



**Grand Jury**  
County of San Joaquin  
Courthouse  
222 East Weber Avenue-Room 303  
Stockton, California 95202  
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ASSESSOR RECORDER  
COUNTY CLERK  
GARY W. FREEMAN

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SAN JOAQUIN COUNTY

BY *Patricia Paulse*  
DEPUTY

**FINAL REPORT**  
**CASE #0602 SHERIFF'S DEPARTMENT/S.T.A.R.S. PROGRAM**  
**SHERIFF'S TEAM OF ACTIVE RETIRED SENIORS**

**REASON FOR INVESTIGATION:**

An unsigned citizen complaint was received containing a general allegation that donated funds have not been properly accounted for since the beginning of this program. In addition there were four allegations directed towards the program coordinator for out of state travel, out of country travel, a kickback from an auto dealer, and transfer of a County vehicle to a volunteer. In addition, the Sheriff was accused of covering up the mishandling of volunteer funds.

**BACKGROUND:**

On August 6, 1991, the San Joaquin Board of Supervisors authorized the establishment of the S.T.A.R.S. (Sheriff's Team of Active Retired Seniors) Program for all county areas and for the city of Lathrop. They authorized the auditor-controller to establish an interest bearing trust fund for this program, which they directed to become self-sufficient by generating an active donation program.

This program was organized similar to those already established in Los Angeles and Alameda Counties using citizen volunteers to assist the deputy sheriffs of San Joaquin County. The current roster of volunteers stands at 357 and the total hours they have spent assisting the sheriff's department should reach one million hours sometime during the month of December 2002. Through the eleven years of its existence 1000 volunteers have been active in the group and only 14 have been asked to leave the program for any reason ranging from inability to complete yearly training programs to violation of codes of conduct. The S.T.A.R.S. program volunteers perform duties that include but are not limited to vacation watch, accident investigation, search and rescue including waterways, evidence gathering and transporting, emergency activities including disasters such as flooding, train and plane accidents, and coordinating neighborhood watch.

In the course of developing the initial background information for this investigation it became apparent that the history of this organization was an integral part of their accounting records. As the number of volunteers increased, areas to assist deputies expanded and the funds required to maintain the program increased proportionately. The accounting methods improved from two copies of everything reviewed by two volunteer accountants to the current computer generated spreadsheet. The program has been maintained at "no cost to the county," except for the space provided within the Sheriff's office and at times gas for Stars vehicles. All vehicles, office furniture, office supplies, uniforms, awards, badges and watercraft are supported by donations.

Mr. Weldon Burson, the only paid employee of this program has been its coordinator since the founding in 1991. Sheriff's Captain Esau has been in charge of this group for six years and has the responsibility for two other traffic divisions. Sheriff Baxter Dunn was the primary force in getting this program approved by the Board of Supervisors.

**METHOD OF INVESTIGATION:**

Steps followed in the investigation include:

- A. Background information and documents were requested and reviewed:
1. Ledgers for 1999-2000, 2000-2001, 2001-2002.
  2. Board of Supervisors action of implementation dated August 6, 1991.
  3. Franchise Tax Board establishing S.T.A.R.S. Program as a non-profit charitable organization dated May 8, 1992.
  4. S.T.A.R.S. Policy & Procedures Manual.
  5. S.T.A.R.S. Program Instructor's Guide.
  6. Establishment of San Joaquin County Sheriff's Foundation as a 501(c)(3) classification dated November 17, 1992.
  7. Letterhead for San Joaquin County Sheriff's Foundation Tax I.D. #68-0285842 and listing current directors as:  
Michael Esau, President – Sheriff's Captain  
Weldon Burson, Vice President/Secretary  
Leslie Eberhardt-Brown, Treasurer  
John Cammack – Legal Counsel  
Janet Kavanaugh  
Bess Farmer  
Don Mann
  8. Accounting spreadsheets for 1999-2000, 2000-2001.
  9. Copies of transaction records (Income).
  10. Copies of transaction records (Payment).
  11. Copies of volunteer hours by month for 1999-2000, 2000-2001 by area.
  12. S.T.A.R.S. Training Manual.
  13. Fund reports 1999-2000, 2000-2001, 2001-2002.
  14. Letter of December 3, 1996 - Flower Fund.
  15. Letter of December 9, 1996 - Flower Fund.
  16. Quarterly accounting reports prepared to maintain status as a non-profit charitable organization. (1999-2000, 2000-2001, 2001-2002)
  17. "Audit Report On the Administration/Support Services Division Of the San Joaquin County Sheriff - Coroner-Public Administrator and the San Joaquin County Metropolitan Narcotics Task Force, For the Period January 1, 1998 through December 31, 2001", by the County of San Joaquin Auditor-Controller, March 11, 2002
- B. Interviews with:  
Michael Esau – Captain of Field Forces, S.J.C. Sheriff's Department

