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**2004 Madera County Grand Jury**  
 P.O. Box 534  
 Madera, California 93639-0534  
 (559) 662-0946



**2004 Madera County Grand Jury  
 Final Report On  
 The Rolling Hills Citizen's Association  
 Special Assessment Tax  
 Auditing Error**

## **INTRODUCTION**

The Madera County Grand Jury received a written complaint from a Special District 19 Board Member, referring to funds that had been removed from the District-19 reserve account. The amount missing was in excess of \$58,000.00. These funds, according to the complaint, had come from taxes collected in the Rolling Hills community (SA19). The Rolling Hills Citizens Association was deeply disappointed in the response from the Auditor-Controller's Office to this issue. This group suggested that manipulation or "cooking-of-the-books" had occurred, and called into question the County's fiduciary obligation to the Special District 19 community. The Madera County Grand Jury voted to inquire into the propriety of this event.

## **SCOPE OF INVESTIGATION**

The following were interviewed:

The Assistant Auditor was interviewed twice.

The complaining party (Rolling Hills Citizen's Association) was contacted by phone for verification information

The following documents were reviewed and attached to this report.

The letter of complaint from the Board Members of The Rolling Hills Citizen's Association

The Complaint Form received from the Rolling Hills Citizens Association

The records from the Auditors Office

## **FINDINGS**

The above statement, that \$58,000.00 was removed from SA 19's maintenance account inappropriately, is incorrect. An internal audit found a computer error in the tax rate applied to the amounts deposited to the SA 19 account. The records at the Auditors office indicated that a readjustment of tax collected by Madera County from the years 1999 to 2003 was performed, due to an error in collections, which was in turn due to a computer error in the tax rate. It was not apparent to the auditor or to the District 19 Citizen's Association that an over-payment was made. In fact, no money was taken inappropriately; the funds were redistributed as per the appropriate tax rate. The Madera County Auditor's Office simply failed to notify the appropriate members of the Board of District 19's Rolling Hills Citizen's Association of the misapplication of taxes, and the subsequent reallocation of these taxes to the appropriate fund.

## **RECOMMENDATION**

In the case of errors, which affect the balance of accounts, the Auditors Office shall send an official notification to *all affected* parties, and explanation of remedies shall be given to the parties involved, when adjustments are

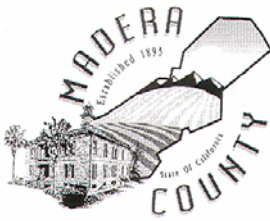
performed to resolve such errors. This report would not have come before the Grand Jury had the Auditors Office notified the parties involved at the time the incident was realized. This incident is a classic lack of communication.

**RESPONSES**

1. Madera County Board of Supervisors
2. Madera County Auditors Office
3. Special Dist 19 Board (Rolling Hills Citizen's Association)

**RESPONSE REQUIRED FOR RECOMMENDATION**

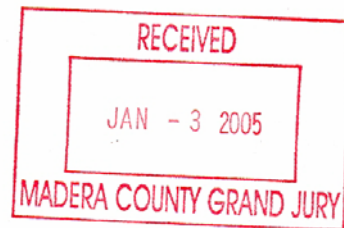
1. Madera County Board of Supervisors
2. Madera County Auditors Office



**ROBERT F. DE WALL**  
AUDITOR-CONTROLLER      COUNTY OF MADERA  
209 W YOSEMITE AVENUE/MADERA, CALIFORNIA 93637  
(559) 675-7707 / FAX (559) 673-0262 / TDD (559) 675-8970

December 30, 2004

The Honorable Judge Edward Moffat  
Presiding Judge of the Superior Court  
County Government Center  
209 West Yosemite Avenue  
Madera, CA 93637



Re: Response to 2004 Grand Jury Report on Rolling Hills Citizen's Association  
Special Assessment Tax Auditing Error.

