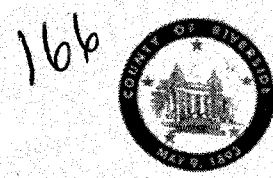


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Executive Office

SUBMITTAL DATE:
July 17, 2014

SUBJECT: Response to the 2013-14 Grand Jury Report: Political Reform and the Riverside County Board of Supervisors

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve with or without modification, the attached response to the Grand Jury's recommendation regarding Political Reform and the Riverside County Board of Supervisors. Direct the Clerk of the Board to immediately forward the Board's finalized responses to the Grand Jury, to the Presiding Judge and the County Clerk-Recorder (for mandatory filing with the State).

BACKGROUND: On May 6, 2014, the Board directed staff to prepare a draft of the Board's response to the Grand Jury's report regarding Political Reform and the Riverside County Board of Supervisors. Section 933 (c) of the Penal Code requires that the Board of Supervisors comment on the Grand Jury's recommendations pertaining to the matters under the control of the Board and that a response be provided to the Presiding Judge of the Superior Court within 90 days.

90dayf11responseBOS07.14

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent <input type="checkbox"/> Policy X
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS:

Budget Adjustment:

For Fiscal Year:

C.E.O. RECOMMENDATION:

APPROVE

BY:
George A. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: July 29, 2014
 xc: E.O., Grand Jury, Presiding Judge, BOS, Recorder

Kecia Harper-Ihem
 Clerk of the Board
 By:
 Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: 3-3 - 05/06/14

District:

Agenda Number:

3-11

**2013-14 Grand Jury Report
County of Riverside
Board of Supervisors Response Report**

Introduction

The Riverside County Board of Supervisors ("Board") respectfully submits this response to the Grand Jury's Report issued April 24, 2014, and titled "Political Reform and the Riverside County Board of Supervisors." Penal Code Section 933(c) requires the Board to comment on the Grand Jury's findings and recommendations pertaining to matters under the control of the Board and provide its response to the Superior Court Presiding Judge within 90 days of the date the Grand Jury Report was issued.

Response to Grand Jury Background Summary in Report

In 2005, the Board of Supervisors established a discretionary-fund program to spend public funds on community needs and improvements. Not mentioned in the Grand Jury Report is Government Code Section 26227 ("Section 26227") (See Attachment A), which authorizes the Board to appropriate and expend money from the general fund to establish county programs or to fund other programs deemed necessary to meet the county population's social needs, including but not limited to, the areas of health, law enforcement, public safety, rehabilitation, welfare, education and legal services, and the needs of physically, mentally and financially handicapped persons and the elderly.

Section 26227 grants the Board of Supervisors legislative decision-making authority for Riverside County's quality of life and social needs and contract decisions. No county supervisor can employ this legislative authority without the vote and approval of the full Board in open public session.¹ In addition, the determination about whether a particular program serves the public purpose is a legislative function and will not be disturbed by the courts so long as the determination has a reasonable basis.²

Overview of the Riverside County Nonprofit Community

The nonprofit sector in Riverside County faces tremendous challenges of capacity. At 2.6 nonprofits per thousand residents, the county's capacity rate is lower than all regions compared, except Las Vegas.³ In 2012, there were 5,953 registered nonprofit

¹ 4/5 favorable vote is required for the approval of any CID funds.

² The concept of "public purpose" is liberally construed by the courts and the legislative action is upheld unless it is totally arbitrary. County of Alameda v. Carleson (1971) 5 Cal.3d 730, 745-746; 47 Ops. Cal.Atty Gen. 171, 181 (1966). The general principle is that expenditures by an administrative official are proper insofar as they are authorized explicitly or implicitly, by legislative enactment such as Section 26227. (See Albright v. City of South San Francisco (1975) 44 Cal.App.3d, 866, 869). This section even allows a county where a need exists for programs serving a public purpose to contract with a nonprofit private entity for those services. (See McIntosh et al v. Aubry (1993) 14 Cal. App. 4th 1576).

³ Regions include Los Angeles, San Diego, Orange, Riverside and San Bernardino Counties as well as Phoenix, Arizona, Miami Dade, Florida and Las Vegas, Nevada. Nonprofit statistics were obtained from The Community Foundation serving the Inland Empire.

businesses in Riverside County. This number is lower than the 6,030 nonprofits that were registered in 2010 throughout Riverside County.

Nonprofits provide a wide variety of benefits to the communities they serve, including social services, athletic and music opportunities for youth. Nonprofits are an important community component for health care and human services for families and senior citizens in need. Many schools and universities are nonprofit organizations, as are hospitals and research organizations. Nonprofits enrich cultural life in many ways, such as through art exhibitions and children's theater. The nonprofits in our county are valuable contributors to the social quality of life network, providing job opportunities and volunteer services to many residents.

However, concerted action by the Board, other governmental entities and private foundations in Riverside County is needed to strengthen the work of nonprofits necessary to help improve both the individual and community's quality of life. While the Grand Jury Report was critical of specific sponsorships and projects, such grants provide essential public funding for community services and charitable organizations, helping to bridge the gap between government programs and local needs.

The demand for county sponsored programs like the Board's Community Improvement Designation fund (CID) is clear. With the advent of the "Great Recession," nonprofit organizations in Riverside County increasingly rely on government funding to help accomplish their missions. Revenues for the county's nonprofits increased only 2 percent in the five-year period between 2008 and 2012 and 65 percent have revenues under \$25,000. This is lower than all other regions compared in California and the United States, except for San Bernardino, California and Miami-Dade, Florida counties.

Furthermore, the number of nonprofit organizations receiving assistance from private funding foundations is dramatically lower in Riverside County than in surrounding counties outside the Inland region. In 2013, private foundations awarded contributions, grants and gifts totaling only \$12.09 per capita. This is substantially less than the statewide per capita value of \$149.25. Riverside County also received only a fraction of the California average in federal grants. This number is the lowest among neighboring counties and amounts to roughly one-third of the state and national average.

Nonprofits and other community service organizations enrich Riverside County. Despite the challenges, the Board's CID discretionary funding effort is one example of public-purpose appropriations and expenditures, which are deemed necessary by the Board in order to meet the social needs of county's population pursuant to Government Code section 26227 and to the Board's inherent legislative authority.

Community Improvement Designation Fund

The CID program is similar to programs in other counties, which have operated for years. For example, San Diego County established a Board discretionary fund known as the Community Enhancement Program in 1985. The total amount of the expenditure is distributed evenly among the five supervisorial districts for purposes of recommending grant awards. Entities and activities funded by the program include

cultural activities, museums, economic development groups and activities including county programs and projects, which promote and generate tourism and economic development.

San Diego County also created the Neighborhood Reinvestment Program beginning in 1998. That program provides grant funds to county departments, public agencies, and to non-profit community organizations for one-time community, social, environmental, educational, cultural or recreational needs to enhance the region's quality of life. It should be noted that grant awards are discretionary and funding requests are awarded throughout the fiscal year by a vote of the Board. The potential county funding allocation is between \$5 million and \$10 million each year and there is no deadline for submitting an application.

Like San Diego and other counties with discretionary-grant programs, Riverside County's CID program is intended to assist a variety of programs, community-based organizations and nonprofits involving the region's quality of life and social needs.

The Board's discretionary CID funding has helped to assist and stimulate community-based organizations and nonprofits, especially during the recent difficult times of the Great Recession and its impact on community organizations. The Board is proud of its modest CID investment in community-based organizations and their programs. Many worthy community efforts were sustained during the downturn, when non-profits were closing their doors due to the recession.⁴ CID funds were also vital in addressing significant budget cuts during the recession, by augmenting funding for several county programs and infrastructure projects (See Attachment B: FY 2006-07 to FY 2013-14 CID Grant Table & Charts).

Overview to Findings and Recommendations

While the Grand Jury Report makes some reasonable accountability and oversight findings and recommendations worthy of further analysis and potential implementation, it relied primarily on limited input from various county staff and stakeholders.

In some cases information used to construct many of the findings and recommendations did not consider the larger public policy perspective of the CID program and the vast majority of nonprofits and community groups awarded the grants. The CID program and the use of funds are within the sole discretion of Board members. While the Grand Jury's opinion about which programs should be funded may differ, it remains the Board's legal authority to make the appropriate CID discretionary decision.

The report inaccurately stated that the County's CID program was implemented in 2005 to make up for the decline in federal Community Development Block Grant (CDBG) funds. The report pointed out that in two years prior to implementation, CDBG funds declined by \$566,240 and that CID funds totaled \$4 million, seven times the decline in CDBG funds. Without recognizing the community's larger social, educational, health

⁴ According to a recent 2012 report by the Russell Sage Foundation and The Stanford Center on Poverty and Inequality, the recession reduced total charitable giving by 7% in 2008 and by 6.2% in 2009. Although giving increased slightly in 2010, just over 2% total, the giving remained well below 2007 levels.

and other needs defined in Government Code Section 26227, the Grand Jury Report inaccurately implies that the only reason for adopting the CID program was to replace CDBG funds. This is not the case. The quality-of-life needs and services that exist among more than two million residents across a county encompassing 7,200 square miles vastly exceed what is needed even if CDBG and CID funding were combined.

In public comments during Board meetings, members of the Board of Supervisors have cited the need and discussed important services to the community that CID money makes possible, including food banks, homeless services, domestic-violence shelters and other quality of life needs. This is just a sample of the hundreds of social needs brought to the attention of the Board by individual and community organizations throughout the county.

Since the CID program was created in 2005, individual Board members have revised processes and policies regarding applications and disbursements. The Board recognizes and continues to believe that the CID program can be improved in terms of its oversight and application for funding. Better practices will continue to be developed and implemented under the direction of the County Executive Office. Specific recommendations from the Grand Jury in this regard can be of value in continuing to improve CID oversight and accountability by providing ideas for implementing a system-wide county policy that guides the program.

The CID program provides invaluable resources that otherwise do not exist to support necessary community projects and programs throughout Riverside County. Funding for these social and other community quality of life needs should be preserved, and the process should be strengthened in a manner that further illustrates and clarifies eligibility requirements, oversight, accountability and transparency.

Responses to Findings

Finding # 1: Political Reform Act and County Policies Ignored by Board

Response: Respondent disagrees wholly with the Finding.

The Board and the Grand Jury believe that the public expects and deserves its public servants to serve the public's interest---not private or political interests. However, the Grand Jury confuses the term "Political Reform" with its specific reference to California's 1974 Political Reform Act that regulates primarily California campaign and conflicts of interest laws. The Grand Jury in its report cites the Political Reform Act (Government Code Sections 81000-91015), ("Act") as the primary law that the County Board of Supervisor members "ignored" by alleging the use of public resources to promote their name identification with potential voters.

After a complete review and legal analysis of the Grand Jury Report and interpretation of the Act, it is clear that the CID funds were not used for any purposes prohibited by the laws governing the use of public funds including religious, political campaigns or purely personal private benefit. The only basis for the application of the Act by the Grand Jury was by reference to a single generic legislative general intent provision 81002(e) focused specifically on campaign related issues favoring incumbents that

elections may be conducted more fairly. The Board agrees that any identified law or campaign practice unfairly favoring incumbents as contemplated in the Act should be abolished in order that elections may be conducted more fairly.

However, the Grand Jury cites no laws that should be abolished. Nor do the Board's current practices involving CID funds violate the Act in any way. A review of the legislative history and the specific provisions of the Act clearly shows that there has been no violation of any law. Nor is there any legal prohibition of the Board's current practices of granting CID funds. The awarding of the CID funds throughout the year is appropriate and not improper. In addition, while not required by law, the Board has recognized the potential public perception of unfair campaign advantage by prohibiting the awarding of CID funds 60 days before any election in which an incumbent Board member is on the ballot.⁵ This Board-implemented practice sets a high, ethical election-campaign standard not required by the Act or any other law.

More relevant to the application of the Act to the CID program is one of its declarations that states "public officials, whether elected or appointed should perform their duties in an impartial manner, free from bias caused by their own financial interests or the financial interests of others who have supported them" (Government Code Section 81001(b)). In addition to campaign fund-raising and expenditure-reporting requirements, the Act sets up specific statutory disclosure and disqualification guidelines for all public officials to follow to avoid any potential conflict-of-interest violations.

Nothing in the Grand Jury Report substantiates or concludes that any Board member had violated or ignored any of the Act's provisions involving conflict-of-interest laws or election-campaign provisions of the Act.

The Act's public official disqualification rule concerns the financial effect a governmental decision will have on public officials' personal financial interests at any stage of the decision-making process. In addition, the statutory provisions dealing with unfair personal advantage and perks regarding public officials, to which the Grand Jury report alluded, actually focuses on receiving money for giving a speech, writing an article, or attending a public or private conference or convention. Failing to report or improperly receiving gifts over the statutory limit from a single source donor is also viewed as an unfair personal advantage and perk. None of these improper practices or legal conflicts was found in the Grand Jury findings or recommendations.

Receiving public recognition as a public official for supporting CID sponsored events, or for the county properly funding such events, is not improper and has never been illegal under any campaign law or other California statute. The mere fact that an elected official receives personal recognition and identification because of governmental decisions made in the public's interest, such as allocation of the CID program, does not violate any provisions of the Act or its legislative declarations as mistakenly suggested by the Grand Jury. Such recognition is a part of public life and a public official's decision-making duties. The Grand Jury misconstrues such identification as generally

⁵ Having countywide criteria and procedures for complying with Board policies setting the time frame as well as which nonprofits or community groups to fund and at what level, can help standardize the grant application process and relieve some of the Grand Jury's criticism and perception about creating an unfair election-campaign advantage.

inappropriate when reviewing the CID program. Any decision regarding such recognition is a matter for each Board member.

