

**Microsoft Word Loves Economy and EfficiencyLOS ANGELES COUNTY
CITIZENS ECONOMY AND EFFICIENCY COMMITTEE**

ROOM 139, HALL OF ADMINISTRATION / 500 WEST TEMPLE / LOS ANGELES, CALIFORNIA 90012 / 625-3611, Ext. 64605

May 21, 1971

Honorable Board of Supervisors
383, Hall of Administration
Los Angeles, California 90012

Gentlemen:

Robert Mitchell,
Chairman

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Executive Secretary

CONSOLIDATION OF COUNTY DEPARTMENTS
AND CENTRALIZATION OF PUBLIC INFORMATION FUNCTION

At the board meeting on April 29, 1971, on motion of Supervisor Hahn, you asked the Chief Administrative Officer and the Economy and Efficiency Committee each to report within 30 days on the following items:

The consolidation under a single department head of the Department of Mental Health, Department of Hospitals, and the Health Department.

The consolidation of the Marshal's Department of the Municipal Court with the Superior Court bailiffs into the Sheriff's Department.

The consolidation of the Departments of Community Services, Military and Veterans Affairs, Senior Citizens Affairs, Human Relations Commission and similar community action departments.

The incorporation into the Chief Administrative Office, effective July 1, 1971, of all public information functions and personnel, excluding departments headed by elected officials, with the elimination of at least 19 public information positions.

Our conclusions and recommendations are submitted herewith. We have reviewed the contents of this report with the Chief Administrative Officer and other concerned County officials.

I. SUMMARY OF THE COMMITTEE'S CONCLUSIONS AND RECOMMENDATIONS

Later sections of this report repeat the material included in this summary and add further details covering the committee's conclusions and recommendations.

1. Consolidation of Health Services - All participants in this program - the Health Services Planning Committee, Mental Health Advisory Board, Public Health Commission, Los Angeles County Hospital Commission and the concerned County officials - appear to have cooperated fully in following the Board's instructions to develop a plan and time table for consolidation of the Health, Mental Health, and Hospitals departments. The County Veterinarian is now also included in the plan.

They have made excellent progress in developing a practical, step by step program of implementation to be in full-scale operation by January, 1975. We believe they deserve the highest commendation for their accomplishments to date in a very complex and difficult task.

This consolidation will be the first step toward an "agency plan" of organization in the County, a type of structure which we have long advocated. We believe, however, that these agencies should be formed as integral parts of a long-range plan covering all existing County departments. While such a plan has not yet been fully developed, the grouping of the four health services departments together appears so sound and logical and has received such thorough study there appears to be no danger that an alternative grouping might be devised in the long-range plan.

We recommend therefore that, once the enabling legislation is approved in Sacramento, the Board of Supervisors proceed immediately with the extremely important task of selecting the person to head the

consolidated department. We also recommend that the examination be open to all qualified candidates both inside and outside the County.

2. Consolidation of the Marshal-Sheriff Bailiff and Civil Process Functions - In 1967, after a five month's study, we recommended that Marshal' s Department should be consolidated with the Sheriff's Civil Division under the Sheriff. We estimated that the consolidation would result in a reduction of 110 positions and annual savings of \$1.5 million.

At that time both functions employed a total of 775 people at a cost of over \$9 million. Today, they employ a total of 1008 people at a combined cost of over \$14 million, a 55.5% increase in five years. We estimate today that the consolidation would save the county at least \$2 million annually.

A bill to enable this consolidation has been blocked in the State Legislature since 1968. Since bailiff and civil process functions are already consolidated under the sheriff in ten counties, the Legislature in effect is telling Los Angeles County and five other counties, who also have been trying to consolidate, that it will not allow them to do what ten counties are already doing, regardless of how much money it will save.

We commend the Board of Supervisors for bringing this situation once more to the public's attention. We recommend that you take every opportunity to publicize this useless waste and to continue to campaign for consolidation under the Sheriff.

