County of Santa Clara

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Curtis Boone
Clerk of the Board

DATE: August 3, 2026

TO: Greta Hansen, Chief Operating Officer

FROM: Curtis Boone, Clerk of the Board of Supervisors

Signed by: Curtis Boone
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SUBJECT: Response to the Santa Clara County Civil Grand Jury Final Report, *County of Santa Clara Budget Inventory Items: A matter of accountability*

The Santa Clara County Civil Grand Jury's Final Report, *County of Santa Clara Budget Inventory Items: A matter of accountability*, contained multiple findings and recommendations that require a response from the County of Santa Clara pursuant to the provisions of California Penal Code section 933.05. As the department assigned to administration of the inventory item program, the Office of the Clerk of the Board proposes the following response to the Civil Grand Jury's report.

Finding 1

The County acknowledges that the Program lacks transparency, an audit trail, and a consistent set of rules. The Civil Grand Jury agrees based on its investigation. However, the Board has not prioritized the changes needed to improve it and has yet to act on any of the recommendations in the Audit report.

Response to Finding 1

The County partially disagrees with this finding. While the Board has not yet acted on the recommendations in the Audit, the Audit was presented to the Finance and Government Operations Committee (FGOC), a subcommittee of the Board of Supervisors, on April 17, 2026 (Item No. 6). At that meeting, FGOC requested additional information, and the item is currently planned to return to FGOC on October 13, 2026.

The inventory program, while significant to its recipients, is only a portion of the work of the County, and has been appropriately prioritized in the context of the larger issues the County is currently facing.

Recommendation 1a

The Board should immediately meet and discuss how to implement the recommendations from the February 9, 2026, Audit. The Board should then implement those recommendations for FY2027-28. This should be implemented by October 30, 2026.

Response to Recommendation 1a

This recommendation will not be implemented because it is not warranted. As noted above, review of the Audit is already underway with FGOC. Modifying the process to meet the arbitrary deadline proposed by the

Civil Grand Jury would require skipping FGOC entirely, and would thus result in a less robust review of the Audit.

While the Audit is unlikely to proceed to the Board before October 30, 2026, there remains ample and sufficient time for the Board to review Audit recommendations and approve any desired modifications to the inventory program prior to the FY 2027-2028 cycle.

Recommendation 1b

The Clerk of the Board should continue to re-evaluate the Program annually to identify potential process improvements and take appropriate action. This should be implemented by December 31, 2026.

Response to Recommendation 1b

This recommendation has already been implemented. Ongoing process improvement is a core principle of the Office of the Clerk of the Board, and the inventory item program is no exception. Aspects of the FY 2026-2027 process will be evaluated in collaboration with the Office of Budget and Analysis (OBA) and the Office of the County Counsel (CCO).

The Office of the Clerk of the Board will continue to make process improvements at the direction of the Board, in coordination with CCO, OBA, and Supervisorial District Offices, as appropriate.

Finding 2

The findings and recommendations of the 2023-24 Civil Grand Jury report remain factually sound. The Audit confirmed its findings, identified additional weaknesses, recommended stronger oversight, and extended the analysis beyond the original report. Of the 11 Audit recommendations, the Clerk of the Board agreed with eight, partially agreed with one, tentatively agreed with one, and tentatively disagreed with one.

Response to Finding 2

The County partially disagrees with this finding. The County's responses to the findings and recommendations of the 2023-2024 Civil Grand Jury Report, "No Strings Attached," remain unchanged, including those responses noting where findings and recommendations were not sound.

Importantly, while the Audit recommended stronger oversight, it found no evidence of malfeasance within the inventory item program. When considering additional oversight measures, the Board must weigh the costs of complying with those measures, both for the recipient and the County. It is appropriate for the program, and potential changes to oversight, to continue to be evaluated by the Board.

It should be noted that the Clerk of the Board's responses to the Audit primarily focused on the technical feasibility and practical impact of the recommendations, and should not be construed as policy recommendations.

Recommendation 2

The County should establish comprehensive, consistent, objective, and measurable criteria for the Program to mitigate any appearance of political favoritism. This should be implemented by December 31, 2026.

Response to Recommendation 2

This recommendation will not be implemented because it is not warranted. As explained in the County's response to the FY 2023-2024 Civil Grand Jury Report, the solicitation approach and approval criteria are determined by individual Supervisorial District Offices. This allows each office to manage the inventory program in a manner that best meets the needs of their respective supervisorial district. Given the diversity within the county, the needs of the communities in each supervisorial district can vary widely.

Some aspects of the program may benefit from standardization; the Board has in the past established additional rules for inventory items, and it may do so in the future, such as in the context of the Audit. While the County will continue to regularly evaluate and update the inventory item program, it will not at this time commit to the unnecessarily strict standardization proposed by Recommendation 2 in the timeframe recommended.