As stated previously, through its recent Policy A-70 as a best practice, the Board recognized that awarding CID funds immediately before an election could create the potential appearance of an unfair advantage. While not required by law, the Board will continue to implement Policy A-70 to avoid even the potential appearance of any campaign related practice that creates an unfair advantage.

The Grand Jury Report has focused criticism on the relationships among the CID program, the Act and several county policies. The Grand Jury stated that the Board ignored the Act and specific county policies. Based on its interpretation of these provisions, the Grand Jury concluded with a very broad brush that Board members improperly used public resources to gain an unfair advantage when campaigning for elected office. However, contrary to this finding and conclusion, the disbursement of CID funds by Board members did not violate any provisions of the Act or the referenced policies.

Potential conflicts of interest by Board members, implicated by the Grand Jury by reference to the Act, deal with very specific types of campaign reporting and disclosure rules as well as rules on statutory economic-interest disclosure and disqualification. These statutory provisions are inapplicable and are outside the scope of the Grand Jury's findings and recommendations. For example, no facts even suggest that a Board member had any financial conflict of interest as defined by the Act when participating in any decision regarding the CID program application and funding process, or that any Board member violated any specific provision of the Act.⁶

Finding # 2: Lack of Oversight

Response: Respondent disagrees partially with the Finding.

While the Grand Jury stated there is no follow-up and "virtually no oversight of the CID funds," there has been some oversight. Four of the five supervisorial offices said they require applicants for these funds to complete a request form. One Board member has a procedure that requires recipients to provide a written update of the expenditures six months after funds are awarded. Since the CID program was created, Board members have revised processes and policies for how applicants are accepted and funds are disbursed. Currently, all Board members require applicants to fill out application forms to receive funding and require various forms of documentation before and/or after funds

⁶ The Act's rule for any potential conflict is that a Board member may not make, participate in or influence a governmental decision that will have a reasonably foreseeable and material financial effect on the official, the official's immediate family, or any of the official's economic interests. Economic interests include statutorily defined real property interests, sources of income, business entities in which a public official has an investment or holds a management position. In addition, a single donor of gifts valued over \$440 within 12 months prior to any governmental decision also triggers a potential conflict. In addition, campaign provisions are found primarily in Chapter 4 and 5 of the Act and are inapplicable to any Grand Jury findings or recommendations of the Act. See Chapter 7 for conflicts of interest guidelines including Government Code Section 87100; 87103(a)-(e); 84100-84511; 85100-85802; California Code of Regulations Title 2 sections 18705; 18705.1; 18706.

have been disbursed. However, the Board agrees there needs to be improvement and better oversight.

The reported lack of systematic countywide oversight and a standardized application process creates valid concerns. This finding and its recommendation warrant Board review and improvement to the CID program application and oversight process. While Board members did not violate provisions of the Act or Board policy, the Grand Jury has accurately observed the need for better oversight and follow-up accountability.

Finding # 3: Pet Projects

Response: Respondent disagrees wholly with the Finding.

The "Pet Projects" term used in the Grand Jury Report was taken out of context from a staff member describing important social programs within the individual supervisor's district. This finding reflects a somewhat pejorative and limited perspective of the overall CID program and funded projects (See Attachment B). Each district has its own specific concerns about issues ranging from homelessness and senior nutrition, to youth sports, music and other nonprofit educational and cultural needs. A charity, community event or activity that requires resources while serving the community, or a portion of the community (such as helping a college choir during tough times) should not be denigrated or ruled ineligible simply because it occurs annually. Neither should it be ineligible because the Board members and others in the community might hold differing opinions about the short- or long-term effects on improving the community's quality of life.

In addition, the charity and community sponsorship and fundraiser events category identified by the Grand Jury was relatively small compared to the overall CID funded projects and programs (See Attachment B). The enhanced administrative oversight discussed in our recommendations also addresses any Grand Jury observations raised in Finding #3.

Finding # 4: Sponsorships

Response: Respondent disagrees partially with the Finding.

The Grand Jury identified 11 expenditures of CID funds related to sponsorship activities and events of nonprofit and community organizations.

Dignitaries and elected officials are recognized at community events whether or not they or the County donate money. Nonprofits and other community groups typically work to bring varied interests from the community together at their fundraisers. People who attend such events know that elected officials and others who hold notable positions in a community often are singled out and recognized by name in appreciation for their attendance, support and service to the community. Such recognition also provides credibility in organizations' efforts to raise funds for their worthy causes. In addition, support from broad segments of the community and leaders in local government, business and education are keys to financially successful events that help sustain funds for community groups' services year-round.

Those facts notwithstanding, developing a countywide policy would help clarify for recipients and their supporters that recognition for a CID contribution should accrue to the County of Riverside. However, as a practice, it is not improper or illegal for an individual Board member also to be recognized separately to enhance the credibility of the CID-sponsored community group and its fundraising efforts. Allowing or restricting such recognition because of a CID donation should be the individual policy decision of each Board member.

Finding # 5: Capital Construction Projects

Response: Respondent disagrees partially with the Finding.

The Grand Jury report states: "Unlike other projects that are funded in whole or in part by the County, the nonprofit projects that received CID funds did not go through the same scrutiny and professional and technical assessment as capital projects for county-owned facilities."

In many cases, CID recipients' capital projects are not subject to the same scrutiny or state legal requirements as capital projects for county-owned facilities. There is no practical or legal justification to link them to the same state bureaucratic requirements. In addition, building improvements such as minor expansions or repairs after a flood or fire can still be classified as "capital" in nature.

Eliminating capital projects from CID funding would, at times, unnecessarily hinder community groups from providing vital services to the community. However, the oversight concern raised by the Grand Jury Report on capital construction projects warrants further study, analysis and inclusion in a program-wide CID policy. It is anticipated the time frame for Board action on this matter will be within the six-month period required by law.⁷

From FY 2006-07 through May 20, 2014, 147 capital construction projects were funded, which totaled approximately 13 percent of the \$26.2 million in CID Funds awarded. Of that total, more than 41 percent of the funding was provided to county departments such as Transportation, Regional Park District and Facilities Management. Less than eight percent of the total CID funding for capital construction was provided to nonprofit organizations and community groups. Increased oversight measures will be evaluated and put into place for these types of projects.

Finding # 6: Requests for Board Actions Submitted on Form 11

Response: Respondent disagrees partially with the Finding.

The Board has developed a policy and procedures for submitting agenda items requesting Board action. As explained below, the Board is exempt from that policy.

⁷ Pursuant to Penal Code Section 933.05(b)(3), when a Grand Jury recommendation requires further study and analysis as evidenced in Finding and Recommendation #6, the timeframe shall not exceed six months from the date of publications of the Grand Jury report.

All departmental requests for Board action are submitted on a "Form 11." Specific requirements for completing a Form 11 are detailed in Board Policy A-5. The policy requires that the "Background" section of a Form 11 include a clear explanation of the request being presented to the Board for approval. The Grand Jury found that members of the Board do not always comply with this section of their own policy when submitting requests to the full Board for CID fund expenditures. Further, the Grand Jury found that the county Executive Office does not always fulfill its responsibilities regarding Policy A-5 section 1D, which states:

It is the responsibility of the Executive Office to ensure that all items placed on the agenda are complete, accurate, and conform to county policy. The Executive Office will identify the policy impacts, verify the financial data, and make other recommendations as deemed necessary regarding proposed Board actions.

The Grand Jury has incorrectly applied Board Policy A-5 to its analysis of Form 11s that go to the Board, and its analysis is incomplete. The Board of Supervisors is excluded from Policy A-5, per Ordinance 442, which specifically exempts the Board. Therefore, its finding that the CEO does not fulfill its responsibility is inaccurate.

Although the Board is excluded from Policy A-5, some CID Form 11 requests do not provide sufficient details and need to be improved. A review of several CID Form 11s does demonstrate that the information provided is sometimes too vague or not complete enough to clearly explain the purpose of the funding. While in most instances this is not the case, it is an appropriate issue to discuss in developing a program-wide policy.

Finding # 7: Dorland Mountain Arts Colony

Response: The respondent disagrees partially with the Finding.

The intent of CID funds is to assist a variety of programs, community-based organizations and nonprofits as discussed in our overview section. However, the Board agrees that all involved CID organizations and programs must be financially viable and ongoing entities.

The Grand Jury did not take into account the community need, historical significance and quality-of-life aspects in making Finding #7. The 300 acres of the Dorland Mountain Arts Colony was homesteaded in the 1930s by an internationally renowned concert pianist and her mathematician/musician husband (Ellen and Robert Dorland). In the late 1970s, the Dorland property was converted into an artist retreat that resembled the retreats Ellen Dorland visited in the eastern United States. Over the years, more than 1,200 artists have retreated to Dorland to foster their creativity in a natural community setting, providing a significant cultural benefit to the surrounding community and region.

In 2004 a fire destroyed the Arts Colony. Since that time, a public fund-raising effort has been underway throughout the community to re-establish the colony. The Dorland Mountain Arts Colony's mission is to provide a unique working and performance retreat, fostering creativity and a community connection to the creative process, in a secluded

natural setting. The rebuilding efforts have resulted in the construction of two cabins for artists who apply for residencies.

As the facilities are rebuilt, public visitors and residents throughout the county are welcome at no cost to explore the nature preserve, admire the majestic views, hear local musicians perform, listen to readings by poets and writers, and enjoy the painting, sculpture and hand-made crafts available for sale. The Arts Colony has also offered off-site, ongoing free art classes to at-risk and underserved children and youth at Oak Grove Residential and Day Facility in Murrieta. The Board believes the Dorland Mountain Arts Colony helps meet social and quality-of-life cultural needs in the district and the Riverside County region.

In addition, the Grand Jury did not verify its comments regarding personal relationships in this finding with the supervisor who in fact does not have any close personal or social relationships with any of the colony board members. CID support for the facility was provided at the time when community and nonprofit fund-raising efforts had little success due to the recession. The rebuilding plans include a community performance/open studio space to provide additional capacity for community service and outreach.

In the final analysis, the Board recognizes and agrees with the Grand Jury that the CID program can be improved. Those improvements include but are not limited to oversight of the nonprofit grant application process to ensure proper accountability, including registration requirements for all CID funded nonprofits.

Finding # 8: Registration of Nonprofit Organizations

Response: Respondent disagrees partially with the Finding.

According to the California Attorney General, "the attorneys and auditors of the Charitable Trusts Section investigate and bring legal actions against charities and fundraising professionals that misuse charitable assets or engage in fraudulent fundraising practices." The Grand Jury report does not address fund-raising professionals, nor does it specifically allege any fraudulent practices have occurred.

There is Board discretion to fund community programs that are not necessarily 501(c)(3) nonprofits pursuant to Section 26227 and the Board's inherent legislative authority. Since its inception, CID funding has not been reserved solely for registered non-profit groups or organizations served by professional fundraisers. A festival coordinated by a city, or a grass-roots event held to celebrate a small community's heritage would not necessarily involve either. In addition, CID money also has been used to augment services provided by county departments struggling with budget cuts. For example, CID funds have been allocated to support code enforcement services, community centers, museums, libraries, animal services, and parks and recreation services.

In its own recommendations, the Grand Jury acknowledges that CID funding not be reserved for registered nonprofits, saying steps should be taken to ensure accountability and oversight of "any public funds provided to community and nonprofit organizations."

However, eligibility for funding should be more clearly explained as part of a countywide CID policy. Any policy should require that registered nonprofit groups applying for CID funds prove that their charitable status is current for the groups to be eligible for CID funding.

Finding # 9: EDA Holding Accounts

Response: Respondent agrees with the Finding.

The intent of the EDA accounts was to make money readily available for uses already approved by the Board. The availability afforded by the EDA accounts, however, is not so vital that the mission of the CID program would be irreparably harmed by eliminating or phasing-out those accounts. Notwithstanding prior approval by the full Board, any funds remaining in the EDA accounts before the Board adopts a system-wide policy should transfer to the general fund for other county uses. As an option, any proposal to donate those funds through the CID program should be approved by the Board before being allocated, despite the earlier approval to transfer the funds to the holding account.

Finding # 10: Fundraisers

Response: Respondent partially disagrees with the Finding.

The question of whether community and nonprofit fundraisers should be eligible for CID funding is a policy matter for the Board to decide, as previously discussed in the overview section of this report. Based on the comments of one Board of Supervisor's chief of staff, the report raises the issue of scant documentation about offering CID funds as community fundraiser challenge grants or matching community grants. That point does not recognize the larger issue involving such events. The goal of the community events, often, is not simply to hold a onetime fundraiser function. Organizations throughout the community rely on proceeds from these events to provide resources year-round for countless programs ranging from health services to assisting the homeless. However, this issue should be addressed by study and analysis as the Executive Office develops a proposed countywide policy and application process to guide CID use, as further stated in the recommendation section of this report.

Finding # 11: Memorials

Response: Respondent disagrees wholly with the Finding.

Board Policy H-16 was originally approved on May 12, 1987, and was most recently revised on December 18, 2007, incorporating language to streamline the process. The purpose of the policy is to provide a consistent approach to requests to install building plaques and/or statuary/monuments on county property. Furthermore, the policy provides for Board of Supervisors' discretion in determining whether a request is approved for installation in a county facility or on its grounds. The only example cited in the Grand Jury report, the Distinguished Flying Cross Memorial at March Air Field, is not located on county-owned property. Such a use would be outside the policy referenced in the Grand Jury report, and the issue of recognition for CID donations already has been addressed in a response to a previous finding.

The policy cited by the Grand Jury report states that the cost of plaques/monuments on county buildings or county property will be borne solely by the proponents rather than the county. Yet the Grand Jury report references the use of funds for "memorials in several cities ... (and) to maintain memorials." The policy clearly does not apply to such uses. In addition, supervisors have at times been among the proponents for such plaques and monuments.

