

7/9/02 L. Keller (Bd)
P. Romero - for response
S. Williams
O. MARTIN STEELE

470



June 26, 2002

Santa Clara Valley Water District
Board of Directors
5750 Almaden Expressway
San Jose, CA 95118

Dear Members of the Board:

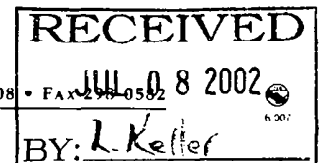
The 2001-2002 Santa Clara County Civil Grand Jury is transmitting to you its Final Report, **Examination of Audits and Financial Reports.**

California Penal Code Section 933(c) requires that a governing body of the particular public agency or department which has been the subject of a Grand Jury final report shall respond within 90 days to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. California Penal Code Section 933.05 contains guidelines for responses to Grand Jury findings and recommendations and is attached to this letter.

PLEASE NOTE:

1. As stated in Penal Code 933.05, you are required to "Agree" or "Disagree" with each FINDING. *If you disagree, in whole or part, you must include an explanation of the reasons you disagree.*
2. As stated in Penal Code 933.05, you are required to respond to each recommendation *with one of four possible actions.*

Your comments are due in the office of the Honorable Richard C. Turrone, Presiding Judge, Santa Clara County Superior Court, 191 North First Street, San Jose, CA 95113, no later than Wednesday, September 25, 2002.



June 26, 2002

Page 2

Copies of all responses shall be placed on file with the clerk of the public agency and the Office of the County Clerk.

Sincerely,



BRUCE E. CAPRON

Foreperson

2001-2002 Civil Grand Jury

BEClm

Enclosure

California Penal Code § 933.05, in relevant part:

933.05.

(a) For purposes of subdivision (c) of § 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) For purposes of subdivision (c) of § 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor...

(ENDORSED)

FILED

2001-2002 SANTA CLARA COUNTY CIVIL GRAND JURY

02 JUL -1 PM 2: 22

EXAMINATION OF AUDITS AND FINANCIAL REPORTS

RECEIVED
CLERK OF SUPERIOR
CO. OF SANTA CLARA

INTRODUCTION

California Penal Code Sections 925 and 925(a) specifically authorize the Civil Grand Jury to examine the books and records of the county, or any incorporated city or joint powers agency in the county. In accordance with those sections of the penal code, the 2001-2002 Santa Clara County Civil Grand Jury (Grand Jury) examined audits, financial reports, financial statements and management letters of 32 cities and government agencies. This effort covered the period of November 2001 through March 2002.

The Grand Jury established the following criteria for conducting these examinations:

- Were the requested reports provided to the Grand Jury?
- Were the auditor's recommendations addressed with appropriate responses?
- Were there any factors in the reports meriting additional recommendations?

BACKGROUND

Audits and financial reports were requested from Santa Clara County, all 15 cities of the county, selected joint powers agencies and special districts, as well as selected grant audits as required by state and federal regulations.

Three types of financial reports were submitted to the Grand Jury for examination: Comprehensive Annual Financial Report (CAFR); audits made by

independent auditors, and audits performed by internal auditors. CAFRs are financial reports that include the combined total report for the entity (city, county, district or agency) and individual reports for all agencies, funds or trusts under the authority of the entity. Independent auditors are outside CPA firms hired by the entity. Internal auditors are employees of the entity being audited.

Audits by independent auditors are submitted with management letters from the auditors to the engaging organization that include recommendations for the improvement of procedures used in the organization's accounting process. The county internal audit department also issues a management letter with its audits.

Requests for audits and financial reports made by the Grand Jury were accompanied by a request for any management audits performed during the prior year. Management audits are reviews of the operations of a unit for efficacy and efficiency. Business practices are to have all management functions reviewed or audited periodically. Five management audits were received.

See the table in Attachment A, FY 2000-2001 Audits, Financial Reports and Letters Received for information on reports received.

