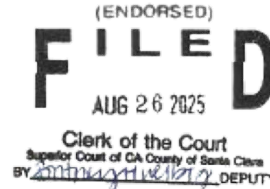


County of Santa Clara

Office of the County Executive

County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110
(408) 299-5105



DATE: August 26, 2025

TO: Greta S. Hansen, Chief Operating Officer

FROM: Daniel Little, Social Services Agency Director
Ky Le, Deputy County Executive

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SUBJECT: Response to the Santa Clara County Civil Grand Jury Final Report
Falling Through the Cracks: Failing Santa Clara County's High-Needs Youth

The Santa Clara County Civil Grand Jury's Final Report, *Falling Through the Cracks: Failing Santa Clara County's High-Needs Youth* contained multiple findings and recommendations requiring a response from the County of Santa Clara ("County"), consistent with the provisions of California Penal Code section 933.05. This memorandum contains the response from the County.

Finding 1

The Civil Grand Jury commends DFCS and BHSD for producing a complete continuum of care plan for high-acuity youth that addresses the establishment of E-STRTPs within the County, enhances TrSCF staffing, and adds more ISFC+ homes.

Response to Finding 1

The County agrees with this finding.

Finding 2a

The County has underperformed in delivering a complete continuum of care for high-acuity youth.

Adopted: 08/26/2025

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Response to Finding 2a

The County partially agrees with this finding. Well before the State enacted Assembly Bill 403 in 2015 and began implementing the Continuum of Care Reform (CCR) initiative in 2017, the County had begun moving away from congregate care including through closure of the Children's Shelter in 2009. Over the last 16 years, the County has worked to establish a robust continuum of temporary and permanent placement options that meets the requirements and goals of CCR, as described in detail in the November 5, 2024 and February 25, 2025 reports to the Board of Supervisors ("Board"), an Off-Agenda Report to the Board sent on May 30, 2024, and responses to Finding 2b below.

From Welcoming Centers, Resource Family Approval (RFA) Homes, Intensive Services Foster Care (ISFC) Homes, ISFC+ Homes, Transitional Residential Shelter Care Facilities (TrSCFs), and now the development of in-county Enhanced Short-Term Residential Therapeutic Programs (E-STRTPs), the County has strived to address the temporary and permanent placement needs of all children and youth who must live apart from their biological parents. The County's continuum of care serves between 500 and 600 youth at any given time, and the current continuum of care meets the needs of most youth, including those with the most significant medical or behavioral health challenges.

There are, however, significant opportunities to continue to grow and improve the County's continuum of care, and to better address some of the key challenges the County has encountered in trying to meet the diverse and complex needs of our highest acuity youth. In reports to the Board, County Administration has noted that additional resources and/or strategies are needed to address the unmet needs of the approximately 12 to 16 youth in the County's care with highest needs per year, for whom identifying viable placement options is more challenging. As acknowledged in the Civil Grand Jury's report, most systems of care statewide and nationally have also experienced challenges in finding sufficient family-based placements for older youth, especially those with significant mental health needs, behavioral health challenges, and/or medical needs. To address these challenges, the County adopted and is implementing a multi-pronged strategy including expanding the number of ISCF+ homes,

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increasing and improving services at the County-operated TrSCFs, and establishing four E-STRTPs.

Finding 2b

The current plan was only produced following a referral from the Board after years of failing to provide an in-county STRTP.

Response to Finding 2b

The County partially agrees with this finding. Over the last 10 years, the County developed and has continuously worked to improve a continuum of care for all foster youth, including those with the highest needs. The Board's referral was the impetus for exploring a County-operated E-STRTP rather than solely seeking non-profit organizations that were willing to open an E-STRTP in our county. The overall plan, however, builds on departments' previous experiences and includes other critical strategies including expansion of ISFC+ Homes and improvements to TrSCFs.

Finding 3

Because no one person has the responsibility and authority for the delivery of a continuum of care for high-acuity youth, there is no singular sense of urgency or coordinated priorities across departments to deliver solutions.

Response to Finding 3

The County disagrees with this finding.

First, the finding implies that County Departments have not urgently prioritized or taken responsibility for improving the continuum of care for high-acuity youth. The County's recent and previous reports detailed the ways in which County Departments have worked to solve the complex challenges arising from Continuum of Care Reform. In addition to working together on the current plan, the Department of Family and Children's Services (DFCS), the Behavioral Health Services Department (BHSD), and the Probation Department have been

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and continue to work closely on many other related projects, such as when these Departments jointly staffed and addressed challenges with the continuum of care's Receiving, Assessment, and Intake Center in 2019.