3. Consolidation of Community Action Departments - Although these departments form a logical group (with the possible exception of Military and Veterans Affairs, whose services are not closely related to the other three departments) there are other alternatives which we believe should be investigated before the decision is made to establish this consolidated group. The

relationship, for example, between the Probation Department and the Community Services Department - both of which are involved in prevention of juvenile delinquency - and the relationship of the services in both these departments to the special children services in the Department of Public Social Services, should be investigated before action is taken.

We recommend that no action be taken on this consolidation until the Chief Administrative Officer has been able to develop his overall "agency plan" more fully, including the examination of other possible alternatives in the community services and delinquency prevention areas.

4. Centralization of the Public Information Function - The County now employs 40 public information officers and public information assistants in four salary classifications in 23 different departments. This does not include personnel performing similar duties in the three departments headed by elected officials

With some possible exceptions, we believe centralization of these employees in the Chief Administrative Office would enable the County to make more effective use of their services and would provide improved control over the County's public information brochures and releases. There are cases, however, where the public information personnel are uniquely involved in highly specialized departmental activities. In such cases it would not appear to be practical or beneficial to transfer these employees to a centralized office.

We recommend that the Board of Supervisors instruct the Chief Administrative Officer and the affected County department heads to review the operations of all departmental public information personnel, including the three departments headed by elected officials, and wherever feasible transfer these employees to the Chief Administrative Office.

5. Organization Planning in County Government - The above recommendations relate to the specific items contained in the Board order. The last section of the report presents a discussion of the function of organization planning in County government and its relationship to these specific proposals.

Because the County is constantly growing and the services it provides are expanding or changing, the task of organization planning is continuous. It does not lend itself to performance by short-term special task teams or outside consultants. Short-term assignments in organization planning usually produce short-term benefits.

In past years organization planning in County government has been characterized by this "bits and pieces" approach. As we pointed out in a 1966 report called "Organization Planning in County Government," the County has lacked a consistent systems approach to organization planning designed to meet the County's long range objectives.

The County organization has thus grown without effective planning and control. The result is a span of over 50 separate departments reporting directly to the Board of Supervisors. The task now is to move the County organization structure through a planned sequence of improvement phases to an established goal. All proposals for consolidation and centralization, however sound and logical they may appear to be in themselves, should be evaluated in terms of the County's overall long-range organizational objectives. They should be implemented as integral parts of a consistent and well-planned program to move the County away from a "bits and pieces" approach.

Mr. Will is now moving toward the development of such a plan. In his 1971-72 budget message he stated that in the coming year he will make his first efforts in implementation of the "agency plan" of organization. As an initial phase of this program, his proposed budget document presented the

departmental budgets in seven major groups of related departments with the budget total listed for each group. We strongly support this program.

We repeat, therefore, a major recommendation contained in our 1966 report on organization planning. We again recommend that the Board of Supervisors hold the Chief Administrative Officer accountable for the preparation of a formalized long-range plan of organization based upon clearly defined objectives for each County function.

II. CONSOLIDATION OF HEALTH SERVICES

In February, 1970, the Health Services Planning Committee recommended to the Board of Supervisors that the County's three health service departments - the Health, Mental Health, and Hospitals departments - should be consolidated into a single health services department. The Health Services Planning Committee is composed of 21 health and medical specialists and public officials who were appointed by the Board in 1967 to evaluate the effectiveness of County health service programs and the organization of County departments for the delivery of health services. Their recommendation to consolidate the three departments was based upon a 17 months study.

At the February, 1970, meeting the Board of Supervisors approved the Health Services Planning Committee's recommendation in principle and instructed the Departments of Health, Mental Health, and Hospitals and their three advisory commissions - the Mental Health Advisory Board, the Public Health Commission, and the Los Angeles County Hospital Commission - to work with the Chief Administrative Officer and the Health Services Planning Committee to develop a plan and time table for implementation of the committee's recommendations.