Weldon Burson – S.T.A.R.S. Program Coordinator  
Baxter Dunn – S.J.C. Sheriff  
S.T.A.R.S. Volunteer #1 – Bookkeeper  
S.T.A.R.S. Volunteer #2

C. Site Visits:

1. A preliminary visit was scheduled to secure requested documents, perform a random audit of records and specific review and discussion of requested documents with S.T.A.R.S. volunteer bookkeeper, Captain Esau, Weldon Burson, Sheriff Baxter Dunn.
2. Additional visits to review specific historical documentation including fund raising records and services, food, flower and purchased vehicles.
3. Review of quarterly accounting reports prepared to maintain status as a non-profit charitable organization.

**OBSERVATION:**

The S.T.A.R.S. Program Coordinator, Mr. Weldon Burson, Captain Michael Esau and Sheriff Baxter Dunn were extremely cooperative with our investigation, providing the information requested within 24 hours. They made themselves available along with the volunteer bookkeeper as we requested and no request for information was denied.

**FINDINGS:**

The San Joaquin County Civil Grand Jury (SJCCGJ) carefully and thoroughly investigated each of the subject allegations and our findings are:

Regarding general allegation that donated funds have not been properly accounted for since the founding of this program in 1991:

1. Our review of these records revealed that all donated monies have been routed to the San Joaquin County Sheriff's Foundation and all payments have been paid through that same foundation. All transactions (payment or income) are submitted through the sheriff's administrative planning requests, with copies of the actual currency donations (for \$5 bills and up), thus keeping records of serial numbers.

A specific review of the activities scheduled for fund raising revealed a detailed accounting of each function, tracking the success and helping to promote growth in funds as this program expanded. A review of the list of donors showed continued support from thousands of San Joaquin citizens. All donated funds are separately accounted for and reflected in quarterly accounting reports prepared to maintain status as a non-profit charitable organization.

No separate independent audit reports of the S.T.A.R.S. accounts are available, but the S.T.A.R.S. Trust Fund (50436) was included in the March 2002 County Auditor-Controller's audit of the Administration/Support Services Division of the San Joaquin County Sheriff – Coroner-Public Administrator and the San Joaquin County Metropolitan Narcotics Task Force (document #17, referenced above).

That audit found that the trust ledger did not indicate, whether monthly reconciliations were performed and the description of revenues and expenditures was not complete and that the trust ledger had not been posted since October 31, 2001. It recommended the following:

*“The trust reconciliation should be completed each month and submitted to the accounting supervisor for review. The accounting supervisor should initial and date the reconciliation when the review is completed. All expenditures should include a brief explanation of its purpose and all revenue entries should identify the source of the revenue.”*

With the exception of the above recommendation, the facts do not substantiate the allegation. In fact we found that, from its inception, adequate and acceptable records of donated funds have been maintained and forwarded to the established sheriff's foundation for appropriate dispersal.

Regarding alleged failure to account for S.T.A.R.S. program monies:

2. Accounting records show a slow and deliberate growth of funds and expenditures as the program succeeded. In the beginning double accounting methods were used. More recently computer spreadsheets have been used to account for monies received and spent. Accountings of foundation receipts and S.T.A.R.S. expenditures are maintained via transaction forms and are entered daily for month-end spreadsheet. The determination of donations required to meet expenditures is done through the quarterly accounting reports, and additional fundraisers are scheduled as required. The Sheriff's Foundation expenditures and the S.T.A.R.S. Program costs appear to be in balance and are appropriate to the function and purpose of both entities.

These facts do not substantiate the allegation.

3. Regarding alleged use of S.T.A.R.S. funds for trips to foreign countries by Program Coordinator:

No record was found by SJCCGJ that supports the allegation that S.T.A.R.S funds were used for trips to foreign countries. No record was found of any payments paid through the Sheriff's Foundation or the S.T.A.R.S. Program for any expenses for trips to foreign countries. In addition, witnesses deny that such activity occurred.

