was initiated on March 1, 1988, when initial training was "on the job," DPSS has made substantial progress instructing eligibility workers to follow directives and procedures as changes in the program have been implemented. However, inconsistencies in the applicant process may have occurred because the program was new and because of the limited initial training. A review of the prior training program was initiated, occurring from February through May of 1989. DPSS evaluated its requirements for the additional AFDC homeless activities and allocated additional staffing resources. DPSS has allocated 16 additional staff to the program since its initiation.
 - Interested parties have been concerned that recipients of temporary shelter have not received the full duration of benefits allowed. Temporary shelter is provided to eligible and potentially eligible applicants of the AFDC Homeless Assistance Program. An evaluation of documented and actual processing procedures did not indicate that the benefit period was being misrepresented. The "Notice of Action" clearly states the total benefit period for temporary shelter to be 21 days, with an additional 7 days based on good cause. In this connection, a copy of this "Notice of Action" is given to the recipient whenever temporary housing benefits are paid.
- B. Findings regarding reasonable access to the AFDC Homeless Assistance Program include:
- Concerns regarding reasonable access to the AFDC Homeless Assistance Program are based on comparative statistics with other counties. Comparative statistics for October and November 1988 indicate that the percentage of AFDC homeless requests for temporary and permanent housing for Los Angeles

County is the lowest among the 15 largest counties. The number of requests in Los Angeles County for October 1988 were approximately 0.8% of the total combined caseload of applicants and approved cases. The average percentage for the remaining 14 largest counties for October 1988 were approximately 2.34%. However, comparative statistics generated among the counties are subject to bias because of the different interpretation and application of State regulations.

- The County does not promote or publicize the AFDC Homeless Assistance Program. Applicants typically hear of the program through "word of mouth" or through community groups. DPSS supports outreach programs through community meetings which include representatives from shelters and advocacy groups. An information form -- "Important Information for Homeless Families" (PA1323) -- is also available, but must be requested. The information form is provided to potentially eligible applicants when they indicate that they are homeless. This form (PA1323), however, is oriented toward existing AFDC recipients. Special brochures are often prepared by DPSS to inform the public of other special programs.
- As rental costs have increased, it has become more difficult for certain AFDC homeless clients to find and sustain permanent housing. The AFDC grant portion which can be used for housing is frequently insufficient to support a household. An acceptable method for improving access to permanent housing is through pooled resources of recipients, where two families find and maintain shared housing and expenses. Regulations do not forbid recipients from pooling resources and sharing housing. However, DPSS is not required and does not provide assistance in matching recipients with permanent housing and/or in matching recipients to pool resources.

C. Findings regarding the method of funding program costs and administrative allocation include:

- There is no upper limit on program assistance for funds from the State and Federal governments, because the homeless program is part of AFDC. AFDC funding sources and ratios remain the same whether an applicant is receiving temporary or permanent housing assistance. If an applicant is later found to be ineligible the ratios do change and a larger portion of the costs revert to the State and County. The Federal government does not provide funding for applicants found to be ineligible.

- State and Federal funds account for the major portion of the AFDC Homeless Assistance Program costs, as follows:

Percentage of Program Costs for Federally Eligible Applicants		
	Assistance Payments	Administrative Costs
Federal	50.0%	50.0%
State	44.6%	25.0%
County	5.4%	25.0%
Total	100.0%	100.0%

D. Findings regarding the comparison of expenditures and implementation for Los Angeles County and other large counties:

- The State established an initial estimated budget of \$38.6 million for fiscal year ending June 30, 1989. The current rate of expenditure for all counties has doubled this initial estimate. However, in comparison to other counties, Los Angeles County which has approximately 33% of all AFDC cases, has spent 15.1% (\$6.5 million for the month of October 1988) of the total state AFDC homeless assistance expenditure.
- The interpretation of statistics provided by the California State Department of Social Services has resulted in confusion. The confusion is generated by the use of the statistics in the calculation of ratios. Two interpretations of October 1988 statistics are provided as follows:
 - Los Angeles County spent \$4.94 per AFDC case compared to \$11.01 for all counties in California for the month of October 1988. Los Angeles County had an approval rate for temporary and permanent housing of 8.49 approvals per 1000 AFDC cases compared to 18.06 for all counties, for the month of October 1988 for the current 1988-89 fiscal year.
 - Los Angeles County spent \$481.90 per AFDC homeless assistance case compared to \$469.69 for the 15 largest California counties, for the month of October 1988. Los Angeles County had an approval rate of 96.5% of total AFDC homeless assistance cases compared to 93.6% for the 15 largest California counties, for the month of October 1988. In addition, the total number of AFDC homeless assistance requests as a percentage of the total caseload was 0.8% for Los Angeles County and 2.23% for the 15 largest California counties, for the month of October 1988.
- The difference in the interpretation of the statistics results from the use of total AFDC cases rather than the AFDC homeless assistance cases. The AFDC homeless assistance cases are a subset of the total AFDC cases.

- Assuming that the statistics provided by the California State Department of Social Services are comparable among counties, Los Angeles County appears to have interpreted the requirements of the AFDC Homeless Assistance Program more strictly than other counties.

RECOMMENDATIONS

- 1. The Grand Jury recommends that the Department of Public Social Services standardize intake procedures for potentially eligible AFDC homeless applicants at all locations.**
 - **Specific intake eligibility workers should be designated at each location to deal with the unique issues associated with homeless clients and the AFDC Homeless Assistance Program. Because the screening process can discourage applicants and circumvent the presentation of program information, homeless applicants should be immediately directed to an intake worker. This will assist potentially eligible applicants who may not initially qualify to receive appropriate information on the program for subsequent eligibility.**
 - **The intent of screening applicants is to determine the needs of individuals and to connect them to appropriate services.**
- 2. The Grand Jury recommends that the Department of Public Social Services compile statistics on all applicants who withdraw their applications prior to approval or denial.**
 - **The Department of Public Social Services currently compiles statistics on the number of requests received, approvals and denials. However, they do not compile statistics on withdrawals.**
- 3. The Grand Jury recommends that the Board of Supervisors direct the appropriate agency, or group of agencies, to assist AFDC recipients in finding permanent housing.**
 - **The Department of Public Social Services should work closely with such a group to optimize the level of resources utilized through this program. This agency or group of agencies would be responsible for the following activities:**
 - **Identifying potential permanent housing for the AFDC qualified homeless.**

- Developing a shared housing program which could become a central clearing house for individuals who cannot qualify for housing because of cost.
 - Assist potentially qualified applicants with intake problems associated with the AFDC Homeless Assistance Program.
 - Recipients of AFDC homeless assistance are often unable to locate housing while being assisted with temporary shelter during the 21-28 day period. The AFDC Homeless Assistance Program is not responsible for and currently has no function to assist applicants in obtaining permanent housing. However, the Department of Public Social Services should and does coordinate with many charitable institutions such as the "House of Ruth," the "Salvation Army," and others, who provide temporary assistance to the immediate needs of the homeless. These institutions also coordinate with the AFDC homeless assistance eligibility workers in helping individuals enter the program if they qualify.
4. The Grand Jury recommends that the Department of Public Social Services substantially increase public awareness of the AFDC Homeless Assistance Program at its district locations and at all centers which currently provide temporary shelter and assistance to potentially eligible recipients.
- The Department of Public Social Services is actively involved with numerous outreach programs with various public and private organizations. Brochures which include eligibility requirements should be prepared to supplement existing Department of Public Social Services efforts. Brochures have been an effective means of communication for other programs and would serve to ensure that this program is more fully utilized by needy families.
5. The Grand Jury recommends that the Board of Supervisors request and oversee the preparation of an analysis outlining the reasons for the Los Angeles County comparatively smaller percentage of temporary and permanent housing requests. In this connection, the Grand Jury further recommends that the Board of Supervisors request that the State Department of Social Services investigate the differences among counties of the interpretation of guidelines over the AFDC Homeless Assistance Program.
- The State Department of Social Services is responsible for reviewing and approving county plans for implementation of the AFDC Homeless Assistance Program.

6. The Grand Jury recommends that the Department of Public Social Services re-evaluate its implementation of the AFDC Homeless Assistance Program to determine that the program is obtaining the fullest benefit from State and Federal funds available.

- Although the Department of Public Social Services appears to be in compliance with State regulations for program expenditure and processing, the comparative number of cases processed by other counties implies that the opportunity exists to assist a potentially larger number of clients in securing and maintaining permanent housing. An aggressive approach should be taken with respect to the identification of needy families.

II. WATER RECLAMATION PLANNING: CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER

PURPOSE

The purpose of this review is to examine utilization of reclaimed water by the City of Los Angeles Department of Water and Power (DWP).

FOCUS ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to conduct a review of utilization of reclaimed water by the City of Los Angeles DWP. The review was requested by the Government Operations-Services Committee to determine the adequacy of the DWP's planning and support for utilization of reclaimed water in the County.

BACKGROUND

The DWP obtains virtually all of its water from three sources. Approximately 75% is normally drawn from the Owens Valley in the Eastern Sierra Mountains. About 15% comes from groundwater from the San Fernando Valley and other local basins. Another 10% is normally purchased from the Metropolitan Water District (MWD) of Southern California.

Most of the MWD's water is transported from various Northern California locations via the California Aqueduct and from the Colorado River via the Colorado River Aqueduct.

The DWP is currently pursuing the implementation of three water reclamation projects: the Los Angeles Greenbelt Project, the Headworks Reclaimed Water Pilot Recharge Study and the Sepulveda Basin Reclamation Project.

The MWD has long advocated water reclamation as an essential part of water supply planning for Southern California.

The MWD is offering to induce local water agencies to develop reclaimed water projects under its Local Projects Program. Under this program, the MWD will reimburse those agencies which develop water reclamation projects. Reimbursement will be made for approved projects such that reclaimed water produced would displace an equal volume of water currently purchased from the MWD. Currently, the guaranteed minimum price the MWD will pay under the Local Projects Program is \$75 per acre-foot (see paragraph below). This amount has been found to be close to the energy cost savings the MWD would realize from not having to pump acre-foot quantities of water into the Southern California area.

The "acre-foot" is commonly used as a measure of water volume. It is defined as the volume of water necessary to cover one acre of area with a depth of one foot. It is equivalent to 325,851 gallons.

SCOPE OF WORK

The study includes a review of water reclamation efforts and planning by the DWP. This is a high level review focusing on key factors impacting water reclamation efforts at the DWP and the extent to which the DWP is engaged in water reclamation planning.