The Economy and Efficiency Committee strongly endorses this program. Mrs. Ray Kidd, a member of the E & E Committee, serves as our representative on the Health Services Planning Committee and has kept our committee informed on the progress of the consolidation plan.

In February of this year, after a series of planning sessions, the County officials, the three advisory commissions, and the Health Services Planning Committee met and approved a three-phase plan for creation of the consolidated Health Services Department. The consolidation will require a

reorganization of the present County departments along functional lines adapted to a new regional service concept. Full scale delivery of health services on a regional basis is to be completed by January, 1975. It was agreed at this meeting that the County Veterinarian's Department should also be included in the consolidated department, since the Veterinarian is working in a number of related fields concerned with man-animal public health problems.

Since the present County departments are governed by State legislation, consolidation of their functions requires a change in State law. It was agreed, therefore, at the February meeting that the County Counsel would prepare the necessary amendments to State law to effect the consolidation. The amendment also enables the Board of Supervisors to appoint a lay person as head of the consolidated department if it so desires. The legislation prepared by the County Counsel was introduced as Assembly Bill 591 and unanimously passed the Assembly by a vote of 56-0 in April. It is now under consideration in the Senate and is expected to be approved in this legislative session.

All participants in the program - the Health Services Planning Committee, the three departmental advisory commissions, and the concerned County officials - appear to have cooperated fully in following the Board of Supervisors instructions. We believe they have made excellent progress in developing a practical, step by step program of implementation. We believe they deserve the highest commendation for their accomplishments to date in a very complex and difficult task.

This consolidation will be the first step toward an "agency plan" of organization in the County, a type of restructuring which we have long advocated. We believe, however, that these agencies should be formed as integral parts of a long-range plan covering all existing departments. Although such a plan has not yet been fully developed, the grouping of the four health services departments together appears so sound and logical and has received

such thorough study there appears to be no danger that a more logical grouping might be devised as the long-range plan is further developed.

Once the enabling legislation is approved, we recommend that the Board of Supervisors proceed immediately with the extremely important task of selecting the person to head the consolidated department.

As the Board is certainly aware, the specifications and requirements for this position and the examination procedures must be developed with the utmost care. The head of the consolidated department will have tremendous responsibility; the success of this entirely new approach to the organization and delivery of health services will to a large extent depend on the capability of this one man. We therefore recommend that the most careful consideration be given to the selection of this individual and that the examination be open to all qualified candidates both inside and outside the County.

III. CONSOLIDATION OF THE MARSHAL-SHERIFF BAILIFF AND CIVIL PROCESS FUNCTIONS

In 1967, at the request of the Board of Supervisors, our committee conducted an in-depth study of the Marshal's Department and the Sheriff's Civil Division using the services of two systems specialists loaned from private industry. After five months of investigation, we submitted a report to the Board recommending consolidation of the Marshal's entire department with the Sheriff's Civil Division, under the administration of the Sheriff.

The report pointed out that the duplication between the Marshal's Department and the Sheriff's Civil Division was a classic example of waste and inefficiency in government. The two organizations perform almost identical functions. The only difference is that the Sheriff provides bailiffs for the Superior Court; the Marshal provides bailiffs for the Municipal Court. The Sheriff serves writs and processes issued by any court - so does the Marshal.

At that time the two organizations together employed 775 people at a total personnel cost of over \$9 million. The committee estimated that the consolidation of the two organizations would result in a reduction of 110 positions and annual savings of \$1.5 million.

After conducting a public hearing, the Board unanimously approved the committee's recommendation. However, since the Marshal's office was created by State law, a change in the State law is required to effect the consolidation. As you know, for three years a bill to effect this consolidation was blocked in the Legislature by the lobbying of the Municipal Court Judges Association and the Marshal's Association. This year the County did not include this bill in its list of desired legislation. After three years of failure we can not criticize the County for this action. We believe, however, that the public should be kept continually aware of this situation, and therefore, wholeheartedly support the Board's bringing it to the attention of the public once again.

