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REQUEST FOR PROPOSAL FOR THE INDIGENT ADULT APPOINTED REPRESENTATION SERVICE CONTRACT

BACKGROUND

The Grand Jury examined the policies and procedures used by the County of San Bernardino's Purchasing Department. Specifically, the Grand Jury examined the process that was used for the Request for Proposal (RFP) for the Indigent Adult Appointed Representation Service Contract No.: CRT114-COURT-0733. Since the contract was awarded in 2014, it has been the subject of several newspaper articles.

This contract was announced for proposal in September 2013 and approved on March 11, 2014, by the Board of Supervisors (BOS) in an amount not to exceed \$8,000,000 annually and \$20,000,000 total over the 30-month term of the April 1, 2014, through September 30, 2016, with two additional one-year options if in the best interest of the County.¹ The first of the two options for extending the contract was approved in April 2016 for the period of October 2016 through September 2017.² The second option of the contract is expected to be extended for the final one-year option in June 2017.

The County Administrative Office (CAO) had the responsibility to complete the RFP for this contract by utilizing a “template” that was provided by the County’s Purchasing Department. The final RFP totaled 40 pages of information. The Grand Jury focused on the following areas of that RFP:

¹ Report/Recommendation to the Board of Supervisors San Bernardino County, California and Record of Action dated March 11, 2014

²Copy of letter sent to current contract holder from Purchasing Department dated April 14, 2016

- **Purpose** (RFP page 3, Section 1, Part A)
- **Overview of Selection Process** (RFP page 3, Section 1, Part B)
- **Payment Provisions** (RFP page 11, Section C)
- **Evaluation Criteria** (RFP page 29, Section VII, Part B)

In September 2013, the CAO forwarded the completed RFP to the County Purchasing Department. The Purchasing Department was responsible for the process from the announcement to the awarding of the contract. The Purchasing Department assigned a Buyer to this specific RFP whose duties included:

- Review the RFP to make sure it was completed correctly and met the policies and procedures of the department
- Set up the bidding process (included the posting online and mailing of letters)
- Verify the bid packets were completed as required
- Work closely with the assigned analyst from the CAO in the selection of the evaluation panel members
- Compile the evaluation scores into a spreadsheet
- Contact all RFP proposers with the decision regarding the contract award
- Issue the Intent to Award which allows appeals to be filed before the actual contract has been approved and awarded
- Attach contract to the Board of Supervisor's agenda and forward to CAO for submission to the Board of Supervisors for final approval

The Grand Jury conducted the investigation under the authority of California Penal Code Section 925. The Grand Jury's Legal Advisor recused himself from providing any legal advice and attending any meetings in which this investigation was discussed. All advice and directions were provided by County Counsel.

METHODOLOGY

The Grand Jury conducted interviews with management and staff from the following groups: Purchasing Department, County Administrative Office, County Counsel, a former County employee, and a proposer involved in this process. The Grand Jury reviewed policies, procedures, internal emails, bid proposals and additional documents related to the process.

FACTS

Purpose: At the time the RFP was issued in September 2013, under "Purpose" it stated: "The current contracts, effective 2008, were awarded to private law firm administrators, and are set up by four non-overlapping regions that cover the entirety of San Bernardino County..."

- West Valley (Rancho Court District and the court district formerly serviced by the closed Chino Courthouse)
- East Valley (San Bernardino and Fontana Court Districts)
- North Desert (Victorville Court District and the court districts formerly serviced by the limited use Barstow Courthouse and the closed Needles Courthouse)
- East Desert (Joshua Tree Court District)

Historically, this type of contract had been awarded by region within the County of San Bernardino.³ Interviews of those directly involved with this bid process were under the impression that the contract would continue to be awarded as it had been in the past, as four separate contracts. When the Notice of Intent to Award was issued, it was to one proposer and it included all four regions. After the Notice of Intent was issued, the Purchasing Department received two appeal letters from two of the six proposers. After analyzing the appeal letters, the Purchasing Department determined that there was no basis for the appeals and denied them.

³RFP Page 3 Section A

The Grand Jury's interviews revealed inconsistencies as to what defines changes within this RFP that would have required a re-issue of a new RFP. If an appeal is filed and affirmed, then the Purchasing Department would go back and void the RFP and re-issue a new one. Those interviewed indicated that they were under the impression that the contract would continue to be awarded, as in the past, as four separate contracts.

Overview of Selection Process: A review panel composed of two judges from the San Bernardino County Superior Court, two attorneys from County Counsel and a representative from the CAO. They were responsible for the reviewing and scoring of the qualified proposals in all five categories (Capability and Resources, Company Reliability and/or Financial Resources, Professional References, Workplan and the Cost Evaluations). Prior to the panel members meeting, the representative from the CAO had withdrawn due to unavailability.

All proposers must provide the number of years they have been operating under the present business or law firm name, as well as prior business or law firm names.⁴ Based upon the Grand Jury's interviews, it was stated that one of the proposers was not a legal entity based upon the information provided in its bid proposal. The Purchasing Department does not have any policies or procedures in place to validate that any businesses submitting a proposal is a legal entity.

Payment Provisions: The contractor shall be paid on a flat fee basis per case, per hearing, or per proceeding. Although the contract was awarded for \$8,000,000 annually, any funds remaining and not billed are returned to the County General Fund.

Evaluation Criteria: Proposals were subject to a review/evaluation process developed by the County's Purchasing Department. Proposers must meet the mandatory requirements as specified in the RFP. As stated in the RFP, "Failure to meet all these requirements will result in a non-responsive proposal that will be rejected with no further evaluation or consideration."⁵

⁴ RFP Page 3 Section D #2

⁵ RFP Page 29 Section B #16

The Grand Jury was assured during interviews that the panel members' identities were kept confidential during this process. Prior to the panel members meeting as a group they had already reviewed the proposals and completed their portion of the scoring. As a group, they met behind closed doors for a portion of one day to review and discuss their scoring. After the panel members' meeting, all documents and notes were collected from the panel members by the facilitator to maintain the integrity of the process.

The evaluation members were provided with instructions on the scoring process that discussed wide variations in individual scoring. The purpose of these instructions was to avoid wide variations of scoring within the same categories.

The scoring was broken down into three categories with two of the categories assigned points ⁶:

1. Initial Review: Pass/Fail
This review was completed by the Purchasing Department.
2. Technical Review: 70 points
This scoring was completed by the evaluation panel.
3. Cost Evaluation: 30 points
This portion was initially reviewed and scored by the evaluation panel. When the Purchasing Department reviewed the scoring, they decided to utilize a set formula for all the proposers to obtain a more consistent scoring than that of the evaluation panel. The completed panel evaluations along with their suggested formula costs were forwarded to the CAO for final review and approval. The CAO also looked at different cost formulas and a decision was made to consolidate and award the contract to only one proposer to better meet the needs of the County of San Bernardino.