METHOD OF INVESTIGATION

Our methodology used for this review consisted of the following major work steps:

We investigated water reclamation efforts at the DWP:

- Interviewed key management personnel in the DWP with responsibility for development and utilization of reclaimed water.
- Interviewed key senior level staff from the MWD.
- Interviewed representatives from the City of Los Angeles Department of Public Works and Department of Recreation and Parks.
- Interviewed a representative from the Los Angeles County Sanitation Districts.

We investigated existing research on water reclamation:

- Reviewed numerous water reclamation planning documents.
- Reviewed numerous publications on the subject of water reclamation.

We reviewed the materials provided by the Government Operations-Services Committee reflecting their studies of water reclamation planning within the County.

FINDINGS

- A. A master plan for water reclamation was not available from the DWP, nor does it appear that water reclamation is currently a major priority in water resource planning at the DWP. However, the DWP does have a planning function which evaluates projects for water reclamation.

The DWP does not view reclaimed water as being a major source of its water for the near future. As demand for water increases, MWD water from the State Water Project is viewed as the most economical source of incremental supply.

- B. The DWP has pursued water reclamation proposals which appear to be cost effective. Examples of such proposals include the Los Angeles Greenbelt Project, the Headworks Reclaimed Water Pilot Recharge Study and the Sepulveda Basin Reclamation Project. However, the DWP is not pursuing water reclamation projects which are not economically feasible. As an example, the Sepulveda Recharge Project's reclaimed water would cost more to utilize than purchasing untreated interruptable water from the MWD.
- C. The cost of potable water is expected to increase with increasing demand. Higher water prices are anticipated in the future from increasing demand and reliance on MWD supplies. MWD water will be more expensive because of new water project construction and distribution in which more water would be channelled from Northern California to Southern California.
- D. The DWP's water reclamation efforts would increase if the MWD were to increase its water prices substantially and/or its reimbursement for reclaimed water under the local projects program.

The DWP normally receives approximately 10% of its water from the MWD and is expected to rely more on the MWD as demand for water increases in the City of Los Angeles. The DWP's interest in reclaimed water primarily has been economic. In this connection, more reclaimed water projects would become attractive to the DWP if the MWD were to increase its prices significantly and/or increase its reimbursement for reclaimed water.

- E. The DWP controls approximately 90% of its water supply but is also entitled to a much larger portion of MWD water supplies than it is using currently. In the event of recurring water supply shortages, the DWP is legally entitled to MWD water supplies currently being used by other cities such as San Diego. Should

water demand exceed current supply on a long-term basis, the DWP has indicated in its assessment that there will be sufficient supply available from the MWD to meet anticipated demand for the foreseeable future.

RECOMMENDATIONS

- 1. The Grand Jury recommends that the Board of Supervisors create a water conservation task force with the Metropolitan Water District as its lead agency. A principal goal of the task force would be increased utilization of reclaimed water throughout the County.**
- 2. The Grand Jury recommends that the Department of Water and Power coordinate its planning function for the use of reclaimed water with the Metropolitan Water District. It is understood that the Department of Water and Power's current plans and policies assume sufficient supplies of potable water being available for the foreseeable future and thus preclude the necessity for using reclaimed water.**
- 3. The Grand Jury recommends that the Metropolitan Water District build the infrastructure necessary to use reclaimed water from the Department of Water and Power which is currently not being used.**
- 4. The Grand Jury recommends that the Metropolitan Water District provide additional economic incentives to encourage the use of reclaimed water by member agencies.**
- 5. The Grand Jury recommends that the Department of Water and Power make every effort to conserve its storage supplies of water by obtaining more of its allowable share of water from the Metropolitan Water District. The Department of Water and Power has more control over its storage supplies in the Owens Valley and the San Fernando Valley groundwater basin than over Metropolitan Water District supplies. Relying less on Department of Water and Power storage supplies to meet normal water demand would create a more secure contingency supply of water in anticipation of potential shortages in the future.**

III. CITIZENS COMPLAINTS

The committee received twelve citizens' complaints by April 1, 1989. All complaints were investigated and resolved with the approval of the entire panel.

IV. PAST GRAND JURY RECOMMENDATIONS

The committee was also asked to review responses to recommendations regarding solid waste disposal, sewage and traffic made to the City of Los Angeles by the 1987-88 Grand Jury. Although response within 90 days is prescribed in California Penal Code, specific recommendations made to the City of Los Angeles were not answered in a timely manner and the committee has requested an explanation.

V. RECLAIMED WATER UTILIZATION

PURPOSE

To study the availability and utilization of reclaimed water in Los Angeles County. The committee conducted its own investigation of reclaimed water utilization.

FOCUS/ISSUE

It is estimated that Los Angeles County's demand for potable water will exceed its supply by 1990. As a means of conserving potable water, reclaimed water can be used as a substitute for such things as landscape and food crop irrigation, groundwater recharge, industrial uses and seawater barriers. Ambitious plans for use of reclaimed water abound, but realization of those plans is slowed by a variety of obstacles. Our focus was to examine existing plans, completed projects and problems related to plans not yet implemented.

BACKGROUND

The Metropolitan Water District (MWD), Department of Public Works and the County Sanitation Districts have pioneered water conservation techniques in Los Angeles County with catch basins, dams and sophisticated ground water recharge systems. In recent years, sizeable amounts of reclaimed water have become available as a by-product of sewage disposal systems, but utilization of reclaimed water has not kept pace with availability. The Government Operations-Services Committee was charged with environmental matters and chose to study utilization of reclaimed water as a part of its overall concern for water conservation.

METHOD OF INVESTIGATION

The committee studied available documents relevant to our purpose and then conducted on-site inspections and personal interviews at both the city and county levels.

The committee visited the following facilities:

- Upper San Gabriel Valley Water District Headquarters and Water Stripping Facility
- County Sanitation Districts of Los Angeles County Water Laboratory
- Las Virgines Water District Sewage Disposal and Water Reclamation Facility
- County Sanitation Districts of Los Angeles County Headquarters
- Hyperion Sewage Disposal Plant
- County Joint Water Pollution Control Plant
- Donald C. Tillman Water Reclamation Plant
- Los Angeles County Department of Health Services

FINDINGS

Los Angeles County currently has available from all sources more potable water than it is using. In 1990 the situation is anticipated to be reversed and demand will exceed supply by 120,000 acre feet per year (108.18 million gallons per day), and this shortfall may be increased over four times by the year 2000.

Metropolitan Water District Comparison of Dependable Water Supplies with Demand

	1980	Million acre feet per year		
		1990	2000	2010
Existing water supplies				
Local surface and groundwater	1.19	1.19	1.19	1.19
Wastewater reuse	0.14	0.15	0.15	0.15
Imported:				
Los Angeles Aqueduct	0.42	0.42	0.42	0.42
Colorado River	1.16	0.47	0.47	0.47
State Water Project	1.09	1.18	1.16	1.14
Total water supplies	4.00	3.41	3.39	3.37
Historical and projected demands	2.95	3.53	3.95	4.35
Surplus (or shortage)	1.05	(0.12)	(0.56)	(0.98)

In Los Angeles County the wastewater production is about 1,091,000 acre feet per year but only 52,869 acre feet per year (five percent) is being reused. The Sanitation District Joint outfall System includes five water reclamation plants treating about 140 million gallons per day (full secondary treatment) and the Joint Water Pollution Control Plant (JWPCP) treats 385 million gallons per day with only partial secondary treatment. For the City of Los Angeles, the Tillman Water Reclamation Plant currently produces about 40 million gallons per day and the Glendale Water Reclamation Plant produces about 20 million gallons per day. Tillman capacity will double with expansion now in progress. All of the wastewater at the two plants receives full tertiary treatment. The massive city Hyperion sewage disposal system and water treatment facility is

committed to full secondary treatment by 1998 and has ceased all discharge of sludge into the ocean. The county JWPCP is discharging sludge into the ocean in an area off Palos Verdes Peninsula and has requested the Environmental Protection Agency's approval to continue based on the need to continue "capping" a concentration of dichloro diphenyl trichloroethane contaminated sludge dating back to the early 1970's.

The majority of reclaimed water is used for landscape irrigation, industrial purposes and ground water recharge. That utilization could double within the next 20 years if all proposed projects are completed.

Assuming the MWD estimate of current waste water utilization of eight percent is accurate, about 78.8 million gallons per day are being used. That figure could double by the year 2010 but would still represent only fifteen percent of available reclaimed water. In that same time period use of potable water is estimated to increase almost sixty-five percent.

The Sanitation District and the MWD have thoroughly studied the utilization of reclaimed water and have extensive plans for projects through the year 2010. The plans seem reasonable, but a variety of political and economic obstacles exist that could prevent timely completion.

The Los Angeles Department of Water and Power also has plans for some use of reclaimed water but seems to have difficulty in reconciling the basic business of importing and selling potable water with distributing and selling the reclaimed product.

The cost of building a distribution system for reclaimed water throughout Los Angeles County is so great that it must be considered prohibitive unless rates for potable water are increased with a portion of the increase going to pay for the cost of building the system. However, the MWD has had some success with their Local Projects Program which financially assists local agencies in developing reclaimed water supply projects.

Unless the cost of potable water is increased many times over, the public seems reluctant to accept water as a scarce and valuable resource.

The least expensive means of reclaimed water utilization is ground water recharge. In many cases such use does not necessitate costly distribution systems since percolation sites exist close to water reclamation facilities. For example, facilities such as Whittier Narrows, San Jose Creek and Pomona (Water Reclamation Plants owned by the Los Angeles County Sanitation District) currently supply the Montebello Forebay area. This year (1989) it is estimated that 50,000 acre feet of reclaimed water will be spread. Looking to the future, it is conceivable that the Pacoima spreading grounds could utilize reclaimed water from both the Tillman and the Glendale Water Reclamation Plants.

Although concerns about possible health hazards connected with ground water recharge may still exist in the minds of the general public, those concerns have been answered

satisfactorily by the Los Angeles County Department of Health Services. It appears that this information should be circulated to the general public.

Several Los Angeles County and City departments have short-term plans for utilization of reclaimed water. However, there is currently no single entity at either the county or city level empowered to coordinate the work done by diverse departments on a long-range plan for utilizing reclaimed water to the extent needed to balance the anticipated deficit in potable water.

CONCLUSIONS

Reclaimed water represents a partial solution to the projected deficit in potable water by 1990.

The public must be made aware of the impending water shortage and asked to support cost increases that represent the true resource value of potable water.

