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July 2, 2009

Honorable Kim Dunning,
Presiding Judge
Orange County Superior Court
700 Civic Center Drive
Santa Ana, CA 92702

Subject: Orange County Grand Jury report: "The Guardian of Last Resort"

Dear Judge Dunning:

In accordance with California Penal Code sections 933 and 933.05, enclosed please find the Orange County Public Administrator – Public Guardian Department's (PA/PG) response to the above referenced FY 2008 – 2009 Grand Jury Report.

I would like to address the process that was followed leading up to the report, provide additional information about the Public Administrator – Public Guardian Department and its business partners and some of the commentary contained in the report.

The Orange County Grand Jury (GJ) Human Services Subcommittee, consisting of Chair Michael Dresser and members Cathey Bertot, Darlene Hibbs, Marilyn Reardon, Ella Nixon and Linda Hudak first met with the PA/PG management team and Supervising Deputy County Counsel Jim Harvey last July. The subcommittee's audit took place between July and December, 2008. During the course of the audit, the members were given a complete tour of the PA/PG facility, had regular access to PA/PG employees for interviews, were given a computer and work space in the PA/PG conference room to conduct case file audits, were taken on a "ride along" with deputies to the field to observe and invited to a property sale. The members requested and received instructions on where to go to see cases handled in the Superior Court and did subsequently visit the Lamoreaux Justice Center and observed the PA/PG court calendar in action.

The Grand Jury subcommittee members received extensive documentation from PA/PG regarding the budget and general information including ending fiscal year balances, current year expenditures, inter-department cost-apply figures, a list of department accomplishments, copies of the Internal Audit Department report from 2005 – 2006, policy and procedure manuals, organizational charts and caseload data. The subcommittee also requested copies of some employee's entire personnel files but were referred to the County of Orange Human Resources Department (HRD) as these documents are all stored electronically at the HRD. All County of Orange departments, by Board of Supervisors directive, converted to paperless personnel document storage several years ago.

From a historical perspective, I would point out that the elected Public Administrator and ex – officio/appointed Public Guardian positions have been combined since 1968. James Heim held this office from 1968 – 1983, William Baker from 1983 - 2003 and I have served in the office since 2003. The Public Guardian position was created by the Board of Supervisors in 1965 and prior to 1968, the Coroner served as the Public Administrator. The Public Administrator office first appeared on the ballot in Orange County in 1968.

The mission statement of the PA/PG department states:

“The Public Administrator – Public Guardian organization is committed, when no alternatives exist, to protect, assist, and manage the affairs of decedents and those unable to care for themselves.”

Public Administrator – Public Guardian deputies assist with the investigation of referrals from the criminal courts, ensure that sex offenders are registered, assist local law enforcement with criminal investigations including seizure of child pornography, illicit drugs, firearms, explosives, and other contraband, investigate elder abuse cases (both living and deceased), and ensure the proper clean up of biohazard material.

The Public Administrator unit protects the assets and manages the affairs of deceased residents of Orange County who at the time of death left no known heirs, no will, no named executor, or have an executor who is ineligible. Deputies search for assets belonging to the decedent, arranges for the interment when there are no known heirs, and acts as administrator of estates when named in a will, when heirs request such service and upon appointment by the Superior Court. In performing these functions the PA is required to maintain a fully documented audit trail for the Superior Court to make certain that each and every asset is accounted for and distributed.

The Public Administrator may be notified by mortuaries, the Coroner, residential facilities, hospitals, landlords or private citizens when someone dies and there are assets to protect or the family of the decedent cannot be immediately located.

The Public Guardian Probate Conservator unit responds to referrals from health care facilities, Adult Protective Services (APS), local law enforcement agencies and the Superior Court to investigate persons, usually elderly, who are unable to properly provide for their personal needs or physical health, food, clothing or shelter, who are at risk of undue influence by others, or whose property is subject to loss, injury, waste, or management. When appointed by the Superior Court, the PG Probate unit assumes responsibility for care of the person and his or her assets.

The Public Guardian LPS (Lanterman - Petris - Short) Conservator unit investigates the need for an LPS conservatorship to obtain mental health treatment for persons who are gravely disabled due to mental illness. During the investigation, alternatives to conservatorship are explored. If the court appoints the PG as conservator, we assume responsibility for the overall welfare of the conservatee including placement, treatment, and management of the conservatee's assets.