The Government Accounting Standards Board (GASB) Statement No. 34 (Attachment B) expands the information required in all fiscal reports, as well as the format for those reports prepared by local

governments. For governments or agencies with revenues over \$100 million, this change is to be effective with fiscal year (FY) 2001-2002 reports. Those entities with smaller revenues have extended deadlines. Refer to Attachment B for additional information. This new standard will require significant changes to accounting systems currently in place and to the information reported, including:

- Management analysis
- Budgetary comparison
- Infrastructure asset information, including a condition assessment
- Expanded accrual, including all assets, liabilities, revenues and expenses

The Grand Jury acknowledges a San Jose State University masters degree candidate, whose research and documentation of Joint Powers Agencies was made available.

FACTS

1. Five management audits were received: one from the City of Palo Alto; two internal audits from the county, juvenile crime and employee benefits; and two internal audits from the City of San Jose, rental dispute and arena management. The City of Mountain View report included a set of management objectives.

2. While the information was not specifically requested by the Grand Jury, none of the entities, except the Santa Clara Valley Water District, reported preparatory efforts to comply with GASB Statement No. 34.

3. There is very limited information on the number, names, and functions of agencies—

public, private non-profit, public benefit corporation, or contractor—that receive and manage public money from the cities or county. The 2001-2002 Grand Jury had difficulty in identifying entities that are included in its scope of responsibilities, such as special assessment districts, trust funds, joint powers agencies, or public benefit corporations. The Special Districts Annual Report, a major source document published by the California State Controller, has not been issued since the FY 1996-1997 edition.

4. The two audits of probation department accounts, juvenile crime grant and department of correction inmate welfare fund, submitted by the Santa Clara County internal auditor, reflect defects in basic accounting procedures. These include: inadequate verification of subcontractor billings; improper, untimely invoicing; improper posting; and untimely reporting.

5. The audit of the employee benefits funds of the county human resources department disclosed the need for improvement in the procedures and timely processing of changes associated with these funds.

6. The audit of the San Jose rental dispute program recommended realignment of responsibilities.

7. The audit of the San Jose arena management contract compliance disclosed:

- Non-compliance
- Need for procedure changes
- Need to resolve funds transfer issues within the city

FINDINGS

- 1. Management audits are not a routine function of the entities contacted by the Grand Jury.
- 2. GASB No. 34 requires revised financial reporting standards. These revised standards identify the changes necessary for governmental agencies to comply with the new requirements. When implemented, annual reports will be more comprehensive and easier to understand. The activities necessary to meet those requirements and the current status of progress are not routinely addressed in public documents. This results in restricted information available to the public.
- 3. Accounting procedures in the county probation department require improvement.
- 4. Recording procedures and the processing of county employee benefits changes by county human resources require improvement.

accounting procedures, assist in developing appropriate procedures and provide training in the new procedures. (Ref. Finding #3)

4. Direct the Santa Clara County Internal Auditor to assist in the development of revised procedures for the processing of employee benefits and to assist human resources in training and implementation of the new procedures. (Ref. Finding #4)

RECOMMENDATIONS

The Santa Clara County Civil Grand Jury recommends the boards and councils named in Attachment C:

- 1. Implement a program of continuing management audits. (Ref. Finding #1)
- 2. Modify and expand accounting procedures to encompass the requirements of GASB No.34. (Ref. Finding #2)

The Santa Clara County Civil Grand Jury recommends that the Santa Clara County Board of Supervisors:

- 3. Direct the Santa Clara County Internal Auditor to review all probation department