RECOMMENDATIONS

- 1. The Grand Jury recommends that the Southern California Metropolitan Water District Joint Projects study of 1982 (reviewed in 1987) be carefully examined by the Board of Supervisors with an eye toward speedy implementation whenever possible.**
- 2. The Grand Jury recommends that the City of Los Angeles create a Water Conservation Department headed by an ombudsman or director charged with total coordination of efforts by all city departments.**
- 3. The Grand Jury recommends that the Board of Supervisors establish a coordinating authority who would survey water conservation plans from all applicable departments and determine how interdepartmental cooperation could be implemented most efficiently and effectively.**

APPENDIX

(The Appendices for the contract audit reports are not included below.)

PERSONS INTERVIEWED

Robert Berlein, General Manager, Upper San Gabriel Valley Municipal Water District
Dianne Eaton, Public Relations Manager, Las Virgines Water District
James Colbaugh, Director of Operations, Las Virgines Water District
Earle Hartling, Project Engineer, Monitoring and Research, Technical Services Department, County Sanitation Districts of Los Angeles County

Don Avila, Assistant Information Officer, Information Services, County Sanitation Districts of Los Angeles County
Stephen Maguin, Department Head, Solid Waste Management Department, County Sanitation Districts of Los Angeles County
Ron McCoy, Assistant Chief Engineer for Water Systems, Department of Water and Power
Kathleen Rice Brown, Public Works Commissioner, City of Los Angeles
Harry Sizemore, Sewage Disposal Plant Manager, Hyperion Sewage Disposal Plant
Cliff Gladstein, Aide to Tom Hayden, Member, California Legislature
Frank Grant, Planning Manager, Wastewater Division, Bureau of Engineering, Department of Public Works
William Straub, Sanitation Engineer, Wastewater Division, Bureau of Engineering, Department of Public Works
Richard Atwater, Engineer, Resources Division, Municipal Water District of Southern California
Ahmad Hassani, Senior Engineer, Resources Division, Municipal Water District of Southern California
Virginia Grebbien, Associate Engineer, Resources Division, Municipal Water District of Southern California
Leonard Mushin, Chief Environmental Health Officer, Los Angeles County Department of Health Services
Robert Smith, Cross-Connection and Water Pollution Control Program, Environmental Management, Los Angeles County Department of Health Services
Sylvia Barrett, Principal Chemist, Water Quality, Metropolitan Water District of Southern California
James Langley, Plant Manager, Donald C. Tillman Water Reclamation Plant

DOCUMENTS REVIEWED

Joint Orange County, Los Angeles County, Joint Projects Study (on uses of reclaimed water), Metropolitan Water District, 1982
Joint Projects Study (same as above) Status Report 12/87
Hyperion Treatment Plant, City of Los Angeles
Expanding Use of Reclaimed Water in Los Angeles County, Earle Hartling, Project Engineer, County Sanitation Districts
Strategy on Use of Reclaimed Water, Earle Hartling, Project Engineer, County Sanitation Districts, 10/22/86
Tillman Reclamation Plant, Los Angeles Public Works
City of Los Angeles Clean Water Program, Los Angeles Public Works
Tillman Times, quarterly publication of Donald C. Tillman Water Reclamation Plant 11/88
The DDT Story, Joint Water Pollution Control Project, Director of Microbiology, 1987
The San Gabriel River and Montebello Forebay Water Conservation System, Los Angeles County Department of Public Works

GRAND JURY RECOMMENDATIONS COMMITTEE



GRAND JURY RECOMMENDATIONS COMMITTEE

Standing L to R: H. E. Resnick, Johnnie Raines, Danny Elias

Seated L to R: Margaret Kogut, Marvin Crayton, Chair

GRAND JURY RECOMMENDATIONS COMMITTEE

Purpose

The purpose of the Grand Jury Recommendations Committee was to review the responses of the Los Angeles County Board of Supervisors and the Los Angeles County Chief Administrative Office to the findings and recommendations of the 1985-86, 1986-87 and 1987-88 Grand Jury contained in each of its final reports.

Scope/Focus

Three mandated issues were reviewed: jails, audits and criminal justice.

Findings

The committee was satisfied that the recommendations had received thoughtful consideration.

JAILS

In reviewing the findings of the Jails Committee for preceding three years, 86.6% of the recommendations were implemented; 13.4% of the recommendations were not concurred with or were modified.

AUDITS

The findings of the Audit Committee for the three preceding years indicate 65% of the recommendations were implemented; 29% were not concurred with and 6% were not within the County's jurisdiction.

CRIMINAL JUSTICE

The findings of the Criminal Justice Committee indicates that for the three preceding years, 33% of the recommendations were implemented; 19% were not concurred with and 48% were continued for further study and planning.

CONCLUSION

The committee's findings in regards to those recommendations which were not concurred with or not implemented were due to budget constraints.

In reviewing the jail issue, both the 1985-86 and the 1986-87 Grand Juries made recommendations regarding inmate overcrowding. However, due to those recommendations and to other factors, steps were taken to alleviate that condition.

In reviewing the recommendations from the Audit and Criminal Justice Committees, we found several instances where recommendations were not accepted because changes were already in progress.

RECOMMENDATIONS

- 1. The Grand Jury recommends succeeding grand juries establish a review committee to provide continuity and assure follow-up on the work of the preceding grand jury.**
- 2. The Grand Jury recommends the committee be selected and functioning at the earliest possible time after the convening of the incoming grand jury.**
- 3. The Grand Jury recommends the committee to study, analyze and follow-up on recommendations**

GRAND JURY REPORT EDITING COMMITTEE



GRAND JURY REPORT EDITING COMMITTEE

Standing L to R: Robert D. Leland, Marvin Crayton, H. E. Resnick, Chair

REPORT EDITING COMMITTEE

Purpose

The purpose of the Report Editing Committee was to review, edit and publish the 1988-89 Grand Jury Final Report.

Focus/Issue

The committee established printing guidelines and time frames for all committees, so the final report would be presented to the Board of Supervisors before June 30, 1989.

Areas of Concern

Our intent was to produce a credible and accurate publication that reflected the investigative work of the 1988-89 Grand Jury committees.

METHOD OF PERFORMING OUR RESPONSIBILITY

The committee met with Kathy Spann, the staff secretary for each yearly grand jury. She has efficiently and professionally served grand juries for many years. We saved a great deal of time and were able to proceed at a fast pace due to the help of the grand jury secretary.

Four printing companies were interviewed by the committee after each printing company had submitted written bids. One was selected, presented to the panel and was approved by the full panel.

The committee met with Ron Sato, Supervisor and Sara Sproul in the Support Services Section of the Los Angeles Superior Court and the printing company selected to coordinate and synchronize the printing and publishing of the 1988-89 Grand Jury final report.

The proofs of our photo taking session were received. The committee identified all grand jurors, so that each person would be properly identified.

All committee reports were presented on time for the secretary to process.

The report approval included the following steps:

- a. Committee approval
- b. Edit Committee and Foreman approval
- c. Legal Advisor review
- d. Committee approval (final)
- e. Grand Jury approval
- f. Supervising Judge approval
- g. Submission to the Board of Supervisors

ACKNOWLEDGEMENTS

We gratefully thank Kathy Spann for her experience, expertise and cooperation. We also give thanks to Ron Sato and Sara Sproul of the Support Services Section of the Los Angeles Superior Court.

STRATEGIC PLANNING COMMITTEE



STRATEGIC PLANNING

Standing L to R: George Ogawa, Denny Morrissey, Chair, Sidney Dwoskin

STRATEGIC PLANNING COMMITTEE

Purpose

The mission of the committee is to advocate the use of strategic planning within the government of the County of Los Angeles and the cities of Los Angeles County so that local governmental jurisdictions position themselves to be ready for the next century.

Areas of Concern

Is local government giving sufficient attention to an agenda for the future? Is a legitimate plan, with a strategic vision, in place? Is the plan being followed?

Are the planning processes local governments use to plan for the future helping us identify the causes for the serious growth management problems in the area?

Are strategies being developed to achieve a shared vision of what the future of the area should be in the year 2000 and thereafter? Are these strategies based on cooperation and coordination with neighboring cities and counties?

Background

On August 3, 1988, prior to the decision to create a committee called Strategic Planning, a memorandum was circulated among the Grand Jury members that said, "We will all benefit if the major focus of this grand jury is on where we want to be in the year 2000 rather than reacting to the latest crisis."

A consultant was invited to speak to the Grand Jury on the topic of "Futures Agenda." As a result of the presentation, the strategy was developed that a committee would be formed to seek out government managers who have completed a strategic plan. The aim was to develop a model, based on the successful practices of Los Angeles area public managers, that would help motivate other public managers to use this management tool to "make things better" in government.

From our initial interviews with representatives of various cities we learned that only a very small number of cities in Los Angeles County were making any effort to develop a conceptual and visionary perspective of what this region should be like in the year 2000 and thereafter. As complex and as regionally oriented as that responsibility is, we believed a public manager should recognize the need to start planning for something

that will happen, but has not yet happened and will not happen, unless an effort is made to do the step by step things that will make it happen.

As our studies developed, we focused on the need for a region-wide perspective. We developed a strategy that encouraged grand juries of the region to meet on a regular basis for the purpose of improving cooperation among the counties. While a grand jury is not charged with the legal authority to study issues beyond the boundaries of the county, grand juries may meet on matters of mutual interest to develop findings and prepare their own report to its local county board of supervisors. We elected to meet on an informal basis with grand juries of adjacent counties. The expectation was that representatives of the grand juries would be able to develop strategies as to how future grand juries might be able to coordinate efforts on regional issues and prepare for the year 2000 and beyond.

After completing a study of county departments that used the strategic planning process, the committee shared its findings with Coopers & Lybrand to expand the study to include select cities within the county.

The meeting with the county departments were limited to strategic planning and did not cover a review of the strategic operations process (the implementation of the plan). The distribution of the committee's final report was expanded to include all the city mayors in Los Angeles County; otherwise most cities would be unaware of the need to incorporate the committee's findings into their planning process.

Areas of Investigation

- Strategic Planning: Los Angeles County Cities and Departments
- Strategic Planning for the Region

I. STRATEGIC PLANNING: LOS ANGELES COUNTY CITIES AND DEPARTMENTS

PURPOSE

The purpose of the investigation was to review local government strategic planning processes and issues, and to assist the Grand Jury in developing a conceptual strategic planning model for local governments, which included Los Angeles County cities and departments, the County Chief Administrative Office (CAO) and the County regional planning office.

