



COUNTY OF SANTA CRUZ

CIVIL SERVICE COMMISSION

701 OCEAN STREET, SUITE 310
SANTA CRUZ, CA 95060

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DATE: July 12, 2011
TO: Civil Service Commission
FROM: Laurie Hill, Staff to the Commission
SUBJECT: UPDATE: WHISTLEBLOWER (HOTLINE) PROGRAM

At your March 17, 2011 meeting, the Commission asked to revisit the Whistleblower program.

BACKGROUND

The Whistleblower Program was addressed at your April 15, 2010 meeting (see attached minutes), following a request from representatives from Service Employees International Union.

At that meeting, the Commission reviewed the Commission's discussions about the Hotline. Mary Jo Walker, Auditor Controller, provided an update on Hotline procedures. Michael McDougall, Personnel Director, shared a flow chart of alternative avenues for employees to present concerns. The Commission accepted the report, expressed their continued interest in the program, and took no further action.

The Commission's last formal action regarding the Whistleblower Program was a January 2009 letter to the Board of Supervisor's recommending that the Board revisit the Grand Jury recommendation to establish a body independent of county government to 1) serve as the first point of contact for whistleblower complaints, and 2) screen and forward complaints to the appropriate entity for investigation and resolution.

The Board responded, cited that had they had approved changes to the Whistleblower program in September 2008, and invited the Commission to contact the Board again in September 2009 to provide an update on the effectiveness of these changes.

I have attached for your review the Whistleblower Hotline materials as presented at the Commission's April 2010 meeting and the 2010 Whistleblower Hotline Activity report as presented to the Board in January 2011.

DISCUSSION:

VI¹ a

Having heard no evidence as to any problems with regards to the administration of this program since the Commission last visited this issue, and in recognition of the improvements implemented by the Auditor Controller in late 2008, staff recommends that the Commission take no further action at this time.

Rather, the Commission can use this opportunity to update new Commissioners on the Hotline procedures and the Commission's history regarding this matter.

In the event that evidence is presented in the future that influences the Commission to consider recommending new changes to the Board, staff would request that any proposed recommendations to the Board first be placed on the Commission's future agenda for review and input by the Personnel Department, other County staff, SEIU, other bargaining units and the public.

Again the Personnel Department offers that employees have several complaint venues in addition to the Whistleblower Hotline, a few of which include Grievances, EEO complaints, Disciplinary Appeals, and proposed reclassification actions. The Civil Service Rules and the applicable memorandums of understanding define these processes for the various bargaining units.

Lastly, employees also have the ability to file complaints with the Department of Fair Employment and Housing and the federal agency Equal Employment Opportunity Commission if they prefer to use venues outside of the County.

RECOMMENDATIONS:

- 1) Accept and file this report, the attached historical material with regards to the Commission's review of the Whistleblower Hotline, and the 2009 Whistleblower Annual Report as submitted.
- 2) Take no further action in this matter at this time.

ATTACHMENTS

Whistleblower Hotline Activity Report for Calendar Year 2010

Minutes of the April 15, 2010 Civil Service Commission meeting

April 15, 2010 Staff report to the Commission re: Summary of Commission Response to Complaints about the Whistleblower Program, including attachments.

**SANTA CRUZ COUNTY
BOARD OF SUPERVISORS INDEX SHEET**

Creation Date: 2/23/10
Source Code: AUDCO
Agenda Date: 3/2/10
INVENUM: 63546

Resolution(s):

Ordinance(s):

Contract(s):

Continue Date(s):

Index: --Letter of the Auditor-Controller, dated February 17, 2010
--Report for calendar year 2009

Item: 11. ACCEPTED AND FILED report on the Whistleblower Hotline activity for calendar year 2009, as recommended by the Auditor-Controller



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COUNTY OF SANTA CRUZ

MARY JO WALKER, AUDITOR-CONTROLLER
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Edith Driscoll, Chief Deputy Auditor-Controller
Pam Silbaugh, General Accounting Manager
Mark Huett, Audit and Systems Manager
Marianne Ellis, Property Tax Accounting Manager

**APPROVED AND FILED
BOARD OF SUPERVISORS**

DATE: *March 2, 2010*

COUNTY OF SANTA CRUZ

SUSAN A. MAURIELLO

EX-OFFICIO CLERK OF THE BOARD

AGENDA: MARCH 2, 2010

February 17, 2010 BY: *Sharon Mitchell* DEPUTY

BOARD OF SUPERVISORS

County of Santa Cruz

701 Ocean Street

Santa Cruz, CA 95060

SUBJECT: WHISTLEBLOWER HOTLINE ANNUAL REPORT

Dear Members of the Board:

Pursuant to the Santa Cruz County Policies and Procedures Manual section VII 700, the attached schedule provides statistical information on the 2009 calendar year Whistleblower Hotline activity and summarizes the Hotline reports received during the year.

The Whistleblower Hotline is intended for Santa Cruz County residents, vendors, contractors and employees to report allegations of fraud, waste and abuse, including fraudulent activity by Santa Cruz County government employees; misuse of County resources by vendors, contractors or County employees; or significant violations of County policy.