ATTACHMENT A

FY 2000-2001 AUDITS, FINANCIAL REPORTS AND LETTERS RECEIVED

476

Agency or Fund	Agency	Dept.	Report Type	Letter	Recommend
Cities or Town					
Campbell,	City		CAFR	X	1
Cupertino,	City		CAFR		
Gilroy,	City		CAFR		3
Los Altos,	City		CAFR		
Los Altos Hills,	City		CAFR		
Los Gatos,	City		CAFR		
Milpitas,	City		CAFR		
Monte Sereno,	City		AUDIT	X	
Morgan Hill,	City		CAFR	X	3
Mountain View,	City		CAFR		
Palo Alto,	City		CAFR	X	6
San Jose,	City		CAFR		
Santa Clara,	City		CAFR		
Saratoga,	City		CAFR	X	3
Sunnyvale,	City		CAFR		
County					
Santa Clara, County of	County		CAFR		
SC County Valley Hospital	County	SCVHHS	CAFR		6
Joint Powers Agencies					
Santa Clara Valley Water District.	Joint		X CAFR		
Valley Transportation Authority	Joint		X CAFR		
Special Districts					
Burbank Sanitary District	Special		AUDIT	X	3
Guadalupe-Coyote Resource Conservation District	Special		AUDIT	X	
Purissima Hills Water District	Special		AUDIT	X	2
Silver Creek CC Geo. Hazard	Special		AUDIT		
Grants					
CDI Auto Fraud	Grant	District Attorney	IA		
CDI Workers Comp Fraud	Grant	District Attorney	IA		
County Social Services	Grant	Social Services	IA		
Juvenile Crime	Grant	Probation	IA		5
SCC Abandoned Vehicle Abatement	County	SCCAVA	AUDIT		
Funds					
SC County Property Tax Admin.	County		IA		
SC County Employee Benefits	County	H. R.	IA		10
DOC Inmate Welfare Fund	County	Probation	IA		1
Management Audits					
San Jose Rental Dispute Program	City		MA		12
San Jose Arena Mgmt. Agreement	City		MA		8

Table Legend

Dept.	Department within the city, county, or other entity responsible for the fund or grant.
CAFR	Comprehensive Annual Financial Report (CAFR).
AUDIT	Copy of independent auditor's report
IA	Internal auditor's report
MA	Management audit report
Letter	X indicates auditor's management letter received.
Recommend	Number of auditor's recommendations made in the report.

Preface and Summary of Statement No. 34

Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments

(Issued 6/99)

Preface

This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will create new information and will restructure much of the information that governments have presented in the past. We developed these new requirements to make annual reports more comprehensive and easier to understand and use.

The GASB's first concepts Statement,* issued in 1987 after extensive due process, identifies what we believe are the most important objectives of financial reporting by governments. Some of those objectives reaffirm the importance of information that governments already include in their annual reports. Other objectives point to a need for new information. For this reason, this Statement requires governments to retain some of the information they currently report, but also requires them to reach beyond the familiar to new and different information. This Statement will result in reports that accomplish many of the objectives we emphasized in that concepts Statement.

*GASB Concepts Statement No. 1, *Objectives of Financial Reporting*.

Retaining the Familiar

Annual reports currently provide information about funds. Most funds are established by governing bodies (such as state legislatures, city councils, or school boards) to show restrictions on the planned use of resources or to measure, *in the short term*, the revenues and expenditures arising from certain activities. Concepts Statement 1 noted that annual reports should allow users to assess a government's accountability by assisting them in determining compliance with finance-related laws, rules, and regulations. For this reason and others, this Statement requires governments to continue to present financial statements that provide information about funds. The focus of these statements has been sharpened, however, by requiring governments to report information about their most important, or "major," funds, including a government's general fund. In current annual reports, fund information is reported in the aggregate by fund type, which often makes it difficult for users to assess accountability.

Fund statements also will continue to measure and report the "operating results" of many funds by measuring cash on hand and other assets that can easily be converted to cash. These statements show the performance—in the short term—of individual funds using the same measures that many governments use when financing their current operations. For example, if a government issues fifteen-year debt to build a school, it does not collect taxes in the first year sufficient to repay the *entire* debt; it levies and collects what is needed to make that year's required payments. On the other hand, when governments charge a fee to users for services—as is done for most water or electric utilities—fund information will continue to be based on accrual accounting (discussed below) so that all costs of providing services are measured.

Showing budgetary compliance is an important component of government's accountability. Many citizens—regardless of their profession—participate in the process of establishing the original annual operating budgets of state and local governments. Governments will be required to continue to provide budgetary comparison information in their annual reports. An important change, however, is the requirement to add the government's *original* budget to that comparison. Many governments revise their original budgets over the course of the year for a variety of reasons. Requiring governments to report their original budget in addition to their revised budget adds a new analytical dimension and increases the usefulness of the budgetary comparison. Budgetary changes are not, by their nature, undesirable. However, we believe that the information will be important—in the interest of accountability—to those who are aware of, and perhaps made decisions based on, the original budget. It will also allow users to assess the government's ability to estimate and manage its general resources.