FOCUS/ISSUE

The 1988-89 Los Angeles County Grand Jury directed Coopers & Lybrand to (1) review local government strategic planning processes and issues primarily because of the

concern that the planning processes of local government entities do not take into account the need to coordinate and to work cooperatively and proactively with their neighboring cities and regional agencies, such as the Southern California Association of Governments (SCAG), and (2) work in collaboration with the strategic planning committee, report on the efforts of departments who have completed a strategic plan and provide a model to those departments who have not yet completed the process.

BACKGROUND

All organizations, including both private and public entities, must engage in planning activities to remain viable. Planning activities include budgeting, operational planning, long-range planning and strategic planning. Although corporations have a history of strategic planning, cities have only recently begun to engage in this type of planning. This limited review of how local governments perform planning, indicates that most jurisdictions describe their planning efforts as one of the following: a long range plan, a business plan, a comprehensive plan, or an operational plan.

Strategic planning is broad-based and conceptual. It determines where an organization should be going so that all organizational efforts can be pointed in that direction. While there is general agreement among professionals in the field of planning about the overall approach to strategic planning, definitions differ. Strategic planning is the guiding philosophy of an organization in directing its resources to attain its short and long-range goals. It is a framework for carrying out strategic thinking, direction and action leading to the achievement of consistent and planned results.

Strategic planning is relatively new to city and county planning. Cities are not required to have a strategic plan, but they are required to plan for the physical development within their boundaries. Cities get guidance from the State through statutory regulations which must be followed in their planning efforts.

SCOPE OF THE TOPIC

- Planning efforts at the city level frequently do not include inter-jurisdictional strategic concerns, are limited in time frame, and do not account for critical issues associated with growth during the next decade.
- Cities in the Los Angeles County area do not uniformly approach strategic and operational planning.
- Los Angeles County and cities within the County frequently have divergent goals and objectives which reduce cooperative efforts.
- The Grand Jury would like to provide Los Angeles County cities with a practical strategic planning approach (conceptual model and flow chart) which can be used to improve inter-city and regional cooperative efforts (see Findings J and K).

- Assist the Strategic Planning Committee by reviewing the material generated through their research and interviews.

METHOD OF INVESTIGATION

We investigated planning criteria at the city level and their inclusion of inter-jurisdictional strategic concerns.

- Reviewed pertinent State legislation affecting planning efforts by local governments.
- Interviewed selected city planning directors (see Appendix for interview list).
- Interviewed a representative from SCAG.

We investigated obstacles which prevent cities from establishing cooperative efforts.

- Reviewed materials provided by the Strategic Planning Committee.
- Interviewed selected city planning directors.
- Interviewed a representative from SCAG.

We investigated planning processes used by local governments.

- Reviewed strategic planning models used by those local governments that have done strategic planning.
- Reviewed strategic planning models used by Los Angeles County departments that have done strategic planning.
- Interviewed selected city planners who have done strategic planning for their cities.

We reviewed the materials provided by the Strategic Planning Committee reflecting their analyses of County departments and the strategic planning process (see Appendix for a list of documents reviewed and for a list of site visits).

The Strategic Planning Committee researched the strategic planning processes conducted by Los Angeles County departments.

- Interviewed key managers in Los Angeles County (see Findings K for Strategic Planning Checklist of processes department managers with strategic plans went through).
- Reviewed the strategic plans of five departments.

- Reviewed pertinent articles, reports and technical data.

FINDINGS

- A. All cities are required by statute to have a long-range plan (General Plan). All the cities contacted during the course of this study indicated they have such a plan. In this connection, cities vary in their planning methods, defining the General Plan as a strategic plan, a component of a strategic plan, a document which adheres only to those planning elements required by statute, or a combination thereof.

Although a General Plan is directed at the long term, it is focused on guiding the implementation process, such as the physical development of the city. A strategic plan is intended to provide an overall direction and thus guides the General Plan.

- B. The most critical issue identified is growth and its management. Growth is forecasted as inevitable in the Los Angeles region and affects all aspects of local and regional government. According to the Rand Corporation, between 1970 and 1988, the Los Angeles region experienced a 36% increase in population and is now the nation's second largest consolidated metropolitan area. The size of the region alone ensures that the critical regional issues will be massive and complex.
- C. Cities within the County of Los Angeles compete for business to support their tax base and must be responsive to differing constituencies with specific regional, political, economic and ethnic concerns.
- D. Not only are interests of the County and cities varied, but cities are not homogeneous entities. Cities are diverse based on the nature of the population, land and type of development within the jurisdiction. Because of the diversity among cities, their perspective on short term local issues will be different.
- E. The General Plan established by State requirements does not force cities to address issues on a regional level. Instead, a General Plan is intended to be comprehensive and long term, but is generally limited to address the physical development of the city.

Alternatively, a strategic plan done by a local government should address how the city, with its present and future constituency, will fit into the overall geographic region. Any local strategic plan should be anticipatory, broadly conceived and based on considerations crucial to the future of not only the city, but the County, region and State.

- F. Los Angeles County is comprised of 86 cities plus an unincorporated area containing one million citizens. In most instances, these cities are comprised of groups of people with common interests. However, the number of cities which perform joint area planning appears to be limited. Although cities in the Los Angeles area have

boundaries, the proximity of adjacent cities makes the boundaries artificial in nature and cities continue to need to work together. Frequently, all that separates two cities is a street.

The citizens of cities in an area will have common interests which are best served through regional planning. In this connection, pooled resources are often needed to maximize the efficiency of capital expenditures and to achieve potential economies of scale.

- G. As stated by the CAO, strategic planning is very important to County departments, because there are not enough resources to deal with all the critical issues that recognize the importance of investing in the future. The CAO is emphasizing the importance of strategic planning to departments. Department heads have been encouraged to use strategic planning for their departments. In this connection, some Los Angeles County departments have already begun strategic planning.

The Grand Jury felt the best approach to evaluating the strategic planning done by County departments was to first identify those departments who had successfully completed the strategic planning process and to present to those departments who have not yet completed the process, those successful elements to use in their own efforts. The Grand Jury was able to identify only six departments which have done strategic planning, as follows:

- Auditor Controller
- Facilities
- Health
- Library
- Probation
- Harbors and Beaches (various long term plans were prepared, but not a strategic plan)

- H. The CAO is developing a county-wide strategic plan for the County.

The mission, as identified by the CAO, is as follows:

- On behalf of the Board of Supervisors, lead County government in providing and marketing quality services that the public wants, needs and will pay for.

The plan has as its strategic goals the following:

- Establish service priorities
- Establish mission supportive work environment
- Market service quality
- Assess service quality

As stated by the CAO in his memorandum of October 6, 1988, to all department/district heads, his office has been charged by the Board of Supervisors to implement a strategic planning process within County departments.

- I. Concerns exist over the merits of the Pay for Performance Plan which has been utilized to generate strategic plans by County departments. The Pay for Performance Plan is relatively new to the County and has not yet been in place a sufficient length of time to evaluate its success. In this connection, the Grand Jury has an interest in determining whether the Pay for Performance Plan is accomplishing its intended objectives, and determining the source of the funding to pay for the Plan.

In 1986, a task force prepared a survey which indicated that the clear majority of employees believed pay should be based on performance and better performers should receive higher salaries, known as the Pay for Performance Plan. The Pay for Performance Plan is intended to motivate department heads to initiate strategic planning. The first phase, involving 450 senior managers, began in January 1987, a second group was added in July 1987 and a third group in July 1988.

- J. Mainly issues important to the County are inter-jurisdictional and require broader attention than can be effectively provided by a single grand jury. The Los Angeles County Grand Jury has initiated communication with grand juries from other counties to assess critical issues and to determine appropriate responses.

The Los Angeles County Grand Jury has found that the nature of the grand jury process is frequently reactive to immediate issues. As a result, broader and longer term issues may not be adequately addressed by a single grand jury. The Grand Jury recognizes that inter-jurisdictional issues must be addressed by all levels of county government and that the effectiveness of the grand jury process may be improved through cooperative efforts with other county grand juries.

- K. The following strategic planning checklist represents the processes each county department said they used to develop the strategic plan. The steps include only the planning process and do not include the operations planning.

STRATEGIC PLANNING CHECKLIST

A F B H L P
 U A E E I R O
 D C A A B O
 I I C A L R B
 T L H T A R A
 O I E H T A R A
 R T S H Y R A T
 I O N
 E S & H A R B O R S

INTRODUCTION TO THE PROCESS

Was there a plan to plan? --- yes --- yes yes yes
 Key managers involved early on? yes yes --- yes yes yes
 Team planning used to get common understanding? yes yes --- yes yes yes
 Was a consultant used? yes yes yes yes yes yes

At the start did the team agree on:

Chief executive being significantly involved? yes yes yes yes yes yes
 The reason for planning? yes yes yes yes yes yes
 Planning as a top priority? yes --- yes yes yes yes
 The strategic planning approach? yes --- --- yes yes yes
 A realistic goal? yes yes --- yes yes yes
 A realistic planning schedule? yes --- --- yes yes yes
 Giving the time required? yes --- --- yes yes yes
 Availability of resources, skills, knowledge? yes --- --- yes yes yes
 Terminology? yes --- yes yes yes yes
 Strategic/operational/results management? yes --- --- yes yes yes
 Strategic plan as visionary and long range? yes --- yes yes yes yes
 Operations plan as short range and very specific? yes yes yes yes yes yes
 Strategic management is carrying out the plan? yes --- --- yes yes yes
 Planning as both a top down/bottom up process? yes --- --- yes yes ---
 Strategic planning is not budgeting, forecasting or setting a legislative agenda? yes --- --- yes yes yes
 Planning is to produce action, not plans? yes yes yes yes yes ---

A U D I T O R F A C I L I T I E S B E A C H E S & H A R B O R S H E A L T H L I B R A R Y P R O B A T I O N

Did the team agree on the roles of:

Board of Supervisors?	---	---	yes	yes	no	---
County Chief Administrative Officer?	---	yes	yes	yes	no	yes
Senior department executive team?	yes	yes	yes	yes	yes	yes
Planning coordinator?	---	---	---	yes	no	---
Internal planning staff?	---	---	---	yes	no	yes
Other managers?	---	---	yes	yes	yes	yes
Other employees?	---	---	---	yes	yes	yes
Feedback from select colleagues	---	---	---	yes	yes	---

During the preparation of the vision statement, did it:

Push people to be creative?	---	---	---	yes	yes	yes
Cause people, for the moment, to set aside practicality?	---	---	---	yes	yes	---
Provide a common vision?	---	yes	yes	yes	yes	yes

Did the organization mission statement:

Become the starting point for the strategic plan?	yes	yes	yes	yes	yes	yes
Identify what needs to be done?	yes	---	---	yes	yes	---
Explain why the organization exists?	yes	---	---	yes	yes	yes
Explain who the organization's primary users are?	yes	yes	yes	yes	yes	yes
Explain the past agenda?	yes	yes	yes	yes	yes	yes
Explain the current agenda?	yes	---	---	yes	yes	yes
Explain the future agenda?	yes	---	---	yes	yes	yes
Describe the primary technologies?	yes	yes	---	yes	yes	---
Describe the primary activities?	yes	yes	yes	yes	yes	yes
Describe the distinctive competencies?	yes	---	---	yes	yes	yes
Provide a primary and clear strategic focus?	---	yes	yes	yes	yes	yes
Allow flexibility in implementation?	---	yes	---	---	yes	yes
Reflect attainable goals?	yes	yes	---	yes	yes	yes
Serve as a rallying point?	---	yes	---	yes	yes	yes
Become a communication tool?	---	yes	yes	yes	yes	yes

A U D I T O R F A C I L I T I E S B E A C H E S & H A R B O R S H E A L T H L I B R A R Y P R O B A T I O N

STRATEGIC ANALYSIS OF CRITICAL ISSUES

Was it seen as the data base of strategic planning?	---	yes	---	yes	yes	---
Was "why" paramount in the minds of the team?	---	---	---	yes	yes	yes
Was data gathering and analysis time consuming?	yes	---	yes	yes	yes	yes
Was the data grouped into key lines of operations?	yes	---	---	yes	yes	yes
Were initial assumptions viewed critically?	---	yes	---	yes	yes	yes
Was there grass-roots authentication of outcomes?	---	---	---	yes	no	---
Did the analysis include data from Environmental Scan?	yes	---	---	yes	yes	---

EXTERNAL:

Demographics?	no	---	---	yes	yes	yes
Legal requirements?	yes	yes	---	yes	---	yes
Competition?	no	---	yes	yes	yes	yes
Technology?	yes	---	---	yes	yes	yes
Predictions?	no	---	---	yes	yes	---
Political climate?	yes	yes	---	yes	yes	yes
External opportunities identified by Dept. Head?	yes	---	---	yes	yes	---
External threats identified by Dept. Head?	yes	---	---	yes	yes	yes

INTERNAL strengths and weaknesses:

Past and present financial resources?	yes	---	---	yes	yes	yes
Service?	yes	yes	---	yes	yes	yes
Revenue producing?	yes	yes	yes	yes	yes	yes
Internal capabilities?	---	yes	---	yes	---	---
Identify strengths by Dept. Head?	yes	---	yes	no	yes	yes
Identify limitations by Dept. Head?	yes	---	yes	no	yes	---

STRATEGIC FORMULATION

Did strategic plan position the organization for the future rather than focus on how to get there?	yes	---	---	yes	yes	yes
Did teams see this as positioning for the future?	yes	---	---	yes	yes	yes
Did teams identify critical issues and root causes?	---	---	---	yes	yes	yes
Did teams have evidence to identify root causes?	---	---	---	yes	yes	yes
Were major conclusions drawn?	---	---	---	yes	yes	yes
Were critical issues prioritized?	yes	no	---	yes	yes	yes
Were steps taken to resolve the issues?	---	---	---	yes	yes	yes
Was the number one issue the driving force?	---	---	---	yes	yes	yes
Did the strategies focus on the future?	---	yes	---	yes	yes	yes

LONG RANGE OBJECTIVES

Was this the end of strategic planning?	no	no	---	?	yes	---
Was this the beginning of long range planning?	---	---	---	yes	yes	yes
Were there objectives the top 3 to 6 critical issues?	---	---	---	yes	yes	yes
Were they broad based?	---	yes	---	yes	yes	yes
Were they the "when" and "how" of the strategies?	---	yes	---	yes	yes	yes
Did they reflect the wishes to "have" or "become"?	---	yes	---	yes	yes	yes

ACTION PROGRAMS

Were the plans compatible with all of the above?	---	---	---	yes	yes	yes
Was there a plan for each key area?	yes	yes	---	yes	yes	yes
Was the focus on major functions?	yes	---	---	yes	yes	yes
Was the focus on cost centers?	---	---	---	yes	no	---
Was the aim to achieve specific results?	yes	yes	---	yes	yes	yes
Was accountability assigned?	yes	yes	---	yes	yes	yes
Was a time schedule assigned?	yes	yes	---	yes	yes	yes
Was level of performance quantifiable?	yes	yes	---	yes	yes	yes
Did the chief executive monitor and track progress?	---	yes	---	yes	yes	yes

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FINANCIAL PROJECTIONS

Were the projections consistent with the above? yes --- --- yes yes yes

PREPARING THE REPORT

Did the report include:

Executive summary? --- yes --- yes yes yes
 Organization mission? yes yes --- yes yes yes
 Vision statement? --- yes --- yes yes yes

Strategic analysis include:

Service Analysis? yes --- --- yes yes ---
 Forecasts? yes --- --- yes yes ---
 Material costs? --- --- --- yes yes yes
 Information systems? yes --- --- yes yes yes
 Human Resources? --- --- --- yes yes yes
 Facilities? yes --- --- yes yes yes

Long-term objectives? yes yes --- yes yes yes
 Action plans? yes yes --- yes yes yes
 Financial projections? no --- --- yes yes yes
 Current critical issues? yes yes --- --- yes yes
 Major issues of the future? --- --- --- yes yes yes
 Technical and research reports? --- no --- yes yes yes
 Was there a schedule to replan? yes --- yes yes yes yes

ASSESSMENT

Were the following essential to success:

Team meetings wide-open, far reaching? yes --- yes yes yes yes
 Periods of confrontation? --- --- --- yes yes yes
 Periods of coalition building? --- --- --- yes yes yes

L. Strategic planning, if it is to be productive, requires a significant investment of time and effort by those involved. The strategic planning process requires that certain steps be completed. The following model should be used by Los Angeles County, cities and departments to guide their strategic planning process:

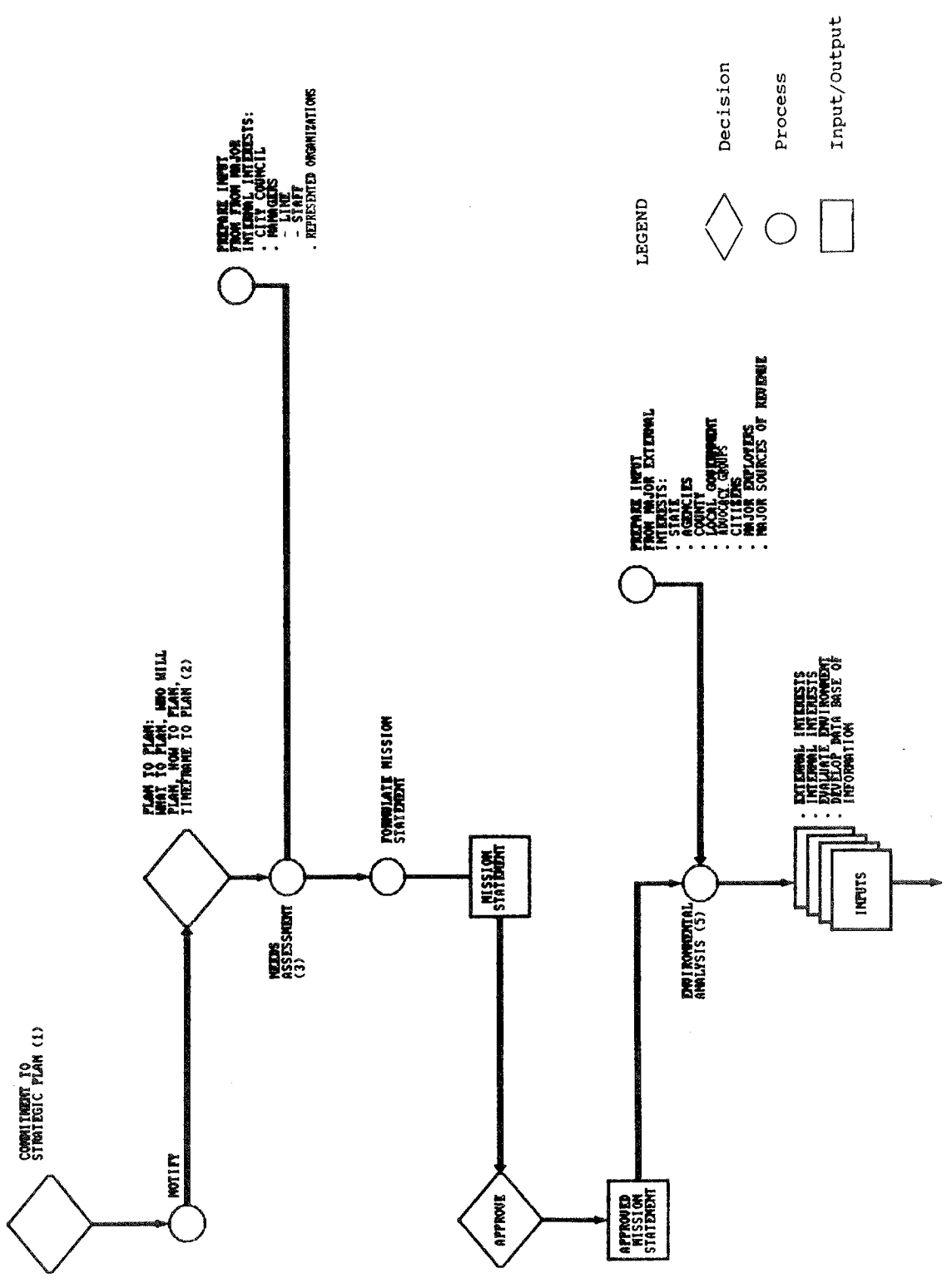
1. Establish a commitment to strategic planning process by involving key people in the department or city.
2. Plan to Plan
 - Determine:
 - What it is you are going to plan
 - Who has responsibility for designing and implementing planning process
 - Who has responsibility for driving the planning process
 - Who is to do planning (select planning team)
 - Clarify planning roles
 - Mechanisms for gathering data/inputs in planning process
 - How long planning process will take
 - Who will review and approve plans
 - Who will establish implementation plans, responsibilities, and accountabilities
 - Who will measure progress and evaluate results
3. Perform an Assessment of Needs
 - Examine major internal values
 - City council members
 - Managers/staff (both line and staff)
 - Examine organizational values
4. Formulate department, city or organizational mission statement
5. Perform environmental analysis
 - Determine external interests
 - State of California
 - State and Regional Agencies
 - Los Angeles County
 - Southern California Association of Governments
 - Local government and civic leaders
 - Chamber of Commerce and local businesses

