



# County of Yolo

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July 22, 2011

Honorable David W. Reed  
Judge of the Yolo Superior Court  
725 Court Street, Department 6  
Woodland, CA 95695

RECEIVED  
YOLO COUNTY  
SUPERIOR COURTS  
JUL 28 REC'D Clerk  
By \_\_\_\_\_  
Deputy

Dear Judge Reed:

***Response to the 2010-11 Grand Jury Final Report  
Department of Employment and Social Services  
Inquiry into Specified Timekeeping and Hiring Issues***

In its final report released June 30, 2011, the Grand Jury has requested that the Yolo County Auditor-Controller respond to findings F5, F6 and F7 as well as recommendation R1 and R2 pertaining to the Yolo County Department of Employment and Social Services (DESS).

**Finding F5: DESS employees do not report hours worked on a daily basis. Internal controls to monitor hours worked are inadequate, creating the potential for fraud or accidental misrepresentation.**

Auditor-Controller's Response: We agree with the finding.

**Finding F6: The new Absence Management program is an electronic version of "by exception" time reporting. It has the same potential for fraud because internal controls to monitor employee time and attendance are inadequate.**

Auditor-Controller's Response: We agree with the essence of the finding but note that the Absence Management program does reduce fraud risk since it provides each supervisor with a visual check of the employee weekly attendance (in terms of approved time off). Nevertheless, the potential for fraud still remains.

**Finding F7: IT is attempting to adapt the new Absence Management program to capture timekeeping. The Oracle "Time and Labor" software can accommodate time, labor and daily attendance.**

Auditor-Controller's Response: We agree with the finding.

**Recommendation R1: Implement a standard employee time and attendance policy and procedure to report hours worked and leave taken on a daily basis which will alleviate the potential for fraud and will ensure an adequate audit trail exists. The system should provide for supervisorial approval.**

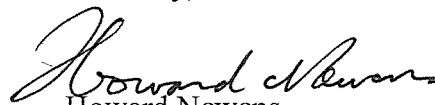
Auditor-Controller's Response: This recommendation will be implemented. We worked with the County Administrator (HR Division) and County Counsel to develop a uniform countywide policy on employee timekeeping that we expect the Board to approve on August 2, 2011.

**Recommendation R2: Identify funds to implement software such as the Oracle program or the enhanced function of PeopleSoft to alleviate the potential for time reporting fraud in the department and improve time, labor and attendance inefficiencies and inadequacies.**

Auditor-Controller's Response: The essence of this recommendation will be implemented. A comprehensive timekeeping system such as the Oracle's Time and Labor module is cost prohibitive at this time, although it will be included in the list of long-term capital projects as part of a payroll system. In the meantime, the IT Department is working on an enhancement to the Absence Management system to provide for employee and supervisor certification of time worked and time not worked.

We appreciate the opportunity to provide responses to the Grand Jury Final Report.

Sincerely,



Howard Newens  
Auditor-Controller and  
Treasurer-Tax Collector

Cc: Yolo County Board of Supervisors via Clerk of the Board  
Patrick Blacklock, Yolo County Administrator

## RESPONSE TO GRAND JURY REPORT

The governance of responses to the Grand Jury Final Report is contained in Penal Code §933 and §933.05. Responses must be submitted within 60 or 90 days. Elected officials must respond within sixty (60) days, governing bodies (for example, the Board of Supervisors) must respond within ninety (90) days. Please submit all responses in writing and digital format to the Advising Judge and the Grand Jury Foreperson.

Report Title: 2010-11 FINAL REPORT Report Date: 6/30/2011  
DESS

Response by: HOWARD NEWENS Title: AUDITOR - CONTROLLER

### FINDINGS

I (we) agree with the findings numbered:

F5, F6, F7

I (we) disagree wholly or partially with the findings numbered:

### RECOMMENDATIONS

Recommendations numbered: R1  
have been implemented (attach a summary describing the implemented actions).

Recommendations numbered: R2  
require further analysis (attach an explanation of the analysis or study, and the time frame for the matter to be prepared by the officer or director of the agency or department being investigated or reviewed; including the governing body where applicable. The time frame shall not exceed six (6) months from the date of the Grand Jury Report).

Recommendations numbered: \_\_\_\_\_  
will not be implemented because they are not warranted and/or are not reasonable (attach an explanation).

Date: 7/22/11 Signed: Howard Newens

Total number of pages attached 2