Second, given the critical role of each of these three departments in meeting the needs of high-acuity youth, sustained improvement relies on the continued leadership of and collaboration between County Departments and non-County agencies. High-acuity youth have complex needs and can have varying levels of interactions with County Departments and other public agencies that are part of the child welfare, juvenile justice, public mental health, and other systems of care. Each of these County departments and non-County agencies carries expertise with specialized staff and clinical providers to address the unique needs of each high-acuity youth in accordance with different bodies of Federal and State regulations, to ensure services provided by each of these departments and agencies are effective and adhere to best practices.

Third, for the last several years, significant centralized support and oversight for these efforts has been provided by the Office of the County Executive.

Recommendation 3a

The County should identify one senior leader with responsibility and authority over all departments involved to deliver on the features of the proposed plan. The senior leader should be identified by September 1, 2025.

Response to Recommendation 3a

The recommendation has been implemented. County Administration has assigned a Deputy County Executive to oversee implementation of the proposed plan and coordinate efforts of all Departments, including, but not limited to BHSD, DFCS, Probation, and the Employee Services Agency.

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Recommendation 3b

The County should produce a comprehensive timeline and provide quarterly public updates to the Board starting in October 2025. Updates should include tracking of progress and setbacks against milestones.

Response to Recommendation 3b

The County partially agrees with this recommendation. The County will provide the Board with regular updates on progress in implementing the multi-pronged approach to increase residential placement options for high-acuity youth beginning in the fall of 2025, likely incorporating this information into quarterly reports presented to the Board by DFCS and BHSD.

Recommendation 3c

The "ISFC Workgroup" should be permanent and submit semi-annual reports to the Board starting in December 2025.

Response to Recommendation 3c

The ISFC Workgroup will continue as long as needed and updates on the expansion of ISFC+ Homes will be included in the reports described under the response to Recommendation 3b. Workgroups began in April 2025 with planned deliverables through the end of June 2026, with an assessment planned before this date if workgroups should continue.

Finding 4

There is no solution in the February 2025 plan to address the high cost of housing in the short term for existing ISFC+ families who are not in hosted homes.

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Response to Finding 4

The County partially agrees with this finding. Reducing the burdens associated with the high cost of housing in our region is an important tool to address barriers in recruiting and retaining ISFC+ Home caregivers. The County's reports identified several ways that the County will take steps to address this challenge including by helping Foster Family Agencies (FFAs)—the agencies responsible for recruiting, training, retaining, and supporting caregivers, including ISFC+ Home caregivers—purchase or lease homes, make County-owned residences available for long-term use, and increase housing stipends and/or other payments to caregivers. Each caregiver's situation is different, however, and DFCS is working with FFAs and individual caregivers to determine the solutions that would work for them. Finally, while the high cost of housing is a significant and common barrier, it is not the only challenge faced by current and potential ISFC+ Home caregivers. DFCS is actively working with FFAs and caregivers to overcome all obstacles to increasing the availability of ISFC+ Homes.

Currently, two of the three FFAs (i.e., Seneca Family of Agencies and Pacific Clinics) offer agency-sponsored homes. For caregivers who do not use agency-sponsored homes, a higher stipend is provided to cover rent or monthly expenses. Work with the ISFC+ Workgroup has revealed that a mixed approach is ideal since every potential caregiver's situation is different. For example, agency-sponsored housing may work best for some caregivers, but for others, using their own home is a better choice. The ISFC+ Workgroup continues to assess the needs of its providers, but thus far, the largest barrier does not seem to be housing. Instead, the biggest challenge has been finding the right individuals dedicated and willing to work with this population as a 24/7 caregiver.

DFCS is working with the Facilities and Fleet Department to assess the option of a County-owned/leased home to encourage additional caregivers to come forward. In addition, DFCS is working on State and Federal funding applications that could potentially help cover costs for housing. Applications are expected to be submitted by fall 2025.

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The DFCS recruitment team is also continually assessing the abilities of potential caregivers interested in providing care for high-acuity youth. This team shares materials, valuable information, and joint marketing campaigns, and works with County partners/providers to recruit qualifying caregivers.

Recommendation 4a

The County should provide existing ISFC+ parents who are not in hosted homes with an increased housing stipend by August 1, 2025.