The Technical Review was broken down into four sub-categories and assigned individual points to equal 70 points:

1. Capability and resources to provide the required contract administration, fiscal recordkeeping, and audit compliance services, including credentials and experience of the proposed program administrator and job descriptions and qualifications of key administrative and fiscal personnel (10 points)

⁶ RFP Page 29-30, Section VII, B1-3

2. Company reliability and/or financial resources (5 points)
3. Strength of professional references that support the proposer's ability to administer a contract of this nature and scope (5 points)
4. The strength of proposer's workplan (50 points)

Documentation received indicated that the evaluation panel had completed and scored all the above categories including the Cost Evaluation. Based upon the Grand Jury's interviews it was stated that the contacting of the references was not completed by the evaluation panel members that this would have been completed by the Purchasing Department. The Grand Jury was not to obtain any supporting documentations as to who contacted the references or how the scoring of the references was reached by the evaluation panel or the Purchasing Department.

In reviewing the scoring completed by the evaluation panel, those interviewed were unable to explain to the Grand Jury why there were wide variations among the evaluators.

This chart provides only the areas in which the Grand Jury questioned the variations of scoring within the evaluation panel members:

	Maximum Points	Evaluator A	Evaluator B	Evaluator C	Evaluator D
Proposer #1					
Cost Evaluation	30	25	27	27	22
Proposer #2					
Capability and Resources	10	10	6	9	8
Company Reliability and/or Financial Resources	5	5	3	3	4
Professional References	5	5	3	4	4
Workplan	50	40	35	46	40
Cost Evaluation	30	20	21	25	25
Proposer #3					
Capability and Resources	10	2	8	7	8

Professional References	5	1	3	4	4
Workplan	50	15	40	40	30
Cost Evaluation	30	10	21	20	15
Proposer #4					
Capability and Resources	10	9	7	6	5
Company Reliability and/or Financial Resources	5	5	2	3	2
Professional References	5	4	3	3	3
Workplan	50	45	37	45	30
Cost Evaluation	30	25	22	28	25
Proposer #5					
Capability and Resources	10	8	7	9	7
Professional References	5	3	3	4	3
Workplan	50	40	36	45	25
Cost Evaluation	30	24	25	28	25
Proposer #6					
Professional References	5	2	2	3	2
Workplan	50	25	25	42	20
Cost Evaluation	30	20	16	28	25

Source: Summary Spreadsheet provided by the Purchasing Department.⁷

Concerns were expressed in regards to the potential conflict of interest since the County Counsel represents the county agencies by providing legal assistance and advice. When contracts are presented to the Board of Supervisors issues may arise with respect to the process in which they would seek guidance from County Counsel with the possibility they may have participated on that evaluation panel. Written policies of the Purchasing Department provides guidelines in determining the use of members from the County Counsel and the State of California's Superior Court Judges.⁸

⁷California Public Record Act

⁸ Purchasing Department's Procurement Manual Page 15

During the Grand Jury's interviews, it was stated that the Purchasing Department is working on developing new training modules specifically for the RFP process.

FINDINGS

F1: When the contract was awarded in March 2014, a decision was made to issue the contract to only one proposer to cover all four regions. The Grand Jury was informed that there was a catch-all statement within the RFP that authorized the proposal to be issued to either one region or to all four regions. When the interviewees were asked to locate this statement in the RFP, they were unable to do so.

F2: The Grand Jury determined that based upon interviews and the terms used within the purpose of this RFP, the proposers were led to believe that the contract would be awarded based upon past practices.

F3: The Grand Jury found that the statement including one or more regions, up to all four regions, was omitted from this RFP.

F4: Based upon the Grand Jury's interviews and documentation received, the Purchasing Department had no guidelines to define when a RFP should be re-issued.

F5: When the Grand Jury inquired why State's Superior Court Judges were included, it was stated that they would be in the best position to know the reputations of the attorneys submitting the bid proposals.

F6: The Grand Jury does not have jurisdiction to request interviews or obtain any documentation from the State's Superior Court Judges who served as two members of the panel.

F7: Two attorney from County Counsel served as members of this panel.

F8: No process was in place to validate the legal entity of the proposer.

F9: In reviewing the appeal letters, it was discovered by the Purchasing Department that one of the proposers was not a legal entity at the time the proposal was submitted.

F10: The justification of the scoring of references could not be validated as no documentation could be located.

F11: The Grand Jury noted that there were wide variations among the evaluators' scores within the same categories.

F12: The Purchasing Department is currently working on training modules that will include specific guidelines for issuing of RFPs.

RECOMMENDATIONS

17-36: Clearly state on the RFP whether one region or all four regions will be considered for awarding a contract.

17-37: Follow written guidelines from the Purchasing Department when choosing panel members who evaluate proposals for RFPs.

17-38: Assemble stakeholders to determine who would best serve as evaluation panel members. Explore using representatives from other counties as potential panel members.

17-39: Require that each proposer submit a copy of a valid business license with its bid proposal.

17-40: Create a permanent tracking log that lists each step in the process, including who is responsible for each step and the date it was completed.

17-41: Use the median score to lessen the effect of the highest and lowest scores on the final score.

17-42: Implement training modules specific to the RFP process.

<u>AGENCY</u>	<u>RECOMMENDATIONS</u>	<u>DUE DATE</u>
Purchasing Department	17-36 through 17-42	10/1/2017

SAN BERNARDINO COUNTY FACILITIES, SITE SECURITY AND PUBLIC SAFETY

BACKGROUND

The Waterman Incident at the Inland Regional Center at 1365 South Waterman Avenue in San Bernardino on December 2, 2015, created an emergency under Public Contract Code Section 22050 (a) (1) which states: "In the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, or supplies for those purposes, without giving notice for bids to let contracts."

The San Bernardino County Board of Supervisors (BOS) on December 7, 2015, in closed session, unanimously approved the use of County Code Section 14.0106, County Policy 11-04, and County Policy 11-05 to permit the Purchasing Agent to procure any goods, services, and equipment needed for the continued operation of the County, including but not limited to, contracts with other public agencies to provide aid.

METHODOLOGY

The Grand Jury interviewed many County officials from Facilities Management-Real Estate Services and the Sheriff's Department. Documents were requested and reviewed from several sources to clarify the full scope of the BOS Emergency Proclamation 2015-228.

FACTS

County officials realized the security and public safety of its citizens must be in the forefront of the County. This realization required immediate action to prevent and/or mitigate the loss or impairment of life, health, property, and essential services to the public. In response, on December 4 and December 7, 2015, the BOS issued an Emergency Proclamation determining the Waterman Incident to be an emergency with recommendations outlining the necessity of remodeling/renovating of four County buildings and facilities. Pursuant to Government Code

Section 8630 (c) "The governing body shall review the need for continuing the local emergency at least once every 30 days until the governing body terminates the local emergency." The Emergency Proclamation by the BOS included a criteria of security measures through assessments of the following County owned and/or leased buildings:

- County Government Center, 385 N. Arrowhead Ave., San Bernardino
- Old Hall of Records, 172 W. 3rd St., San Bernardino
- County Office Building, 8575 Haven Ave., Rancho Cucamonga
- Rancho Cucamonga Court House, 8303 Haven Ave., Rancho Cucamonga

The initial scope of the 2016-2017 Grand Jury was to investigate the four County owned/leased buildings. The Grand Jury learned that Phase One of the remodeling/renovating included eight buildings, so the Grand Jury expanded its focus from the initial four buildings to include all eight buildings.

