



COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

DATE: January 12, 2021

TO: Board of Supervisors

SUBJECT

FRAMEWORK FOR OUR FUTURE: REALIGNING POLICIES THAT GOVERN COUNTY RESOURCES AND CONTRACTING (DISTRICTS: ALL)

OVERVIEW

This new Board has an opportunity to bring fiscal management, impact data, and contracting practices in-line with community priorities, improve transparency and trust while also maintaining good fiscal stewardship of County resources. We are confident by making adjustments to these functions we will be more effective and far reaching in our pursuit of healthy, safe and thriving communities while also continuing to be fiscally responsible and solvent. It is a win-win for the community and our employees.

As such, we are recommending an Advisory Committee made up of two Board members be created with county staff support, to review, assess and recommend modifications to the County's fiscal management practices, impact assessment and contracting practices. The scope of this committee would include realigning Board of Supervisors policies and County Administrative Codes that oversee these functions.

RECOMMENDATION(S)

SUPERVISOR NATHAN FLETCHER AND SUPERVISOR TERRA LAWSON-REMER

- 1.) Establish an Advisory Committee to review, assess and recommend modifications to County's fiscal management approach and budget strategy, including but not limited to, realigning Board of Supervisors policies and County Administrative Code related to financial management practices, impact assessment and contracting using state and national best practices as a guide;
- 2.) Appoint Supervisor Fletcher and Supervisor Lawson-Remer to the committee;

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- 3.) Direct the Chief Administrative Officer to provide staffing to support the committee;
- 4.) Report back to the Board of Supervisors regularly with progress reports and return with a final report and recommended changes in 180 days.

FISCAL IMPACT

There is no fiscal impact associated with this action. There may be future fiscal impacts associated with the final recommendations proposed by the Advisory Committee. Any such recommendations would need to return and be approved by the Board.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

It is incumbent on us to reset goals and expectations reflecting the new leadership at the County, including realigning policies and practices that govern the allocation of precious government resources. As such, we are recommending an Advisory Committee made up of two Board members be created with county staff support, to review, assess and recommend modifications to the County's fiscal management practices, use of impact data and contracting processes. The committee's scope would include realigning Board of Supervisors policies and County Administrative Code sections that direct these functions.

This process will be informed and guided by state and national best practices for local government financial management practices, impact assessment and contracting processes, internal and external subject matter experts and community stakeholders.

Reforms pursued by this Advisory Committee should adhere to, but not be limited to, the following guidelines:

- Increasing the focus on practices such as performance management to promote efficiency, effectiveness, and equity using measurable data-driven results to inform budget priorities and decision-making.
- Contracting considerations that do not strictly default to outsourcing but allow for more discretion by departments to determine when it's more beneficial to expand internal subject matter expertise and workforce as opposed to contracting out.
- A competitive procurement process that is transparent, including easily accessible documents about requests for proposals, bidders and awards.
- Considering budget impact analysis and impact assessment to provide greater transparency, flexibility, and program clarity.

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- A risk mitigation policy that ensures healthy reserves to meet future financial obligations as well as unexpected costs in priority areas and considers setting aside reserves based on categories of risk as opposed to a percentage of total general fund expenditures.

The County’s fiscal management strategy was founded over 20 years ago in response to an inherited county operation that was on the verge of bankruptcy. In response, the Board conducted a mass overhaul of its fiscal stewardship based on conservative ideologies that centered on risk aversion. Such practices led to a decrease in the role of government delivering services, promoting outsourcing whenever feasible, and maintaining questionably massive levels of reserves. Over time, this approach became more and more conservative, in some instances beyond best fiscal practices.

This new Board has an opportunity to course correct and bring fiscal management and budgeting practices in-line with our new Board and community priorities, improve transparency and trust while also maintaining good fiscal stewardship of County resources. We are confident by making adjustments to these functions we will be more effective and far reaching in our pursuit of healthy, safe and thriving communities. It is a win-win for the community and our employees.

As such, we strongly urge your support for creating an Advisory Committee with the above mentioned scope of work, appointing both of us to tackle this work, directing the CAO to assign county staff to support, and report back to the Board in 180 days with recommended changes to County's fiscal management practices and contracting policies.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today’s proposed actions support the Strategic Initiatives of Building Better Health, Living Safely, Sustainable Environments/Thriving and Operational Excellence in the County of San Diego’s Strategic Plan by ensuring that policies and practices related to County resources and contracting meet the highest priority needs of residents.

Respectfully submitted,



NATHAN FLETCHER
Supervisor, Fourth District



TERRA LAWSON-REMER
Supervisor, Third District

ATTACHMENT(S)

N/A

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED

 Yes No

PREVIOUS RELEVANT BOARD ACTIONS:

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BOARD POLICIES APPLICABLE:

Board of Supervisors Policy Section A: General Government and Administration, and Section B: Finance, Accounting and Purchasing.

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):

N/A

ORIGINATING DEPARTMENT: Fourth and Third Supervisorial District

OTHER CONCURRENCE(S): N/A

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