Response to Recommendation 4a

The recommendation has been implemented. The three FFAs (i.e., Seneca Family of Agencies, Pacific Clinics, and Rebekah Children's Services) have the authority to use their contract budgets to provide caregivers with financial assistance to support a range of needs. DFCS oversees the contracts with FFAs and has informed the FFAs that they should not allow housing costs to be the sole obstacle to recruitment and retention of ISFC+ Home caregivers. When the cost of housing is the sole barrier, DFCS will work with the FFA to authorize higher payments, modify the FFA's contract, and/or increase funding. This approach has already increased the ISFC+ Home inventory by one caregiver.

Unfortunately, high housing costs are typically only one of multiple barriers faced by current and potential caregivers. As such, the FFAs go through a process with each current and potential ISFC+ Home caregiver to assess their needs and tailor solutions. The ISFC+ Workgroup continues to meet to develop systemwide solutions. Housing is a significant barrier, but the biggest challenge is finding the requisite qualifying individuals who are dedicated and willing to work with high-acuity youth as 24/7 caregivers.

Recommendation 4b

The ISFC+ caregiver financial package should be reviewed annually for cost-of-living adjustments starting September 1, 2025.

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Response to Recommendation 4b

The recommendation has been implemented. The County has incorporated cost-of-living adjustments (COLAs) in contracts with FFAs. The ISFC+ Homes Program and rates are set by the California Department of Social Services. These rates are usually increased by 3% to 4% annually, which means that the County's contracts with FFAs typically increase by 3% to 4% each year. FFAs have the flexibility to build in annual COLAs for caregivers. Although FFAs will need the flexibility and discretion to adjust payments and supports to caregivers based on a caregiver's situation, DFCS will work with FFAs to develop and implement contractual requirements or guidance on how to allocate COLAs in a manner that is more predictable, consistent, and equitable. The ultimate goal, of course, is to increase recruitment and retention of ISFC+ Home caregivers. The County will work with all three FFAs to implement this recommendation by December 31, 2025.

Finding 5

For many years, the County experienced significant challenges with its TrSCFs, formerly known as "scattered sites." The plan does not include a timeline for the County to add at least one staff member at each TrSCF with additional training and experience managing complex behaviors of the youth in these homes.

Response to Finding 5

The County partially agrees with this finding. The County agrees with the need to add staff with clinical expertise at the TrSCF sites, which is reflected in the continuum of care plan and is in the process of being implemented. The County does not agree that staff must be County staff, as contracting with an experienced provider for experienced clinical staff at these sites would also meet this need.

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Recommendation 5

By September 1, 2025, the County should provide a detailed timeline to add skilled staff members to TrSCFs. The timeline should include all critical path milestones.

Response to Recommendation 5

The recommendation has been implemented. The County has three licensed TrSCF sites. Two sites, one serving primarily boys and another serving primarily girls, are in operation 24 hours a day, seven days a week. The third site serves as an overflow site and is in operation periodically. Since the report to the Board in February 2025, the County has taken the following actions to augment staffing at the TrSCFs:

- The County has added clinically trained staff to the TrSCF sites. In April 2025, two clinical staff from one of the County's contractors started working part-time at the sites. Since July 2025, the contractor has hired two full-time clinical staff who have started to work full-time across all three TrSCFs (including the overflow site when there are placements at that site). The contractor is in the process of hiring one additional clinical staff for a total of three staff to support the sites.
- In addition to the contractor's staff, DFCS's goal is to assign five additional social workers (four full-time social workers and one social worker supervisor) to support the TrSCFs. Two full-time social workers and one social worker supervisor have already been assigned to the TrSCFs. By July 1, 2026, the remaining two social workers will be assigned to the TrSCFs (staff are currently performing other critical functions). While these staff are not licensed therapists, they have master's degrees and have received formal training to assist youth with complex needs. Currently, team members are Therapeutic Crisis Intervention (TCI) trained and provide overtime coverage at TrSCFs. At the TrSCFs, the additional social workers will address critical intake and assessment needs, while also supporting both the case carrying social workers and the placement social worker to ensure all needs for each

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youth at TrSCFs are met. This clinical team will become part of the full-time teams at each site, ensuring care and support for youth.

Finding 6a

The County's past experience demonstrates it needs more than one contractor providing E-STRTPs. Having multiple providers is a critical component of the plan to provide E-STRTPs.

Response to Finding 6a

The County agrees with this finding. The County agrees that multiple providers are needed to run E-STRTPs in the county, which is why the County's continuum of care plan incorporates both a County-operated E-STRTP and at least one Community-Based Organization (CBO)-operated E-STRTP.