The BOS aided in providing the needed funds to proceed with this project. The County allocated approximately \$10.2 million in funds toward improving security at County facilities. This allocation included \$8.2 million in immediate improvements to facilities, such as expanded security services, upgraded security cameras, key card access installations, and \$2.0 million to conduct a security assessment of all County facilities. Funds were allocated by the County Administrative Office from Discretionary General Funds included in the Capital Improvement Program to procure the equipment, services and supplies to advance the project. On February 12, 2016, a Request for Proposal (RFP) was released to secure on-call consultant services. On March 18, 2016, six responses were received to the RFP. The responses were reviewed by a Selection Committee comprised of a total of seven members from County Real Estate Services, the Sheriff's Department, Facilities Management, Risk Management and Information Services Department. Four of the six potential security consultants were invited to give oral presentations to the Selection Committee.

On May 24, 2016, the BOS approved agreements with both TRC Engineers and Guidepost Solutions not-to-exceed the amount of \$500,000 each. TRC Engineers, based in Irvine, was selected to conduct facility assessments and propose physical improvements to County facilities. TRC Engineers had experience in conducting facility assessments that would allow the County to plan its security needs. These assessments would cover physical security, interior/exterior security, access control, motion detectors, Closed Circuit Television (CCTV) surveillance, communications, and the placement of uniformed security personnel at the eight selected facilities. Guidepost Solutions, with an office in Los Angeles, was selected because it demonstrated the technical ability in employee training programs, project management, and specific physical improvement documentation to assist the County in executing the project.

On July 25, 2016, a Notice to Proceed was issued to TRC Engineers for initial assessments of the eight buildings. These buildings were selected as representative of typical County facilities.

- County Government Center, 385 N. Arrowhead Ave., San Bernardino
- Arrowhead Regional Medical Center – Medical Office Building, 400 N. Pepper Ave., San Bernardino
- Senior Center & Library, 1331 Opal Ave., Mentone
- High Desert Government Center, 15900 Smoke Tree St., Hesperia
- Transitional Assistance Department, 265 E. 4th St., San Bernardino
- San Bernardino County – Probation, 150 W. 5th St., San Bernardino
- Public Health – Annex, 340 N. Mt. View Ave., San Bernardino
- Ontario Preschool Services Department, 555 W. Maple, Ontario

The County formed an Internal Security Subcommittee to oversee all phases of the project. It is comprised of individuals from the Sheriff's Department, Information Services, and Real Estate Services. This Subcommittee is using methodology developed by the Department of Homeland Security (DHS) and the Interagency Security Committee for federal facility security assessments.

DHS standards establish baseline requirements for the protection of people and property at all County owned and/or leased facilities. This methodology includes six areas:

- Determine the Facility Security Level
- Identify the baseline Level of Protection and countermeasures (armed guards, screening, cameras and access cards as needed)
- Identify and assess risks
- Conduct a gap analysis of needs to determine the Level of Protection required to address the risk or the highest Level of Protection
- Implement countermeasures
- Measure performance and monitor compliance

For Phase One of the assessment project, the High Desert Government Center was selected to be the initial pilot site. On August 15, 2016, TRC Engineers issued a draft of the Facility and Site Security Assessment for the High Desert Government Center. The additional seven sites were assessed within a 12-week period that began on July 16, 2016. Phase Two consists of assessing the master planning and security needs for the remaining 190 County owned and/or leased facilities which was to be completed over a 38-week period. Phase Three consists of Physical Improvement Solutions, Training Programs and Program Management. It was to be completed over a 52-week period beginning concurrently when the Phase Two assessments were completed. Phase Four is the final phase comprising Construction and Project Development. It began in December 2016 as Phase Three was in the process of completion.

A preliminary kick-off meeting was held with Guidepost Solutions on October 11, 2016.

Training programs began in December 2016. Separately from the Guidepost Solutions training, the Sheriff's Department – Office of Safety and Security produced a PowerPoint presentation on workplace safety dealing with work-related crime prevention, workplace safety and workplace violence. The presentation advises employees how to deal with an active shooter situation and is given upon request of County Departments.

To quickly communicate information on impending dangers, the San Bernardino County Sheriff and Fire Departments can now send high speed mass notifications via telephone and text messages. This system is called the Telephone Emergency Notification System (TENS). The County uses a database of landline telephone numbers for County offices, which is updated every six months, to send emergency messages to the landline phone numbers in the database. TENS alerts are rarely sent to all County offices and employees; they are targeted only to affected areas. The Sheriff's Information Technology staff is overseeing the initial installation of the TENS equipment and security configurations. Residents can receive emergency text messages on their cell phones and devices using Voice Over Internet Protocol (VOIP) and can manage their own account using a valid email address. County Information Services Department is responsible for the installation, maintenance, and administration of the VOIP system. The Web site to register for this service is <http://www.sbcounty.gov/SBCFire/Tens/TENScontact.aspx>. Those without Internet access can sign up by calling 2-1-1 or (888) 435-7565. The County of San Bernardino utilizes multiple ways to notify residents of impending danger, but warns residents not to wait for, or rely exclusively on, a single notification system.

CURRENT STATUS

On March 3, 2017, the Grand Jury received from Real Estate Services a progress report regarding the status of the buildings mentioned in the BOS proclamation and the eight buildings included in Phase One of the RFP.

- (1) Of the four buildings mentioned in the Emergency Proclamation, only one, the County Government Center in San Bernardino, completed a full security assessment on August 16, 2016. Also new security access devices were installed on all County department access doors. The County Sheriff handles security guards through a contract with Allied Barton which requires contractor compliance with all State and Federal laws and regulations pertaining to privacy and security of confidential information. These guards remain on site. The three remaining buildings have not completed full assessments, but some improvements have already been made.
- (2) The Old Hall of Records, 172 W. Third Street, San Bernardino, had security access devices previously installed at key points throughout the building. Security guard services were added to and their presence was increased at this building.

- (3) County Office Building, 8575 Haven Avenue, Rancho Cucamonga, has been completed and previous user groups have re-occupied the updated offices.
- (4) The Rancho Cucamonga Courthouse, 8303 Haven Avenue, has existing security devices to screen the public seeking access to the Courts. Security protocols and access are in the process of being upgraded.

All eight buildings included in Phase One completed security assessments in January 2017. As of March 3, 2017, the cost incurred for Phase One was \$5,666,720.

