



SOLANO COUNTY GRAND JURY
2012-13

**SOLANO COUNTY PUBLIC HEALTH
LABORATORY**

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2012-13 Solano County Grand Jury

I. SUMMARY

The 2012-13 Solano County Grand Jury elected to investigate the Solano County Public Health Laboratory. As part of the investigation, the Grand Jury discovered the following:

- Lack of billing resulted in an estimated loss of \$140,000 for services performed in fiscal year 2011-12
- The full-time laboratory director position remains unfilled
- Laboratory positions were not filled for over a year

II. INTRODUCTION

The Solano County Public Health Laboratory is located at 2201 Courage Drive, Fairfield, California. Some of the main functions of the laboratory are to perform routine public health laboratory testing for tuberculosis, rabies, communicable diseases and water quality.

III. METHODOLOGY

The Solano County Grand Jury:

- Toured the Solano County Public Health Laboratory
- Interviewed Solano County Public Health Staff
- Reviewed Joint Powers Agreement with Napa and Yolo Counties
- Reviewed proposed Joint Powers Agreement with Marin County
- Reviewed fiscal year 2012-13 Laboratory Budget
- Reviewed Auditor-Controller's Laboratory Revenue Report
- Reviewed summary of laboratory tests performed for fiscal year 2011-12
- Reviewed yearly volume reports of tests performed
- Reviewed Grand Jury's request for performance appraisals of Solano County Public Health Laboratory by Napa and Yolo Counties

IV. STATEMENT OF FACTS

The Solano County Public Health Laboratory is a State-approved laboratory with Federal Clinical Laboratory Improvement Amendments (CLIA) accreditation and Environmental Laboratory Accreditation Program (ELAP) certification. The laboratory is critical to the public health and environmental programs of Solano, Napa and Yolo Counties. Solano County has entered into a Joint Powers Agreement (JPA) with Napa and Yolo Counties to provide laboratory services. Marin County is negotiating with Solano, Napa and Yolo Counties to join the JPA. The laboratory performs epidemiologic tests to identify and control infectious diseases and pollution of air, water, and food. The most common diseases tested for are: rabies, salmonellosis, shigellosis, typhoid fever, tuberculosis, and sexually transmitted diseases. A large percentage of these tests are performed for clinics and private hospitals. The laboratory also tests the drinking water of private wells and springs.

The laboratory identifies agents of bioterrorism, such as anthrax, salmonella and E. coli. The laboratory has a responsibility to respond to these emergency situations.

As of December 2012, the Solano-Napa-Yolo public health laboratory is staffed with four public health microbiologists, three laboratory technicians, one office assistant, one account clerk, an assistant laboratory director and a part-time laboratory director. In 2011, the full-time laboratory director position became vacant. To maintain certification of the laboratory, the position was filled with a temporary part-time director, who works only three days a month. Additionally, this part-time director is the current full-time director of the Marin County Public Health Laboratory. The day-to-day operation of the laboratory is managed by the assistant laboratory director, who also performs many administrative duties in the absence of a full-time director.

Public Health staff informed the Grand Jury that over 60 budgeted positions within the Department of Health and Social Services remained vacant for up to one year. Three of these budgeted positions in addition to a full-time Director were in the Solano County Public Health Laboratory. The inability to fill positions in a timely manner has been identified as a problem by public health staff. Staff indicated they are working with Solano County Human Resources Department to expedite the recruitment and hiring process. Public Health Staff stated, "Human Resources should become a service provider rather than a barrier"

The Solano County Public Health Laboratory charges private entities, citizens, governmental agencies, clinics and private hospitals for various tests performed. In 2013, it is estimated that \$150,000 should be collected for these tests. The public health laboratory staff advised the Grand Jury that prior to June of 2012 clients were not being billed for services provided by the laboratory. In July of 2012, an account clerk was hired to bill for these tests.

