



Danner

District Attorney

Danner faces new questions in report

By KATHY KREIGER
Sentinel staff writer

SANTA CRUZ — The draft version of a soon-to-be-released auditor's report raises new questions about District Attorney Art Danner's personnel policies.

The preliminary and confidential report obtained by the Sentinel questions Danner's actions in boosting an employee's compensation by giving him both a car and the salary equivalent of a car allowance.

It also recommends that the state Attorney General's Office review Danner's handling of the firing of another employee for drug use — unless county supervisors accept Danner's contention that his actions were within his scope of authority.

The final report — expected next week — could be significantly different from the month-old draft the Sentinel received, depending on what Danner has to say to Auditor-Controller Gary Knutson. Knutson said he's been waiting to sit down with Danner to go over the findings before making his final report.

"I want to make sure my staff has not reported something that is not correct," Knutson said in explaining the step-by-step process of what he considers an audit of department procedures.

After the Board of Supervisors asked Knutson to look into the firing of the prosecutor, several other issues were brought to his attention, he said.

It's no mystery where they came from, Danner said Wednesday.

"There's a lot of politics behind this. ...There isn't any question that part of it's related to the election," he said, referring to the Third District supervisor's race between Mardi Wormhoudt and Annette Hopkins. Hopkins is married to Danner's chief deputy, Jon Hopkins.

Wormhoudt holds a 214-vote lead with more than 3,000 votes to be counted.

The report outlines county policies Danner allegedly violated

Please see DANNER — BACK PAGE

Danner faces new questions

Continued from Page A1

when he put Assistant District Attorney Catherine Gardner on leave but continued her regular paycheck for four months. She had said an abusive boyfriend forced her to take cocaine.

"Unless the district attorney is found to have overriding authority," the report reads, "some of the matters ... could perhaps constitute gift of public funds or misappropriation of public funds."

Gardner received nearly \$30,000 including benefits before Danner fired her in July — six weeks after he was re-elected to office. His opponents accused him of paying Gardner to keep the firing secret until after the election.

County policies limit such mandatory leaves with pay to five days. After that, they must be approved by the county personnel director.

Danner didn't get that approval. When the matter came to light, Danner said he was trying to keep it confidential. Otherwise, he argued, Gardner could have sued the county for ruining her professional reputation or wrongfully firing her.

He said he did not trust the county bureaucracy to hold its tongue. Proof of that, he said Wednesday, is the fact the auditor's report leaked.

"I guess this process we're going

through demonstrates there's not much around there that's kept confidential," Danner said. "... That's exactly why we didn't have confidence in the process set out (by the county)."

Danner said Wednesday that legal advice from outside his department upholds his view that he had the authority to take such action.

That includes the state Attorney General's Office, he said.

"(Attorney General Dan) Lungren has looked at the Catherine Gardner issue and ... said in specific terms that there's not any issue with regard to criminal conduct or misconduct," Danner said. "... They said the issues regarding the time cards should be solved administratively."

There may be better ways to handle such incidents in the future, he said Wednesday — perhaps by reporting them to the county counsel and invoking attorney-client privilege to keep them confidential.

Given what he knew then, he said, he made the best decision he could.

The report also noted several "irregularities" in Danner's assignment of a county car to Chief Inspector Alan Johnson, who also was paid an auto allowance as part of his salary.

"According to the district attor-

ney, his office wanted to increase the compensation paid to the chief of inspectors," said the report.

In years past, executive managers received a separate check to compensate them for using their own cars. More recently, that allowance was rolled into their hourly rate, the auditor said. The county's long-standing practice has been to deduct an equivalent amount from manager's pay if they are assigned county cars, even temporarily.

The vehicle was an asset forfeited in a drug case, Danner said, and was equipped as an undercover police car.

According to the report, Danner told the auditor's office that he had OK'd the arrangement with both the personnel director and the county administrative officer.

Both officials said otherwise, according to the auditor's report.

Danner held his ground Wednesday.

"If they want to say they recall things differently, that's what they can say," he said. "If they want to say that, I'd enjoy the chance to cross-examine them."

Danner and Knutson met Oct. 5, the report said, and Danner revoked the car assignment Oct. 6.

Danner said Wednesday that the revocation was temporary "until the issue is resolved."

Statue of Aztec god