TRC Engineers submitted its executive summary findings and recommendations to the County's Internal Security Sub-Committee. The Sub-Committee is reviewing these documents as the start of Phase Two. The next step includes a recommended Plan of Action be submitted to the Chief Executive Officer for implementation. The Plan of Action is projected to proceed in a systematic fashion, assessing the remaining County owned and/or leased buildings and facilities by obtaining approval for the scope of work, funding for the assessed properties, and scheduling the approved work for construction and completion.

FINDINGS

F1 The County Security Sub-Committee is using best practice standards as outlined by Department of Homeland Security and Interagency Security Committee standards when assessing the buildings mentioned.

F2 Employee training on security procedures and best methods is an important component to overall safety.

F3 Remodeling, renovations and training for enhanced security come at a considerable financial cost.

RECOMMENDATIONS

17-43 Best practice standards as outlined by Department of Homeland Security and Interagency Security Committee be continued in all phases of this project.

17-44 All future new construction should incorporate Department of Homeland Security and Interagency Security Committee standards.

17-45 Training by the Sheriff's Department regarding Safety and Security be scheduled regularly for all County departments.

17-46 Regular training, such as that provided by Guidepost Solutions, be made a priority for all County employees.

***Note: Some information/documentation given to the Grand Jury was not for public disclosure and it is not discussed in this report.**

<u>AGENCY</u>	<u>RECOMMENDATIONS</u>	<u>DUE DATE</u>
Facilities Management and Real Estate Services	17-43 through 17-46	10/1/2017

VETERANS AFFAIRS

"The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional to how they perceive the veterans of earlier wars were treated and appreciated by their nation." --President George Washington

BACKGROUND

The San Bernardino County Department of Veterans Affairs (SBC VA) was the first in California and one of the first in the nation. The mission of the SBC VA is to assist all County veterans who served honorably in the armed services with filing claims for all eligible benefits. This mission includes claims for veterans, dependents and survivors. Benefits and eligibility guidelines are constantly changing, presenting increasing challenges for the County's Veteran Service Representatives (VSRs) who provide the front-line service to the veterans and their families. The Grand Jury has concerns whether the staffing levels are adequate to meet the needs of approximately 113,725 veterans (as of 2016) throughout San Bernardino County. This number does not include spouses, dependents and survivors of veterans.

The Grand Jury conducted the investigation under the authority of California Penal Code Section 925.

METHODOLOGY

The Grand Jury conducted its investigation by collecting information through research, interviews, and documents requested from both State and the SBC VA.

FACTS

Through the efforts of the SBC VA, in the fiscal year 2014-2015 new benefit claims for veterans totaled over \$51 million which is the highest in the State. These efforts bring the total annual benefit claims for San Bernardino County veterans to over \$398 million. These benefits come from both State and Federal programs. Seventy-two percent of the SBC VA budget comes from

the San Bernardino County General Fund. In 2016 SBC VA received \$1,570,326 from the \$2,994,500,000 total County General Fund. This amount represents .000524 of the budget. In 2011 it received \$1,643,547 from the \$2,209,900,000 total County General Fund; more than was contributed in 2016. The SBC VA stated there are plans for increased veteran services which are dependent on the County increasing their budget. Currently, the SBC VA is unable to proceed with these plans, as they are unfunded.

State and Federal funds are distributed by the State on a pro-rata basis, using the workload unit to determine how much is allocated to each county. A workload unit, as defined by the California Department of Veterans Affairs (CALVET) State Manual, is a claim that has a reasonable chance of obtaining a monetary or medical benefit (United States Department of Veterans, Department of Defense or State) for a veteran, dependent(s), widow/widower or survivors. A workload unit is also the completion of any form from the approved list of auditable forms also found in the CALVET Manual. These forms must be initiated, completed and submitted by a County Veteran Service Office. The more claims filed, the more funding a county receives from the State.

There are technically four levels of a VSR: the VSR Trainee, VSR I, VSR II and SVSR (supervising). The VSR Trainee studies several State and Federal claim manuals and learns laws and procedures. The general progression is to take the certification exam after six months, and then complete six months' probation before becoming a VSR I. Currently there are no VSRs in training. A VSR Trainee is only hired when a VSR I position becomes available and has one year to complete the program or be terminated.

The duties of a VSR I may include but are not limited to the following:

- Interviews and advises veterans, veterans' widows, orphans, and dependents concerning entitlement to benefits under Federal, State and local provisions
- Explains applicable laws and regulations
- Assists applicants in obtaining benefits, such as pension, compensation, education, insurance, medical care, housing and burial

- Assists applicants in completing necessary documents
- Counsels applicants regarding financial, medical, educational and vocational benefits
- Searches, analyzes, and screens all supporting evidence bearing on entitlement under the law
- Advises applicants in the filing of appeals when appropriate
- Secures affidavits, military discharge certificates, birth certificates, death certificates, certificates of naturalization, marital documentation and other types of supporting evidence
- Contacts lawyers, physicians, clergyman, and various officials and private parties to obtain supporting evidence for claims
- Prepares briefs of claims and letters of transmittal
- Makes home and hospital visits when necessary
- Trains new personnel in the processing of claims
- Supervises clerical staff when needed
- Prepares necessary correspondence and reports, maintains records
- Provides vacation and temporary relief as required

The duties of a VSR II are the same as a VSR I with additional responsibilities:

- Handles the most difficult or complex cases involving interaction with executive, administrative, professional and medical staff and/or military personnel to determine eligibility for benefits
- Acts in a lead capacity in training, guiding, reviewing and checking the work of a VSR I
- Assists staff on the most difficult cases
- Gives presentations to large groups of individuals

Although SVSRs process claims and work directly with veterans, their primary job description is supervising, training and administrative duties.

The current staffing level is seven VSR Is, four VSR IIs and two SVSRs. Currently all thirteen VSR positions are filled. These VSRs staff four full-time offices (San Bernardino, Rancho Cucamonga, Hesperia and Loma Linda VA Ambulatory Care Center); also three part-time satellite offices (Yucca Valley, Twentynine Palms and Fort Irwin). These part-time offices are only open one day a week. In addition to these locations, the need for an office in Barstow has become evident and is in the planning stage. The staff works nine hours Monday through Thursday, eight hours on Friday, and off work every other Friday (9/80 schedule).

