Pierce County

March 18, 2010

Performance Audit Annual Report, 2009

Under the County Charter, the Pierce County Council conducts an ongoing program of performance audits. By ordinance, the Performance Audit Committee is the focal point of audit activities. For the Charter and Code provisions, click here. Audit reports are posted on the county website at www.piercecountywa.org/performance-audit.

2009 Audit Work

- Assessor-Treasurer Issues
- Criminal Justice Task Force
- Sheriff Workload and Staffing
- Animal Control and Pet Licensing
- Breaking the Cycle
- Quality Assurance Review of LESA
- Monitoring Felony Backlog

2009 Performance Audit Committee

Councilmember Dick Muri, Chair

Councilmember Shawn Bunney

Councilmember Tim Farrell

Michael Hondorp, citizen

Patrick Kenney, Director, Budget and Finance

Kevin Phelps, Deputy County Executive

Mark San Souci, M.A., citizen

Assessor-Treasurer Issues

At request of the County Council, performance audit staff conducted a brief audit of issues raised by the Pierce County Assessor-Treasurer. We were assisted by Don Duncan, a former chief appraiser for Pierce County. A main objective was to identify the requirements of state law regarding real property physical inspections and assessments. The audit found that:

- According to the state Department of Revenue, the Assessor-Treasurer does not have to conduct physical inspections in 2009 that were scheduled but not done in 2008.
- There is no reason to believe that individual property taxpayers were harmed by missed physical inspections. County tax revenues are likely to have been lower than if all inspections had been conducted as scheduled.
- The Assessor-Treasurer has no legal authority to revise property assessments levied during his predecessor's administration (ending in 2008) that may have been based on valuations determined without physical inspections.

For the report, click here.

Performance Audit Office - 955 Tacoma Avenue South, Suite 302A - Tacoma, WA 98402 - 253.798.4927

Criminal Justice Task Force

For the second year, performance audit staff assisted the Criminal Justice Task Force in analyzing key issues that affect the size of the jail population.

Matt Temmel and Bill Vetter analyzed **pretrial release issues**, focusing on the current methods of release (bail, personal recognizance, and other methods). The report includes comparative data on pretrial release programs in other jurisdictions and a program design for a system in Pierce County that focuses on (a) providing good information to the courts on arrestees, (b) monitoring pretrial release conditions effectively, and (c) managing the jail population. For the report, click here.

Contractor Teri Martin worked on **chronic minor offenders**. These persons are booked into jail repeatedly for low-level offenses and take up an extraordinary amount of bed space. The goal is to develop more effective means than jail to address their problems. For the report, click here.

Sheriff Workload and Staffing

Bill Vetter of the performance audit staff analyzed workload and staffing in the Pierce County Sheriff's Department from 2004 to 2008. There were three main findings:

1. Department staffing had more than kept pace with workload increases.
2. Staffing and workload were similar to nearby county and city law enforcement agencies.
3. More detailed performance measures are needed.

The recommendations called for further work on performance measures and for a contract audit of staff allocation and deployment practices in the Sheriff's Department.

For the report, click here.

Animal Control and Pet Licensing

The Pierce County Auditor, who is responsible for animal control and pet licensing operations, requested this audit. We hired contractor Mark Kumpf, director of the animal control agency in Dayton, Ohio, to examine animal control operations and pet licensing in Pierce County. The central question was to what extent pet licensing sales can be increased to provide more support for animal control.

It was found that Pierce County is now licensing cats and dogs at half the 1996 rate on a per capita basis and that license sales can be greatly increased, but not enough to make the animal services program self-supporting. The 12 recommendations dealt mainly with effective ways to increase pet licensing sales.

For the report, click here.

Breaking the Cycle

The County Council requested an evaluation of Breaking the Cycle (BTC), an alternative-to-jail program operated by the Pierce County Alliance under contract with the Superior Court. The audit by contractor Christopher Murray analyzed BTC operations and costs, with some attention also to program effectiveness.

On drug treatment issues, it was found that (1) most BTC clients do not receive treatment, and (2) only a small percentage of clients receive what could be considered a "therapeutic dosage" of treatment. However, the audit also showed that BTC reduces jail costs. Pierce County saves at least $2.23 in jail savings for every dollar spent on BTC.

The recommendations were to clarify what is expected from BTC, rewrite the contract for services, consider conducting an outcome evaluation of those who receive drug treatment, consider using graduated sanctions (rather than returning to jail persons who fail one drug test), improve the data system, and clarify and monitor the activities of the deputy sheriff assigned to BTC. The 2010 county budget transferred oversight responsibility for Breaking the Cycle from the Superior Court to the county Human Services Department.

For the report, click here.

Quality Assurance Review of LESA

This review examined whether a report published in 2009 by the Law Enforcement Support Agency (LESA) meets performance audit standards. The LESA report (entitled *PSAP Assessment Study: a Performance Audit of the LESA Communications Center*) was written by a Texas consultant under contract with LESA. The consultant's report recommended a large increase in funding so that the agency could hire more call takers and dispatchers in order to answer calls more quickly and meet national standards.