To enable the reporting of these activities, the Auditor-Controller's Office maintains a Whistleblower Hotline at 831-454-3333, a reporting website that can be accessed via the County's webpage, and accepts written reports at 701 Ocean Street, Room 100. Reports can be made anonymously. The Auditor-Controller receives and reviews Whistleblower Hotline reports, then forwards the reports to the appropriate departments to research and resolve as necessary. The Auditor-Controller's Office requires a response from departments within six months as to the resolution of the report. If appropriate, the Auditor-Controller's Office investigates reports independently.

The following are the statistics for the 2009 reporting period:

Contacts Received Via:

Letter	4
Telephone call	10
Hotline webpage reporting form	17
In person	<u>0</u>
Total contacts received	31

The Whistleblower Hotline has become a successful addition to the County's internal controls, due in part to the willingness of County departments and other agencies to investigate and communicate their findings.

It is therefore RECOMMENDED that Board of Supervisors accept and file this report on the Whistleblower Hotline activity for calendar year 2009.

Sincerely,



Mary Jo Walker, CPA
Auditor-Controller

RECOMMENDED



SUSAN A. MAURIELLO
County Administrative Officer

CC: County Administrative Officer
Auditor-Controller's Office
Personnel Director

Attachment: Whistleblower Hotline Statistical and Reporting Overview 2009

Whistleblower Hotline Statistical and Reporting Overview 2009

Total contacts received: 31

Method of contact:

- 4 Letters
- 10 Telephone calls
- 17 Web page reports

Summary of contacts:

- 14 Determined to be outside the scope of the Hotline or general in nature. When possible, the reporting party was provided with the correct department, entity or agency to report their concern to, or we forwarded it on their behalf.
- 10 Determined to be personnel matters relating to current County employees. Six reports were reviewed and researched by the Auditor-Controller's Office, Personnel and the appropriate Department Heads resulting in corrective action when necessary. Four reports were open at year end. Due to the sensitive nature of personnel matters, those Hotline reports are not detailed in this report.
- 4 Reports of private individuals committing welfare fraud. Three reports were investigated by the Chief Welfare Fraud Investigator and determined to be unfounded. One report was referred to the Internal Revenue Service following allegations of income tax fraud.
- 3 Detailed below

	<u>Allegation Summary</u>	<u>Report Forwarded to and/or Reviewed By</u>	<u>Current Status</u>
1	County vendor was not in compliance with certain requirements of its contract with the County.	Auditor-Controller and the Department Head	Closed - Investigated by Auditor-Controller and the contract terms were found to lack sufficient clarity to determine non-compliance. The department worked with the vendor who has made changes to be in compliance with the intent of the contract.

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Whistleblower Hotline Statistical and Reporting Overview 2009

2 The address of a home was provided where the owner may be fraudulently receiving property tax exemptions	Assessor	Closed - Assessor determined this property was not eligible for the property tax credits and took appropriate action.
3 Department shifted duties to higher paid staff, eliminating some lower paid staff members as a result. Additionally, the department is purchasing a very expensive piece of equipment. Both of these actions were questioned by the reporting party.	Auditor-Controller and Personnel	Closed - Investigated by the Auditor-Controller. Both of these actions were determined to have been adequately processed and reviewed by the Personnel Department and the Board of Supervisors.

Excerpt of minutes of the April 2010 Civil Service Commission meeting re: Whistleblower Hotline

- a. Summary of Commission response to complaints regarding the Whistleblower Hotline. Chair introduced the topic, summarized the Whistleblower process, a process that includes reports to Personnel and to the departments. The Commission wrote their concerns to the Board of Supervisors, the Board responded, and made no changes. Secretary Hill summarized the staff report, a report that includes all Commission communications on this program. Jim Heaney thanked the Commission for their interest in the program, and added that this program works well for financial matters but not Personnel matters. The Commission voted to accept the report. Mary Jo Walker, County Auditor Controller said that some complaints are forwarded to the proper jurisdiction and some matters determined to be best addressed by the Auditor's office. If it is a Personnel matter, her office sends it to the Department Head and then to the Personnel Department. An independent body would be expensive, and only two Counties in the state have a Whistleblower program and an outside investigative source. Auditor's Department works hard to protect confidentiality. In 2009, 14 reports were outside the scope of the program, 10 were personnel matters, 4 welfare fraud and 3 other matters. Commissioner Maxwell was sympathetic to employees but did not have a solution. He felt that at some point the complaint generally needs to get to the department head. Personnel Director McDougall pointed out the flow chart of various avenues that employee have to bring forward concerns and appeals all of which potentially lead to an outside person. Commissioner Potro does not want to drop this review and wants employees to have options. She added that eventually the employee will have to present their charges. Ms. Walker said that she is aware that Personnel matters are being addressed. Taren asked about the kind of report that is required. Ms. Walker said that the preliminary report is expected back to her office within 60 days and the complaint resolved within 6 months. The content of the report is brief, primarily that the matter was resolved. It was clarified that reports against a department head go to the County Administrative Officer or to the Board for elected officials. Walker said that she would not mind if the program was served by another department but added that her department has done a good job on a program that requires follow up and confidentiality. Heaney offered that Personnel issues that are reported could also be shared with the employee's representation unit. Taren suggested that Heaney talk to his unit and see if they would be interested. Ajita Patel observed that the Commission added a goal in their annual report regarding the Whistleblower Program and Taren said that the Commission was still interested in this matter.