Week 1					
Location	Monday	Tuesday	Wednesday	Thursday	Friday
San Bernardino	A - Supervisor VSR	A - Supervisor VSR	A - Supervisor VSR	A - Supervisor VSR	A - Supervisor VSR
	C - VSR II	G - VSR I	G - VSR I	C - VSR II	C - VSR II
	G - VSR I	H - VSR I	H - VSR I	G - VSR I	F - VSR II
	H - VSR I	I - VSR I	I - VSR I	H - VSR I	I - VSR I
	L - VSR Trainee	L - VSR Trainee	L - VSR Trainee	L - VSR Trainee	L - VSR Trainee
Hesperia	B - Supervisor VSR	B - Supervisor VSR	B - Supervisor VSR	B - Supervisor VSR	Office Closed
	E - VSR II	E - VSR II	E - VSR II	E - VSR II	
	J - VSR I	J - VSR I	J - VSR I	J - VSR I	
	K - VSR I	K - VSR I	K - VSR I	K - VSR I	
Rancho Cucamonga	F - VSR II	F - VSR II	F - VSR II	F - VSR II	Office Closed
	I - VSR I			I - VSR I	
Loma Linda VA ACC	D - VSR II	D - VSR II	D - VSR II	D - VSR II	Office Closed
Yucca Valley		C - VSR II			
Twenty Nine Palms			C - VSR II		
Fort Irwin*		E - VSR II *			

* 1st and 3rd week of each month

Week 2					
Location	Monday	Tuesday	Wednesday	Thursday	Friday
San Bernardino	A - Supervisor VSR	A - Supervisor VSR	A - Supervisor VSR	A - Supervisor VSR	D - VSR II
	C - VSR II	G - VSR I	G - VSR I	C - VSR II	G - VSR I
	G - VSR I	H - VSR I	H - VSR I	G - VSR I	H - VSR I
	H - VSR I	I - VSR I	I - VSR I	H - VSR I	
	L - VSR Trainee	L - VSR Trainee	L - VSR Trainee	L - VSR Trainee	
Hesperia	B - Supervisor VSR	B - Supervisor VSR	B - Supervisor VSR	B - Supervisor VSR	B - Supervisor VSR
	E - VSR II	E - VSR II	E - VSR II	E - VSR II	E - VSR II
	J - VSR I	J - VSR I	J - VSR I	J - VSR I	J - VSR I
	K - VSR I	K - VSR I	K - VSR I	K - VSR I	K - VSR I
Rancho Cucamonga	F - VSR II	F - VSR II	F - VSR II	F - VSR II	Office Closed
	I - VSR I			I - VSR I	
Loma Linda VA ACC	D - VSR II	D - VSR II	D - VSR II	D - VSR II	Office Closed
Yucca Valley		C - VSR II			
Twenty Nine Palms			C - VSR II		
Fort Irwin*		E - VSR II *			

* 1st and 3rd week of each month

A challenge for the SBC VA is to retain trained and experienced VSR Is to staff all the full-time and satellite facilities. The approximate cost to the SBC VA for the training and certification of a VSR Trainee is \$10,000 (which does not include their salary and benefits). A VSR Trainee is

promoted to a VSR I after passing the certification exam and meeting the time requirement and is qualified to perform the same duties as a VSR II in reference to filing claims. The requirement for a VSR I to promote to a VSR II is two years of full-time experience developing and processing veterans' claims for an accredited national veterans service organization, or a federal, state or county veterans service office. The SBC VA stated to the Grand Jury that within 24 months, working under the supervision of a VSR II or a SVSR, a VSR I gains the experience needed, and is ready to be promoted to a VSR II.

However, it is the policy of the SBC VA that a VSR I cannot advance to a VSR II position until there is a VSR II vacancy. It was stated to the Grand Jury this obstacle was both an experience and funding issue. This policy has led to a turnover rate for VSR Is of 71 percent in the last five years. Five out of seven left after approximately 20 months taking with them valuable training and vital experience. Of the five that left, four left for promotional (career) opportunities with other departments or agencies. In comparison, the SBC VA only lost two of the four VSR IIs, both to retirement. It was stated to the Grand Jury that the reasons for the VSR Is leaving was salary and a chance for upward mobility. The mean difference in the salary range of a VSR I and a VSR II is \$3,484 annually or approximately \$290 per month.

VSRs face more challenges every day to provide the best possible service to a veteran with state and federal VAs constantly changing procedures and eligibility requirements, the increase in PTSD cases and the present increase of female veterans to name a few. The staff interviewed stated that one of the major concerns was the longer wait to see a service representative as the office became busy. The VSRs felt they could not take as much time as they would like with each client. SBC VA had to minimize discussing options with the veterans and focus on the one issue at hand. There was no time to cover other benefits they may be eligible for such as food stamps, Save Your House California, or other programs that would enhance the quality of life for the veteran and his/her family.

The time required to serve a veteran visiting the county office can vary from a few minutes to pick up a form or get a signature, to over an hour to file a new claim or an appeal. Offices, particularly those with only one VSR, can fill up with veterans very quickly. They are told that they could not be seen that day and would need to return another day. The offices do not track the veterans that may leave due to extended wait times, but the service representatives are aware it does happen. The Grand Jury was informed some veterans return for assistance, and others do not return.

Through interviews conducted and documentation received, it is evident to the Grand Jury that the SBC VA is putting forth a valiant effort to provide the best possible service to the veterans of San Bernardino County. Veteran benefits enhance a County veteran's quality of life. Many times it may make the difference in a veteran's ability to buy or keep a home. Sufficient staffing and resources are not available to reach out to each and every veteran in the County in order to make sure benefits are received.

FINDINGS

F1: There are limited promotional opportunities from the VSR I classification to the VSR II classification as one can only be promoted when a VSR II position becomes vacant.

F2: VSR Is are leaving their job to pursue positions with better advancement, taking valuable training and experience with them.

F3: The County General Fund contributed \$1,570,326 in 2016. The 2016 allotment was less than the amount received in 2011.

F4: The State and Federal Departments of Veteran's Affairs are constantly changing the procedures and eligibility requirements for claims and benefits.

F5: Because the State funding is distributed to counties on a pro-rata basis, the more claims filed by a county with a reasonable chance of approval result in more funding that the county receives.

F6: The current staffing numbers of experienced VSRs does not allow adequate staffing of satellite facilities and contributes to long wait times for veterans.

RECOMMENDATIONS

17-47: Increase staffing to reduce veterans wait times and relieve the current workload on the VSRs. Allow the SBC VA to staff satellite offices more than one day a week. Open the full time offices five days a week and allow staffing for additional locations as identified while maintaining the 9/80 employee work schedule.

17-48: Create an upward mobility track that would allow a qualified VSR I to promote to VSR II when requirements are met and he/she can demonstrate the ability to perform the duties of a VSR II.

17-49: Revisit the County's funding to allow for additional VSR II positions to meet the needs of veterans in the County.

<u>AGENCY</u>	<u>RECOMMENDATIONS</u>	<u>DUE DATE</u>
Veterans Affairs	17-47 through 17-49	10/1/2017

RESPONSE ACCOUNTABILITY



RESPONSE ACCOUNTABILITY

The Grand Jury is required by Penal Code §933(c) to submit a Final report to the Presiding Judge of the Superior Court with appropriate recommendations and results from investigations conducted by the Grand Jury.

The Grand Jury chose to include a section of the Final Report this year to an investigation which reviewed two prior Grand Jury reports, recommendations and responses. A Response Accountability Report contains follow-up interviews and information gathered to determine if the agencies and/or departments are complying with the recommendations and responses given to these prior reports.

This section of the Final Report contains an update on the Bullying and San Bernardino International Airport investigations contained in the 2014-2015 San Bernardino County Grand Jury Final Report.