In reviewing the use of CID contributions for military and other types of memorials, less than \$470,000 was distributed in the eight years since inception, or less than 1.79 percent of total expenditures. Just over \$300,000 was specifically allocated for military memorials.

Finding # 12: Political Reform Act Government Code Section 81002(e)

Response: Respondent disagrees wholly with the Finding.

The Grand Jury in this finding again cites California Political Reform Act Government Code Section 81002(e):

"Laws and practices unfairly favoring incumbents should be abolished in order that elections may be conducted more fairly." in referring to the naming of a recreation and park district center after an incumbent board member.

Trying to bootstrap Section 81002(e) and Policy A-70 to the center, as a matter of law is legally inappropriate and unjustified. The Grand Jury similarly misconstrues Section 81002(e) and incorrectly applies Policy A-70 along with the Act's legislative intent in this finding. No improper campaign conduct or unfair advantage is created by the Board naming a Community Center after one of its long-standing incumbent members during the 2010 election year cycle. It should be noted that the request for such recognition was made by the city and not any Board member.

In addition, there is no improper campaign activity simply because the center publishes the schedule of activities or has signs identifying the center's name. Reviewing the Act's ballot pamphlet, selected pages from its ballot summary files of the Attorney General records, and selected pages from the Secretary of State Elections Code records show the focus of the Act's intended purpose is on campaign contributions and disclosure requirements. The Act's primary purpose relates to regulating campaign funds, lobbyists, financial conflicts of interest and preparation of ballot measures. The Legislative Counsel analysis relating to incumbency states in part that the Act "would prohibit placing a candidate first in listing candidates for an office on the ballot solely because of his incumbency. It would prohibit the mailing of legislative newsletters of other mass mailings at public expense by, or on behalf of, any elected state officer after he has filed as a candidate for any office." Clearly, there is no legal application of Section 81002(e) to this finding.

Finding # 13: CID Funds Spent Outside Riverside County

Response: Respondent disagrees wholly with the Finding.

Riverside County, its residents and its elected city and county officials have established close ties with residents in countries around the world. Those links have been forged through economic development initiatives intended to strengthen our local economy, ceremonial visits and other social programs. Such Board decisions fall within the provisions of Section 26277.

The City of Sendai became a sister city to the City of Riverside in December 1957, making it the oldest such relationship in the nation. The City of Riverside, the county seat, also has cooperated closely with Riverside County on programs and initiatives for decades. The 2011 earthquake and resulting tsunami devastated the Sendai region. The cataclysm killed almost 16,000 people and caused \$300 billion in damage.

The Grand Jury report points out that, "The federal government and international relief organizations such as the International Red Cross, United States Agency for International Development and UNICEF are among the main organizations for international relief." While that is the case, compassion in such horrific situations should not end at the county's borders, especially for a city with ties dating back almost 60 years to Riverside County communities. Riverside County is larger than 12 states and the Board, acting as its legislative body, has the authority to provide public funds for such humanitarian, social and economic purposes. Whether or not it is the best expenditure of CID funds is a policy decision that can always be debated before the Board in open public session.

Finding # 14: Colorado River Senior Center

Response: Respondent disagrees partially with the Finding.

The Colorado River Senior/Community Center is located in a rural, very low-income, isolated desert area of the county. Clients are located in a region covering over 400 square miles and the center is located 32 miles from Blythe. The center's main purpose is to promote the general welfare and economic development of seniors residing in the area. The center provides nutrition services, commodities distribution, transportation assistance, and daily activities to attain and/or maintain the physical and mental well-being of clients. Without the services supported through the combined funds discussed in the Grand Jury report, the quality of life for needy seniors in the Colorado River Communities would be compromised.

The Grand Jury apparently misinterprets the center's overall purpose and its programs with its almost singular focus on specific food services. In this regard, the Grand jury report provides a statement from the Older American's Act, which is incorrectly applied, because the Office on Aging contract with the center does not include food services. While the marketing of the center's food-services program may be called into question, it is uncertain whether CID funds went to this service. The center provides a wide array of services available to seniors that include: health fairs and health screenings, social and physical activity programs, low-cost nutritionally balanced meals, newsletters and

transportation assistance. The center also works closely with other nonprofits for commodity distribution and meal delivery. The facility also serves as the local emergency shelter. The Grand Jury asserts that the center is ineffective and should be shut down. The assertion is not supported by the facts. The center provides vital services in a remote area to a fragile senior population that likely cannot travel 32 miles one-way for comparable services.

The development of a countywide policy covering the use of CID funds that more clearly explains the applicant's scope of work would provide the necessary documentation for the oversight and accountability set forth in our recommendation section.

Finding # 15: Board of Supervisors Policy A-70

Response: Respondent disagrees wholly with the Finding.

On June 18, 2013, item 3-1, the Board of Supervisors approved Policy A-70, for the purpose of restricting pre-election mailing and the award of CID funds. The new policy was established in an effort to strive for greater transparency and a high ethical standard for members of the Board seeking re-election or election to another office. The intent was to avoid even the potential appearance of using CID funds in any way that could be perceived by someone as enhancing a Board member's identification 60 days before any election in which the supervisor's name is on the ballot. While the Political Reform Act does not include any such legal prohibition or restriction, the Board has embraced this higher ethical standard in Policy A-70.

Executive Office staff reviewed the video recording of the June 18, 2013, meeting in which board members approved the policy. Board members expressed a desire to have some flexibility in the event a local, state or federal emergency was declared within the 60-day prohibition period. Board members wanted to be able to respond to the emergency on-hand and provide funding for resources. Following the discussion, County Counsel suggested language be included for exceptions in the event of local, state or federal emergency. The approved policy includes the following language: "*The CID fund restrictions stated in this policy shall not apply if a Federal, State or County emergency has been declared.*"

Since approval of the policy, there have been no CID fund awards by board members seeking re-election or election to another office during the prohibited period.

The Grand Jury report also notes that, "*The Board has declared county emergencies continuously since March 5, 2002...*" The unnamed emergencies in the Grand Jury Report have included infestations of bark beetles, golden spotted oak borers and severe drought and fire hazards. Apparently, the Grand Jury misinterpreted and misconstrued the reason for those declarations. To be clear, such emergencies are declared to ensure the county is eligible to receive state or federal funding, should funds be made available for those specific purposes. It does not in any way revoke the application of Policy A-70 in restricting pre-election campaign mailing and the award of CID funds.

Despite the various emergency declarations since the inception of the CID program, there has not been a single instance in which funds have been appropriated to deal with

local emergencies nor has the Board approved any CID funding during the 60-day period in question. Contrary to the Grand Jury's belief and its recommendation, Policy A-70 emergency provision has not created a "default nullification" of the limits placed on CID fund expenditures 60 days before an election.

Response to Recommendations

Recommendation # 1: The practice of using public resources to promote the name identification of members of the Board through the awarding of CID funds should be abolished, as prescribed in California Government Code Section 81002(e). The practice of awarding CID funds throughout the year shall be prohibited.

Response: The recommendation will not be implemented because it is not warranted or is not reasonable.

The Board of Supervisors should direct the Executive Office to develop a countywide policy covering the use of CID funds that more clearly explains that recognition for CID donations is from the County of Riverside. Because the vital service that community groups provide is year-round, CID funds should remain available year-round as well, based upon specific application and need.

Recommendation # 2: The Board shall adopt procedures to ensure greater accountability and oversight of any public funds provided to community and nonprofit organizations.

Response: The recommendation has not been implemented, but will be implemented in the future.

The Board of Supervisors will direct the Executive Office to develop a countywide policy for Board consideration covering the use of CID funds, including accountability and oversight. The Executive Office is also directed to develop a standardized application form for use by all five districts and bring the proposed form and any other prospective changes back to the Board for consideration. The time frame for the implementation of this recommendation will meet the requirements of state law.

Recommendation # 3: The practice of using public resources to promote the name identification of members of the Board through the awarding of CID funds should be abolished, as prescribed in California Government Code Section 81002(e). The Board shall adopt procedures to ensure greater accountability and oversight of any public funds provided to community and nonprofit organizations.

Response: The portion of the recommendation related Section 81002(e) will not be implemented because it is not warranted or reasonable. The portion of the recommendation related to accountability and oversight requires further analysis and study by the Board to develop appropriate policies to implement this recommendation.

There is no practice by the Board or individual supervisors to use public resources to promote their individual name identification as prescribed in Section 81002(e) and as previously discussed in our Finding Section responses.

The Board will direct the Executive Office to develop standardized procedures regarding accountability and oversight of public funds provided through the CID program to be completed within six months. That proposed policy also should include provisions that more clearly explain the intent and purpose for CID funds. New countywide application and accountability protocols should be developed and implemented to provide greater accountability and oversight of all public funds provided to community and nonprofit organizations.

Recommendation # 4: The practice of using public resources to promote the name identification of members of the Board through the awarding of CID funds shall be abolished. All checks issued from CID funds shall be processed through the County's Executive Office, and not through the individual supervisors' offices. CID recipients shall receive with each check a letter from the County Executive Office stating that any credit or recognition for awarding the funds shall be given to the "County of Riverside." Individual supervisors shall not be named, in accordance with the California Political Reform Act and County of Riverside Policy A-70. Failure to comply may result in forfeiture of CID funds and/or ineligibility for future funds.

Response: The recommendation will not be implemented because it is not warranted or reasonable.

As previously stated, the Grand Jury has misinterpreted and legally misapplied the Act to the CID program and the Board members' participation. Some supervisors have been recognized, and will continue be recognized, as elected officials at events and activities supported or sponsored by CID funds. Recognizing participants is a decision that is at the discretion of the community organizations and is within their rights.

Recognition at such events is not unusual for elected officials, business leaders or others with prominent roles in the community. However, there is no custom or practice by the Board to grant any public resources that are specifically intended to promote their individual name identification. The high ethical standard provided in Policy A-70 appropriately addresses this issue during an election cycle in which an incumbent is on the ballot.

As previously stated in Recommendations 1 and 3, a countywide policy will be proposed by the Executive Office to help clarify for recipients that recognition for CID contributions should accrue to the County of Riverside. However, this should not exclude individual recognition on behalf of the community group's efforts to enhance the credibility of its organization. Once a countywide policy is adopted, there is no reason that applications for CID awards cannot be accepted and placed before the Board of Supervisors by individual supervisorial district offices.

This is the common practice and procedure for most matters set for the Board agenda. CID approvals are authorized by full vote of the Board of Supervisors. District community programs, events and activities are tied to the supervisorial district offices. Checks should continue being processed as they are now. This is a procedural issue to be discussed with the Board and Executive Office when the new countywide CID policy has been proposed or adopted.

Recommendation # 5: The Board shall prohibit the use of CID funds for nonprofit capital construction projects. The supervisors and the County of Riverside lack the resources to assess the quality of construction or whether the CID funds were used for the specific purposes requested. In addition, the use of public funds to purchase kitchen equipment and other capital outlay expenditures for nonprofit organizations shall be prohibited unless a critical community need can be demonstrated.

Response: The recommendation will not be implemented because it is not warranted or reasonable.

Despite the Grand Jury's finding, many CID-related capital construction projects are not subject to the same scrutiny or state requirements as capital projects for county-owned facilities, so there is little reason to link them in that manner. In addition, capital construction often may constitute minor building improvements – minor expansions or repairs after a flood or fire – that still can be classified as capital in nature. Eliminating capital projects would unnecessarily prevent the use of CID funds to help community groups provide vital services to the community.

It is within the Board's power and authority to determine when a community social need exists and when to support nonprofit capital construction projects. Placing a Grand Jury's undefined "critical community need" prohibition for nonprofit capital projects usurps both the state legislature and the public purpose doctrine set forth in Section 26227. It is not warranted or reasonable.

Recommendation # 6: The Board shall follow Policy A-5 and provide a clear explanation of CID expenditures presented to the Board for action. The County Executive Office shall fulfill its responsibilities as required in Policy A-5 by ensuring the supervisors comply with Policy A-5 by providing a clear explanation of each request and pertinent background information on previous board actions related to the request.

Response: The recommendation has not been implemented, but will be implemented in the future.

The Board of Supervisors should direct the Executive Office to develop a proposed countywide policy covering the use of CID funds and bring it to the Board for consideration. That policy should expand and standardize application requirements and the explanation included in application materials regarding eligible uses of funds. It also should include requirements that recipients document their use of the funds within an established time frame after CID money has been awarded.

Recommendation # 7: The supervisors shall provide appropriate disclosure when family members, friends, friends of immediate family members, employees of a supervisor or business partners request CID funds, or are principals in or consultants for any organization requesting CID funds. The Board shall receive ethics training with an emphasis on the topics covered in Government Code Section 53234(d).

Response: The recommendation has been implemented regarding Section 53234(d) and is included in the AB1234 Ethics Training for public officials. It has been implemented by the Board since 2006 when the law was first enacted. Each supervisor will continue to appropriately disclose any personal relationship that involves a potential financial conflict pursuant to the Act.

The Act does not require disclosure of personal relationships including friends and family members for CID funds unless there is a statutorily defined financial conflict of interest pursuant to Government Code Section 87100 et seq. The Grand Jury recommendation regarding disclosure is inconsistent, inappropriate and outside the parameters of the Act (See Overview Section and Finding #1).

Any proposed countywide policy developed by the Executive Office should include guidance pursuant to the Act's disclosure requirements when identifying personal relationships such as relatives or close personal friends who are involved in requesting CID funds. The policy should follow the Act's disclosure requirements pursuant to Form 700. The categories of people to be identified also should include employees of a supervisor or business partners who are involved in requesting CID funds, also following the Act's Form 700 filing guidelines. The Grand Jury Report identified no instance in which any supervisor or staff member did not properly disclose such relationships as mandated by the Act.

