

County of Santa Clara

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Lynn Regadanz
Interim Clerk of the Board

August 27, 2012

The Honorable Richard J. Loftus, Jr.
Presiding Judge
Santa Clara County Superior Court
191 North First Street
San Jose, CA 95113

RE: Grand Jury Report: Community-Based Organizations: Partners in the
Community

Dear Judge Loftus:

At the August 21, 2012 meeting of the County of Santa Clara Board of Supervisors (Item No. 16), the Board adopted the response from the County Administration to the Final Grand Jury Report and recommendations relating to Community-Based Organizations: Partners in the Community.

As directed by the Board of Supervisors and on behalf of the Board President, our office is forwarding to you the enclosed certified copy of the response to the Final Grand Jury Report. This response constitutes the response of the Board of Supervisors, consistent with provisions of California Penal Section 933(c).

If there are any questions concerning this issue, please contact our office at 299-5001 or by email at lynn.regadanz@cob.sccgov.org.

Very truly yours,

LYNN REGADANZ
Interim Clerk, Board of Supervisors
County of Santa Clara

Enclosures

FILED

SEP 04 2012

DAVID H. YAMASAKI
Chief Executive Officer/Clerk
Superior Court of CA County of Santa Clara
BY D. ALDYCKI

County of Santa Clara
Office of the County Executive



63746

The foregoing instrument is a correct copy of the original

DATE: August 21, 2012
TO: Board of Supervisors
FROM: Gary A. Graves, Chief Operating Officer
SUBJECT: Grand Jury Report "Community-Based Organizations: Partners in the Community"

ATTEST: Lynn Regadanz,
Interim Clerk of the Board
By: D. Christopher
Deputy Clerk
Date: AUG 21 2012

RECOMMENDED ACTION

Adopt response from Administration to Final Grand Jury Report relating to Community-Based Organizations: Partners in the Community; and, authorize the Board President and Clerk of the Board of Supervisors to forward department response to Grand Jury report to the Presiding Judge of the Superior Court with approval that responses constitute the response of the Board of Supervisors, consistent with provisions of California Penal Code Section 933 (c).

FISCAL IMPLICATIONS

There are no fiscal implications associated with these Board actions.

REASONS FOR RECOMMENDATION

Below is the response to the Grand Jury's findings and recommendations enumerated in the Final Report, Community-Based Organizations: Partners in the Community. The response has been completed pursuant to the California Penal Code, Section 933(c) and 933.05(a).

FINDING 1:

Departments and CBOs have expressed a need for a low-dollar contracts approval process.

Response: 933.05(a)(2) The respondent disagrees with this finding.

Recommendation 1:

The County should develop a review and approval process that outlines how low-dollar, simple scope contracts may be expeditiously approved.

Response: 933.05(b) (4) The recommendation will not be implemented because it is not warranted or is not reasonable.

On page 6 of the Report, it is stated "Although the Board of Supervisors' policy allows delegation of authority to the Director of Procurement or to the Agencies/Departments, the new policy has raised the delegation of authority from the Departments to Procurement for contracts less than \$100,000."

This statement is erroneous. Board of Supervisors' Policy Manual section 5 relating to Soliciting and Contracting provides Agencies/Departments with the authority to enter into agreements with a total contract value of \$100,000 or less without Board of Supervisors' approval, but the Director of Procurement had previously, and continues to have, executing authority for these agreements. Departments usually execute contracts under \$100,000 using the Director of Procurement's authority,

and the Department has the option to add contracts to the Master Contract List (MCL) if the Department enters into subsequent contracts with the same contractor resulting in a cumulative total exceeding \$100,000.

In referring to the review process that is under development by the Office of the County Executive and the Procurement Department, the report states on page 6: "However, unless this process re-establishes departmental authority for contracts less than \$100,000, the review could become a roadblock to expeditious processing of small dollar contracts, particularly with CBOs who have a proven track record of good service to the County."

The primary aim of section 5 is to confirm the authority of the Board of Supervisors as the only body that has authority to enter into contracts and issue solicitations on behalf of the County, unless contracting authority has been specifically delegated to someone other than the Board pursuant to state law, County Ordinance Code, resolution, or express action of the Board.¹

To aid Agencies/Departments in the solicitation process, section 5 provides for advance planning after the identification of a need to ensure that the selected solicitation process will result in the best outcome for the County. The policy states that an informal competitive process may be used to procure professional services with a contract value of no more than \$100,000 per budget unit per fiscal year. As has been the past practice, Agencies/Departments utilizing this process must send the solicitation document to a minimum of three vendors, and explain in a written justification to the Director of Procurement why and how the vendors were selected. The solicitation document for this process is not required to be posted or made public.²

The Administration affirms the intent of section 5 is to provide for an open and competitive process for individuals and organizations that do business with the County. The Office of the County Executive and the Procurement Department, along with the Office of the County Counsel, will continue to work with Agencies and Departments to streamline small dollar contracting processes within the limits of the current Board policy.

FINDING 2:

The County issues numerous, often duplicated, client surveys required for reporting and monitoring CBO performance.

Response: 933.05(a)(1) The respondent agrees with this finding.

Recommendation 2:

The County should initiate a cross-functional team, including representatives of the County Agencies and CBOs, to evaluate ways to streamline or consolidate client surveys.

Response: 933.05(b)(2) The recommendation has not yet been implemented, but will be implemented in the future.

The recommendation has been partially implemented, but will be fully implemented in the future. The Administration has established communications with the Silicon Valley Center for Nonprofits (SVCN) and other CBOs with regards to contract issues, and this issue was included in past discussions. A cross-functional team with representatives of County operating departments and CBOs will be established to evaluate ways to streamline and improve the survey and monitoring process. This team will begin meeting in mid-January, after the CBO peak season.

¹ Cal, Gov. Code § 23005; Policy 5, section 5.3.5.1 Authority of the Board.

² Policy 5, section 5.6.5.1.C.2 Informal Competitive Procurement

CHILD IMPACT

The recommended action will have no/neutral impact on children and youth.

SENIOR IMPACT

The recommended action will have no/neutral impact on seniors.

SUSTAINABILITY IMPLICATIONS

The recommended action will have no/neutral sustainability implications.

BACKGROUND

The Grand Jury interviewed County Departments and Community Based Organizations (CBOs) and concluded “there is a robust process for awarding and managing CBO contracts, and agencies are following these processes with appropriate rigor. Good communication is evident between the agencies and the CBOs.” The County Administration has endeavored to expand the lines of communication, meet the needs of the CBOs, and maintain the integrity of the competitive process. Efforts are underway to streamline the Countywide contracting process, which will be a benefit to the CBOs.

CONSEQUENCES OF NEGATIVE ACTION

The County would not be in compliance with the law in responding to the Grand Jury’s Final Report.

STEPS FOLLOWING APPROVAL

Following approval of the response provided, forward all comments of the Santa Clara County Board of Supervisors to the Honorable Richard J. Loftus, Jr., Presiding Judge, Santa Clara County Superior Court on or before Monday, September 17, 2012.

LINKS:

- Linked From: 63985 : Adopt a separate or amended response to the Final Grand Jury Report relating to Community-Based Organizations: Partners in the Community, and authorize the Board President and Clerk of the Board to forward response to the Presiding Judge of the Superior Court.

ATTACHMENTS:

- Community Based Organizations: Partners in the Community Final Report(PDF)