The main findings in the Quality Assurance Review were that (1) the LESA report did not meet the standard of auditor independence, and (2) the quality of the data in the LESA report was not sufficient to support the report's findings and conclusions. The main conclusion was that the data reported by the LESA consultant did not provide a strong basis for policy making by the local governments that fund LESA.

For the report, click here.

Monitoring Felony Backlog

Performance audit staff continued to monitor the number of pending felony cases, also known as the felony "backlog," as a follow-up to audit work conducted in 2007. As of February 28, 2010, the backlog had declined to 1,648, a 32% decrease from the high point of 2,434 pending cases in September 2007. (The audit report appeared in October 2007.)

The trend in pending felony cases is **closely related** to changes in jail population. Pre-trial felony inmates decreased from 1,138 to 833 over the same period (Sept. 2007 - Feb. 2010). The decrease in pre-trial felony inmates represents a marginal cost savings (at $51.51 per day) of $8.3 million to $11.3 million, depending on how the savings are estimated.

For a recent felony backlog monitoring report, click here.

Performance Audit Costs and Benefits

Performance audit funding for 2009 was $526,830, and actual expenditures came to $462,778. (The balance of some $64,000 was returned to the General Fund.) The 2009 budget of $526,830 was 16% higher than the funding level in 1998, when the performance audit program started, a very modest increase compared with other county programs.

Performance audits provide good value for money. This can be seen in terms of (1) high-quality information, (2) improved effectiveness of the audited entity, (3) fiscal savings, (4) cost avoidances, and (5) increased revenue.

1. We aim to provide **high-quality information** for use by county policy makers, and the 2009 reports reach that goal.

2. We aim to help improve the **effectiveness** of the programs that were audited. For example, the pet licensing program and Breaking the Cycle should become better programs as result of the 2009 audits. Funding remained roughly the same in 2010, but the programs should become more effective. To see if that actually occurs, we plan to do audit follow-up work later this year.

3. We aim to realize **fiscal savings**. In the nature of things, that cannot be accomplished with every audit. Over the long term, however, performance audits have led to some major funding reductions. Examples are Pretrial Services ($400,000 per year reduction starting in 2005) and elimination of funding for Prometa at the county level ($400,000 per year starting in 2008) and at the state level ($500,000 per biennium).

4. **Cost avoidances** are important too.

   - A good example is our audit and follow-up work on the Superior Court felony backlog. As of early 2010, the backlog has decreased 32% since the high point in 2007. Although difficult to quantify, all parties agree that jail costs would be **much higher** now if the backlog had not been reduced.

   - Another example is the 2008 audit of Stormwater Discharge Permit Issues, which found that Pierce County needs an additional 26 staff to comply with the state permit, versus 48 staff previously estimated by Pierce County Public Works. This results in a cost avoidance of $5 million to $7 million per year.

5. We look for **increased revenues** when reasonable. Performance audit work on court-ordered legal financial obligations (LFOs) has had a favorable long-term financial impact for Pierce County.

   - In 1997, Superior Court ordered "recoupment" of public defense costs in 9% of convictions. We did an audit of recoupment in 1998 and major follow-up work in 2003, and have monitored the issue ever since. In 2009, it is estimated that recoupment is ordered by the court in at least 80% of the convictions.

   - In terms of the **actual amounts** collected for public defense in Superior Court cases, the revenue has increased from $48,000 in 1998 to $318,000 in 2008, with a drop in 2009 to $272,000. To see the annual figures, click here.

2010 Performance Audit Work Program

The Performance Audit Committee approved the work program at meetings in January and February. The main audit projects for 2010 are listed below.

1. Performance audit "planning assessment," a systematic approach to reviewing Pierce County agencies in order to develop future audit topics. The assessment will be conducted with assistance by a contractor.

2. Criminal justice dashboard report. This work by performance audit staff will result in an automated report of key indicators in the criminal justice agencies (Sheriff, Corrections, Superior Court, District Court, Prosecuting Attorney, and Assigned Counsel).

3. Staffing analysis of call takers and dispatchers at the LESA 911 Communications Center. The audit work will be conducted by a contractor.

4. Update 2003 analysis of public defense "recoupment" that may be ordered by the court at sentencing. This work may be delegated to Superior Court and the Department of Assigned Counsel.

5. Monitor key data – felony case backlog, civil case backlog, jail population, chronic minor offenders, Sheriff performance measures, and possibly judicial bench activity. This is important follow-up work from previous performance audits.

6. Follow-up work on Breaking the Cycle and pet licensing, to review implementation of the 2009 audit recommendations.

7. A Peer Review, to take place in June 2010, will determine whether performance audits in Pierce County are being conducted in compliance with generally accepted government auditing standards (the Yellow Book). The reviewers will examine the audit office's quality control system, review a sample of the 12 performance audits conducted since 2007, and review the supporting documentation.

Contact Information

The Performance Audit Committee meets usually once a month. Meetings are televised on channel 22 or 78, depending on your cable provider. A "web stream" is available on the County Council web site.

To get on the mailing list for meetings, please contact Linda Medley, 253-798-3647 or lmedley@co.pierce.wa.us. Matt Temmel, Ph.D., is the Performance Audit Coordinator. He can be reached at 253-798-4927 or mtemmel@co.pierce.wa.us. Other staff members are research analysts Rick Talbert and Bill Vetter.