Recommendation # 8: The supervisors shall review the Office of Attorney General's website to ensure that nonprofit organizations proposed to receive CID funds are registered as required by Government Code Sections 12585 and 12586. The supervisors shall not issue CID funds to unregistered or suspended nonprofit organizations.

Response: The recommendation specifically regarding non-profits has not been implemented, but will be implemented in the future.

Since its inception, CID funding has not been reserved solely for registered non-profit groups. In addition, CID money has been used to augment services provided by county departments struggling with budget cuts. In its own recommendations (#2), the Grand Jury mentions steps to ensure oversight and accountability for "any public funds provided to **community and nonprofit organizations**" (emphasis added).

However, eligibility for funding should be more clearly explained as part of a countywide CID policy and application process. Any such policy should require registered nonprofit groups to provide documentation showing that their charitable status is current in order for the groups to be eligible for CID funding under the nonprofit category.

Recommendation # 9: The supervisors shall abolish the EDA holding accounts that have made it possible for them to hide from public view the uses of some CID expenditures and to carryover CID funds from one fiscal year to the next. The Riverside County Office of Auditor-Controller shall audit these funds to determine if there have been any violations of fund controls and expenditures, including regulations for encumbering prior-year funds and carryover into future years.

Response: The recommendation has not been implemented, but will be implemented in the future.

The intent of the EDA accounts was not to hide or misapply unused CID funds. The purpose was to make money readily available for community public purpose needs already approved by the Board of Supervisors. The availability afforded by the EDA accounts, however, is not so vital that the mission of the CID program would be irreparably harmed by eliminating or phasing out those accounts. The Board of Supervisors should direct the Executive Office, in creating a proposed countywide policy addressing use of CID funds, to eliminate or phase out EDA accounts. (See Attachment C - Letter from Office of the Auditor-Controller)

Recommendation # 10: The Board shall separate the CID donations to nonprofit organizations from the galas, breakfasts, luncheons and dinners of the nonprofits. There is nothing preventing the supervisors from supporting the nonprofits with taxpayer funds separate from the high-profile fundraiser events. Providing donations to the nonprofit organizations without connection to the fundraising events reduces the appearance of supervisors using public funds to promote their name recognition and favorability before potential voters. It also reduces the overhead to the nonprofits that provide the meals and other perks to the supervisors.

Response: The recommendation requires further analysis and study.

The question of whether a nonprofit or community fundraiser event warrants CID funding is a policy matter for the Board to consider after the Executive Office completes its overall review of the CID program, including new oversight and accountability procedures. The Executive Office's proposed policy should clearly establish that recognition for any CID donation should accrue to the County of Riverside, even when there may also be some recognition benefit to the district supervisor.

The Board will also continue to follow the Political Reform Act's statutory guidelines regarding galas, breakfasts, luncheons and dinners related to community and nonprofit events.

Recommendation # 11: The supervisors shall be consistent and remove the section in Policy H-16 that states memorial costs "will be borne solely by Proponents," or abide by the section themselves.

Response: The recommendation will not be implemented because it is not warranted or reasonable.

The Grand Jury has misinterpreted Policy H-16. There does not appear to be a clear nexus among the issues cited in Finding #3, related to this recommendation. No action is recommended.

Recommendation # 12: The Board shall follow the California Political Reform Act Government Code Section 81002(e) and remove the name of the community center named after an incumbent member of the Board and change it back to the Romoland/Homeland Community Center. This would be consistent with the other center names in the Valley-Wide District, and recognize the community residents who will be paying the tax increment for the center until 2037.

Response: The recommendation will not be implemented because it is not warranted or reasonable.

In no way during the 2010 election cycle did the Board or any individual supervisor used public resources to enhance any name recognition for campaign purposes when a name change to one of the Valley-Wide Recreation and Park District Centers during an election year cycle.

The Grand Jury's attempt to dictate county policy and usurp Board authority by claiming that a Board action four years earlier violated the Act is a misguided attempt at manipulating Board policy and a complete misinterpretation of the law. The recommendation is unreasonable and not warranted. Naming any center for any public official is not a violation of Section 81002(e). Such action by the Board is well within its authority and discretion. Please refer to Finding # 1 for a more detailed discussion.

Recommendation # 13: CID funds proposed to be spent outside of Riverside County cannot be passed on consent and shall be discussed before a vote. A supervisor or the Clerk of the Board must read the "Background" section of the Form 11.

Response: The recommendation will not be followed because it is not warranted or reasonable.

It is the prerogative of the Board of Supervisors, or members of the public who attend Board meetings, to request that an item be pulled from the Policy Calendar agenda and discussed in open session before a vote is taken. This is state law, which requires only that the titles of certain agenda items to be read prior to approval. A reading of the background reports for CID items is not mandated in any similar manner.

There is no legislative legal requirement and it is unreasonable and unnecessary to mandate that the Board adopt this additional legal duty, which is not authorized by law. No action is recommended.

Recommendation # 14: The Board shall not provide CID funds to nonprofit organizations without establishing oversight standards and following them. The Board shall comply with its minute order dated July 13, 2009, (Agenda Item 3.98)

“to develop standard criteria for organizations applying for these (CID) funds.” Given the high overhead cost to operate the Colorado River Senior Center, the approximately \$100,000 a year in total public funds could be used more effectively and efficiently by closing the center and shifting the programs to the Blythe Food Pantry or another existing program.

Response: The recommendation requires further analysis and study.

The Board disagrees that the funding could necessarily be better used by closing the center, as detailed in Finding #14. However, the Board will direct the Executive Office to develop a proposed countywide policy covering the use of CID funds and bring it to the Board for consideration.

Any new Board policy should expand and standardize application requirements as well as the explanation included in application materials regarding eligible uses of the CID funds. It also should include requirements that recipients document use of the funds within an established period of time after CID money has been awarded.

Recommendation # 15: The supervisors shall remove the last sentence in Policy A-70, which currently nullifies restrictions on CID expenditures 60 days before an election. The sentence to be removed states: The CID fund restrictions stated in this policy shall not apply if a Federal, State, or County emergency has been declared.

Response: The recommendation will not be implemented because it is not warranted or reasonable.

The use of CID funds may be wholly appropriate in the event of a federal, state or county emergency. No action is recommended. However, because the Grand Jury was somewhat confused by the existing language, the Executive Office is directed to review the policy language for purposes of clarification if deemed necessary.

ATTACHMENT A

Government Code Section 26227.

The board of supervisors of any county may appropriate and expend money from the general fund of the county to establish county programs or to fund other programs deemed by the board of supervisors to be necessary to meet the social needs of the population of the county, including but not limited to, the areas of health, law enforcement, public safety, rehabilitation, welfare, education, and legal services, and the needs of physically, mentally and financially handicapped persons and aged persons.

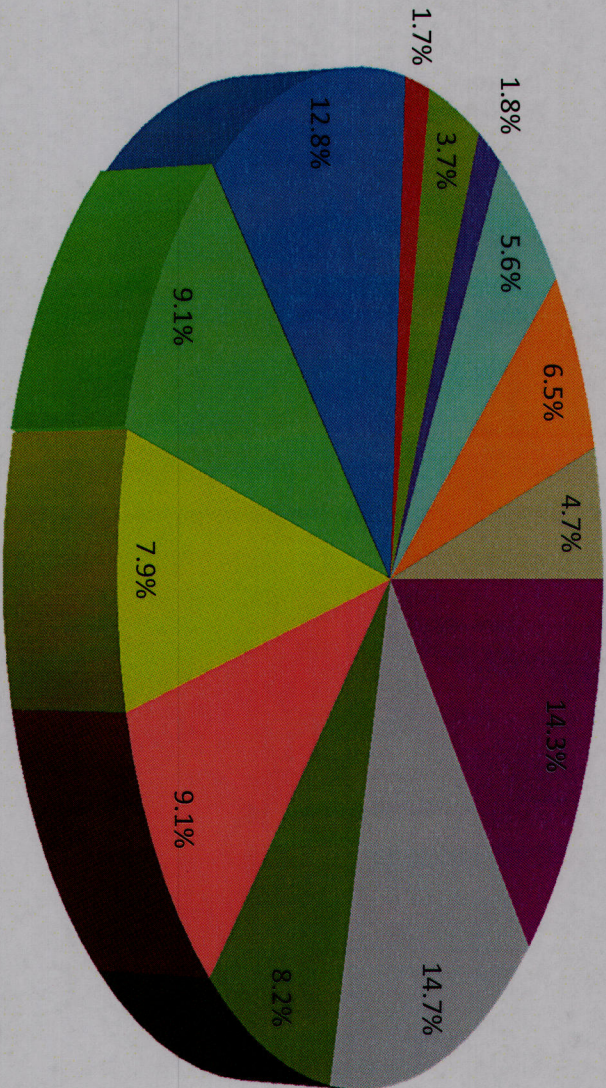
The board of supervisors may contract with other public agencies or private agencies or individuals to operate those programs which the board of supervisors determines will serve public purposes. In the furtherance of those programs, the board of supervisors may make available to a public agency, nonprofit corporation, or nonprofit association any real property of the county which is not and, during the time of possession, will not be needed for county purposes, to be used to carry out the programs, upon terms and conditions determined by the board of supervisors to be in the best interests of the county and the general public, and the board of supervisors may finance or assist in the financing of the acquisition or improvement of real property and furnishings to be owned or operated by any public agency, nonprofit corporation, or nonprofit association to carry out the programs, through a lease, installment sale, or other transaction, in either case without complying with any other provisions of this code relating to acquiring, improving, leasing, or granting the use of or otherwise disposing of county property.

A program may consist of a community support program including a charitable fund drive conducted in cooperation with one or more nonprofit charitable organizations if the board of supervisors deems a program will assist in meeting the social needs of the population of the county. If the board establishes a program, the officers and employees of the county shall have the authority to carry out the program, using county funds and property if authorized by the board. During working hours, a program may include direct solicitation by county officers and employees and the assignment of officers and employees to attend or assist in the administration of program activities if authorized by the board.

ATTACHMENT B

CID ALLOCATIONS - ALL DISTRICTS

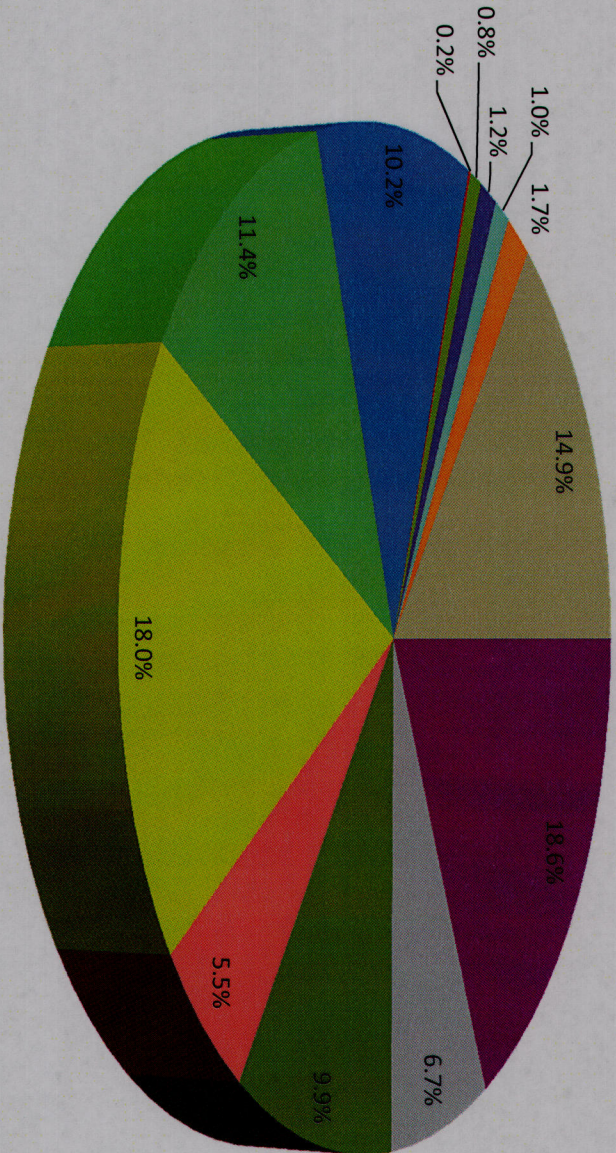
JULY 1, 2006 THROUGH MAY 20, 2014



- Youth Programs/Services
- Community Sponsorships/Charitable
- Fundraiser Events
- Education/Scholarships
- Family/Senior Services
- Public Safety/Animal Services
- Arts/Recreation
- Capital Construction
- Capital Purchase
- Food Services
- Cont. for Memorial/Military
- Health
- Miscellaneous
- EDA Holding Account