The findings of the Grand Jury are substantially correct concerning this issue with the exception that it involves the distribution of general property taxes rather than a special assessment tax. Service Area 19 is a dependent special district for which the County Board of Supervisors is the Board of Directors. The District receives a share of the general property taxes generated by the 1% property tax rate. One of the responsibilities of the Auditor-Controller's office is to apportion those taxes to all the entities that, by law, are to receive a share of them. In 1999, my staff made a data processing error in apportioning taxes that was not discovered until 2003. This error resulted in Service Area 19 receiving \$ 58,000 more in property taxes during that period than it was entitled to. This means that other tax-receiving agencies in the County received less than their correct share. When the error was discovered, it had to be corrected. The statement by the Grand Jury in their report that, "In fact, no money was taken inappropriately; the funds were redistributed as per the appropriate tax rate" is correct.

I would like to point out that no one from the Citizen's Association ever contacted my office for an explanation of this transaction. The question to my staff came from the Engineering Department Special District Supervisor and was not communicated to the Assistant Auditor-Controller, who could have provided a full and accurate explanation. Prior to the Grand Jury's inquiry, neither my assistant nor I were aware that the Citizens Association was dissatisfied with the explanation they had received indirectly.

As to the Grand Jury's recommendation that the Auditor's Office send an official notification to all affected parties when adjustments are performed, that is not possible. There are just too many parties involved, some of who are not even known to the Auditor-Controller's office. When adjustments are made, they are reflected in the accounting reports prepared monthly by my office. These reports are widely distributed. Since dependent special districts are part of County of Madera operations, their reports are sent to the County Engineering Department, who has responsibility for the management of these districts. The County Board of Supervisors, acting as District Board of Directors, also reviews the finances of these districts annually during the budget approval process. Since the Board of Supervisors is the Board of Directors for all dependent special districts, they have the ultimate authority for their management and the relationship of property owners associations, homeowners associations and other such groups is in an advisory capacity to the Board. My office sends copies of the monthly special district financial reports to those citizen's groups that have requested we do so. Prior to this inquiry, the Rolling Hills Citizen's Association had not requested to be placed on the distribution list for Service Area 19's information.

It is my opinion that the proper solution to this situation is for the Rolling Hills Citizen's Association to notify the Auditor-Controller's Office of the name and address of one of their members who could receive the Service Area 19 monthly financial reports from my office. The Association could then review these reports and contact me or my staff for the answers to any financial questions they might have.

Respectfully,



Robert F. DeWall, CPA  
Auditor-Controller

Cc:  
Madera County Board of Supervisors  
Gary Powell, Foreman Madera County Grand Jury  
Stell Manfredi, County Administrative Officer  
David Prentice, County Counsel



2004 Madera County Grand Jury  
 P.O. Box 534  
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**The 2004 Madera County Grand Jury  
 Review of  
 The 2003 Madera Grand Jury  
 Final Report On the  
 Janitorial Services Contract  
 For County Buildings in Eastern Madera County**

## INTRODUCTION

The 2004 Madera County Grand Jury was not formally charged with following up on the Janitorial Services Contract issues identified by the 2003 Grand Jury. However, it was determined to be an issue that needed further review after the responses from the County of Madera had been received.

With the full Grand Jury in support of this review, the County Committee of the 2004 Madera County Grand Jury investigated all the allegations originally made in 2001, with follow-up letters to the persons responsible for each building in Madera County. The Grand Jury first investigated the Janitorial Contract itself. This contract stipulates when and what cleaning work is to be done in each building, as well as what is considered a breach of contract. Specifically, the contract stipulates, “The County may terminate this contract at any time upon the COUNTY giving a ninety (90) day written notice to CONTRACTOR; however the COUNTY may terminate the contract immediately without notice in the event any terms or conditions of this contract are violated.”<sup>3</sup>

## FINDINGS

The 2004 Madera County Grand Jury sent a copy of Exhibit “B”<sup>4</sup> ([see attachment at end of this report](#)), to all heads of departments of County Buildings located in the Eastern District of Madera County. The responses showed that most departments were upset with the poor quality of janitorial services. The 2004 Madera County Grand Jury resolved to investigate by touring the facilities to verify the problem. On July 6, 2004, the County Committee of the Grand Jury toured the Eastern District of Madera buildings, including the Health Department’s Clinic in Oakhurst, the Oakhurst Library, as well as the Sheriff’s Sub-Station and Probation Office in Oakhurst. Also toured were the Bass Lake Government Center and the North Fork Library.