The Grand Jury subcommittee was provided a list of the PA/PG Department's significant accomplishments, including the following:

- From March, 2008 – February, 2009 PA/PG conducted estate real property auctions generating \$6,906,350 in sales despite the downturn in the real estate market.
- PA/PG works closely with the District Attorney's Office and law enforcement to prosecute both elder financial and physical abuse. There are numerous examples where cooperation between these departments has resulted in criminal convictions and recovery of funds and property for the estates of decedents and conservatees. PA/PG participates in the Financial Abuse Specialty Team (FAST), Multi Disciplinary Team (MDT) and Elder Death Review Team (EDRT).
- PA/PG has implemented an Internal Audit Unit (IAU) to ensure compliance with training, file maintenance, and benefits. The IAU is responsible for the preparation and coordination of various training units relating to all facets of the role of the deputy
- PA/PG has implemented in-house training sessions to take a proactive approach in the certification and re-certification of deputies in compliance with the Omnibus Conservatorship Act of 2006. The sessions are in compliance with and approved by the California State PA/PG/PC Association and allow our deputies to receive credits at a substantial savings to the department with a reduction in travel expenditures.
- In 2008, PA/PG recovered millions wrongly taken from estates, \$3.8 million on APS cases and \$5.1 million on community referral cases. In one case alone, PA/PG recovered \$1,013,790 from a private conservator who received 9 years in state prison for the theft from a conservatee who subsequently died. The private conservator squandered the funds on her internet gaming habit. PA/PG worked closely with the District Attorney's Office and Orange County Sheriff's Department to prosecute this case.
- Most PA/PG employees are on an alternate work week schedule such as the 4/10 or 9/80, saving many commute miles per month in compliance with Air Quality Management District (AQMD) rules.
- The entire fleet of passenger car vehicles assigned to PA/PG have been replaced with Compressed Natural Gas (CNG) powered cars assisting the County of Orange in compliance with AQMD regulations. The CNG cars qualify for Diamond Lane privileges for single occupants and the CNG is much less costly than gasoline.
- PA/PG has stepped up its collection rate from the California Controller's Office for unclaimed property for the client estates. Currently there is a stock claim pending for \$137,000 for an estate.
- PA/PG has been approved by the Orange County Board of Supervisors for funding to develop a new database program that will allow for both the PA and PG databases to merge into one. The new system has been named Orange County Public Administrator Conservatorship Services System (OCPACS) and will allow tighter controls, audit trails and will streamline many of the workflow processes of the department. OCPACS will ensure overall compliance and better management of the cases.

The leadership team at PA/PG will continue to look for innovative ways to serve our clients and save taxpayer dollars in the performance of our duties.

The PA/PG Department is represented in court on estate matters by the County Counsels' Office. I am proud of the good working relationship PA/PG has with County Counsel staff and the quality of legal representation we are provided. The GJ subcommittee requested and County Counsel provided a 3 month study of PA/PG court case history, listing each and every case the County Counsel's office handled and each day's outcome of the cases calendared. The County Counsel's office worked diligently to prepare this report, spending many hours in preparation and tracking of cases on a daily basis and PA/PG appreciates this effort.

The PA/PG Department's Information Technology (IT) services are provided by the County of Orange CEO IT Department. During the 2005 - 2006 fiscal year, PA/PG outsourced it's IT from self supporting to CEO IT, a move that has proven to be fiscally sound and resulted in a dramatic increase in the level and quality of services provided. The **2002 - 2003 Orange County Grand Jury report entitled "Cost Saving Opportunities For County Information Technology"** stated:

"Decentralized organizations inherited some cost inefficiencies due to the loss of economy of scale. During economic boom years, business people were less concerned about the costs when they deployed a new technology. Recent economic conditions have raised cost concerns."

The move to a centralized IT solution has produced a good working relationship between the PA/PG Department and CEO IT. We remain confident the people of the CEO IT Department will continue to provide PA/PG with the highest level of service in a cost effective manner.

While continuing to provide a high level of IT services to the PA/PG Department, the CEO IT Department also serves as the Project Manager for the OCPACS system upgrade project. I commend the CEO IT Department for their assistance in this ongoing project which will replace a system installed in 1999 and designed to run on Windows 98, causing numerous present day technology issues in our daily operations.

The PA/PG Department is managed in a fiscally conservative and sound business manner. PA/PG follows all County of Orange fiscal and Human Resources Department (HRD) policies, procedures and practices. Fiscal Year ending balances since becoming a stand alone department are as follows: 2005 - 06, \$685,387, 2006 - 07, \$160,371, and 2007 - 08, \$43,377. Not included in these amounts is the self funded reserve PA/PG has accumulated in the amount of \$750,000 and a one time excess interest deposit of \$824,871 in 2005 into the County of Orange General Fund. The fiscal year ending balance data for the last three years was provided to the GJ subcommittee members.