RESPONSE ACCOUNTABILITY BULLYING

BACKGROUND

The 2014-2015 Grand Jury investigated bullying in two school districts; the Fontana Unified School District (FUSD) and the Victor Valley Union High School District (VVUHSD). The 2014-2015 Grand Jury investigation resulted in three specific recommendations presented to each District. The charge of the 2016-2017 Grand Jury was to undertake a Response Accountability Report. The purpose of this Response Accountability Report is two-fold: examine the initial responses each District submitted to the Grand Jury in 2015 pertaining to each recommendation and report on the present status of each recommendation within each District as reported by the Districts.

THE FONTANA UNIFIED SCHOOL DISTRICT

RECOMMENDATION 15-04: MAINTAINING A POSITIVE SCHOOL CLIMATE:

Stated: All Administration, staff, and parents must consider bullying and maintaining a positive school climate as serious issues.

RESPONSE TO RECOMMENDATION 15-04 FOR THE FUSD:

The recommendation has been in progress as the data collected from previous California Healthy Kids Survey, the California School Climate Staff Survey, and Local Control Accountability Plan (LCAP). Parent input collections have indicated that bullying is a concern that needs to be addressed. All sites have been provided with training and information to post informing students on whom to contact in case they are bullied. The District has written in the LCAP that Positive Behavior Intervention Support (PBIS) will be the focus for the following three years to combat negative and toxic environments where bullying tends to thrive. Also, the District is in the

process of developing a district-wide Code of Conduct to properly address the behaviors of students as well as adults in the Fontana Educational Community. The Code of Conduct was a two-year process developed by a committee comprised of parents, teachers, students, administrators and community members at large.

CURRENT STATUS OF RECOMMENDATION 15-04 FOR FUSD:

Data collected indicated that bullying was a concern. The Office of School Culture and Social Emotional Learning Supports (OSCSELS) was created to focus on a culture shift at all levels to combat negative and toxic environments where bullying tends to thrive and provide trainings in restorative practices. The creation of the OSCSELS was to address bullying, as well as positive climates, restorative practices, and youth mental health. This Office is composed of the Coordinator of Positive Culture and Climate, Coordinator of Social Emotional Support, two Social Emotional Specialists, and an At-Risk Counselor. Leading this team is the Executive Director of Student Services whose task is to lead the process of providing training and services regarding PBIS, Restorative Practices, Anti-Bullying, and Youth Mental Health district-wide through partnerships with community and outside agencies.

RECOMMENDATION 15-05: IMPROVING PROGRAM WITHOUT GRANT FUNDS:

Stated: Continue to improve a positive school climate and anti-bullying programs following the termination of the grant funds, and include the community and families in that effort.

RESPONSE TO RECOMMENDATION 15-05 FOR THE FUSD:

The recommendation is in progress as site funds and LCAP funds will continue to be allocated for programs such as PBIS, providing a Coordinator for Positive Culture and Climate as well as an At-Risk Counselor. Individual sites are currently implementing programs such as Character Counts and No Excuses University using site allocated funding whose focus is to provide students with positive attitude and behavioral skills to continue progress through their academic careers.

CURRENT STATUS OF RECOMMENDATION 15-05 FOR FUSD:

Goal 5 of the LCAP will continue to focus on engaging students in school to maintain their interest in education and to graduate from school. Funds are allocated for programs such as PBIS, Restorative Practices, Youth Mental Health, and LGBTQ Awareness and staff for the Office of School Culture and Social Emotional Learning Support.

RECOMMENDATION 15-06: PROGRAMS INCLUDE PARENTS AND STAFF:

Stated: Promote and maintain programs that include parents, caregivers, and staff to combat bullying behavior.

RESPONSE TO RECOMMENDATION 15-06 FOR THE FUSD:

The recommendation is in progress as the LCAP has provided for a Family and Community Engagement (FACE) Coordinator whose focus is to work with parent training seminars which include workshops on anti-bullying. This training focuses on how parents can help their children become academically and socially successful.

THE VICTOR VALLEY UNION HIGH SCHOOL DISTRICT

RECOMMENDATIONS

Stated: 15-04 All Administration, staff, and parents must consider bullying and maintaining a positive school climate as serious issues.

Stated: 15-05 Continue to improve a positive school climate and anti-bullying programs following the termination of the grant funds and include the community and families in that effort.

Stated: 15.06 Promote and maintain programs that include parents, caregivers, and staff to combat bullying behavior.

RESPONSE TO RECOMMENDATIONS 15-04, 15-05, AND 15-06:

PBIS – The PBIS initiative, a three-year rollout in the District, began in the 2013-2014 school year. For the 2015-2016 school year, Cobalt Institute of Mathematics and Science joined the cohort and University Preparatory joined later. PBIS is a systematic approach to proactive, school-wide behavior based on a Response to Intervention (RTI) model. PBIS applies evidence-based programs, practices, and strategies for all students designed to increase academic performances, improve safety, decrease problem behavior, and establish a positive school culture. In addition, district schools such as Silverado High School are beginning to implement the PLUS [Peer Leaders Uniting Students] program as part of their PBIS efforts. The PLUS program allows students to have an active role in the PBIS process. PLUS teams are made up of student leaders who serve as a liaison group to the student body to impact the behavior change in their peers. These student leaders work alongside PBIS coaches (staff members) to analyze data and create action steps. The purpose of the PLUS Team is to create a culture on campus and the community where inclusion is a reality for everyone. Within the PLUS Program are also PLUS Forums that are led by PLUS student leaders. The PLUS Program activities include student surveys, interactive activities, and small group events that provide insight into what kinds of issues are prevalent on campus thus allowing corrective actions to take place. This program also supports the District’s anti-bullying measures.

Counselor Training – There are greater efforts to provide training for all VVUHSD counselors, particularly the District’s Intervention Counselors who were hired in 2014-2015. All counselors were afforded two days of in-service prior to the start of the 2015-2016 school year with more training planned throughout the school year. The focus of the training was on self-harm vs. suicide. Counselors were also trained to support students who are victims of bullying and harassment from their peers. Desert Mountain Children's Center representatives facilitated the training and continue to be a great resource for the District.

Improved Data Collection - This year is the first year that districts are mandated to complete the Civil Rights Data Collection (CRDC). As part of this process, VVUHSD began the process to not only ensure student equity and access, but to also began to create procedures to collect accurate data and reporting. Four new items were added to the student information system: stalking, bullying, mobbing, and harassment. Discipline administrators, such as Assistant Principals and Deans were trained on the new features in the system and scenario-based training incorporated topics of bullying, mobbing, and harassment. In addition, discipline secretaries were also trained in the process of data inputting.