The tours showed on obvious lack of cleaning, both on a daily and quarterly schedule. All the buildings were toured in the early morning to ensure that the visits were after the cleaning was scheduled and before any usage that day.

In every case, except the North Fork Library, the restrooms showed a complete lack of cleanliness, and in most cases, trashcans were not emptied and were overflowing.

In the Oakhurst Library, no toilet seat covers were evident, though the supply closet showed an ample supply available. The shelves of books, which were to be dusted according to the Contract, did not show any signs of cleaning and were layered in dust. The librarian’s employee kitchen had stains in the sinks, food spots were not cleaned, and the floor had dead bugs and leftover food particles everywhere. The drinking fountain was filthy.

<sup>3</sup> County of Madera, Agreement No. 6603-C-2000, pg. 2, subsection 1, paragraph 2.

<sup>4</sup> County of Madera, Agreement No. 6603-C-2000Exhibit B, list of cleaning schedule.

The toilets were clearly not cleaned. The toilet bowls and the floors around them had urine and other stains. The bathrooms showed clear signs of a lack of mopping, dirt buildup and scuffmarks. Stains from human usage were everywhere. Cobwebs, with dusting of age, were evident in the recesses of the building; the carpets and floors were stained, with litter and small bits of trash still evident. The windows and glass doors showed prints and smears of all type, which appeared not to have been cleaned in several weeks.

The Oakhurst Sheriff's Sub-Station's Unisex restroom was so dirty that Grand Jury members were not able to step into the facility, due to the amount of trash on the floor and the odor of urine and feces. The floors in all the rooms, including the oft-used detectives lounge, were so dirty that it was evident that no attempt had been made to even sweep the area. The officers noted that it was often necessary to either do some sweeping themselves or to kick the trash aside and hope that eventually the cleaning staff would sweep the area. The windowsills in this building were so full of dead flies and insects that it was clear that months had gone by since the last cleaning of this important area. It is noted that the Parole (Probation) Department maintains its own office because the area is locked for security reasons, and can only be cleaned if Probation Officers are in the area at the same time the cleaning staff is in the building.

The Government Center in Bass Lake was as bad as all the other facilities, and it must be noted that even within the Presiding Judge's Chambers, the private restroom showed no evidence of any cleaning. The floors, windows, doors, jail cells, ashtrays, trashcans, and counters at the Government Center also showed a lack of regular cleaning. It is noted that the staff within the Government Center often ends up doing most of the cleaning that should be done by cleaning services, and the Grand Jury heard their justified complaints.

The Health Department's Clinic in Oakhurst at first glance appeared to be clean; however, upon entering the employee areas it was clear that the Janitorial Service's cleaning staff simply did the minimal cleaning possible in the outer lobby. In the rest of the building there was dust on the window blinds, no windows cleaned, dead flies on the sills and floor, trash in the trashcans and dust and dirt under the desks. Only the client lobby appeared presentable.

The North Fork Library was a surprise to the Grand Jury members, because it was very clean. However, it turned out that the volunteers at the library had taken it upon themselves to clean the library at the end of each day. The Janitorial Staff has never been seen entering the building to either inspect or do any cleaning. In August 2004, as the Grand Jury was ending the investigation of the Janitorial Services Contract, a meeting was held with the County Librarian, Linda Sitterding. During this meeting, Ms. Sitterding noted that the Oakhurst Branch Librarian had already recommended the termination of the Janitorial Service Contract, though no action had ever been taken on her recommendation. It is noted also that after the first two-year contract term, the Janitorial Service Contract had been renewed through the fiscal year ending June 30, 2004. Currently, the contract is out for bid, with multiple companies expressing interest. The company currently contracted for cleaning the facilities, North American Building Maintenance, Inc., no longer has an extended contract and is cleaning on a temporary month-to-month basis. Also noted during the review of the facilities were the statements by volunteers and employees of Madera County, who had ended up doing the cleaning themselves, that they should be paid for the cleaning.