These facts do not substantiate the allegation.

Regarding alleged use of S.T.A.R.S. funds for out-of-state lecture expenses by Program Coordinator:

4. The S.T.A.R.S. Program in San Joaquin County has established itself to be a trendsetter in at least four areas of activity
  - a. Search and rescue that includes waterways.
  - b. Evidence gathering
  - c. Evidence transporting
  - d. Newsletter

As a result of these unique successes the Program Coordinator has been asked by many communities across the nation to share his knowledge and expertise in these areas. In each incidence the requesting agency has paid all expenses for his trip. No record of payment by S.T.A.R.S. Program or Sheriff's Foundation was located showing any payments for out of state travel. Witnesses deny any such activity.

These facts do not substantiate the allegation.

Regarding alleged kickback from Tracy Ford to Program Coordinator:

5. A review of the purchase of vehicles from Tracy Ford shows that Mr. Burson tacked on his purchase of vehicles with the City of Lathrop purchase of Ford vehicles thus gaining an additional volume discount. The Program Coordinator followed all correct purchasing procedures as well as the County Purchasing Department reviewing the transaction. No evidence was found of a kickback paid to the Program Coordinator, the Sheriff's Foundation, or the S.T.A.R.S. Program.

These facts do not substantiate the allegation.

Regarding alleged transfer of a County station wagon to a S.T.A.R.S. volunteer by Program Coordinator:

6. Witnesses deny any transfer of any county vehicle occurred. No record of transfer from the STARS program to any volunteer was discovered

This allegation is unfounded.

Regarding the allegation that Sheriff Baxter Dunn told a S.T.A.R.S. volunteer to cover up mishandling of S.T.A.R.S. funds:

7. All witnesses denied that there was any direction from the Sheriff to cover up any mishandling of funds. In fact each individual involved, Sheriff Dunn and S.T.A.R.S. volunteer #2 stated that the matter referred to in this allegation actually involved the separating of volunteer generated flower funds from the Sheriff's Foundation funds. The letters of December 3rd and 9th of 1996 established this separation, and from that date to the present the volunteer organization handles and dispenses these funds.

We could find no validity to this accusation.

### **CONCLUSIONS:**

The complainant's allegations seem to have been based on rumors circulating among the S.T.A.R.S. volunteers. Nothing reviewed by the SJCCGJ indicates any wrong doing associated with the S.T.A.R.S. program.

The San Joaquin S.T.A.R.S. Program appears to be an excellent example of the public and private sector working towards a common goal.

### **RECOMMENDATIONS:**

1. The leadership of the S.T.A.R.S. Program should at the earliest scheduled meeting after receiving this report discuss its findings with S.T.A.R.S. volunteers.
2. It is further recommended that at this same meeting a review of the personnel policy regarding "personnel conflicts", page -130 of the Training Manual be communicated to resolve conflicts at the lowest possible level within the chain of command.
3. Periodic audits by independent auditors, perhaps through the County Auditor-Controller, should be initiated and maintained for both Sheriff's Foundation account and the S.T.A.R.S. program account.
4. The County Auditor-Controller's March 2002 recommendation for the S.T.A.R.S. Trust Fund (50436) should be implemented, namely: *"The trust reconciliation should be completed each month and submitted to the accounting supervisor for review. The accounting supervisor should initial and date the reconciliation when the review is completed. All expenditures should include a brief explanation of its purpose and all revenue entries should identify the source of the revenue."*

### **RESPONSE REQUIRED:**

*Pursuant to Section 933.05 of the Penal Code:*

The San Joaquin County Sheriff's Department S.T.A.R.S. Program shall report to the Presiding Judge of the San Joaquin Superior Court in writing within 90 days of publication of this report with a response as follows:

As to each finding in the report a response indicating one of the following:

- a. The respondent agrees with the finding.

- b. The respondent disagrees with the finding, with an explanation of the reasons therefore.

As to each recommendation, a response indicating one of the following:

- a. The recommendation has been implemented, with a summary of the action taken
- b. The recommendation has not yet been implemented, but will be, with a time frame for implementation.
- c. The recommendation requires further analysis, with an explanation of the scope of the analysis and a time frame not to exceed six (6) months.
- d. The recommendation will not be implemented, with an explanation therefore.