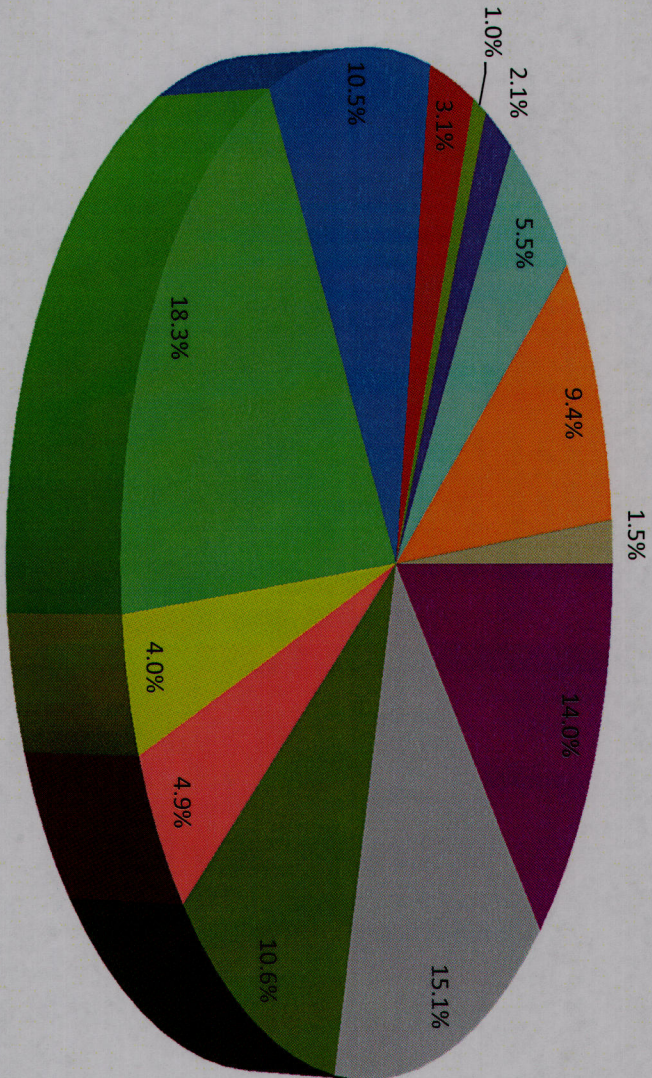
DISTRICT 1 CID ALLOCATIONS

JULY 1, 2006 THROUGH MAY 20, 2014



- Youth Programs/Services
- Community Sponsorships/Charitable Fundraiser Events
- Education/Scholarships
- Family/Senior Services
- Public Safety/Animal Services
- Arts/Recreation
- Capital Construction
- Capital Purchase
- Food Services
- Cont. for Memorial/Military
- Health
- Miscellaneous
- EDA Holding Account

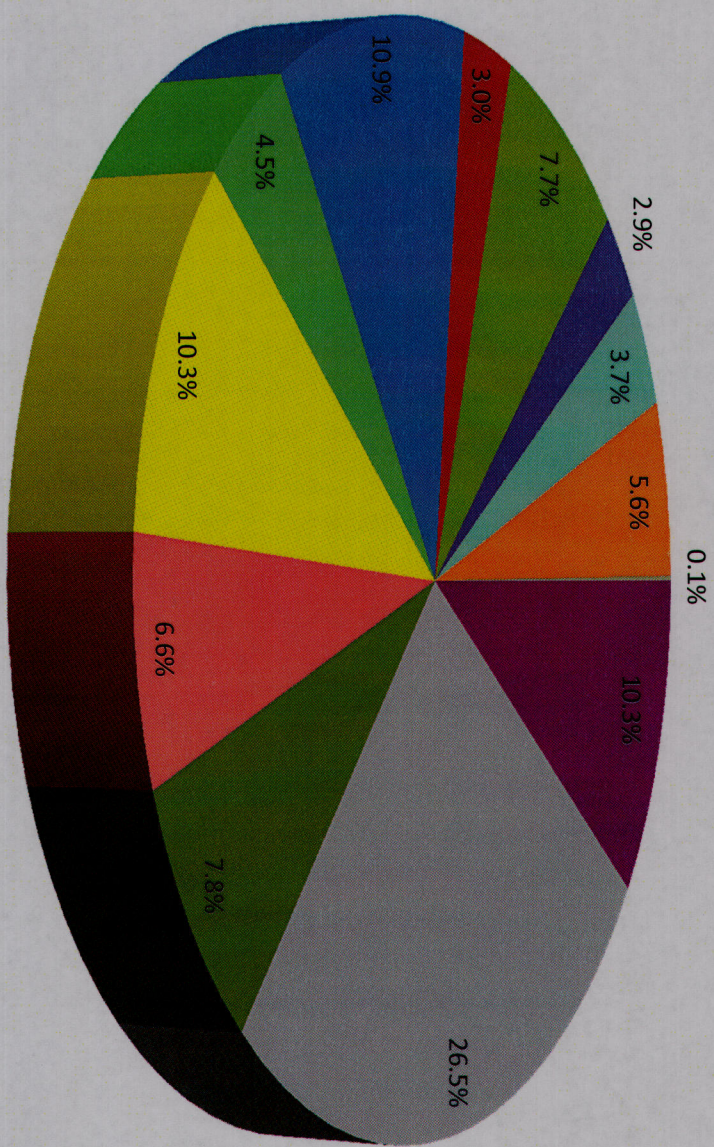
DISTRICT 2 CID ALLOCATIONS JULY 1, 2006 THROUGH MAY 20, 2014



- Youth Programs/Services
- Community Sponsorships/Events
- Education/Scholarships
- Family/Senior Services
- Public Safety/Animal Services
- Arts/Recreation
- Capital Construction
- Capital Purchase
- Food Services
- Cont. for Memorial/Military
- Health
- Miscellaneous
- EDA Holding Account
- Charitable Fundraiser

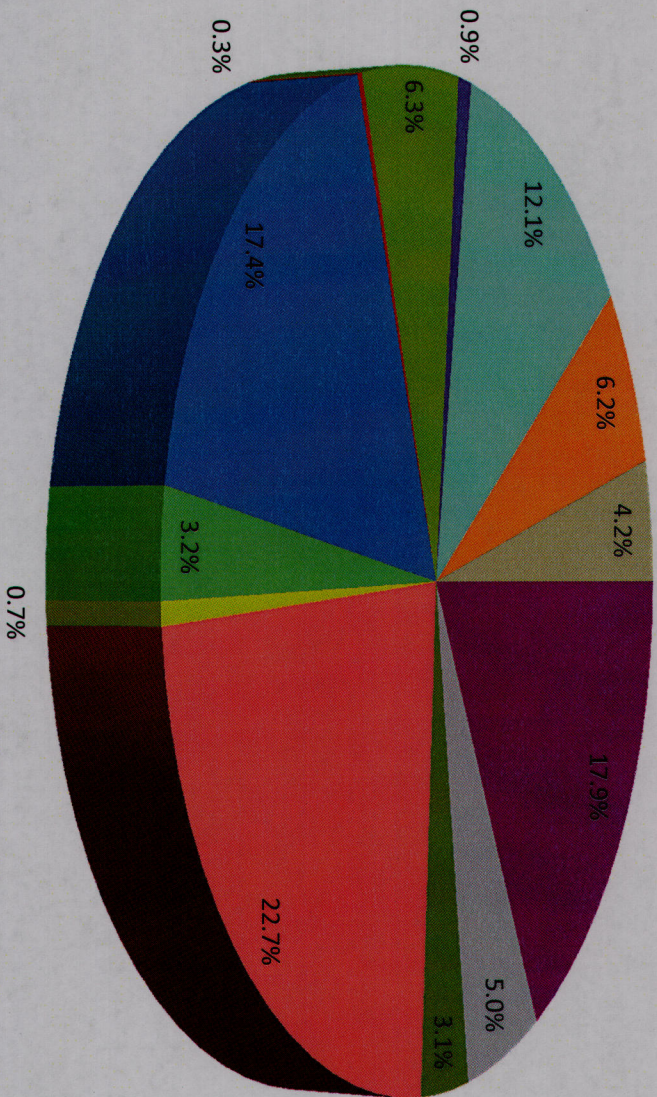
DISTRICT 3 CID ALLOCATIONS

JULY 1, 2006 THROUGH MAY 20, 2014



- Youth Programs/Services
- Community Sponsorships/Events
- Education/Scholarships
- Family/Senior Services
- Public Safety/Animal Services
- Arts/Recreation
- Capital Construction
- Capital Purchase
- Cont. for Memorial/Military
- Health
- Miscellaneous
- EDA Holding Account
- Charitable Fundraiser Events

DISTRICT 4 CID ALLOCATIONS JULY 1, 2006 THROUGH MAY 20, 2014



- Youth Programs/Services
- Community Sponsorships/ Charitable Fundraiser Events
- Education/Scholarships
- Family/Senior Services
- Public Safety/Animal Services
- Arts/Recreation
- Capital Construction
- Capital Purchase
- Food Services
- Cont. for Memorial/Military
- Health
- Miscellaneous
- EDA Holding Account

DISTRICT 5 CID ALLOCATIONS JULY 1, 2006 THROUGH MAY 20, 2014



- Youth Programs/Services
- Community Sponsorships/Charitable Fundraiser Events
- Education/Scholarships
- Family/Senior Services
- Public Safety/Animal Services
- Arts/Recreation
- Capital Construction
- Capital Purchase
- Food Services
- Cont. for Memorial/Military
- Health
- Miscellaneous
- EDA Holding Account

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

434



FROM: Executive Office

SUBMITTAL DATE:
April 29, 2014

SUBJECT: 2013-14 Grand Jury Report: Political Reform and the Riverside County Board of Supervisors

RECOMMENDED MOTION: That the Board of Supervisors:

1. Instruct the Executive Office to prepare their response to the findings and recommendations of the Grand Jury and direct the Executive Office to submit the response within 90 days.

BACKGROUND: The attached report has been issued by the Grand Jury.

Section 933 (c) of the Penal Code requires that the Board of Supervisors comment on the Grand Jury's recommendations pertaining to matters and that a response be provided to the Presiding Judge of the Superior Court within 90 days.

The response ultimately approved by the Board will then be forwarded to the Grand Jury as required by statute.

30dayBOS04.14.docx

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$	\$	\$	Consent <input type="checkbox"/> Policy X
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS:	Budget Adjustment:
	For Fiscal Year:

C.E.O. RECOMMENDATION:

APPROVE

BY
George A. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: May 6, 2014
xc: E.O. Grand Jury, BOS, ÇØB

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: | **District:** | **Agenda Number:** 33



RIVERSIDE COUNTY GRAND JURY

(951) 955-8990 OFFICE • (951) 955-8989 FAX

April 24, 2014

Jay Orr, Chief Executive Officer
County of Riverside
4080 Lemon Street, 4th Floor
Riverside, CA 92501

Subject: 2013-2014 Grand Jury Report:
Political Reform and the Riverside County Board of Supervisors

Dear Mr. Orr:

Please note that Penal Code Section 933 et seq. specifies that you file a response with the following agencies within ninety days.

Mark A. Cope, Presiding Judge
Superior Court of California, County of Riverside
4050 Main Street
Riverside, CA 92501

Riverside County Grand Jury
Post Office Box 829
Riverside, CA 92502

Riverside County Clerk-Recorder
2720 Gateway Drive
Riverside, CA 92507

Further, it specifies that this report be kept **confidential for a minimum of two working days** prior to public release. The contents of this report will be made public after the close of business **April 28, 2014**.

Sincerely,

Barbara A. Schlegel, Foreperson
2013-14 Riverside County Grand Jury

BAS:gs
Attach.

2013-2014 GRAND JURY REPORT

Political Reform and the Riverside County Board of Supervisors

Background

In 2005, the Riverside County Board of Supervisors (Board) established a discretionary fund program for each member of the Board to spend public funds on community improvements. As stated in Board Policy A-70, which was adopted in June 2013, the funds are to be "divided evenly among the supervisors to award to community organizations, nonprofits, county departments and government agencies." The discretionary funds, called Community Improvement Designation (CID) funds, totaled \$2.3 million in the 2013-14 fiscal year budget. Over the nine years of the CID program, the expenditures totaled \$32.4 million. Beginning with fiscal year 2012-13, some members of the Board shifted part of their CID funds to their office operations budgets for staff and other expenditures. In 2012-13, the overall budget for each supervisor, including both CID and operations, was \$1,450,000. In that same year, one supervisor spent \$379,000 in CID funds while another supervisor spent \$593,000.

Each supervisor must submit his CID expenditure requests on the Board agenda for approval. The Board established Policy A-5, which governs the procedures for placing an item on the Board agenda. A request for action or approval by the Board is submitted on what is called a Form 11, including CID fund requests. Policy A-5 states, in part:

It is the responsibility of the County Executive Office to ensure that all items placed on the agenda are complete, accurate, and conform to county policy. The County Executive Office will identify the policy impacts, verify the financial data, and make other recommendations as deemed necessary regarding proposed Board actions.

California law and County of Riverside policies have provisions to discourage or prohibit incumbent elected officials from using public resources to gain an unfair advantage when seeking re-election to their current office or election to another office. The California Political Reform Act and Board Policy A-70 have provisions that address unfair practices by elected officials.

Methodology

The 2013-2014 Riverside County Grand Jury (Grand Jury) investigation included the following:

- Reviewed more than five years of CID fund requests presented to the Board on County of Riverside Form 11s.
- Randomly selected at least four Form 11 requests from each member of the Board to determine if supervisors had additional information in their office files regarding the requests for CID funds from community organizations. The one exception was the Grand Jury did not request office files from the supervisor who had been on the Board for less than a year at the time of the Grand Jury investigation.
- Reviewed County of Riverside policies and ordinances.
- Reviewed the California Political Reform Act.
- Reviewed sections of the federal Older Americans Act.
- Reviewed documents from several county departments.
- Interviewed two members of the Board and at least two members of each supervisor's staff, including the chiefs of staff.
- Sworn and non-sworn testimony was given by county and city employees, and from nonprofit organizations.
- Interviewed numerous County of Riverside department managers and other employees in the departments, including the Riverside County Executive Office (County Executive Office), Riverside County Economic Development Agency (EDA), Riverside County Office on Aging (Office on Aging), Riverside County Counsel (County Counsel), Riverside County Clerk of the Board (Clerk of the Board) and Riverside County Human Resources (Human Resources).
- Conducted interviews with the Fair Political Practices Commission Enforcement Division.
- Conducted interviews with the Charities Division of the California Office of Attorney General.
- Interviewed representatives of community and nonprofit organizations that received CID funds, and visited facilities of CID recipients.

- Interviewed government officials in four cities in Riverside County.
- Interviewed individuals who solicited CID funds on behalf of nonprofit organizations.