## **CONCLUSIONS**

Though the heads of the departments located in these facilities have written, faxed, and called the Janitorial Services in regard to the lack of cleaning, and requested corrections be made, no real improvements have

been seen. The contract appears to have been renewed without due consideration to the actual cleaning ability of the Contracted Service Company, and it's staff. The cost to the County of Madera per month is so low, that the Grand Jury cannot determine how the crews are being paid even minimum wages to clean these facilities.

**RECOMMENDATIONS:**

1. The 2004 Madera County Grand Jury recommends the immediate cancellation of the contract with the Janitorial Services Company, due to the requirements of cleaning having not been met, per County of Madera, Agreement No. 6603-C-2000, pg.2, subsection 1, paragraph 2.
2. That the Board of Supervisors bid these services out for contract as individual cleaning contracts, by building, and that all attempt be made to contract to companies, or persons, who live in the area of Eastern Madera County.
3. That the County of Madera perform reviews, and survey the employees or volunteers of the departments affected, of the cleaning ability of the contracted companies or persons, to ensure compliance with the contracted cleaning schedules, and that this be done at least every sixty (60) days.
4. Should the County of Madera find substandard performance during the reviews as recommended in item 3, that the County demand performance, and if the contractor fails to perform, then the County shall terminate the contract.
5. All contracts for Janitorial Services should be done with the stipulation that no contract may be sub-contracted.
6. All contracts should be done as to ensure that the amount of service provided meet the State of California minimum hourly rates for these services.

**RESPONSES:**

1. Madera County Board of Supervisors
2. Madera County Administrative Officer
3. Madera County Counsel

## DOCUMENT USED DURING INVESTIGATION OF EASTERN MADERA JANITORIAL SERVICES

**EXHIBIT B ATTACHMENT**

<sup>4</sup> County of Madera, Agreement No. 6603-C-2000Exhibit B, list of cleaning schedule.

Cleaning Responsibility	FREQUENCY			Performed
	Times Week	Times Month	Times Year	
Gather and dispose of all waste paper			5	
Clean all sinks located within departments				5
Sweep and dust mop all floor surfaces			5	
Vacuum all carpeted areas (under desks using vacuum			5	
Dust all office furniture (except desks and all items on desks)				1
Dust counters and file cabinets, etc.				1
Dust all ledges and other flat surfaces within reach				1
Properly arrange furniture in offices			1	
Remove fingerprints from woodwork, walls, partitions			1	
Clean Baseboards				1
Clean restrooms fixtures and chrome fittings				5
Clean and refill all restroom dispensers from stock				1
Spot wash restroom walls, tile, partitions, and doors				5
Clean all restroom mirrors				5
Sweep and wet mop restroom floors			5	
Sanitize toilets, toilet seats, urinals (inside and outside)			5	
Wash all drinking fountains (inside and outside)			5	
Sweep and or dust stairs, landings, handrails				5
Clean lobby and entry ways (inside and outside)			5	
Wash doors and entry way door glass (inside and outside)				5
Leave only designated night lights on			5	
Check windows and doors upon completion of work				5
Refill all soap, towel, and toiler tissue dispensers			5	
Clean up any floor "mess" created by the public			5	
Remove fingerprints from door & partition glass			1	
Clean all sand urns on outside of building				2
Dust high partition ledges and moldings				2
Mop, wax, and polish all tile floors				2
Clean all metal hardware throughout offices				1
Shampoo carpets				4
Wash all exterior windows				4
Dust all window blinds				3
Vacuum all window draperies				3
Clean all light fixtures				4
Bleach all bathroom tiles				2
Empty all ash trays located near doors on outside of building				2
Remove spider webs from ceilings				1
Strip wax and refinish all tile floors				1
Clean bathrooms and hose down floor in holding cell area				2
Clean all baseboards				1

Please note yes or no for each item and return to the Grand Jury in the envelope provided.