Since 1967, when we prepared our report, the Marshal's Department has added 163 employees to make a total of 651 in his department, an increase of 33.2%. The Sheriff's Civil Division has added 71 employees to make a total of 357, an increase of 24.8%. Thus in five years the personnel in the two organizations has increased from 775 to 1008. The combined personnel budget has increased from \$9 million to over \$14 million, an increase of 55.5%.

In 1967 we said that "if the present divided operation continues, the degree of overlapping and duplicated effort can only increase. As each new court facility is opened, both the Sheriff and the Marshal will require office space, much of which will be used to perform the same functions. This has already occurred in the Long Beach, Van Nuys, and Torrance court facilities. As long as the current organizational split exists, it will continue to occur."

The prediction was accurate. Now besides Long Beach, Van Nuys and Torrance the Sheriff and the Marshal both have offices performing much the same functions in the Norwalk and Pomona court facilities. In a few months the same duplication will occur in the Santa Monica and Pasadena courts.

We observed in another report that while government appears to have an infinite capacity to expand, it has almost no capacity to contract. With the growth in population and the increasing complexities of urban life, much of this expansion is inevitable. Unfortunately, however, when government has an opportunity to contract and to make more effective use of its work force, these reforms invariably are vigorously opposed by bureaucrats and politicians who see their self-interests threatened.

We estimate that consolidation of the bailiff and civil process functions today would result in annual savings of at least \$2 million to the County's taxpayers. With the tremendous increase in recent years in the cost of County government - an increase which has more than doubled the County

budget from \$1.08 billion in 1965 to \$2.6 billion today - it is imperative that the County seek every Opportunity to reduce costs. One can only conclude that those who have blocked this legislation have performed a singular disservice to the people of Los Angeles County.

Despite the failure to date, we believe emphatically that the program to consolidate the bailiff and civil process functions should not be abandoned. The public should be made aware at every opportunity that \$2 million of their money is annually wasted because of the State Legislature's failure to approve enabling legislation.

The public should also know that ten counties in California already have a consolidated operation under the Sheriff - including such major counties as Alameda, Fresno, San Francisco and Santa Clara. None of these counties has a Marshal; all bailiff and civil process functions are performed by the Sheriff. During the past five years Los Angeles and five other counties have been asking the legislature for the same home rule privilege. In other words, the State Legislature in effect is telling these six counties that it will not allow them to do what ten counties in the State are already doing - regardless of how much money it will save.

We commend the Board of Supervisors for bringing this situation once again to the attention of the taxpayers in Los Angeles County. We recommend that you take every Opportunity to publicize this useless waste and continue to campaign for consolidation under the Sheriff.

IV. CONSOLIDATION OF COMMUNITY ACTION DEPARTMENTS

The consolidation of the community action departments - Community Services, Military and Veterans Affairs, Senior Citizens Affairs, and the Human Relations Commission - has been under continual discussion and study since 1966. We proposed this consolidation that year in our report on "Organization Planning in County Government." In 1968 the Chief Administrative Office, at the request of the Board of Supervisors, conducted a study of the subject and submitted a report recommending consolidation of three of the departments. Military and Veterans Affairs was not included. No action was taken, however, on this report.

In June, 1970, the Board again asked the Chief Administrative Office for a study of the subject, but again there has been no action.

Despite the amount of study this subject has received, our current analysis indicates that there are good reasons to postpone action on this proposal. Although these departments form a logical group - with the possible exception of Military and Veterans Affairs, whose services are not closely related to the other three departments - there are other alternatives which we believe should be investigated before the decision is made to establish this consolidated group.

The relationship, for example, between the Probation Department and the Community Services Department - both of which operate programs concerned with the prevention of juvenile delinquency - should be investigated before action is taken. The relationship of the services in both these departments to the special children services in the Department of Public Social Services should also be investigated.