- Citizens
 - Major employers
 - Major sources of revenue
 - Major group interests (for example, labor unions or advocates)
 - Evaluate environment
 - Economy
 - Political climate
 - Program directives/mandates (statutes, regulations)
 - Opportunities/threats
 - Strengths and weaknesses
 - Develop data base of information
 - Current situation
 - Forecasts
 - Past performance
 - Demographic trends
 - Comparison with other cities
6. Prepare the Plan
- Determine components
 - Identify critical issues, goals and objectives to achieve goals
 - Perform strategic analysis of critical issues, goals and objectives
 - Perform strategy formulation
 - Develop long term objectives
7. Present draft of plan to the approval process (may consist of multiple levels)
- Review draft
 - Input from interested parties on recommendations
 - Approve plan
 - Publish plan
8. Perform Implementation
- Identify and allocate resources
 - Establish timetables
 - Develop operating plans and budgets
 - Review and approve
 - Implement
 - Measure and report progress
9. Conduct annual review of plan

NAME : STRATEGIC PLANNING TITLE : STRATEGIC PLANNING MODEL

CLIENT : LOS ANGELES COUNTY GRAND JURY DATE : APRIL 1989

KEY PEOPLE PLANNING GROUP EXTERNAL INTERESTS INTERNAL INTERESTS



PREPARE INPUT FROM MAJOR EXTERNAL INTERESTS:

- COUNTY
- LOCAL GOVERNMENT
- AGENCIES
- BUSINESS COMMUNITY
- CITIZENS
- MAJOR EMPLOYERS OF REGION

PLAN TO PLAN: WHO WILL PLAN, HOW TO PLAN, TIMEFRAME TO PLAN (2)

LEGEND

- ◇ Decision
- Process
- ▭ Input/Output

EXTERNAL INTERESTS EVALUATE ENVIRONMENT DEVELOP DATA BASE OF INFORMATION

NAME : STRATEGIC PLANNING

TITLE : STRATEGIC PLANNING MODEL

CLIENT : LOS ANGELES COUNTY GRAND JURY

DATE : APRIL 1989

KEY PEOPLE

PLANNING GROUP

EXTERNAL INTERESTS

INTERNAL INTERESTS

DEPARTMENT PERSONNEL

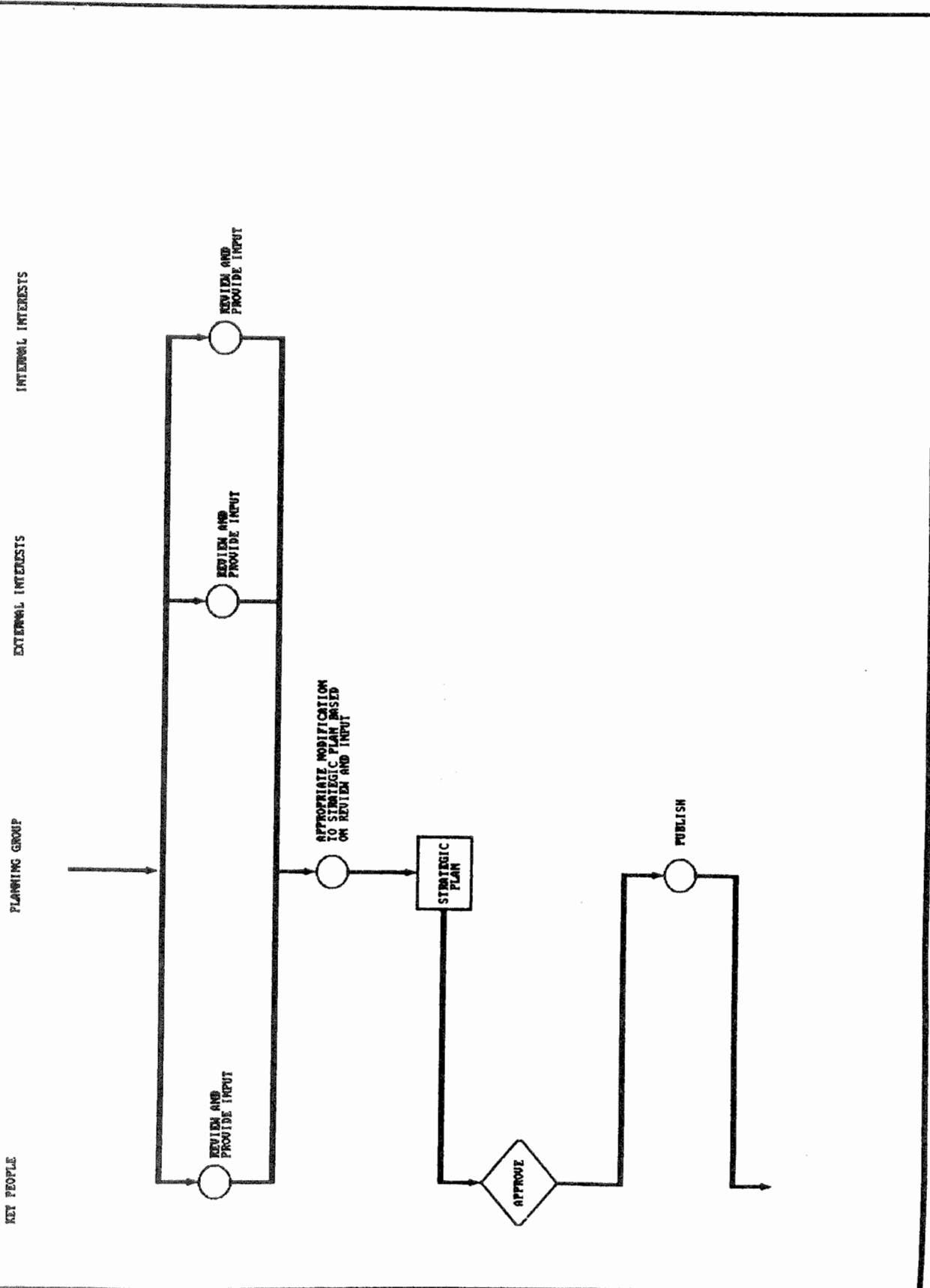
SUBMIT STRATEGIC PLAN
TO APPROPRIATE MANAGERS/
ADMINISTRATORS FOR INCLUSION
IN OPERATIONAL PLANS AND
BUDGETS.

PREPARE PLAN OF
ACTION TO INCLUDE
RELEVANT ELEMENTS
OF STRATEGIC
PLAN IN THEIR
OPERATIONAL PLANS
AND BUDGETS.

OPERATIONAL
PLANS AND
BUDGETS

FINAL
APPROVAL

NAME : LOS ANGELES COUNTY STRATEGIC PLANNING TITLE : STRATEGIC PLANNING MODEL
 CLIENT : LOS ANGELES COUNTY GRAND JURY DATE : APRIL 1989