**BOARD OF SUPERVISORS  
COUNTY OF MADERA**

MADERA COUNTY GOVERNMENT CENTER  
209 W. YOSEMITE AVENUE/MADERA, CALIFORNIA 93637  
(559) 675-7700 / FAX (559) 673-3302 / TDD (559) 675-8970

MEMBERS OF THE BOARD

FRANK BIGELOW  
VERN MOSS  
RONN DOMINICI  
JOHN V. SILVA  
GARY GILBERT

BONNIE HOLIDAY, Clerk of the Board



File No: 04161  
Tape No: 1-160  
Date: November 23, 2004

In the Matter of CONSIDERATION OF ACCEPTANCE OF THE RESPONSE TO THE GRAND JURY REPORT CONCERNING JANITORIAL SERVICES FOR COUNTY BUILDINGS IN EASTERN MADERA COUNTY.

Upon motion of Supervisor Gilbert, seconded by Supervisor Bigelow, it is ordered that the attached be and it is hereby adopted as shown.

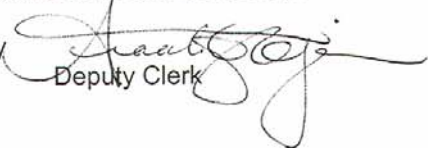
I hereby certify that the above order was adopted by the following vote, to wit:

AYES: Supervisors Bigelow, Dominici, Silva and Gilbert.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Supervisor Moss.

Distribution:

ATTEST: BONNIE HOLIDAY, CLERK  
BOARD OF SUPERVISORS

- Auditor
- CAO
- County Counsel
- ✓ Grand Jury
- Oakhurst Health Department Clinic
- Oakhurst Library
- Sheriff's Sub-Station
- Oakhurst Probation Office
- Bass Lake Government Center
- North Fork Library

By   
Deputy Clerk

**RESPONSE TO GRAND JURY REPORT DATED OCTOBER 25, 2004**Concerning Janitorial Services for County Buildings in  
Eastern Madera County

As noted in the response to the last Grand Jury report on this subject, all mountain County Departments had been provided with a Janitorial Complaint Form, and a total of 4 (four) were sent to the County Administrative Office over a period of one year. The contractor responded immediately to correct the noted discrepancies. In response to the last Grand Jury report, the Janitorial Complaint Forms were again sent to all Mountain departments to ensure they were still available. To date, since the last Grand Jury report, no complaints have been sent to Administrative Office concerning the janitorial services in Eastern Madera County.

Following are responses to the Grand Jury's recommendations:

Recommendation 1. The 2004 Madera County Grand Jury recommends the immediate cancellation of the contract with the Janitorial Services Company, due to the requirements of cleaning having not been met, per County of Madera, Agreement No. 6603-C-2000, pg.2, subsection1, paragraph 2.

Response: New contracts, with new providers, will be presented to the Board of Supervisors in the immediate future, and the current contract, which is on a month to month basis, will end upon approval of the new contract.

Recommendation 2. That the Board of Supervisors bid these services out for contract as individual cleaning contracts, by building, and that all attempt (sic) be made to contract to companies, or persons, who live in the area of Eastern Madera County.

Response: Before the receipt of this Grand Jury report, the janitorial bids had already been received and opened. As noted, a new contractor is being recommended for the Eastern Madera County area.

Recommendation 3. That the County of Madera perform reviews, and survey the employees or volunteers of the departments affected, of the cleaning ability of the contracted companies or persons, and ensure compliance with the contracted cleaning schedules, and that this be done at least every sixty (60) days.

Response: Upon awarding of the janitorial contracts, contract monitoring will be returned to RMA Building Maintenance for closer oversight by County employees. This recommendation will be forwarded to RMA Building Maintenance for compliance.

Recommendation 4. Should the County of Madera find substandard performance during the

reviews as recommended in item 3, that the County demand performance, and if the contractor fails to perform, then the County shall terminate the contract.

Response: This recommendation will be forwarded to RMA Building Maintenance for compliance.

Recommendation 5: All contracts for Janitorial Services should be done with the stipulation that no contract may be subcontracted.

Response: The new contracts will stipulate that no contract may be subcontracted without County approval.

Recommendation 6: All contracts should be done as to ensure that the amount of service provided meet the State of California minimum hourly rates for these services.

Response: As a contracted service provider, the contractor is required to meet all of the laws of the State of California for this service.