In response to staff comments, the Grand Jury conducted an audit of monies received by the public health laboratory over the previous two years. It was discovered that prior to July 2012, billing was done sporadically. The audit showed from August through December 2011, \$3,503 was collected. During that same five month period in 2012, with the addition of a billing clerk, \$61,840 was collected. The Grand Jury estimated the lack of billing in 2011 resulted in an approximate loss of \$140,000 in revenue to the laboratory. (See chart below.)

\$61,840 has been billed by the Public Health Lab Accounting Clerk since July 2012
versus \$3,503 for the same period in 2011
 An additional **\$140,000** would have been billed in 2011 if the Clerk had started in Jan. 2011



The Grand Jury observed the payment process and discovered the laboratory only accepts cash, money orders, or checks. Their equipment and systems to process electronic fund transfers or credit card payments is currently not functional.

Under the JPA, Napa and Yolo Counties have partnered with Solano County in the operation of the public health laboratory. The JPA expires in 2015. Napa County pays \$132,000 annually, and Yolo County pays \$150,000 annually for unlimited laboratory tests. The JPA “reevaluation clause” allows an opt out for participating counties but there is no binding provision to modify the agreement if actual costs exceed the annual estimate of services provided.

Marin County is in negotiations with Solano County to join the existing JPA. Marin County will pay \$422,000 to join the JPA through June of 2015. As part of this agreement, Marin County will give Solano County Public Health Laboratory an advanced, licensed accounting software program valued at approximately \$100,000. Laboratory staff indicated this program would be a significant improvement over the current accounting system that is ten years old. If Marin County participates in the JPA, it is estimated an additional 12,000 annual tests will be performed. Solano County Public Health Laboratory is recruiting staff to perform the additional tests should Marin County participate in the JPA in July of 2013.

In their performance appraisal, Yolo and Napa Counties indicated they are extremely pleased with the work and services of the Solano County Public Health Laboratory. They also stated the laboratory staff is knowledgeable and helpful.

V. FINDINGS AND RECOMMENDATIONS

Finding 1 – The Solano County Public Health Laboratory currently uses antiquated accounting software.

Recommendation 1 – The Solano County Public Health Laboratory purchase updated accounting software in the event the Marin/Solano County Joint Powers Agreement negotiations fail.

Finding 2 – During 2011-12, Solano County Public Health Laboratory failed to bill clients for services resulting in an estimated loss of over \$140,000.

Recommendation 2 – Maintain the position of account clerk to oversee and ensure proper billing and collection of fees and consider billing for lost revenues for the prior fiscal year.

Finding 3 – The Solano County Public Health Laboratory’s equipment and systems to process electronic fund transfers or credit card payments is currently not functional.

Recommendation 3 – Install necessary equipment and systems to process electronic fund transfers or credit card payments.

Finding 4 – The Solano County Public Health Laboratory had many budgeted positions that remained vacant for approximately one year.

Recommendation 4 – Director of Solano County Human Resources maintain continuous recruitment and expedites the hiring process to fill budgeted positions.

Finding 5 – The Solano County Public Health Laboratory does not have a permanent full-time Director. This position remains unfilled even though budgeted.

Recommendation 5 – Hire a permanent full-time Director.

Finding 6 – The Joint Powers Agreement has a “reevaluation clause” amongst Napa, Yolo and Solano Counties, but no binding provision to modify the agreement if actual costs exceed the annual estimate of services provided.

Recommendation 6 – Amend the current and future Joint Powers Agreements to include a provision allowing for the collection of all costs that exceed the annual estimate of services provided.

COMMENTS

During the investigation of the Public Health Lab and other County Departments, the Grand Jury found the Solano County Department of Human Resources has been an impediment in filling budgeted vacant positions in the Solano County Public Health Department.

REQUIRED RESPONSES

Director, Solano County Health and Social Services (Finding 1, 2, 3, 5, and 6)

Director, Solano County Department of Human Resources (Finding 4 and 5)

Solano County Administrator (finding 6)

COURTESY COPIES

Solano County Board of Supervisors

Solano County Public Health Officer