National Bullying Prevention Month – For the 2015-2016 school year, VVUHSD began a district-wide campaign called "Band Against Bullying." All sites developed a Bullying Prevention Plan highlighting activities to bring about awareness of the effects that bullying has on students. In addition, the district ordered plastic wristbands featuring the “Band Against Bullying” slogan for all students and staff in the District along with banners to be hung at the District and each school site. This effort is part of the National Bullying Prevention Month in October. Lakeview Leadership Academy has adopted their slogan “Be a buddy, not a bully” as part of the school’s 7 Habits of Highly Effective Teens leadership focus.

Bullying Prevention Grants – VVUHSD applied for anti-bullying grants as a collaborative effort between the Education Services division and transportation department accomplish three things: install updated cameras in school buses, develop an essay contest on bullying prevention, and purchase plastic wristbands and other items that bring awareness to anti-bullying measures. As research has shown, it is only when “bullying interventions are developmentally based, gender and culturally sensitive, and addresses all types of bullying” will schools reduce the problem of bullying (2014-2015 San Bernardino County Grand Jury – Bullying). VVUHSD will continue to make every effort to reduce the cases of bullying in schools and encourage parents and community leaders to get involved in this effort to decrease bullying.

CURRENT STATUS OF RECOMMENDATIONS:

VVUHSD is committed to continuing the good work that was begun as a result of the original findings. To that end, the district made great strides in the implementation of many measures to ensure both equity and safety for students.

VVUHSD has continued to be proactive in improving the culture and climate of the district in an effort to increase student achievement. School Climate and Student Engagement are two of eight state priorities being addressed in the district's LCAP. The district improved data retrieval, data analysis and its monitoring system and thus are in an improved place to study issues and promote change for students. The district has made a commitment to assist staff members to reach cultural proficiency.

VVUHSD has partnered with Association of California School Administrators for the past two years to provide an Equity Institute. Approximately forty administrators and staff have spent forty hours reflecting on equitable practices in schools. One of the institute's goal is the creation of a plan that challenges adults and students to be conscious of one's biases.

CURRENT STATUS

Each comprehensive high school and parent choice school utilizes a program called Link Crew as an additional intervention and support program. Link Crew is a high school transition program that welcomes freshmen and makes them feel comfortable throughout the first year of their high school experience. Built on the belief that students can help students succeed, Boomerang Project's proven high school transition program trains mentors from grades 11 and 12 to be Link Crew Leaders. As positive role models, Link Crew Leaders are mentors and student leaders who guide the freshmen to discover what it takes to be successful during the transition to high school and help facilitate their well-being and social-emotional support.

The comprehensive high schools also encourage attendance and positive behavior through the use of ProScan or HERO, which are both versions of behavior tracking software that works in conjunction with student information systems to better manage and collect data regarding students' behaviors. The programs send immediate feedback to parents regarding attendance, grades, etc. Both programs also afford each school site the ability to create a positive behavior incentive system through a points system that encourages the positive behavior expectations on school campus. The points may be redeemed for a variety of students rewards. Current feedback from parents indicates that they are pleased to receive immediate attendance information regarding issues before they become problems. Parent involvement in the area of bullying is a priority for school sites. As part of the LCAP, school sites agree to the hiring of a Family Engagement Liaison (FEL) which is a new resource for parents to receive support and information about helping their children with bullying and harassment. The FELs have attended training at the county level through the Family Engagement Network and the Family Engagement Leadership Academy. Each training has areas of support to provide the FELs skills which support parents with such concerns. Technology has taken a place in anonymous reporting of bullying behavior as well, with some sites choosing to replace "bully boxes" (where students could report incidents of bullying) with a button on the school website where students, parents and others can report incidents of bullying and cyberbullying.

Adelanto High School is also pleased to offer a variety of life skills courses including anger management and drug and alcohol resistance education through the coordination of their School Resource Officer. These social-emotional support classes require parent permission in order for students to be involved. Students are referred to the programs by counselors, administrators and teachers based on recurring student behaviors including bullying or harassing. Adelanto is also proud to offer an Extracurricular Club Faire at the beginning each school year, offering their students opportunities to be engaged in a number of positive social activities to increase school connectedness.

Silverado High School's Do Something Club organizes a Special Ed Prom for severely handicapped, profoundly intellectually challenged students at the comprehensive high schools; Gay Straight Alliance recognizes a Day of Silence for students without a voice; Black Student

Union supports increased awareness of positive behaviors and academics to benefit the school and community. Other programs creating a significant impact on student culture are Hawks for Christ, Mom's Mob and Men's Mob, as well as Gentlemen of Quality. Programs such as these include a partnership with adults in the community in a mentoring capacity.

Two middle schools in VVUHSD are using one of two different models to make connections within peer groups. Hook Junior High School is using Rachel's Challenge during a school-wide advisory period to bring attention to the issue of bullying, and provide support. Lakeview Leadership Academy is using Sean Covey's 7 Habits of Highly Effective Teens to instill leadership qualities during a LIM or Leader in Me course taught for 7th graders on their campus. The Lakeview Leadership Academy is also investigating the possibility of providing a Peer Counseling course for the next school year.

Staff Professional Development – As VVUHSD continues to focus on supporting the skills and efforts to provide additional support and other means of correction training to all staff, focus is on counselors, particularly the district's Intervention Counselors who were hired in 2014-2015. The district has continued to support these positions in the Strategic Plan and the LCAP in an effort to reduce suspensions and bullying. All counselors were afforded two days of in-service prior to the start of the 2015-16 and 2016-2017 school years with more training planned throughout the school year. Counselors were trained to support students who are victims of bullying and harassment from their peers. Interventions and student academic needs are supported throughout the year with monthly Counselor Collaborative Meetings. The efforts to provide teachers and other school staff with additional training and skills when dealing with bullying and student social-emotional issues have been prevalent through the summer professional development days. During August 2016, two specific courses for certificated staff were offered; *Emotional Well Being of Students* and *Student Emotional Health*. In addition, a workshop called *Gun Fire in the Hallway* was also offered which also addressed the concerns of bullying and harassment and how it may lead to violence on school campuses. The district has also contracted with WestEd and offered training during the 2016-2017 school year for Multi-Tiered Systems of Support. The training offers insights to reduce bullying and harassment and creates other means of support for students who are victims of bullying or engaging in types of

bullying behaviors. The August 2017 summer professional development is planning to include a unique strand for teachers to access The Medal of Honor Character Development Program created by the Congressional Medal of Honor Foundation to provide teachers access to multimedia, interactive lessons. The lessons provide middle and high school students with opportunities to explore the important concepts of courage, commitment, sacrifice, patriotism, integrity and citizenship and how these values can be exemplified on campus and help prevent incidents of bullying and harassment.