Findings

1. Political Reform Act and County Policies Ignored by Board

The California Political Reform Act states in Government Code Section 81002(e), "*Laws and practices unfairly favoring incumbents should be abolished in order that elections may be conducted more fairly.*" The Grand Jury found that members of the Board routinely engaged in practices that result in an unfair advantage. These practices continued despite Policy A-70 adopted by the Board in June 2013 to set a higher standard than state and federal laws aimed at eliminating unfair practices in which public officials use public resources to promote their name identification with potential voters.

The Board policy, A-70, states in part:

It is the policy of the Board of Supervisors to strive for greater transparency and a higher standard for members of the Board of Supervisors seeking re-election or election to another office so as to avoid even the appearance of using public resources to enhance board members' visibility and name identification with potential voters.

Evidence obtained by the Grand Jury documented numerous examples where supervisors used public resources to enhance their visibility and name identification with potential voters. The supervisors awarded CID funds to hundreds of nonprofit organizations, often in connection with high-profile events such as galas, parades, chambers of commerce meetings, veterans' service organization meetings, senior center activities, and other events that attracted large groups of potential voters. While many of the organizations receiving the funds may have provided worthy services, the manner in which the funding awards were given presented the appearance of using public resources to promote Board members' visibility and name identification with potential voters.

Most of the galas and other high-profile events included meals at tables for between 4 to 10 people as part of the CID contributions. In addition to the meals, the supervisors and/or their staff members were often acknowledged at the events for their contributions and were sometimes

thanked and pictured in the recipient organizations' newsletters, websites, Facebook pages and other forms of communication.

When the Grand Jury asked a member of the Board about the CID program, he described it as a "slush fund." This supervisor objected to using CID funds to purchase tables for meals at dinner galas, golf tournaments and other events. Despite his objection, this supervisor has repeatedly voted to approve such funding for other members of the Board to spend their CID funds for meals at these events.

The supervisors award CID funds almost weekly to community and nonprofit organizations. This practice provides opportunities for year-round promotion of supervisors. Policy A-70 was established, in part, to avoid the promotion of supervisors prior to an election. The policy reads, in part:

The awarding of CID funds immediately before an election can create the appearance of an unfair advantage for a member of the Board of Supervisors seeking re-election or election to another office.

Several cities in Riverside County that provide funds to nonprofit organizations award grants only once or twice a year.

Each supervisor must submit his CID expenditures to the full Board for approval. A Grand Jury investigation of more than five years of expenditures did not reveal any instance in more than 100 board meetings when a supervisor voted against another member's discretionary spending. The Clerk of the Board could not recall any supervisor ever voting against another supervisor's proposed CID spending.

A member of the Board and a manager in the County Executive Office told the Grand Jury in separate interviews that the CID program was started in 2005 to make up for the decline in federal Community Development Block Grant (CDBG) funds. In the two years prior to the implementation of the CID program, CDBG funds declined by a total of \$566,240. The first-year CID funds totaled \$4,020,493, or more than seven times the decline in CDBG funds. In addition, several staff members of nonprofit organizations that have received CID funds told the Grand Jury that CDBG funds could not be used for the same purposes that their organizations received CID funds.

2. Lack of Oversight

The Grand Jury found that there is virtually no oversight of the CID funds. Four of the five supervisorial offices said they require applicants for these funds to complete a request form; however, there is no follow-up to verify whether the funds have been spent for the purposes requested on the application.

One supervisor has a procedure that requires recipients to provide a written update of the expenditures after six months. The Grand Jury found that not only was the follow-up procedure not enforced in all cases, but a staff member of the supervisor told the Grand Jury that approximately 10 percent of the organizations that received CID funds do not complete an application for funds. The awards are almost automatic for these favored organizations, with only a telephone call or email to secure funds. If the supervisor's office doesn't hear from the favored nonprofits by a certain date, usually in March of each year, then the supervisor's office will call the nonprofits to remind them about the CID funds, according to a staff member of the supervisor.

A staff member for another supervisor told the Grand Jury that the supervisor does not require a formal application but that all requests are submitted in writing, usually by email or letter via the postal service. However, when the Grand Jury randomly selected four awards of CID funds and asked for the written requests for funds, the supervisor's staff member was only able to retrieve documentation for two of the four requests. The Grand Jury was told that the other two requests were actually made by telephone calls. When asked to estimate what percentage of requests for funds were awarded as a result of telephone requests, the staff member said 20 percent. A former chief of staff to one supervisor told the Grand Jury that she complete the applications for CID funds for some organizations.

3. Pet Projects

Each supervisor provides CID funds in many instances for pet projects within his district boundaries, even in times of recession and reductions in county funding. For example, while the County of Riverside dealt with a severe recession by mandating employees to take furlough days and closing some county services to the public on Fridays, a supervisor spent \$25,000 of taxpayer funds to help send a college choir from his district to perform in South Africa. Two years earlier, the same supervisor used \$37,500 of taxpayer funds to help send a high school choir to Italy. When asked to explain this expenditure, the supervisor's chief of staff said that the supervisor played in his high school band when he was in school and knows the benefits of music and the arts.

Pet projects also factor into a supervisor who provides numerous contributions of taxpayer funds for uniforms, equipment and travel expenses for high school and college sports teams and cheer teams. The chief of staff of this supervisor told the Grand Jury that the supervisor's interest in athletics goes back to his days as a basketball player in high school and college and then as a high school basketball coach. A staff member of another supervisor actually used the description of "pet project" as an explanation for the supervisor contributing to so many organizations in the community of Idyllwild.

4. Sponsorships

Many of the expenditures of CID funds were related to sponsorships of activities and events of nonprofit and community organizations. These organizations offered to promote the supervisors as part of the galas, golf tournaments, parades and other activities the supervisors agree to sponsor or support with CID funds. Other public and private entities also sponsored these activities, but individual members of the Board were the only individuals promoted in the vast majority of cases reviewed by the Grand Jury. Individual supervisors were named as sponsors of events while cities, school districts and businesses that also sponsored the events did not have their elected officials, company owners or CEOs named in the press releases, flyers, banners and other promotional media. Below are examples of the publicity supervisors received in exchange for their CID grants.

- A supervisor annually provided CID funds to sponsor a 4th of July parade in Moreno Valley. The City of Moreno Valley's press release on the event thanked seven sponsors, and the only individual listed was the supervisor who used \$2,500 of Riverside County funds. The other sponsors listed were the City of Moreno Valley, KOLA 99.9 radio station, Moreno Valley Unified School District, Waste Management, Pepsi and Budweiser. The County of Riverside was not named as a sponsor, even though the \$2,500 came from the Riverside County's general fund.
- Each year a member of the Board uses CID funds to sponsor Horseweek in Norco. For the 2013 Horseweek, the supervisor used CID funds of \$1,500, which entitled him to "Silver Sponsor" level. According to a Horseweek website, the benefits of this level include "Your business advertised in all print advertising, listed on website and social media." Among the 22 sponsors with their logos on the Horseweek website only one had the name of an individual included: a member of the Board. The other sponsors included local businesses such as Norco Trailers, AFS Printing and Hemborg Ford, along with national and regional sponsors Boot Barn, Stater Bros., and Budweiser. None of these organizations

listed an individual. On the Horseweek website the supervisor did have a logo for the Board with his name below it. By clicking on the name or logo, a visitor to the website would be linked to the individual supervisor's website. Among the other benefits of "Silver Sponsors" were to have a business, or individual in the case of the supervisor, announced as a "Silver Sponsor" at all three days of rodeo events, advertised as a sponsor on posters, flyers, tickets, street signs, and a flag carried by a mounted rider at all rodeo performances. In addition, a one-half page ad in Horseweek Book and the rodeo program, "red carpet treatment for you and your guests," five VIP tickets valid for each night of the rodeo and 30 general admission tickets. The invoice for \$1,500 and addressed to the supervisor from the Norco Horseweek Committee listed the "Silver Sponsorship" and a half page program advertisement. In 2010, the supervisor participated at a higher level as a "Gold Sponsor," according to the plaque on the wall in the supervisor's conference room.

- A supervisor provides CID funds annually to the San Geronio Memorial Hospital Foundation gala dinner event. On February 5, 2013, the supervisor allocated \$10,000 as a sponsor. That level of funding earned the supervisor top billing on the flyer thanking the "major sponsors." Among the 12 major sponsors, the only individual named was the supervisor. Other sponsors included Morongo Band of Mission Indians, City of Beaumont and Mt. San Jacinto College, but no mention of their principals or elected officials. The supervisor also received a table at the gala, among other benefits. The supervisor and his wife were photographed at the event and appeared in "Inside Health" magazine, which was distributed to hospitals and medical offices.
- A letter dated March 28, 2012, from the President and CEO of United Way of the Inland Valleys to a member of the Board requested financial support for an awards ceremony to be held at the Riverside Convention Center. The CEO wrote in the letter, "We would be thrilled if you would provide a 'Red Carpet Sponsorship' of \$2,500 to help us defray costs. With the donation, you will receive: Your name listed (as) a 'Red Carpet' sponsor, your name listed in all press releases and media correspondence, your name with a hyper-link on the United Way of the Inland Valleys and Music Changing Lives websites, your name included in all advertising as a LIVE UNITED Showcase 'Red Carpet' sponsor, and 2 VIP seats, 6 reserved seats and 2 passes to the Celebrity Meet and Greet." The supervisor provided the \$2,500 in public funds on April 17, 2012.
- The March Field Air Museum held its 29th Annual MASH Bash Fundraiser on October 5, 2013. A news article in the Press-Enterprise listed 15 major sponsors of the event, and the only individual named was a member of the Board who contributed public funds from his CID account. Other major sponsors included the City of Riverside, Provident Bank, Eastern

Municipal Water District, Lowe's, the Riverside Chamber of Commerce and Southern California Gas Company. Again, no other elected officials, CEOs or other principals from any sponsors were named except for the member of the Board.

- A June 8, 2013, "Food Fights" fundraiser in Riverside's Fairmount Park was reported in the Press-Enterprise. Eight sponsors were listed in the newspaper, and a member of the Board who contributed CID funds was the only individual named. The other sponsors listed were the City of Riverside, Riverside Public Utilities, Trade Supplies, Wells Fargo, Lowe's, Best Buy and Fresh & Easy.
- The March Field Air Museum opened a new hangar in 2011, and it now includes a display of the names of the major contributors. Among the top 10 contributors on the list who gave \$50,000 or more are two current members and one former member of the Board. Another current supervisor is on the list of those who contributed between \$10,000 and \$25,000. Another current supervisor is on the \$1,000 to \$10,000 list of contributors. All of the supervisors listed contributed public funds from their CID accounts.
- A supervisor gave a total of \$300,000 of CID funds over two years to the Riverside Community College District Foundation to help build a competition swimming pool. A former supervisor also contributed to the pool from CID County of Riverside funds. In the lobby entrance to the pool complex five community partners are listed, and the only individuals named are the two supervisors. The other listed partners are the City of Riverside, Riverside Community College District Foundation and Riverside Community College District Measure C Funds (a bond measure approved by the voters). No officials from the City of Riverside or Riverside Community College District Foundation are named.
- The 2014 County Fair had an advertising supplement in the Desert Sun newspaper, which prints more than 40,000 copies. The supplement was also distributed at the fairgrounds. The supplement included a page to thank the sponsors of the County Fair. The only individuals listed among the 47 sponsors were members of the Board. Sponsoring cities of Indio, Palm Desert and Rancho Mirage did not have its elected officials listed. Other sponsors included Ford Motor Company, Arco AM/PM, Pepsi, California Lottery and the California Department of Motor Vehicles. None of these or any other sponsors listed names of individuals, except the Board.
- A supervisor gave a total of more than \$50,000 in CID funds to the Riverside Community College District Foundation (Foundation) to establish an endowment for two annual student scholarships. Each year at

the Foundation's annual scholarship awards gala, either the supervisor or a representative from his office presents the scholarships to the students.

- A Supervisor gives \$4,000 to \$5,000 in CID funds each year to the Lake Norconian Club Foundation as a sponsor of a Pearl Harbor commemoration event. At the top of the patriotic flyer announcing the December 7, 2013, event were the names of the three sponsors, but the only individual named was a supervisor.

When the Grand Jury questioned a supervisor's chief of staff and legislative assistant about the use of the supervisor's name as sponsor of various events, the staff members said they tell recipients to name the County of Riverside and not the individual supervisor. A director of one nonprofit organization that is the recipient of several CID awards each year told the Grand Jury in sworn testimony that the supervisor's staff never asked the event recipient to give credit for the funds to the County of Riverside.

Sponsorships that promote the individual supervisors violate Board Policy A-70:

It is the policy of the Board of Supervisors...to avoid even the appearance of using public resources to enhance board members' visibility and name identification with potential voters.

California Political Reform Act Government Code Section 81002(e) states:

Laws and practices unfairly favoring incumbents should be abolished in order that elections may be conducted more fairly.

5. Capital Construction Projects

Members of the Board have given hundreds of thousands of dollars of CID funds to nonprofit organizations for capital construction projects with little, if any, oversight to assess the quality of construction or whether the funds were used for the purposes requested. Unlike other projects that are funded in whole or in part by the County, the nonprofit projects that received CID funds did not go through the same scrutiny and professional and technical assessment as capital projects for county-owned facilities. Neither the supervisors nor their supervisorial office staffs have the expertise and resources to provide necessary oversight for capital construction projects.

The Grand Jury found in one instance that a supervisor awarded \$50,000 in CID funds toward construction of a nonprofit community center that was poorly built and lacked oversight during construction, according to an assistant city manager in the city where the facility was built. The nonprofit subsequently filed for bankruptcy and abandoned the building. The city

took possession of the building, and plans to maintain it as a community center, but found many deficiencies in the structure that will cost approximately \$1.2 million to repair. The city official said the project did not have the same day-to-day oversight during construction it would have if built by the city.