While CBO-operated E-STRTPs would be less expensive and potentially more quickly established than a County-operated E-STRTP, taking a two-pronged approach enables the County to develop the expertise needed to establish and operate an E-STRTP. This will also enable the County to assume operations of a CBO-operated E-STRTP if the CBO is suddenly unable to continue operations.

Even for the CBO-operated E-STRTPs, the County aims to either own the property, be the lessee, or have the right of first refusal to acquire or lease the property. This approach ensures that the County could transition the operation of the E-STRTP to a different CBO or County staff if the current provider was unable or unwilling to operate the program.

Given the Board's direction, the County is focused on working with a CBO for one or more E-STRTPs and establishing at least one County-operated STRTP. Staff will monitor implementation, utilization, and effectiveness to determine if additional CBO-operated E-STRTPs are necessary.

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Finding 6b

The County's timeline for establishing its own E-STRTP is significantly longer when compared to a CBO.

Response to Finding 6b

The County agrees with this finding.

Recommendation 6

The County should review its processes to determine how it can launch its own E-STRTP more quickly and at a lower cost.

Response to Recommendation 6

The recommendation has been implemented. The County is already working expeditiously to carry out the actions necessary to establish a County-operated E-STRTP as quickly as possible, while adhering to all required processes. County Administration will provide regular progress updates to the Board on this effort. A County operated E-STRTP will ultimately have higher costs than a CBO-operated E-STRTP, as outlined in the February 25, 2025, report, due to higher personnel costs. The estimated costs provided in that report were determined from experience with TrSCFs, as well as information from San Mateo and Sonoma Counties.

At this time, the CBO-operated E-STRTP aims to start accepting clients in Quarter 3 of Fiscal Year (FY) 2025-2026, and the County-operated E-STRTP aims to start accepting clients in Quarter 2 of FY 2026-2027. It is anticipated that the CBO-operated E-STRTP will open between February and April of 2026 based on the provisional licensing timeline (three to six months). Additionally, the CBO cannot begin the licensing process until it secures a property, attends a State-administered orientation for STRTPs, and completes a detailed 300+ page program statement that it cannot develop until a property is secured.

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Finding 7

The establishment of the County-based E-STRTP requires multi-year funding from the County.

Response to Finding 7

The County agrees with this finding.

Recommendation 7

The County should make a multi-year financial commitment starting in FY 2025-26 to fund the E-STRTP component of the plan regardless of State or federal funding.

Response to Recommendation 7

Funding for the E-STRTPs has been included in the FY 2025-2026 budget on a one-time basis, and the County will be incorporating additional budgetary needs in future years accordingly as contracts are executed and facilities are in place.

Finding 8

The County does not know the total cost of the continuum of care across multiple departments for high-acuity youth and therefore cannot determine how effectively taxpayer dollars are being spent.

Response to Finding 8

The County disagrees with this finding. The County has not compiled County-wide costs associated with all services utilized by high-acuity youth because doing so would require collecting detailed and highly confidential health, child welfare, and juvenile justice records for individual youth served by many County departments and contracted service providers; such an analysis would be extremely time and labor intensive, highly dependent on how the term

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“high acuity youth” was defined as there is no standard definition; and most importantly, is not needed to advance the goal of improving services for these youth as the County has consistently been willing to invest whatever resources are needed to meet these children’s needs. Further, it is well established that the best option for high-acuity youth is permanent placement in a family-based setting. When such options are not available, the County is committed to providing a range of temporary or short-term placement options, until more permanent and/or family-based settings do become available. Moreover, the County’s focus and efforts must remain devoted to implementing the proposed plan to provide better access to these placements as quickly as possible.

Recommendation 8

The County should compile all costs across departments, programs, and contracts related to the continuum of care for high-acuity youth and report annually to the Board starting December 31, 2025.

Response to Recommendation 8

The recommendation will not be implemented because it is not justified. Cost studies are sometimes utilized to help make policy decisions and guide County strategies. In this case, the County has already adopted a plan informed by the County’s experiences and the unmet needs of high-acuity youth. The Civil Grand Jury has commended the County for creating this plan. The Board has agreed to invest and prioritize the development of E-STRTPs, strengthen TrSCFs, and expand the availability of ISFC+ Homes. The County has also provided estimated costs in its February 25, 2025, report and will continue to provide updates to the Board on milestones, progress, or any relevant developments to the continuum of care plan on a bi-annual basis.