The CEO Budget Office does an outstanding job of overseeing the finances of the County of Orange and its' many departments. PA/PG has a long-time positive working relationship with the CEO Budget staff while adjusting to reduced revenues during these difficult financial times. The PA/PG Department is ready to work with the CEO Budget Office on implementing the inevitable future budget cuts that will likely occur due to the State of California's current budget crisis.

The GJ subcommittee mentions in its' report on page three that it visited the probate court and noted the following:

"On October 22, 2008, the Grand Jury visited Probate Court and observed PA/PG case handling problems. In this instance, a person in the conservatorship unit of the Public Guardian died. At that time he became a client of the Public Administrator. This individual had a small estate that had been expended on medical care except for \$7,100. The PA took four years from the time of the conservatee's death to bring the matter before the court for disbursement. By this time the estate had dwindled to zero."

Contrary to the GJ subcommittee's report, the Public Administrator didn't even handle this case. In the case in question, PG was first appointed as an LPS conservator in 1990 and reappointed each year until 2004 when the male conservatee died. After his death, the estate contained \$6,156.12 in cash, a pre-need funeral fund of \$1,500.00 and a small amount of personal property. His remaining assets resulted in a distribution from his estate for PG fees, County Counsel fees, County bond fees, a Medi-Cal lien and the balance applied to the cost of his burial.

The Grand Jury report states on page seven under finding #1 "The management of PA/PG has become top heavy which complicates communication with employees, increases costs and lowers morale and department performance." The PA/PG Department respectfully disagrees with this assessment. The GJ compares the costs of administrative services for the PA/PG function using 2004 – 2005 data while still utilizing the Health Care Agency (HCA) as a service provider; data that is difficult to verify with the combined HCA and PA/PG budgets from that time compared with present day costs associated with employee salaries and benefits. The PA/PG Department ratio of administrative managers compared to total workforce is in line with similarly sized County of Orange departments as the following data demonstrates:

Percentage of administrative managers vs. total workforce:

PA/PG	65 employees/9 managers	13.8%
Clerk of the Board	32 employees/5 managers	15.5%
Treasure/Tax Collector	92 employees/15 managers	16.3%
Registrar of Voters	51 employees/9 managers	17.6%

The nominal increase of management support for PA/PG was implemented for a number of reasons, including compliance with the Internal Audit Department report of 2005 – 2006 which required the segregation of certain accounting, budgetary, and procurement services performed by a very few individuals at that time and the mandated compliance with the Omnibus Conservatorship Act of 2006 (Jones Bill). The Jones Bill, an unfunded mandate, requires extensive training for sworn personnel and more complex filings to be submitted to the Superior Court, increasing the workload for both PA/PG and the County Counsel's Office.

The men and women of the P/PG Department will continue to serve the needs of the most vulnerable citizens of Orange County in a compassionate and caring manner. Please do not hesitate to contact me should you have any questions.

Sincerely,



John S. Williams
Public Administrator – Public Guardian

cc: 2009 – 2010 Orange County Grand Jury Foreman
Members of the Board of Supervisors
County CEO
County Counsel, County of Orange

The Guardian of Last Resort

Responses to findings F.1, F.2, F.3, F.4, F.5, F.6, F.7, and F.8

F.1 *"The management of PA/PG has become top heavy which complicates communication with employees, increases costs and lowers morale and department performance."*

PA/PG's Response

PA/PG wholly disagrees with this finding. The 2008/2009 Grand Jury report states that the PA/PG office had seven (7) employees with management responsibilities at the time of separation from the Health Care Agency and that the number of management employees has grown to 10, as of November 2008. PA/PG actually has nine (9) administrative managers. This increase was necessary for several reasons. The additional duties and responsibilities related to the *Omnibus Conservatorship Act*, also known as the "Jones Bill", requires extensive training and certification of staff and a significant increase in the documentation required by the Superior Court. It was also necessary because of the segregation of duties required by the County of Orange for the Accounting, budgetary and Procurement functions.

F.1a *The Administrative Services section consists of three managers and two non-supervisory staff: one Administrative Manager Level III, one Administrative Manager Level II, one Administrative Manager Level I.*

PA/PG's Response

PA/PG agrees with this finding. These are the classifications and correct number of positions in the Administrative Services Unit of PA/PG.