Bringing in New Information

The financial managers of governments are knowledgeable about the transactions, events, and conditions that are reflected in the government's financial report and of the fiscal policies that govern its operations. For the first time, those financial managers will be asked to share their insights in a required management's discussion and analysis (referred to as MD&A) by giving readers an objective and easily readable analysis of the government's *financial* performance for the year. This analysis should provide users with the information they need to help them assess whether the government's financial position has improved or deteriorated as a result of the year's operations.

Financial managers also will be in a better position to provide this analysis because for the first time the annual report will also include new government-wide financial statements, prepared using accrual accounting for all of the government's activities. Most governmental utilities and private-sector companies use accrual accounting. It measures not just current assets and liabilities but also long-term assets and liabilities (such as capital assets, including infrastructure, and general obligation debt). It also reports *all* revenues and *all* costs of providing services each year, not just those received or paid in the current year or soon after year-end.

These government-wide financial statements will help users:

- Assess the finances of the government in its entirety, including the year's operating results
- Determine whether the government's overall financial position improved or deteriorated
- Evaluate whether the government's current-year revenues were sufficient to pay for current-year services
- See the cost of providing services to its citizenry
- See how the government finances its programs—through user fees and other program revenues versus general tax revenues
- Understand the extent to which the government has invested in capital assets, including roads, bridges, and other infrastructure assets

- Make better comparisons between governments.

In short, the new annual reports should give government officials a new and more comprehensive way to demonstrate their stewardship in the long term *in addition to* the way they currently demonstrate their stewardship in the short term and through the budgetary process.

The GASB expresses its thanks to the thousands of preparers, auditors, academics, and users of governmental financial statements who have participated during the past decade in the research, consideration, and deliberations that have preceded the publication of this Statement. We especially appreciate the input of those who participated by becoming members of our various task forces, which began work on this and related projects as early as 1985.

The GASB is responsible for developing standards of state and local governmental accounting and financial reporting that will (a) result in useful information for users of financial reports and (b) guide and educate the public, including issuers, auditors, and users of those financial reports. We have an open decision-making process that encourages broad public participation.

Summary

This Statement establishes financial reporting standards for state and local governments, including states, cities, towns, villages, and special-purpose governments such as school districts and public utilities. It establishes that the basic financial statements and required supplementary information (RSI) for general purpose governments should consist of:

- *Management's discussion and analysis (MD&A)*. MD&A should introduce the basic financial statements and provide an analytical overview of the government's financial activities. Although it is RSI, governments are required to present MD&A *before* the basic financial statements.
- *Basic financial statements*. The basic financial statements should include:
 - *Government-wide financial statements*, consisting of a statement of net assets and a statement of activities. Prepared using the economic resources measurement focus and the accrual basis of accounting, these statements should report all of the assets, liabilities, revenues, expenses, and gains and losses of the government. Each statement should distinguish between the governmental and business-type activities of the primary government and between the total primary government and its discretely presented component units by reporting each in separate columns. Fiduciary activities, whose resources are not available to finance the government's programs, should be excluded from the government-wide statements.
 - *Fund financial statements* consist of a series of statements that focus on information about the government's major governmental and enterprise funds, including its blended component units. Fund financial statements also should report information about a government's fiduciary funds and component units that are fiduciary in nature. *Governmental fund financial statements* (including financial data for the general fund and special revenue, capital projects, debt service, and permanent funds) should be prepared using the current financial resources measurement focus and the modified accrual basis of accounting. *Proprietary fund financial statements* (including financial data for enterprise and internal service funds) and *fiduciary fund financial statements* (including financial data

for fiduciary funds and similar component units) should be prepared using the economic resources measurement focus and the accrual basis of accounting.

- *Notes to the financial statements* consist of notes that provide information that is *essential* to a user's understanding of the basic financial statements.
- *Required supplementary information (RSI)*. In addition to MD&A, this Statement requires budgetary comparison schedules to be presented as RSI along with other types of data as required by previous GASB pronouncements. This Statement also requires RSI for governments that use the modified approach for reporting infrastructure assets.

Special-purpose governments that are engaged in only governmental activities (such as some library districts) or that are engaged in both governmental and business-type activities (such as some school districts) generally should be reported in the same manner as general purpose governments. Special-purpose governments engaged only in business-type activities (such as utilities) should present the financial statements required for enterprise funds, including MD&A and other RSI.