Improved Data Collection – VVUHSD continues to complete the CRDC. The District has greatly improved data entry, data analysis, and data monitoring. Suspension data is monitored monthly at district LCAP meetings. In 2015-2016 VVUHSD saw an 8.3 percent reduction district-wide in the rate of suspension. Discipline training will occur monthly provided by the Child Welfare and Attendance Department. Garnett and Associates spent three hours working with Assistant Principals to ensure that suspension and expulsion procedures are fair and equitable across the district. To guarantee that VVUHSD is meeting the new California Dashboard requirements for School Climate and Parent Engagement, VVUHSD has administered the California Healthy Kids Survey, California School Parent Survey and California School Staff Survey both in 2015-2016 and 2016-2017. Since the original submission we had six student forums at each of our sites to gauge the social emotional well-being of district students. The findings of the student forums and surveys have led district administration to make some changes and begin reflective practices, such as the Equity Institute. Sites have begun to use the student data to inform each high school's Western Association of Schools and Colleges self-studies.

National Bullying Prevention Month – For the 2015-2016 school year, Victor Valley Union High School District began a district-wide campaign "Band Against Bullying." All sites developed a Bullying Prevention Plan highlighting activities to bring about awareness of the effects that bullying has on students.

During the beginning of each school year, each school offers anti-bullying assemblies. These assemblies are tailored to meet the needs of each school community. Whether it was Kaiser, Rachel's Challenge, Armando Quitano, or another speaker, presentations were matched to grade spans and reinforced through the school year.

RESPONSE ACCOUNTABILITY

SAN BERNARDINO INTERNATIONAL AIRPORT

BACKGROUND

The 2010-2011 Grand Jury investigated the operations of the San Bernardino International Airport (SBD) and made several recommendations in its final report. The 2016-2017 Grand Jury followed up on a sampling of the recommendations, responses and the current status of those recommendations.

RECOMMENDATION 1.2 - INTERNAL CONTROLS

Direct management to refine processes for ensuring the comprehensive documentation of business processes and transactions.

RESPONSE

Agree. SBIAA [San Bernardino International Airport Authority] efforts in the document production process for the San Bernardino County Grand Jury enabled SBIAA staff to determine areas where business processes and transactions could potentially be improved. This will be an ongoing effort to be presented to the SBIAA Commission to continually refine processes by and through the SBIAA Finance and Budget Committee and establishment of other SBIAA Commission formed committees as appropriate for formal submission to the SBIAA Commission. Timeline for completion: Within 12 months

CURRENT STATUS

Has been completed. The SBIAA Commission continues to implement and refine this practice in its adopted policies and procedures which require annual review and update every October. That continued process has led to implementation of industry best practices, adoption of a new

Strategic Plan, as well as several process enhancements such as implementation of new Finance and Accounting software, property management and compliance systems, and electronic records management systems.

RECOMMENDATION 1.4 - INTERNAL CONTROLS

Adopt a policy to rotate financial auditing firm every five years.

RESPONSE

Agree. The SBIAA Commission will develop such a policy within the current fiscal year.

Timeline for completion: Within 12 months

CURRENT STATUS

Has been completed. The SBIAA Commission continues to implement this practice as it is included in its adopted policies and procedures. The current financial audit firm was contracted in 2013. A procurement process is currently being initiated for the forthcoming audit year and will be completed by July 2017.

RECOMMENDATION 2.1c - CONSTRUCTION MANAGEMENT

Enforcing all provisions in the Terminal and Fixed Base Operator (FBO) leases requiring the developer to provide detailed monthly progress reports. The Commission should also require the developer to provide and present such reports at all Commission meetings.

RESPONSE

Agree. The SBIAA Commission will require the Chief Financial Officer to submit copies of detailed First American Fund Control reports and other documentation on the Terminal and FBO

projects to the SBIAA Commission on a monthly basis at its regularly scheduled public meetings as an adjunct to its Register of Demands information. At the discretion of the SBIAA Commission, the developer may be required to provide additional information upon demand.
Timeline for completion: 1 month

CURRENT STATUS

Has been completed. The Terminal and FBO leases, as well as related contracts, were terminated in their entirety in 2012. The most recent construction policies and procedures document was last updated on October 26, 2016, and requires traditional design-bid-build construction contracts.

RECOMMENDATION 2.1d - CONSTRUCTION MANAGEMENT

Engage the services of a reputable, independent auditing firm to examine all expenses incurred as a result of the Terminal Development and FBO Projects. The scope of such an audit should include a review of the construction meeting minutes to determine if the developer purposely inflated costs.

RESPONSE

Agree. On February 10, 2010, a Special Compliance Audit Report of the San Bernardino Airport Terminal Renovation Project, covering the period July 1, 2008 through June 30, 2009, was filed with the SBIAA Commission, and an additional compliance audit covering the period July 1, 2009 through December 31, 2010, for the other aspects of (i) the Terminal Development and (ii) the FBO and Customs building are currently in progress. Upon completion, additional independent reviews will be conducted as requested by the SBIAA Commission pursuant to the conditions precedent under the existing development, and prior to consideration of acceptance of any ownership interest in any improvements by the SBIAA Commission. Timeline for completion: Within 12 months

CURRENT STATUS

Has been completed. The Terminal and FBO projects were completed. All related contracts were terminated in their entirety in 2012 via court order. All such capital assets are now 100% owned and operated by SBIAA.

RECOMMENDATION 3.3 - EQUIPMENT ACQUISITION

Set a regular schedule for reviewing, revising and formally approving updates to the purchase policy.

RESPONSE

Agree. All current SBIAA policies and procedures, including the Strategic Plan, include a provision requiring annual evaluations and/or update. Many of these coincide with the annual SBIAA budget approval process. All proposed and future updated SBIAA policies and procedures will include such annual evaluations and/or update provisions. Timeline for completion: Within 12 months

CURRENT STATUS

Has been completed. The SBIAA Commission continues to implement this practice as it is included in its adopted policies and procedures. All policies and procedures, including the purchasing policy, are reviewed and updated in October of every year. The most recent update was approved by the SBIAA Commission on October 26, 2016.

RECOMMENDATION 4.1 - LAWSUIT SETTLEMENT

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

RESPONSE

Agree. The SBIAA Commission will seek proposals from independent legal experts to review the referenced documents and to provide recommendations to the SBIAA Commission accordingly. Timeline for completion: Within 12 months

CURRENT STATUS

Has been completed. The contracts with NAMS and SBD were terminated in their entirety in 2012 via court order.

RECOMMENDATION 5.1 - CONTRACTOR RELATIONS

Direct staff to review current contracts for construction services and Airport operations to identify modifications that may be necessary to protect Inland Valley Development Agency and SBIAA from potential future risk.

RESPONSE

Agree. On July 27, 2011, the SBIAA Commission received the memorandum of a noted aviation attorney specializing in U.S. Department of Transportation (DOT) and Federal Aviation Administration (FAA) regulatory matters. The SBIAA Commission will seek proposals from

other independent legal experts to review the referenced agreements. Timeline for completion:
12 months

CURRENT STATUS

All contracts with such entities were terminated in their entirety in 2012 via court order. Current adopted policies and procedures include industry best practices and protective provisions.



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

Office of the Grand Jury
172 West Third Street, Second Floor
San Bernardino, CA 92415-0243

Office: (909) 387-9120

Information is also provided on the website at <http://cms.sbcounty.gov/grandjury/Home.aspx>