NAME : STRATEGIC PLANNING

TITLE : STRATEGIC PLANNING MODEL

CLIENT : LOS ANGELES COUNTY GRAND JURY

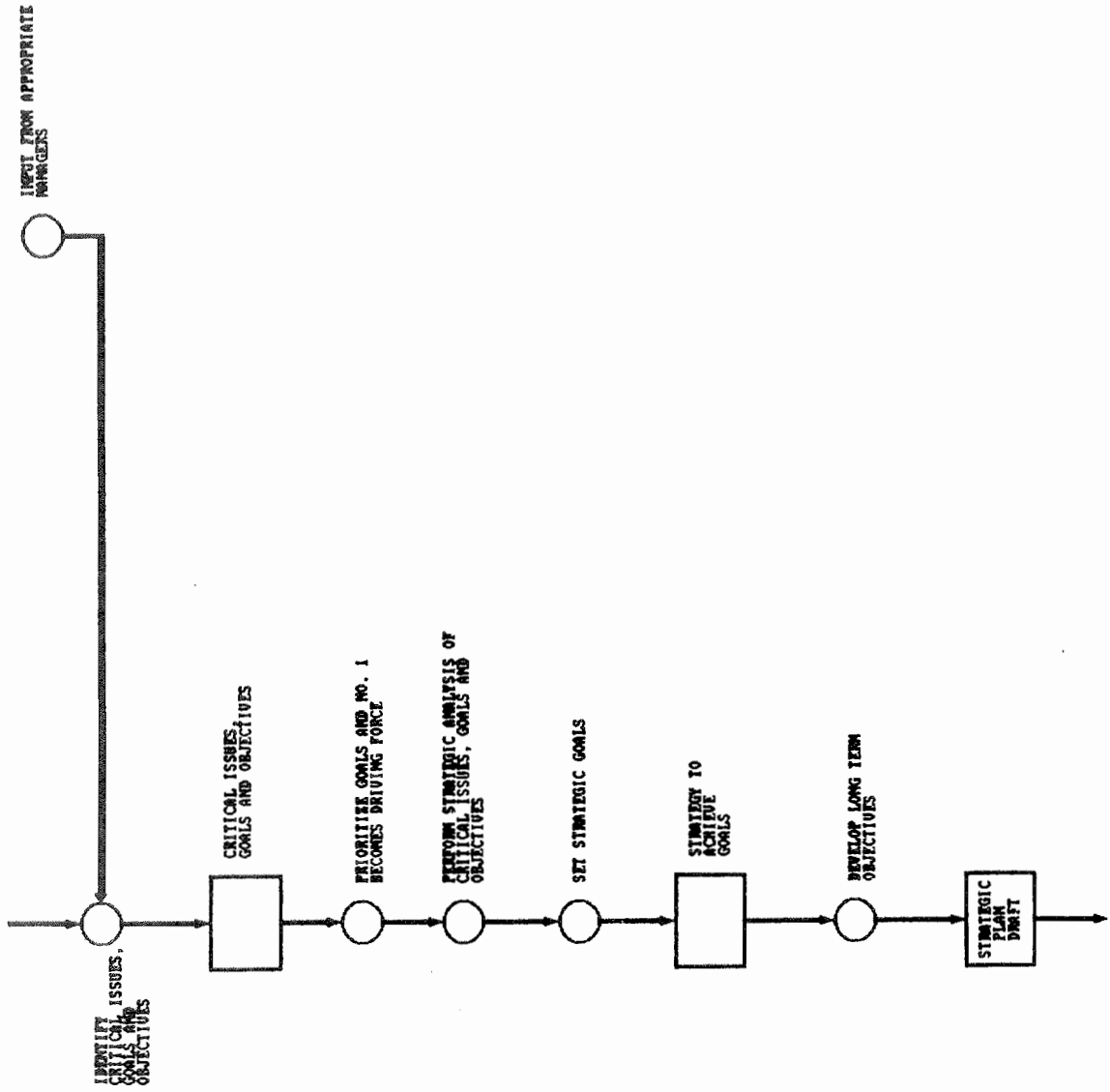
DATE : APRIL 1989

KEY PEOPLE

PLANNING GROUP

EXTERNAL INTERESTS

INTERNAL INTERESTS



RECOMMENDATIONS

1. The Grand Jury recommends that the Board of Supervisors work with the Southern California Association of Governments to establish clear definitions with cities on the differences between strategic planning and the requisite General Plan. A common and clear definition between strategic planning and the General Plan will cause more cities to perform strategic planning. In turn, this will cause more cities to identify regional issues and thus consider more cooperative planning efforts and solutions.
2. The Grand Jury recommends that the Board of Supervisors assume a more visible role in identifying regional issues and assisting the Southern California Association of Governments and cities in obtaining information on regional issues which must be addressed. Cities alone may not have sufficient information to determine regional needs and requirements. Although the County cannot dictate requirements to cities, it is in a position to obtain more and better information. Where feasible, the Board of Supervisors should help the Southern California Association of Governments identify regional issues and the cities involved which need to establish cooperative efforts. Once cities are provided the information on issues and the potential impact, there is a greater likelihood that cooperative planning efforts will be established.
3. The Grand Jury recommends that the Board of Supervisors directs each Los Angeles County department to continue its efforts to incorporate strategic planning into their planning efforts. As their strategic plans are completed, future grand juries will benefit from departments' presentations. The Grand Jury further recommends that the Board of Supervisors maintain a high level of visibility in the planning process and encourage all departments pursue this effort.
4. The Grand Jury recommends that the County Chief Administrative Officer continue efforts to establish a strategic plan for Los Angeles County departments. The Grand Jury further recommends that the County Chief Administrative Office's strategic plan be evaluated by future grand juries.
5. The Grand Jury recommends to the Board of Supervisors that a management review of the Pay for Performance Plan be conducted at an appropriate time. Since the process is relatively new to Los Angeles County departments, an adequate baseline of data for evaluation does not yet exist.
6. The Grand Jury recommends that succeeding Los Angeles County grand juries select committees to meet with committees of grand juries of adjacent counties to improve regional strategic planning efforts. In this connection, the Los Angeles County Grand Jury should lead in improving the coordination in strategic regional planning efforts.

II. STRATEGIC PLANNING FOR THE REGION

PURPOSE

Determine what each grand jury in the Los Angeles region can do to develop strategies to achieve a shared vision of the future in the year 2000 and beyond.

METHOD OF INVESTIGATION

1. We met with regional agencies.
 - Discussed obstacles to regional planning with Southern California Association of Governments (SCAG)
 - Discussed nature of technology developments needed with South Coast Air Quality Management District (SCAQMD).
 - Discussed regional problems with County Regional Planning Department.
2. We met with delegates from grand juries of adjacent counties.
 - Orange County
 - San Bernardino County
 - Ventura County
3. We discussed legal problems associated with joint grand jury operations.
 - Met with legal counsel.
 - Reviewed October 21, 1987 letter from Los Angeles County Counsel.
 - Met with California Grand Jury Association.
4. We studied applicable strategic plans.
 - Los Angeles 2000 Committee
 - Vision California
 - Master Plan, SCAQMD and SCAG
 - Ventura County Strategic Plan
5. We viewed television programs devoted to discussion of regional problems.
 - KCET broadcast on October 31, 1988 on regional problems.

FINDINGS

1. Shared Visions

The determination of shared visions remains one of the tasks to be continued. This item deserves high priority.

2. Strategic Planning

Strategic plans have not been initiated by all adjacent counties. In fact, only Los Angeles and Ventura Counties have plans in process, as far as this committee has been able to determine.

3. Meetings

Meetings have been held with grand juries from Orange, Ventura, and San Bernardino Counties in order to see whether there is any interest in arriving at strategies for achieving a common vision. Invitations had also been sent to Riverside County. Those delegates who did meet showed interest in continuing meetings and were concerned with continuing this effort into the next grand jury. A sample of the concerns of other counties is contained in a letter (see Appendix) from a grand juror from San Bernardino who participated in one of the multi-county meetings.

4. New Statutes

The SCAQMD is not subject to the non-criminal investigative powers of any grand jury. There are no statutes granting grand juries authority to investigate regional organizations such as the SCAQMD and the SCAG. However, there are no statutes prohibiting grand juries from conferring on problems of common concern.

5. Regional Agencies

Although the statutes governing grand juries do not authorize an investigation of regional agencies, a Grand Jury representative who did meet with the executive directors of the SCAG and the SCAQMD did state that they were using the process of strategic planning to achieve their respective goals. During this exchange of information, the Los Angeles County Grand Jury did develop a view that, given the magnitude of growth expected in this region, there is insufficient effort on the part of local governments to address complex issues associated with growth. A strategy was developed to identify methods which would improve the cooperation and coordination between counties and cities within their respective regions with each other and with the regional agencies.

A substantial amount of work is proceeding along the lines of regional planning. The most notable is the joint effort accomplished by the SCAQMD and the SCAG. They published a plan covering a period of twenty years to meet federal standards on clean air. Also, the SCAG published a regional strategic plan which treats the physical and the human resources development required for the region. Such a long period is needed to complete various technological developments, such as electric cars eventually using fuel cells, and the application of non-polluting solvents and coatings (see letter in Appendix from SCAQMD).

The Los Angeles 2000 Committee, which prepared the strategic plan for the City of Los Angeles, recommends the creation of regional agencies which include the existing ones, in order to solve the expected problems resulting from steady growth in the population of the region.

RECOMMENDATIONS

- 1. The Grand Jury recommends to the 1989-90 Los Angeles County Grand Jury that a study, in collaboration with grand juries of adjacent counties, be continued regarding future visions for the region.**
- 2. The Grand Jury recommends that each county adjacent to, and including Los Angeles, prepare a strategic plan which should be interactively developed with a regional plan.**
- 3. The Grand Jury recommends that the Board of Supervisors encourage the writing of statutes which would enable grand juries within regions to work together in an affirmative manner. An alternative recommendation is that regional grand juries be established to investigate regional agencies.**
- 4. The Grand Jury recommends to the 1989-90 Los Angeles County Grand Jury that cooperative relations be maintained with the Southern California Association of Governments and the South Coast Air Quality Management District on regional problems.**

APPENDIX

(Appendix for the contract audit is not included below.)

PERSONS INTERVIEWED

Wendy Moss, Legal Advisor, Grand Jury
Mark Pisano, Executive Director, Southern California Association of Governments
Steven Okino, Staff, Los Angeles 2000 Committee

DOCUMENTS REVIEWED

LA 2000, A City for the Future, Los Angeles 2000 Committee, November 15, 1988

Vision: California 2010, California Economic Development Corporation

A Special Report to the Governor, March 1988

Path to Clean Air: Policy Proposals for the 1988 Air Quality Management Plan, Southern California Association of Governments and the South Coast Air Quality Management District, June 1988

Draft 1988 Air Quality Management Plan, South Coast Air Quality Management District and the Southern California Association of Governments, September 1988

Letter from Frederick R. Bennett, Principal Deputy, Office of County Counsel, County of Los Angeles to Ed Ferns, Deputy District Attorney, Grand Jury, Re: South Coast Air Quality Management District, October 21, 1985

Letter from Larry Watkins, Project Manager, Technical Advancement Office, South Coast Air Quality Management District to D. Morrissey, Chairman, Strategic Planning Committee, Grand Jury, January 27, 1989

"A Cure for the Bay Area Blues" (editorial) Los Angeles Times, April 5, 1989

TRIPS MADE BY THE COMMITTEE

Santa Ana on January 13, 1989

Ventura on February 16, 1989

San Bernardino on March 17, 1989

GRAND JURY

COUNTY OF SAN BERNARDINO

351 North Arrowhead Avenue, Room 307, Courthouse
San Bernardino, CA 92415-0243 • (714) 387-3820



February 28, 1989

Mr. Denzil Morrissey, Chair
Strategic Planning Committee
Los Angeles County Grand Jury
13-303 Criminal Courts Building
Los Angeles, California 90012

Dear Denny:

My response to your request has been delayed, I know, but as I discussed with you, this request inspired me to find out from members of the desert community if my thoughts reflected their thoughts.

The desert does not want or need waste material of any kind in its community. We are environmentalists at heart because of the awareness of the desert's extreme sensitivity to any disturbance.

Before the desert community is asked to help in the disposal of waste products, the requesting area must make a concentrated effort to take care of its own problem within its own borders. It appears that there is no willingness to "bite the bullet" and live with their own problem internally. There are many solutions that have not been explored and there has not been any real effort to push that exploration.

The production of excessive pollutant material is a result of economic gain and growth to a community. If the desert community accepts the pollutant material then the recipient community is entitled to a fair share of the economic gain enjoyed by the producing community. In any event an agreement must be made that is economically satisfying to both communities.

Past relationships between the Los Angeles basin and outlying communities have not been conducive to promote cooperative negotiations presently. The rape of the Owens Valley for water is vividly evident to the desert community and causes them to be very wary of an agreement for the use of their land.

Mr. Morrissey

-2-

February 28, 1989

The desert is a beautiful, fragile ecosystem and every effort must be made in order to keep an ecological balance to that system. If controlled properly, it is large enough for us all to enjoy. Without control we all lose a great national resource.

It seems that I could go on forever and I would be willing to do so, but if I do I'll never get a reply to you.

Thank you for your interest and your patience.

Sincerely,


JOHN E. PETERSON, Member
1988-89 County Grand Jury

JEP:ss

GRAND JURY

COUNTY OF SAN BERNARDINO

3 North Arrowhead Avenue, Room 307, Courthouse
S Bernardino, CA 92415-0243 • (714) 387-3821



May 11, 1989

Mr. Denny Morrissey
Grand Jury, Los Angeles County
13-303 Criminal Courts Building
Los Angeles, California 90012

Re: John Peterson's Letter

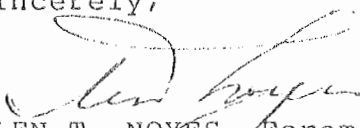
Dear Mr. Morrissey:

John's letter was written to you as a private citizen residing in the High Desert (Newberry Springs). While many of us agree with John's ideas, the letter was not intended as the position of the 1988-89 San Bernardino County Grand Jury regarding waste disposal.