Important Aspects of MD&A

MD&A should provide an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions. MD&A should include comparisons of the current year to the prior year based on the government-wide information. It should provide an analysis of the government's overall financial position and results of operations to assist users in assessing whether that financial position has improved or deteriorated as a result of the year's activities. In addition, it should provide an analysis of significant changes that occur in funds and significant budget variances. It should also describe capital asset and long-term debt activity during the year. MD&A should conclude with a description of currently known facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.

Important Aspects of the Government-wide Financial Statements

Governments should report all capital assets, including infrastructure assets, in the government-wide statement of net assets and generally should report depreciation expense in the statement of activities. Infrastructure assets that are part of a network or subsystem of a network are not required to be depreciated as long as the government manages those assets using an asset management system that has certain characteristics and the government can document that the assets are being preserved approximately at (or above) a condition level established and disclosed by the government.

The net assets of a government should be reported in three categories—invested in capital assets net of related debt, restricted, and unrestricted. This Statement provides a definition of the term *restricted*. Permanent endowments or permanent fund principal amounts included in restricted net assets should be displayed in two additional components—expendable and nonexpendable.

The government-wide statement of activities should be presented in a format that reports expenses reduced by program revenues, resulting in a measurement of "net (expense) revenue" for each of the government's functions. Program expenses should include all direct expenses. General revenues, such as taxes, and special and extraordinary items should be reported separately, ultimately arriving at the change in net assets for the period. Special items are significant transactions or other events that are either unusual or infrequent and are within the control of management.

Important Aspects of the Fund Financial Statements

To report additional and detailed information about the primary government, separate fund financial statements should be presented for governmental and proprietary funds. Required governmental fund statements are a balance sheet and a statement of revenues, expenditures, and changes in fund balances. Required proprietary fund statements are a statement of net assets; a statement of revenues, expenses, and changes in fund net assets; and a statement of cash flows. To allow users to assess the relationship

between fund and government-wide financial statements, governments should present a summary reconciliation to the government-wide financial statements at the bottom of the fund financial statements or in an accompanying schedule.

Each of the fund statements should report separate columns for the general fund and for other major governmental and enterprise funds. Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. Any other fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users. No major funds should be reported in the aggregate in a separate column. Internal service funds also should be reported in the aggregate in a separate column on the proprietary fund statements.

Fund balances for governmental funds should be segregated into reserved and unreserved categories. Proprietary fund net assets should be reported in the same categories required for the government-wide financial statements. Proprietary fund statements of net assets should distinguish between current and noncurrent assets and liabilities and should display restricted assets.

Proprietary fund statements of revenues, expenses, and changes in fund net assets should distinguish between operating and nonoperating revenues and expenses. These statements should also report capital contributions, contributions to permanent and term endowments, special and extraordinary items, and transfers separately at the bottom of the statement to arrive at the all-inclusive change in fund net assets. Cash flows statements should be prepared using the direct method.

Separate fiduciary fund statements (including component units that are fiduciary in nature) also should be presented as part of the fund financial statements. Fiduciary funds should be used to report assets that are held in a trustee or agency capacity for others and that cannot be used to support the government's own programs. Required fiduciary fund statements are a statement of fiduciary net assets and a statement of changes in fiduciary net assets.

Interfund activity includes interfund loans, interfund services provided and used, and interfund transfers. This activity should be reported separately in the fund financial statements and generally should be eliminated in the aggregated government-wide financial statements.

Required Supplementary Information

To demonstrate whether resources were obtained and used in accordance with the government's legally adopted budget, RSI should include budgetary comparison schedules for the general fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedules should present both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the government's budgetary basis. This Statement also requires RSI for governments that use the modified approach for reporting infrastructure assets.

Effective Date and Transition

The requirements of this Statement are effective in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999. Governments with total annual revenues (excluding extraordinary items) of \$100 million or more (phase 1) should apply this Statement for periods beginning after June 15, 2001. Governments with at least \$10 million but less than \$100 million in revenues (phase 2) should apply this Statement for periods beginning after June 15, 2002. Governments with less than \$10 million in revenues (phase 3) should apply this Statement for periods beginning after June 15, 2003. Earlier application is encouraged. Governments that elect early implementation of this Statement for periods beginning before June 15, 2000, should also implement GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, at the same time. If a primary government chooses early implementation of this Statement, all of its component units also should implement this standard early to provide the financial information required for the government-wide financial statements.