F.1b *The Executive Manager position is redundant with the Program Chief Deputy.*

PA/PG's Response

The PA/PG wholly disagrees with this finding. The Executive Manager position is not redundant to the Program Chief Deputy. The Executive Manager position sets policy and acts in the absence of the PA/PG. The Chief Deputy organizes and directs the conservatorship and decedent investigation and administration programs.

F.1c *Administrative Manager Level III positions within the PA/PG are unwarranted due to the level of their duties and responsibilities.*

PA/PG's Response

PA/PG partially disagrees with this finding. PA/PG will work collaboratively with HRD to determine an appropriate administrative management organizational structure. An independent study of all Administrative Manager III positions has been requested.

F.1d *Because of top-heavy management, LPS and Probate Deputy caseloads are too large.*

PA/PG's Response

PA/PG wholly disagrees with this finding. PA/PG is not top-heavy in management. When compared to other County departments of similar size, PA/PG's administrative manager to staff ratio is appropriate. PA/PG's administrative management is currently at 13.8% of staffing.

LPS and Probate Deputy caseloads are not too large. The Probate caseloads numbers are similar to those identified in the April 2008, Large Sample Guardianship Project Report from the Vera Institute of Justice, New York. LPS caseloads are currently at an average of 85 which has remained consistent for the past several years.

F. 2 *"Personnel practices at PA/PG use temporary promotions and selective exclusion criteria to circumvent standard hiring practices."*

PA/PG's Response

PA/PG wholly disagrees with this finding. PA/PG follows the County of Orange Merit & Selection Rules, the Personnel & Salary Resolution (PSR), Memorandum of Understanding (MOU) and all current policies and procedures set forth by the County of Orange Human Resources Department (OC/HRD).

F. 3 *"The current e-Pages computer program no longer is supported by the software supplier, and is inadequate for its intended task. Implementation of a replacement system, recommended by County Internal Audit in 2005, is severely delayed and is now scheduled for release in July 2009."*

PA/PG's Response

The PA/PG agrees with this finding. The e-Pages replacement project is a top priority for the PA/PG office. The new system being developed is a complex software application that integrates the financial, asset and case management functions of the office. PA/PG has been working collaboratively with CEO/IT, who is the project manager, to expedite implementation. PA/PG is very happy with the services being provided by CEO/IT. A steering committee is in place that reviews the progress on a monthly basis to ensure the success of the project.

F.4 *"Evidence of questionable pension practices was found at the PA/PG, which could cost taxpayers nearly one and one half million (\$1,500,000) dollars."*

PA/PG's Response

The PA/PG wholly disagrees with this finding. Pension practices are not determined by the PA/PG. The Board of Supervisors approves pension practices and rates through contract negotiations. Employees are enrolled in the Orange County Employees Retirement System as a condition of employment. Currently, there are two tiers of employees, Tier 1 for employees hired prior to 1977 and Tier 2 which covers all employees hired after 1977. Tier 1 employees' retirement is calculated on their highest

earning year. Tier 2 employees' retirement is calculated on their highest combined earning for three years. Every promotion potentially contributes to an employee's pension. When an employee is promoted, their salary is increased. Thus, it will contribute to their retirement calculation rate in some way.

F.5 *"Public Administrator/Public Guardian policies and procedures are outdated, confusing and are not being adhered to as written making it difficult to effectively implement the PA/PG stated mission."*

PA/PG's Response

The PA/PG wholly disagrees with this finding. Policies and procedures should be reviewed constantly to ensure the business needs are being met. Currently, there is a committee in place that reviews and modifies all policies and procedures. As laws change, so must our P & P's. A policy may be old but it does not mean it's outdated. Some policies may still apply even if they are several years old. The Grand Jury may have found them confusing because they are complex documents that require extensive training in order to understand. Employees also have desk references that are "companions" to the Policies and Procedures that assist them with their duties and responsibilities.

F.6 *"The lack of business metrics used to measure the effectiveness of PA/PG internal operations and its delivery of those services described in their mission statement makes it difficult to manage and continuously improve agency operations."*

PA/PG's Response

The PA/PG partially disagrees with this finding. The current computer system was not designed as an expandable program nor is it able to produce reports of any great value. The new computer system, which will roll out in February 2010, provides an upgraded application that will document the standards and measure the effectiveness through a comprehensive reporting structure. Until implementation of the new computer system, manual measurements are in use.