In another award of CID funds, a supervisor in 2009 proposed giving a total of \$100,000 to an artists' retreat near Temecula. The only description of the project available to the other supervisors, and to the public, on the Form 11 for Board approval was "Capitol (sic) improvements." The supervisors unanimously approved the expenditure.

One supervisor has given several donations for organizations to upgrade their kitchens, including two different organizations on October 8, 2013. The supervisor gave \$5,000 to the Jurupa Lions Club and the only description of the need for the expenditure in the Form 11 request to the full Board was to "help them acquire a new stove and refrigerator for their facility." The Peppermint Ridge in Corona received \$3,000 to "help with getting their commercial kitchen up and running."

6. Requests for Board Actions Submitted on Form 11

The Board has developed a policy and procedures for submitting agenda items requesting Board action. All requests for Board action are submitted on a "Form 11." There are specific requirements for completing a Form 11 that are detailed in Board Policy A-5. The policy requires that the "Background" section of a Form 11 shall include a clear explanation of the request being presented to the Board for approval. The Grand Jury found that members of the Board do not always comply with this section of their own policy when submitting requests to the full Board for CID fund expenditures. Further, the Grand Jury found that the County Executive Office does not always fulfill its responsibilities regarding Policy A-5 section 1D, which states:

It is the responsibility of the County Executive Office to ensure that all items placed on the agenda are complete, accurate, and conform to county policy. The County Executive Office will identify the policy impacts, verify the financial data, and make other recommendations as deemed necessary regarding proposed Board actions.

The specific section, 6c, in Policy A-5 that the supervisors do not always follow states:

Background - The information in this section should be concise yet consistent with a clear explanation of the request and pertinent

background information on previous Board actions related to the issue. If more space is needed, use a plain sheet of paper for the second sheet. Background information should discuss the requested action's relevancy to past or present Board policy.

The Grand Jury determined that the need for a clear explanation was particularly essential with CID fund expenditures for transparency and as an obligation to the public because the Board approved most of the CID requests on "consent," which means there was no discussion. The supervisors rarely comply with the provision in Policy A-5 (6c) that requires the background section of Form 11 to include "*pertinent background information on previous Board actions related to the issue.*" The supervisors frequently request funding for the same organizations each year and often for the same purposes yet only in very rare instances make reference to prior year or even the same year funding that the organization received from the Board.

The following are examples of some CID funding requests that did not comply with Policy A-5:

- A supervisor submitted three separate requests for CID fund expenditures totaling \$100,000 for the Dorland Mountain Arts Colony in 2009, and the only explanation for each request in the background section of the Form 11 was "Capitol (sic) improvements." There was no reference to prior requests in the second or third Form 11 submitted to the Board during the same calendar year. The Dorland Mountain Arts Colony also received CID funds in 2007, but no reference to it was made in the three requests in 2009.
- The California Shuffleboard Association received \$500 in CID funds on March 3, 2009, and the background section of the Form 11 had only a one-word description: Sponsorship. The Grand Jury found through documents not presented to the full Board that the \$500 was used "to provide awards for Championship and Consolation prizes."
- Canyon Lake Women's Club received \$1,000 on March 16, 2010, with only a one-word description: Sponsorship.
- The Temecula Valley Women's Club received \$5,000 on May 5, 2009, with only a one-word description: Sponsorship.
- The Lake Menifee Women's Club received \$2,500 on May 5, 2009, with only a one-word description: Sponsorship.
- Associates of Idyllwild Arts Foundation received \$6,500 on May 25, 2010, with only a one-word description: Sponsorship.

- On April 6, 2010, seven separate veterans' service posts--four American Legions and three VFWs--received \$1,000 each. For three of the Posts, the need for the funds was described as "repairs to the respective Posts." For the other four, the description was "repairs to the respective Posts as well as ongoing programs and activities." Without mentioning the April 6, 2010, allocations to the service organizations, the Grand Jury asked the chief of staff to the supervisor who requested the funds why all veterans' organizations seem to receive the same or similar amounts of CID funds. The chief of staff said the supervisor doesn't do that, and that the funds are allocated based upon a specific need.
- The Riverside Community College Norco Choir received \$20,000 on April 6, 2010, "to assist the RCC Norco Choir as they travel to South Africa to participate in the 2010 Ihlombe South African Choral Festival." The supervisor who requested the funds was absent from the Board meeting, and the agenda item passed on consent without discussion. Two months later, the same supervisor requested an additional \$5,000 for the choir to travel to South Africa, along with another supervisor who added \$5,000 more for a total of \$30,000 to help send the choir to Africa. These expenditures were made when County employees were being furloughed and County services to residents were being reduced on Fridays because of a budget crisis. The supervisors also spent tens of thousands more to send high school and college musical groups and other school organizations to countries that included China and Italy, and one request just stated to send students to "Europe."
- The Ramona Bowl Amphitheater received \$20,000 on April 26, 2011, with a single word explanation: Fundraiser. The Grand Jury could not determine from the Form 11 if the fundraiser was for the Ramona Bowl or for another organization to put on a fundraiser in the Ramona Bowl.
- A common expenditure of CID funds was to provide grants to chambers of commerce for annual installation of officers' dinners. Based on email evidence regarding a CID grant for the Jurupa Chamber of Commerce installation dinner, a supervisor's staff member appeared to be trying to cover up specifically who would be receiving the funds. The \$1,500 in CID funds was to pay for the speaker at the dinner. The chief of staff to the supervisor wrote that the supervisor "agreed to pay for" the speaker, and the chamber representative emailed the speaker to inform him that his fee would be paid for by the supervisor. When a legislative assistant to the supervisor asked who the check should be made out to and was told the speaker, the legislative assistant replied, "In regard to the \$1,500 that is needed to have (speaker name withheld by Grand Jury) speak at the Jurupa

Chamber Installation, it would be best if we could make the check payable to the Chamber.”

- The Hemet Heritage Museum Foundation received \$10,000 on January 24, 2012. The Form 11 stated these funds were to be used for a “Hemet Museum Moderation Project.” The Grand Jury wondered if the request meant “modernization” instead of “moderation.” Regardless of what the requesting supervisor meant, the Board passed the item unanimously.

7. Dorland Mountain Arts Colony

In the midst of a deep recession in 2009, when the Board instituted mandatory employee furloughs and some County services were closed to the public on Fridays, a supervisor gave \$100,000 of public CID funds to a private artists’ retreat that was rarely open to the public. At the entrance to the retreat is a sign in bold, capital letters painted in red “PRIVATE RETREAT” followed by black letters that read “UNAUTHORIZED PERSONNEL PLEASE DO NOT ENTER.” When the Grand Jury contacted the retreat for information, the person answering the telephone stated, “You do realize this is a private artists’ retreat?”

A supervisor submitted three separate requests to spend CID funds for a total of \$100,000 in calendar year 2009. The only explanation for each request in the background section of the Form 11 submitted to the full Board was “Capitol (sic) improvements.” The Board approved all the requests unanimously. The Grand Jury learned through sworn testimony and information from the supervisor’s office files that the \$100,000 was used to build a driveway of almost a half-mile long to the artists’ retreat. The request to the supervisor for \$100,000 was made by a friend for more than 20 years of the supervisor’s immediate family members. The supervisor had also appointed this person to a County commission in 2005.

The supervisor has not made a larger gift of CID funds in a calendar year to a nonprofit since the Dorland Mountain Arts Colony grant. The same family friend made a single request to the supervisor for \$100,000 in 2009, yet the supervisor split the funds into three smaller amounts for approval to the full Board that totaled \$100,000. There was no reference to prior requests in the second or third Form 11 submitted to the Board.

The Grand Jury reviewed Dorland Mountain Arts Colony tax records for 2009 filed with the Internal Revenue Service and other documents provided by the California Office of Attorney General. The records showed that the \$100,000 of CID funds was the largest contribution received by Dorland Mountain Arts Colony in the five years from 2005

through 2009. In the year that Dorland received the \$100,000, all other contributions from public and private gifts totaled \$18,148. In 2008, public and private gifts totaled \$2,547.

The Grand Jury determined from five years of tax records that Dorland Mountain Arts Colony did not appear to be a financially viable organization at the time the supervisor used \$100,000 of public funds for the private driveway. Less than two years after the CID fund expenditure, Dorland Mountain Arts Colony had its nonprofit registration suspended for "multiple deficiencies" dating as far back as 2004 and 2005, according to the California Office of Attorney General. The Attorney General's Office confirmed in October 2013, that the nonprofit registration was still suspended. A letter dated August 6, 2013, from the California Department of Justice read "Dorland Mountain Arts Colony, Inc. may not engage in any activity for which (nonprofit) registration is required at any time while its registration is suspended."

Members of the Board are required by California law Government Code sections 53234 and 53235 to participate in ethics training every two years. Government Code Section 53235(b) states:

Each local agency official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years.

Government Code Section 53234(d) describes some of the ethics laws and principles to be covered in the training:

Ethics laws include, but are not limited to, the following: (1) Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws. (2) Laws relating to claiming perquisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.

8. Registration of Nonprofit Organizations

Several nonprofit organizations were not registered, suspended or delinquent in their filings with the California Office of Attorney General at the time these organizations received CID funds. Nonprofit organizations not registered or suspended by the Office of Attorney General are prohibited from performing activities of nonprofits, including soliciting and accepting funds, according to the Office of Attorney General. Violators

may be subject to civil and/or criminal penalties. One reason nonprofit organizations are required by California law to register and file annually with the Office of Attorney General is to ensure transparency so the public may view the tax records of the nonprofits online.

A nonprofit organization that received a total of at least four separate CID grants in 2013 from two members of the Board had never registered with the Office of Attorney General, and therefore was operating in violation of California law Government Code Sections 12585 and 12586. The Grand Jury is aware of four CID grants to the nonprofit organization. Some members of the Board make it difficult to track CID grants by transferring the funds to a holding account within the County of Riverside Economic Development Agency (EDA) they then contact EDA to issue checks to specific individuals, companies or organizations. The principal of the nonprofit organization that received at least four CID grants in 2013 was a close acquaintance of one of the supervisors. Pictures of this former professional athlete are framed on a wall in the supervisor's district office. On at least one occasion in 2013, the supervisor invited the individual to sit at the supervisor's table at an event unrelated to the individual's foundation. Meals served at the table were paid for with CID funds.

Another unregistered nonprofit organization has received for several years either \$4,000 or \$5,000 from a supervisor. The nonprofit prominently displays on a flyer the name of the supervisor as a sponsor of its annual Pearl Harbor memorial event.

9. EDA Holding Accounts

Over the past five years, each member of the Board has had approximately \$500,000 per year to spend from his CID account. When a supervisor does not spend all of his annual CID funds by the end of the fiscal year on June 30, the remaining funds are returned to the County's General Fund. To avoid this use it or lose it situation, most of the supervisors established holding accounts within the EDA. Some supervisors often make large transfers to EDA in June, just before the start of the new fiscal year on July 1. On June 12, 2012, a supervisor transferred \$181,275 in CID funds to his EDA holding account. On June 25, 2013, he transferred \$100,000 to his EDA holding account. When he submitted the \$181,275 to the full Board for approval, the Form 11 stated the funds "will be given to the Economic Development Agency (EDA) to be dedicated to serving youth and senior programs and assisting in other community events and programs." By transferring the funds with this vague description, the supervisor was able to keep his remaining CID funds for use in the next fiscal year and make expenditures that were not included in the Board's agendas posted on the internet.

Among the expenditures the supervisor made from his EDA holding account was \$3,000 to Scott's Custom Meats in Perris. EDA documents revealed that Scott's Custom Meats cut and wrapped meat for the supervisor, but the Grand Jury was not able to determine from the records why such an expenditure of public funds was made. On the same date that EDA had a check issued for \$3,000 to the meat company, another check was issued for \$5,000 to the Southern California Fair. From June 20, 2012, to December 4, 2013, the supervisor had 51 checks issued from his EDA holding account with scant information in EDA records to determine the purpose of the expenditures. At least two of the checks were issued to a nonprofit foundation that was not registered with the Charities Division of the California Office of Attorney General, in violation of state law.

10. Fundraisers

The Board uses CID funds for dozens of high-profile fundraisers each year, including dinner galas, luncheons and golf tournaments. The Grand Jury could not obtain an exact number in a particular year because of the incomplete information in the Form 11s submitted by supervisors. A chief of staff to a supervisor defended the practice of providing CID funds at high-profile fundraising events, saying the CID funds are sometimes offered as matching funds to challenge grants. The Grand Jury found that the galas, golf tournaments and other fundraising events rarely used CID funds as part of matching grants or challenge grants.

11. Memorials

The Board has a policy and guidelines for groups that propose to place plaques, monuments or statues on County-owned property. Policy H-16 section 2 (b) (7) states:

The cost for installation of any requested plaque, monument, statuary or art work will be borne solely by the proponents rather than incurred by the county.

Each year the supervisors receive requests for the use of CID funds for memorials, monuments and other statuary, including placement of some memorials on County-owned property. Instead of following the guidelines that the cost shall be borne "solely by proponents," the costs are often borne at least in part by the County with the use of CID funds. The supervisors have used funds for memorials in several cities and on County property and at museums. CID funds have also been used to maintain memorials. One supervisor provided \$3,000 in CID funds for the Distinguished Flying Cross Memorial at the March Air Field Museum. This level of donation provided the supervisor a prominent location for a tile

with his name on the front of the pedestal that elevates the Distinguished Flying Cross Memorial.

12. Political Reform Act Government Code Section 81002(e)

California Political Reform Act Government Code Section 81002(e) states:

Laws and practices unfairly favoring incumbents should be abolished in order that elections may be conducted more fairly.

On February 23, 2010, the Board approved the naming of the Romoland/Homeland Community Center after an incumbent member of the Board who was running for re-election in that same year. The proposal stated in recognition of the supervisors:

Long standing roots in this community, having attending (sic) grammar school in Romoland and his dedication to providing need (sic) facilities and childcare services to the community it is with great honor that this new building be named in his honor.