We support the consolidation of these and other community action functions in some combined grouping, once the appropriate structure is determined. A consolidated department should result in major improvements over the present method of operation.

1. It will reduce the number of departments now reporting directly to the Board of Supervisors. We have often commented on the vast array of departments reporting directly to the Board as one of the major defects in the County's present organizational structure.

2. It will allow the consolidated department head to establish priorities and assign personnel on the basis of these priorities among all the functions now performed by the individual departments. Now each department sets its own priorities and there is little chance to compare the relative merits of these priorities between departments.

3. It will result in a reduction in administrative and overhead costs through centralization of clerical and administrative functions, now performed separately in each department.

However, until the Chief Administrative Officer has been able to develop his overall "agency plan" more fully, including the examination of other possible alternatives in the community services and delinquency prevention areas, we recommend no action be taken on this consolidation.

V. CENTRALIZATION OF THE PUBLIC INFORMATION FUNCTION

The County now employs 40 public information officers and public information assistants in four different salary classifications ranging from a low of \$776 per month to a high of \$1419 per month. They operate in 23 separate departments, including the central Public Information Services in the Chief Administrative Office. This does not include personnel performing similar duties in the three departments headed by elected officials.

We have not had sufficient time to conduct a thorough survey of the operations of these PIO's and PIA's, as they are called, in the various departments. We have discussed the function, however, with the Chief Administrative Officer and several other County officials.

There are cases where the public information personnel are uniquely involved in highly specialized departmental activities. It is questionable in such cases whether transfer of these employees to a centralized office would be practical or beneficial. With these exceptions, we believe centralization of public information personnel in the Chief Administrative Office offers several major advantages over the present decentralized operation.

1. It will provide more effective centralized control to maintain uniformity and editorial consistency in County publications, information brochures, and news releases.

2. It will provide more effective use of public information personnel as the need for their services arises in any County department. Under the present operation it is possible that while some public information personnel in some departments are working overtime to cover an emergency situation, other public information personnel in other departments may be in an almost "make work" situation. In general, work load requirements in this function

follow a sharp peak and valley pattern. A centralized operation thus would have greater opportunity to assign public information personnel where and when they were needed than is possible in the present organization.

There is considerable precedent within the County for this type of centralization. Both the County Counsel and the Employee Relations function operate on a similar centralized basis. While their personnel are assigned to work with specific departments, they are not employees of these departments.

We should also note that centralizing the public information function does not mean that all PIO's or PIA's would be located physically in one central office. Some public information personnel should still have their desks located in the department to which they are assigned. In some cases this would occur during certain periods of the year - as with the Registrar-Recorder during election times. In other cases the assignment would be required on a full twelve months basis.

We believe, therefore, that centralization of the public information function should enable the County to improve the performance of this function and make more effective use of the current public information personnel. As a result, it may enable the County to reduce the total number of such employees and so achieve some salary savings.

We recommend that your Board instruct the Chief Administrative Officer and the affected department heads to review the operations of all departmental public information personnel, including the three departments headed by elected officials, and wherever feasible transfer these employees to the Chief Administrative Office.

VI. ORGANIZATION PLANNING IN COUNTY GOVERNMENT

As we indicated in the summary, we conclude this report with a discussion of the function of organization planning in County government and its relation to the specific items contained in the Board order.

Although we have urged caution in some areas, we strongly support the intent of the above proposals for consolidation and centralization. We must point out, however, that they do not correct what we believe in the past to have been a major defect in planning organizational changes in County government.

Because the County is constantly growing and the services it provides are expanding or changing, the task of organization planning is continuous. It does not lend itself to performance by short-term special task teams or outside consultants. Short-term assignments in organization planning usually produce short-term benefits.

In past years organization planning in County government has been characterized by this "bits and pieces" approach. We pointed this out in a report entitled "Organization Planning in County Government," submitted to the Board of Supervisors in 1966. The County, the report emphasized, lacked a consistent systems approach to organization planning designed to meet the County's long-range objectives.