F.7 *"Management practices used since the separation of the Public Guardian from the Health Care Agency have significantly increased administrative management costs."*

PA/PG's Response

The PA/PG wholly disagrees with this finding. When compared to other County departments of similar size, PA/PG's management costs are in range of appropriate management to staff ratios. PA/PG has nine administrative managers in a department of 65 filled positions. That is 13.8% of its staffing, which is lower than Clerk of the Board at 15.5%, Treasurer/Tax Collector at 16.3% and the Registrar of Voters at 17.6%.

F.8 *"The combining of the PA and PG in 2005 has not produced the anticipated administrative cost reductions. The administrative costs have actually increased without any apparent improvement in decedent estate processing or conservatee care. The agency has made ineffective decisions that have cost Orange County taxpayers and conservatees a significant amount of money."*

PA/PG's Response

The PA/PG wholly disagrees with this finding. The PA and PG have been combined for over forty years. The PA/PG Office was merged with the Health Care Agency (HCA) from 2003 to 2005. Upon separating from HCA, PA/PG anticipated a savings of \$300,000 over the next three years. This was immediately realized as PA/PG's net County cost was reduced by \$103,000 for that year and each year after. Since that time, PA/PG has also been able to return \$685,000 for FY 2005-2006, \$160,000 for FY 2006-2007 and \$43,000 for FY 2007-2008 to the General Fund, in addition to the \$750,000 we have placed in reserves.

Responses to recommendations R.1a, R.1b, R.1c, R.1d, R.2, R.3a, R.3b, R.3c, R.4, R.5a, R.5b, R.5c, R.6, R.7, R.8

R.1a – *“The PA/PG should comply with the Orange County Human Resources (OCHR) request and eliminate the Administrative Manager Level III classifications at the PA/PG.”*

PA/PG's Response – The recommendation requires further analysis.

The PA/PG will work with HRD to determine an appropriate administrative management classification structure for PA/PG within the next six months.

R.1b – *“The PA/PG should reduce the number of management positions in the Administrative Services department.”*

PA/PG's Response - The recommendation will not be implemented because it is not warranted or is not reasonable.

The PA/PG respectfully disagrees with this recommendation. The three managers in the Administrative Services Unit all perform necessary duties which include Human Resources, Procurement, Payroll, Information Technology and Facility/Operations.

R.1c – *“The PA/PG should flatten the organizational hierarchy by the elimination of the redundant Executive Manager position.”*

PA/PG's Response - The recommendation will not be implemented because it is not warranted or is not reasonable.

The PA/PG respectfully disagrees with this recommendation. All County-wide elected officials have an Assistant Department Head position who report directly to them and who are “at-will” appointments. The Assistant Department Head is able to provide signatory authority in the absence of the PA/PG.

R.1d – *“The PA/PG should, with the cost savings from R.1a, b and c, add deputies to help reduce caseloads.”*

PA/PG's Response - The recommendation will not be implemented because it is not warranted or is not reasonable.

The PA/PG respectfully disagrees with this recommendation. The PA/PG does not agree with the Grand Jury recommendations for 1a, 1b or 1c so this recommendation is not appropriate. Based on current caseload numbers, the PA/PG believes that deputy staffing is at an adequate level. The "authoritative study" the Grand Jury used in comparison for references to caseload numbers does not apply to all units within PA/PG. The "Large Sample Guardianship Project Report from the Vera Institute of Justice, New York, can compare only to the caseloads in our Probate Unit. The client base they researched is one of conservatees who are able to remain in their own residence. The caseloads for the deputies in the Probate unit, who may also have clients who are able to remain in their own residence, are at approximately 45, the same as those identified in the study. Our deputies in the LPS Unit, whose clients are in health care facilities, have higher caseloads but are still considered to be within an acceptable range and have remained consistent for the past several years.

R.2 – *"The Board of Supervisors should transfer the personnel management functions of PA/PG to the OCHR."*

PA/PG's Response - The recommendation will not be implemented because it is not warranted or is not reasonable.

The PA/PG respectfully disagrees with this recommendation. The Human Resources function was decentralized in 1996. All responsibility and authority was transferred to each department head at that time.

R.3a – *"The PA/PG should immediately form an independent task force, reporting directly to the agency head, to develop and launch the ePages replacement program."*

PA/PG's Response – The recommendation has been implemented.

The "task force" currently exists in the form of a steering committee that is comprised of the PA/PG, the County Information Technology Officer, the CEO Project Management Office and staff who are involved on a daily basis with the project. This committee meets once a month to review the progress of the project.