The center was built with bond funds that will be paid off with an annual property tax increment assessed to homeowners in the Romoland/Homeland area until 2037. The center is one of five centers managed by the Valley-Wide Recreation and Park District. The four other centers are named after the communities they serve, Winchester Community Center, Menifee Community Center, Valley Vista Community Center, and French Valley Community Center. Valley-Wide Recreation and Park District produces a schedule of classes and activities at the centers.

The Valley-Wide District general manager told the Grand Jury that the printed schedule of classes and other events at the five community centers is distributed as an insert in 80,000 copies of the Press-Enterprise newspaper. The schedule for May-August 2013 prominently displayed on three pages the name of the member of the Board along with the words "Community Center." In addition, numerous community meetings and events at the center were often printed in local newspapers and online with the name of the supervisor included as part of the community center name. The center also has two large signs outside the center with spotlights so the signs can be seen at night. The one sign on the side of the road effectively serves as a lighted, permanent lawn campaign sign for the incumbent supervisor.

The Board adopted Policy A-70 in June 2013, to set a higher standard than state and federal laws aimed at eliminating unfair practices in which

public officials use public resources to enhance their name identification with potential voters. Although the center was named for the supervisor before Policy A-70 was adopted, the California Political Reform Act provision to abolish practices that provide an unfair advantage to incumbents was in place.

13. CID Funds Spent Outside Riverside County

On March 22, 2011, a supervisor provided \$40,000 of CID funds to the City of Riverside's sister city, Sendai, Japan, which the Form 11 request stated the city was "devastated by a horrific earthquake." The Form 11 request had no information about the agency that would be distributing the funds and what type of aid would be provided. On April 26, 2011, another supervisor provided \$1,000 to the "Fuel Relief Fund." The Form 11 request stated, "*The donation to the Fuel Relief Fund will help fund home heating fuel for victims of the earthquake in Japan.*"

Although the Fuel Relief Fund is based in the district of the supervisor who provided the CID funds, the Grand Jury found little information about this organization and its effectiveness. According to the Fuel Relief Fund's 2011 filing with the Internal Revenue Service, only 17 percent of its aid in 2011 was used for causes within the United States.

Most property taxes in Riverside County are used for local needs. The federal government and international relief organizations such as the International Red Cross, United States Agency for International Development and UNICEF are among the main organizations for international relief.

Over several years, tens of thousands of dollars have been approved by the Board to help send Riverside County K-12 and college students to countries that include South Africa, Italy and China. The Board has also used CID funds in each of the past five years to send students outside of the County to places that included North Carolina, Michigan and Washington, DC.

The Coachella Valley Unified School District Board of Trustees had a different approach than the Board when students needed funds for out-of-state travel. The Coachella Valley High School cheer squad was invited to perform during the halftime show at the January 26, 2014, NFL Pro Bowl in Hawaii. However, the students didn't raise enough money through car washes and other fundraisers. Rather than just give public funds to the students to make up the difference, as the supervisors have done in similar instances, the school board trustees voted to provide the students with a loan to be paid back by the end of the school year.

14. Colorado River Senior Center

The Colorado River Senior Center, which is 32 miles north of the City of Blythe, has received \$15,000 a year in CID funds since 2005. The current supervisor providing the CID funds continued the annual grant that began with his predecessor. When the Grand Jury interviewed two staff members of the current supervisor, the staff members could not explain specifically how the \$15,000 was spent by the center. The Grand Jury was told that not only do applicants for CID funds complete a written application but they are also required to provide a written follow-up report six months after receiving the grant. The Grand Jury investigation revealed that the senior center neither completed applications nor filed follow-up reports. The funds were provided based upon a telephone call, either initiated by the senior center director or the supervisor's staff member responsible for CID applications.

The Board approved a minute order on July 13, 2009, to require all supervisors *"to develop standard criteria for organizations applying for these (CID) funds."* The Grand Jury investigation revealed that four of the five supervisors have established standards for organizations applying for CID funds, but the standards are not always followed. The supervisor who has provided \$15,000 a year in CID funds to the Colorado River Senior Center does not require the senior center to follow the standards he established for CID fund applicants.

Based on the nonprofit senior center's tax filings and articles of incorporation, its primary nonprofit purpose is *"to provide low cost meals and events for residents of the upper Colorado River Valley in Riverside County."* The main low-cost meal program at the center is to offer hot lunches, Monday through Friday, from 11:30 a.m. to 1:30 p.m. The Grand Jury found that the lunches are open to the general public without determining if the taxpayer-subsidized meals are truly being provided to low-income or nutritionally deficient senior citizens. Anyone who pays \$3 for the subsidized meal, regardless of income or need, is served at the center. The center's sign on the highway reads, *"All Welcome Lunch Daily 11:30 AM."* The senior center director told the Grand Jury that more people take advantage of the lunch program in winter months when there are more "snowbirds," or seasonal residents. The senior center director wrote in a quarterly report, which was prepared for a nonprofit agency that also provides public funds to the center, that *"we are coming off our summer slowdown and the snowbirds are coming back to roost."* The Grand Jury interviewed a seasonal resident from Idaho who has purchased meals at the center. He told the Grand Jury there are other "snowbirds" in the area from his home state of Idaho, as well as Montana and Canada.

Based on interviews at the senior center and quarterly reports by the center, even with the snowbirds, the center appears to be in search of a clientele to justify its existence to continue receiving a total of approximately \$100,000 a year in public funding from three separate entities. The center serves only about 10 or 11 lunches a day. The center director told the Grand Jury that when they prepared meals for about 20 people in the past, they had to throw away about half the food. The senior center's 2011-12 fiscal year federal tax filings showed that the center spent \$8,353 on groceries, \$1,205 on kitchen supplies and \$4,056 on commodities. That totals \$13,614, which represented only 13.3 percent of the center's annual revenue, even though the same tax filing stated the main purpose of the center is *"to provide low cost meals and events for residents."* More than half of the center's revenue went toward salaries and benefits for the center director and a part-time cook.

This center lacks oversight, not only from the supervisor's office that provides \$15,000 a year but also public funds distributed by the Regional Access Project Foundation (RAPF), which requires the quarterly report. The Riverside County Office on Aging, which provides federal pass-through funds to the center, could not explain how the funds are spent at the Colorado River Senior Center. The Grand Jury was given printed copies of the sections of the federal Older Americans Act (OAA) that authorize the funding, and was told by an Office on Aging manager that the federal funds are used for "operations."

A RAPF staff report that recommended to the board of directors to fund the senior center at \$27,013 for the 2013-14 fiscal year, stated *"nutritious hot meals are also provided at noon time Monday through Friday at the Center for poverty and low-income clients through congregate meals program funded by Office on Aging."* Although some of the clients may be low-income, the report does not state that the meals are open to the general public, as prominently displayed on the center's sign, or the center director's report to RAPF about snowbirds as a clientele. The supervisor who provides \$15,000 in CID funds to the center also serves on the RAPF Board of Directors.

Although the OAA programs in which the Colorado River Senior Center receives small grants do not require means testing, they do require that populations shall be targeted. Section 1321.17(2) of the OAA states, *"Preference is given to older persons in greatest social or economic need...."* The Grand Jury determined that prominently advertising, as the senior center does, that "All Welcome" for lunch and relying on seasonal residents or "snowbirds" to try to maintain a clientele does not constitute targeting populations in the use of county and federal dollars.

15. Board of Supervisors Policy A-70

The Board established Policy A-70 *"to avoid even the appearance of using public funds for political purposes,"* according to the policy language. The policy places restrictions on mass mailings and the use of CID funds 60 days prior to an election in which a supervisor's name is on the ballot. However, the final sentence in Policy A-70 is a *de facto* nullification of the limits placed on CID fund expenditures 60 days before an election.

This sentence reads, *"The CID fund restrictions stated in this policy shall not apply if a Federal, State, or County emergency has been declared."* The Board has declared county emergencies continuously since March 5, 2002, according to county documents and a county emergency management administrator. The emergencies have included infestations of bark beetles and golden spotted oak borers and severe drought and fire hazards.

California Government Code Section 8630 requires local agencies to review the need for continuing county or local emergencies *"at least once every 30 days."* The Board has ordered renewal of the emergency declaration to be *"automatically submitted as an agenda item every 14 days until request to terminate is submitted by the Riverside County Board of Supervisors."*

Recommendations

**Riverside County Board of Supervisors
Riverside County Chief Executive Officer
Riverside County Economic Development Agency
Riverside County Auditor-Controller
Riverside County Office on Aging**

1. The practice of using public resources to promote the name identification of members of the Board through the awarding of CID funds should be abolished, as prescribed in California Government Code Section 81002(e). The practice of awarding CID funds throughout the year shall be prohibited.
2. The Board shall adopt procedures to ensure greater accountability and oversight of any public funds provided to community and nonprofit organizations.
3. The practice of using public resources to promote the name identification of members of the Board through the awarding of CID funds should be abolished, as prescribed in California Government Code Section

81002(e). The Board shall adopt procedures to ensure greater accountability and oversight of any public funds provided to community and nonprofit organizations.

4. The practice of using public resources to promote the name identification of members of the Board through the awarding of CID funds shall be abolished. All checks issued from CID funds shall be processed through the County's Executive Office, and not through the individual supervisors' offices. CID recipients shall receive with each check a letter from the County Executive Office stating that any credit or recognition for awarding the funds shall be given to the "County of Riverside." Individual supervisors shall not be named, in accordance with the California Political Reform Act and County of Riverside Policy A-70. Failure to comply may result in forfeiture of CID funds and/or ineligibility for future funds.
5. The Board shall prohibit the use of CID funds for nonprofit capital construction projects. The supervisors and the County of Riverside lack the resources to assess the quality of construction or whether the CID funds were used for the specific purposes requested. In addition, the use of public funds to purchase kitchen equipment and other capital outlay expenditures for nonprofit organizations shall be prohibited unless a critical community need can be demonstrated.
6. The Board shall follow Policy A-5 and provide a clear explanation of CID expenditures presented to the Board for action. The County Executive Office shall fulfill its responsibilities as required in Policy A-5 by ensuring the supervisors comply with Policy A-5 by providing a clear explanation of each request and pertinent background information on previous board actions related to the request.
7. The supervisors shall provide appropriate disclosure when family members, friends, friends of immediate family members, employees of a supervisor or business partners request CID funds, or are principals in or consultants for any organization requesting CID funds. The Board shall receive ethics training with an emphasis on the topics covered in Government Code Section 53234(d).
8. The supervisors shall review the Office of Attorney General's website to ensure that nonprofit organizations proposed to receive CID funds are registered as required by Government Code Sections 12585 and 12586. The supervisors shall not issue CID funds to unregistered or suspended nonprofit organizations.
9. The supervisors shall abolish the EDA holding accounts that have made it possible for them to hide from public view the uses of some CID expenditures and to carryover CID funds from one fiscal year to the next.

The Riverside County Office of Auditor-Controller shall audit these funds to determine if there have been any violations of fund controls and expenditures, including regulations for encumbering prior-year funds and carryover into future years.

10. The Board shall separate the CID donations to nonprofit organizations from the galas, breakfasts, luncheons and dinners of the nonprofits. There is nothing preventing the supervisors from supporting the nonprofits with taxpayer funds separate from the high-profile fundraiser events. Providing donations to the nonprofit organizations without connection to the fundraising events reduces the appearance of supervisors using public funds to promote their name recognition and favorability before potential voters. It also reduces the overhead to the nonprofits that provide the meals and other perks to the supervisors.
11. The supervisors shall be consistent and remove the section in Policy H-16 that states memorial costs "*will be borne solely by Proponents,*" or abide by the section themselves.
12. The Board shall follow the California Political Reform Act Government Code Section 81002(e) and remove the name of the community center named after an incumbent member of the Board and change it back to the Romoland/Homeland Community Center. This would be consistent with the other center names in the Valley-Wide District, and recognize the community residents who will be paying the tax increment for the center until 2037.
13. CID funds proposed to be spent outside of Riverside County cannot be passed on consent and shall be discussed before a vote. A supervisor or the Clerk of the Board must read the "Background" section of the Form 11.
14. The Board shall not provide CID funds to nonprofit organizations without establishing oversight standards and following them. The Board shall comply with its minute order dated July 13, 2009, (Agenda Item 3.98) "*to develop standard criteria for organizations applying for these (CID) funds.*" Given the high overhead cost to operate the Colorado River Senior Center, the approximately \$100,000 a year in total public funds could be used more effectively and efficiently by closing the center and shifting the programs to the Blythe Food Pantry or another existing program.

15. The supervisors shall remove the last sentence in Policy A-70, which currently nullifies restrictions on CID expenditures 60 days before an election. The sentence to be removed states:

The CID fund restrictions stated in this policy shall not apply if a Federal, State, or County emergency has been declared.

Report Issued: 04/24/2014
Report Public: 04/28/2014
Response Due: 07/23/2014

**Riverside County Board of Supervisors
Request to Speak**

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
to Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: GARRY GRANT

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____

Date: July 29th 014 **Agenda #** 3-11

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

Support **Oppose** **Neutral**

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

Support **Oppose** **Neutral**

I give my 3 minutes to: _____

BOARD RULES

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SPEAKER'S NAME: E Koschewitz

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____

Date: _____ **Agenda #** 3-11

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I give my 3 minutes to: _____

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SPEAKER'S NAME: Raydale Sterling

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____

Date: _____ **Agenda #** 3-11

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I give my 3 minutes to: Earl K.
7.6 mins.

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SPEAKER'S NAME: H. M. Strom

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____ *Grand Jury Report*

Date: _____ **Agenda #** 3-11
~~0-11~~

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