As a consequence the County organization has grown without effective planning and control. Between 1961 and 1963, the report pointed out, five new organizational elements were added to the County's organizational structure - the Art Museum, County Service Officer Senior Citizens Affairs, Human Relations Commission, and Disaster and Civil Defense Commission. Each had fewer than 50 employees at the time they were established. Nevertheless,

each was placed in the organizational structure reporting directly to the Board of Supervisors.

Since that time, besides the division of the Charities Department into the Departments of Adoptions, Hospitals, and Public Social Services, three other new departments have been established - Beaches, Data Processing, and Urban Affairs. Again all of them report directly to the Board of Supervisors.

The 1966 report stated that when the creation of new County activities is contemplated, their objectives and purpose should be compared to those of already existing functions. Whenever sufficient homogeneity exists, consideration should be given to making the new activity a part of the already established function. This adheres to the basic principle of grouping related activities and functions and prevents the fragmentation of similar activities, excessive management, and duplication of common administrative tasks. The report emphasized that had the proper organizational principles been applied, surely some of these newly created organizational units would not have been given departmental status.

In our 1966 report, and again in our 1970 report on the County Charter, we emphasized the need to consolidate existing departments to reduce the awesome span of over 50 departments reporting directly to the Board of Supervisors. In addition, the imbalance in the present structure in which two departments contain 17,000 to 18,000 employees and ten departments less than 100 employees most certainly should be corrected.

The task now is to move the present County organization structure through a planned sequence of improvement phases toward an "ideal" structure. The word "ideal" does not mean a "perfect" organization structure, but rather an overall organizational plan for the County designed to meet the

County's long-range objectives. It represents a goal to which the County should be moving in a consistent and well-planned manner.

All proposals for consolidation and centralization, however sound and logical they may appear in themselves, should be evaluated in terms of the County's long-range objectives. They should be implemented as integral parts of a consistent and well-planned program to move the County away from a "bits and pieces" approach to an established goal.

The development of such a plan involves three major activities: (1) Determination of objectives - a long-range study of the various functions of County government to ascertain their priority with a view to ultimate elimination of those activities not deemed mandatory or essential to the basic objectives of County government and the requirements imposed by Federal and State laws. (2) Analysis of the existing organization - an inventory of existing personnel functions and relationships to determine who does what, what areas are in need of organizational improvement and what is required to achieve the improvement. This function would also include formulating and issuing to all accountable members of management the basic principles and standards of organization to be followed throughout County government and the procedures for review and approval of proposed organizational changes to be adhered to prior to any implementation. (3) Preparation of the long-term plan - a carefully analyzed organization plan designed to move the present County organization structure through a planned sequence of improvement phases to a long-term goal.

This type of formal organization planning - pioneered by the Standard Oil Company over 30 years ago - is now a standard operation in almost all large companies. We strongly commend it to the County.

We envision that the plan for the County would progressively phase out the existing departmental structure and combine present County departments into 10 to 14 consolidated departments or agencies. Properly planned these consolidations will provide improved coordination of County services and programs, will eliminate overlapping functions, and will enable centralization of administrative and clerical services now dispersed among the many departments. The result should be significant operating economies and improved efficiency.

Mr. Will, the new Chief Administrative Officer, is now moving toward the development of such a long-range organization plan. He has indicated in his 1971-72 budget message that in the coming year "we will make our first efforts in implementation of the 'agency plan' form of organization of County operations." As an initial phase of this program, his proposed budget document presented the departmental budgets in seven major groups, each group consisting of departments performing related functions. The total budget was also listed for each group together with an explanation of the operational characteristics and problems of that group. We strongly support this program.

We repeat, therefore, a major recommendation contained in our 1966 report on "Organization Planning in County Government." We again recommend that the Board of Supervisors hold the Chief Administrative Officer accountable for the preparation of a formalized long-range plan of organization based upon clearly defined objectives for each County function.