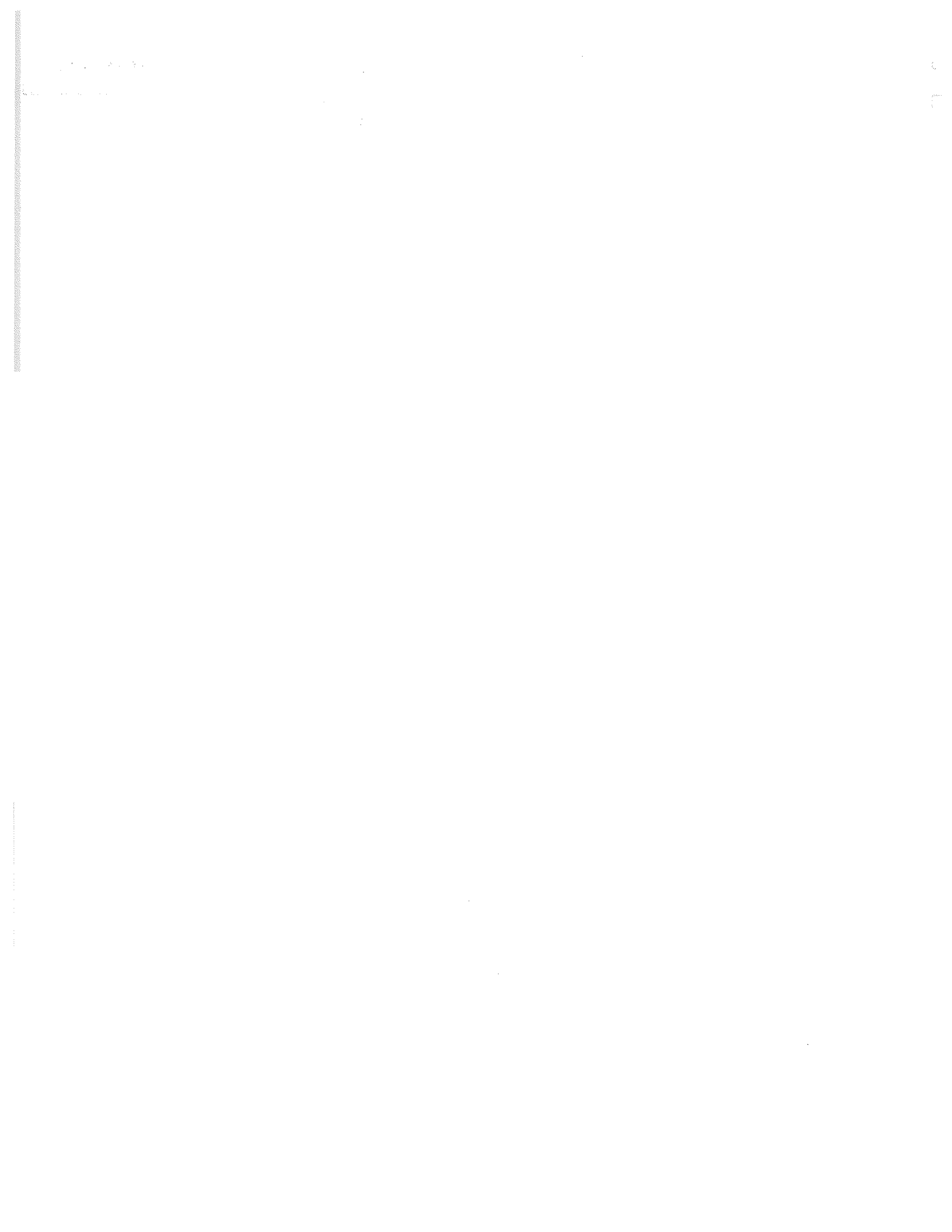
In discussing this with the entire Grand Jury, it is the consensus that the subject letter could not be adopted as our official position without extensive study. Our legal advisor agrees with this conclusion.

John has no objection to the use of his letter in your report. He is eminently qualified to be a spokesman on the desert environment.

Sincerely,


GLEN T. NOYES, Foreman
1988-89 Grand Jury
San Bernardino County

GTN:amf



GRAND JURY

COUNTY OF SAN BERNARDINO

3 North Arrowhead Avenue, Room 307, Courthouse
San Bernardino, CA 92415-0243 • (714) 387-3821



May 11, 1989

Los Angeles County Grand Jury
13-303 Criminal Courts Building
Los Angeles, California 90012

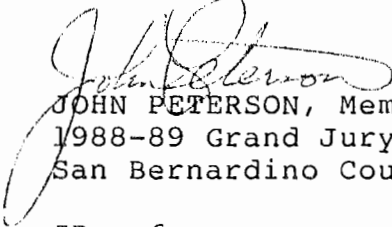
Re: Authorization to Use Letter

Dear Members of the Grand Jury:

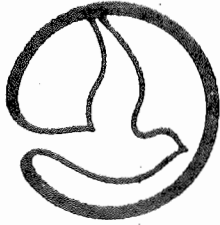
I hereby authorize the 1988-89 Los Angeles County Grand Jury to use my letter, subject: waste disposal in desert areas, in any appropriate manner.

The letter reflects my own opinions based on my personal observations and experience as a resident of the High Desert. This letter does not constitute an official position of the 1988-89 San Bernardino County Grand Jury.

Sincerely,


JOHN PETERSON, Member
1988-89 Grand Jury
San Bernardino County

JP:amf



South Coast
AIR QUALITY MANAGEMENT DISTRICT
9150 FLAIR DRIVE, EL MONTE, CA 91731 (818) 572-6200

January 27, 1989

Mr. Denny Morrissey
Grand Jury
210 West Temple Street, Rm. 13-303
Los Angeles, CA 90012

Dear Mr. Morrissey:

This is in reply to your comments regarding the concern that our rules and regulations could place the coatings industry of this Basin in financial jeopardy.

The South Coast Air Quality Management District (District) has formed a Technology Advancement Office (TAO) to foster development of new inventions and technologies to achieve reductions in polluting emissions. You have requested information regarding the type of activities the TAO is pursuing in the way of low Volatile Organic Compounds (VOC) coatings.

Several months ago the District announced a new regulation for the reduction of hydrocarbon emissions by 80% to 90% over the next 5 years. This means reducing total emissions for paint and varnishes from 22.1 tons/day to just 2.9 tons/day, a requirement that would be very difficult to achieve with today's technologies. The strategy is to encourage paint and varnish makers to develop new coatings that do not emit hydrocarbons in the first place.

To aid in the development of these coatings, the TAO is addressing two different technologies that will simultaneously address problems facing the coatings industry. One such technology is the development of high solids coatings formulations based on the use of reactive diluents prepared from vernonia oil and unsaturated fatty acids. The proposed research is aimed at utilizing two unique features of vernaonia oil: its naturally epoxidized structure and its very low viscosity. Vernonia oil is the only vegetable oil which contains epoxy functionality inherent in its molecule.

Vernonia reactive diluents are available by a simple, one-step, industrially-feasible preparation from vernaonia oil and other inexpensive industrially-produced raw materials such as unsaturated fatty acids. Vernonia oil is a low viscosity liquid, and its reactive diluents exhibit low viscosities as well. The unsaturation of the vernaonia reactive diluents can be easily varied for optimum oxidative drying rate by selection of the proper combination of unsaturated fatty acids. Finally, these reactive diluents have structures similar to that of the alkyds and epoxy ester resins, and initial experimental results confirm that they form homogeneous uniform paint formulations and good coatings.

The second technology in which you expressed an interest is the use of ultraviolet (UV)-coatings. Traditional UV-curable coatings are basically acrylic resins reacted upon by a photoinitiator. New chemistry is now in hand which can introduce different molecules into the system and thereby obtain a wide range of high performance properties.

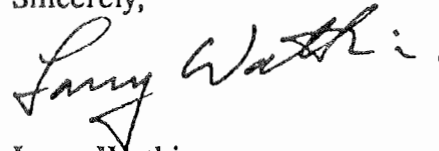
Beyond this, two different molecules prepared in this manner can be blended (polymer blends), or formulated into interpenetrating networks (IPNs), to obtain truly novel physical and performance properties. It is reasonable to assume that a superior product, as compared to those available on the market today, can be obtained by the use of this chemistry.

UV light--the part of the electromagnetic spectrum with wavelengths of 200 to 450 nanometers (nm), between visible light and X-rays--is absorbed into UV materials by a photoinitiator additive. The photoinitiator converts UV light into energy and starts a cross-linking reaction in the UV material, which cures into a hard, solid film. UV lamps emit light over specific wavelength ranges. The most common sources of UV light are medium-pressure mercury vapor lamps. Either microwave energy or an electrode arc excites the mercury, which then emits UV light. All light emitted is directed to the product by the reflectors housing the lamp assembly. The entire housing is cooled with air blowers or circulating water for optimum operating efficiency and life expectancy. Each lamp has an individual power supply linked to a single control panel.

UV curing technology is most efficiently integrated into a continuous production line. The product is conveyed from the coating or printing station directly to the UV curing station. For proper curing, handling equipment at the curing station must expose the entire surface to UV light. UV curing a flat surface is straightforward, but three-dimensional objects require a custom-engineered curing and handling systems to cure the entire surface. To date, this has been successfully adapted to curing coatings on wood furniture by many manufacturers.

I hope that this information will meet your needs. If I can be of any further assistance, please feel free to call me.

Sincerely,



Larry Watkins
Project Manager
Technology Advancement Office

ACL:LW:dh



South Coast
AIR QUALITY MANAGEMENT DISTRICT

9150 FLAIR DRIVE, EL MONTE, CA 91731 (818) 572-6200

May 1, 1989

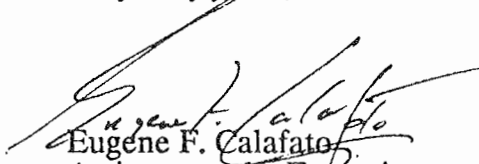
Mr. Denny Morrissey
Los Angeles County Grand Jury
210 West Temple Street, Room 13-303
Los Angeles, CA 90012

Dear Mr. Morrissey:

In accordance with your request, this letter shall serve to authorize the release of the enclosed January 27, 1989 letter authored by Larry Watkins, for inclusion and reference in your Grand Jury report.

We appreciate your concern with reference to this matter. Please do not hesitate to contact me if I may be of further assistance to you or your staff.

Very truly yours,


Eugene F. Calafato
Assistant to the Executive
Officer

EFC/dw
Enclosure

d:grndjry