R.3b – *"From outside the PA/PG organization, the PA/PG should assign a professional information technology (IT) individual with strong business management experience. This individual would head the task force identified in R.3a during development, trials and conversion to the replacement system."*

PA/PG's Response – The recommendation has been implemented.

The County Project Management Office has an individual who is serving as the Project Manager for this project. This individual does not "head" a task force but is a primary participant in the steering committee.

R.3c – *"The PA/PG should perform an in-depth top-to-bottom review of all communication systems. Develop a corrective action plan and review monthly with the senior management staff."*

PA/PG's Response – The recommendation has been implemented.

Communication methods are in place. There are general staff meetings, unit meetings, supervisor meetings, management meetings, Labor Management Committee meetings, trainings and e-mail blasts that all occur within PA/PG.

R.4 – “The County Internal Audit Department should conduct an in-depth review of OCHR personnel records to determine if additional instances of questionable pension practices exist in agencies other than the PA/PG office. The audit report and any resulting County responses will be forwarded to the Grand Jury for information.”

PA/PG’s Response - The recommendation has not yet been implemented but will be implemented in the future.

Internal Audit will be conducting an audit of the OCHRD personnel records in Fiscal Year 2009-2010.

R.5a – “A policy for distributing newly written or updated policies and procedures should be developed. Appropriate training based on these documents should be given and that action documented.”

PA/PG’s Response – The recommendation has been implemented.

The PA/PG currently has a system in place to maintain, update and distribute new and/or revised policies and procedures through the PA/PG Internal Audit Unit that was implemented in July 2008.

R.5b – “Old policies and procedures need to be removed from operations manuals as soon as the new ones are written and put into effect.”

PA/PG’s Response – The recommendation has been implemented.

Old policies and procedures are removed from operations manuals as new ones are written and put in place.

R.5c – “The PA/PG should make the agency internal audit group permanent and report directly to the department head. The group should be expanded to include a person with LPS experience. Additionally, yearly internal audit schedules should be developed covering all areas of operation and audit results should be published in written reports to senior management for required action.”

PA/PG’s Response - The recommendation will not be implemented because it is not warranted or is not reasonable.

The PA/PG respectfully disagrees with this recommendation. There are no plans to discontinue the Internal Audit Unit. The Internal Audit Unit serves as a quality assurance/monitoring entity that reports directly to the Assistant PA/PG. The head of the Internal Audit Unit has nearly ten years experience with the LPS Unit of the office. Audits are ongoing and results are documented and provided to senior management.

R.6 – “The PA/PG should develop a method of tracking to measure improvements of service and reduction of costs.”

PA/PG’s Response – The recommendation has been implemented.

This process is taking place as part of the budget and business planning process. Administration, Program and the Finance units all collaborate on measuring results and implementing efficiencies.

R.7 – “The Board of Supervisors should complete a comprehensive independent review of the Public Administrator/Public Guardian. Based on the results of this review and the Grand Jury report, they should consider whether separating the PA/PG from the Health Care Agency and turning it into a stand-alone County department has been cost and performance improvement effective. If not, the Board of Supervisors should return Public Guardian to the HCA or another County department.”

PA/PG’s Response - The recommendation will not be implemented because it is not warranted or is not reasonable.

The PA/PG respectfully disagrees with this recommendation. When the Board of Supervisors voted to approve the separation of PA/PG from the Health Care Agency, they also ordered a review of the PA/PG Office be conducted by the Internal Audit Department. That review was conducted in 2005-2006. There were no significant findings other than the issue of the outdated computer system and the need for segregation of duties as part of the internal controls.

R.8 – “When the term of the current PA expires in two years, the Board of Supervisors should consider moving the Public Administrator function into the same department that administers Public Guardian activities. This action should be coordinated with the recommendations identified in R .7 to eliminate logistics or redundancy problems.”

PA/PG’s Response - The recommendation will not be implemented because it is not warranted or is not reasonable.

The PA/PG respectfully disagrees with this recommendation. The elected Public Administrator/ *ex officio* Public Guardian comprise the PA/PG department. The administrative functions that serve both areas are combined and performed by the same support staff. The California Probate Code defines what the PA shall do to safeguard trust funds and further defines that the PG shall safeguard trust funds in the same manner as the PA trust funds, requiring the two functions to operate in a similar manner.

As the elected Public Administrator and *ex officio* Public Guardian, the PA/PG cannot be forced to rely upon other County departments to provide essential services. This is clearly mandated in the California appellate case of *Hicks vs. the County of Orange*.