

## County of San Diego

### Fiscal Transparency & Accountability Ad Hoc Subcommittee Meeting

**Date:** April 13, 2026

**Time:** 3:30 PM – 5:00 PM

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### Opening Remarks

#### **Supervisor Pro Tem Paloma Aguirre & Supervisor Joel Anderson**

The presentation aimed to demonstrate the team's commitment to supporting subcommittee work and ensuring responsible management of public funds. It was noted that even a 2–3% efficiency gain on a \$2.3 billion portfolio could result in tens of millions of dollars being reallocated to other Board priorities.

### Presentation Overview

**Presenter:** DCAO Brian Albright

- Overview of:
    - Purchasing & contracting processes
    - Leasing, small business support, and labor protections
  - Multi-department collaboration emphasized
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### General Goals & Priorities

**Q:** What are the Board's priorities regarding procurement improvements?

**A:** The Board aims to improve spending efficiency while also uplifting small businesses, removing barriers, and ensuring contracts serve the public good. There is no intent to sacrifice equity or community impact for cost savings.

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## **Contracting Policy Benefits**

**Q:** What benefits have resulted from recent contracting policy changes?

**A:**

- Increased small/local participation (from 12% to 21%)
  - Greater alignment between service providers and communities
  - Improved cultural competency
  - Enhanced innovation in service delivery
  - Stronger integration of sustainability and equity considerations
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## **Implementation Challenges**

**Q:** Which contracts face the greatest challenges with new requirements?

**A:**

- Existing (mid-term) contracts are the most challenging
  - Amendments require renegotiation, time, and potential service disruption
  - New contracts are easier to implement as requirements can be built in from the start
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## **Local & Small Business Definitions (Policy B-53)**

**Q:** How is a “local business” defined?

**A:** A business must:

- Have headquarters or a substantive operational presence within county boundaries
- Perform meaningful work locally (not just a nominal presence)

**Q:** What is the 25% target based on?

**A:** It is calculated as 25% of total county contract spend, with no exclusions.

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### **Retroactive Policy Application**

**Q:** What are the impacts of applying new policies retroactively?

**A:**

- Would be administratively complex
  - Could require replacing subcontractors mid-contract
  - May cause service disruption and increased costs
  - Generally not recommended
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### **Contract Duration & Turnover**

**Q:** What is the typical contract length?

**A:**

- Most contracts are 5 years (1 year + 4 option years)
- Some exceptions exist (e.g., IT systems)

**Q:** How often does the contract portfolio turnover?

**A:**

- Approximately 20–25% annually
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### **Compliance Reviews**

**Q:** What triggers a compliance review?

**A:**

- Initial contract execution
  - Contract amendments
  - Risk factors (e.g., investigations, performance concerns)
  - Ongoing monitoring by departments
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## **Vendor Feedback & Support**

**Q:** How is vendor feedback incorporated?

**A:**

- Continuous engagement with businesses and associations
- Real-time program adjustments based on feedback

**Q:** What support is provided to unsuccessful bidders?

**A:**

- Debrief sessions explaining evaluation results
  - Feedback on strengths, weaknesses, and improvements
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## **Small Business Support Programs**

**Q:** What helps small businesses succeed in procurement?

**A:**

- STEP program (technical assistance and training)
  - CORE and BUILD programs
  - Support navigating procurement systems and proposals
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## **Small Business Definition Updates**

**Q:** How is a small business defined under updated policy?

**A:**

- State-certified small businesses
  - Self-certified businesses meeting revenue/size thresholds
  - Veteran/Disabled Veteran-owned businesses
  - Nonprofits (newly included)
  - Social equity enterprises
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## **Participation Growth**

**Q:** What contributed to increased participation (12% → 21%)?

**A:**

- Expanded definitions (including nonprofits)
  - Increased outreach and partnerships
  - Improved data tracking
  - Greater engagement with small/local vendors
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## **Partnerships & Outreach**

**Q:** How does the County engage with the community?

**A:**

- Workshops, business walks, and outreach events
  - Collaboration with chambers, nonprofits, and associations
  - Programs developed directly from community feedback
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## **Cooperative Agreements (Co-ops)**

**Q:** What are cooperative agreements?

**A:**

- Contracts leveraging group purchasing (e.g., with other counties/agencies)

- Used to obtain better pricing and service through economies of scale

**Examples:**

- Wireless services (Verizon, AT&T, T-Mobile)
- Office supplies (Staples)

**Q:** Do co-ops impact service quality?

**A:**

- Service levels are built into agreements
  - Vendors must meet County performance requirements
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**Efficiency & Procurement Improvements**

**Q:** Would a countywide procurement review be beneficial?

**A:**

- Yes, it could identify efficiencies, standardization opportunities, and modernization strategies
  - Multiple evaluation options were presented to support this effort
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**Equity Considerations**

**Q:** How will efficiency efforts avoid excluding small/local businesses?

**A:**

- Analysis of direct and indirect impacts
  - Exploration of hybrid models
  - Focus on avoiding unintended consequences
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## Action Items

**Q:** What follow-up actions were requested?

**A:**

- Staff to prepare a memo within 30 days
  - Memo to include:
    - Procurement pathway recommendations
    - Market intelligence insights
    - Opportunities for consistency, efficiency, and performance improvements
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## Closing Remarks

- Appreciation expressed to staff and presenters
- Public encouraged to provide feedback and participate
- Next meeting scheduled for **June 16 (3:30–5:00 PM)**
- Meeting adjourned