Prospective reporting of general infrastructure assets is required at the effective dates of this Statement. Retroactive reporting of all major general governmental infrastructure assets is encouraged at that date. For phase 1 and phase 2 governments, retroactive reporting is *required* four years after the effective date on the basic provisions for all major general infrastructure assets that were acquired or significantly reconstructed, or that received significant improvements, in fiscal years ending after June 30, 1980. Phase 3 governments are encouraged to report infrastructure retroactively, but may elect to report general infrastructure prospectively only.

Components of This Statement

This Statement consists of several components. The detailed authoritative standards established by this Statement are presented in paragraphs 3 through 166. Appendix C provides nonauthoritative illustrations of MD&A; the basic financial statements required for a variety of types of governments, such as towns, school districts, fire districts, and utilities; notes to those financial statements required by this Statement; and RSI other than MD&A. The reasons for the Board's conclusions on the major issues are discussed in the Basis for Conclusions (Appendix B). Appendix D summarizes how the new standards would be incorporated into the GASB's June 30, 1999, *Codification of Governmental Accounting and Financial Reporting Standards*.

Unless otherwise specified, pronouncements of the GASB apply to financial reports of all state and local governmental entities, including general purpose governments, public benefit corporations and authorities, public employee retirement systems, utilities, hospitals and other healthcare providers, and colleges and universities. Paragraphs 2 and 3 discuss the applicability of this Statement.

ATTACHMENT C

**ENTITIES REQUIRED TO RESPOND TO SANTA CLARA COUNTY CIVIL
GRAND JURY FINDINGS AND RECOMMENDATIONS IN THIS REPORT**

Santa Clara Board of Supervisors

Councils of:

Campbell
Cupertino
Gilroy
Los Altos
Los Altos Hills
Los Gatos
Milpitas
Monte Sereno
Morgan Hill
Mountain View
Palo Alto
San Jose
Santa Clara
Saratoga
Sunnyvale

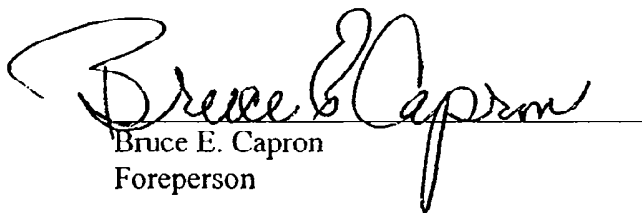
Boards of Directors of:

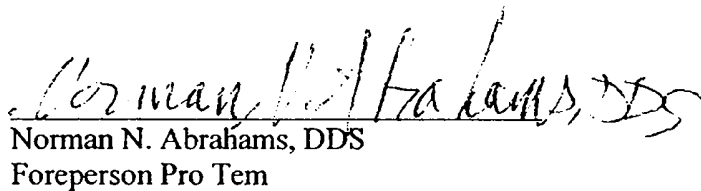
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Guadalupe-Coyote Resource Conservation District
Purissima Hills Water District
Santa Clara County Valley Transit Authority
Santa Clara Valley Water District
Silver Creek CC Geo. Hazard Abatement District

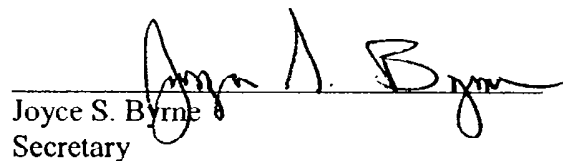
BIBLIOGRAPHY

1. All reports referenced in attachment A: Table of Audits, Financial Reports and Letters Received
2. California State Controller publication: Special Districts Annual Report, Fiscal Year 1996-1997
3. Website for attachment B:
<http://accounting.rutgers.edu/raw/gasb/st/summary/gstsm34.html>

PASSED and ADOPTED by the Santa Clara
County Civil Grand Jury this 16th day of May
2002.


Bruce E. Capron
Foreperson


Norman N. Abrahams, DDS
Foreperson Pro Tem


Joyce S. Byrne
Secretary