



November 17, 2025

San Diego County Board of Supervisors
1600 Pacific Highway, Room 335
San Diego, CA 92101

Dear Chair Pro-Tem Aguirre and Supervisors of the Board,

RE: SUPPORT FOR EXPLORING SAVINGS, REVENUE ENHANCEMENTS, AND CONTRACTED SERVICE OPTIMIZATION THROUGH AN AD HOC FISCAL TRANSPARENCY AND ACCOUNTABILITY SUBCOMMITTEE (DISTRICTS: ALL) (AGENDA ITEM 21)

Business For Good San Diego, a member of the Community Budget Alliance and Invest in San Diego Families coalitions, strongly support the proposed action to create an *Ad Hoc Fiscal Transparency and Accountability Subcommittee* to conduct a comprehensive review of county contracts and identify new opportunities for cost savings and revenue enhancement. We also believe this Subcommittee presents an essential opportunity to evaluate service quality, equity, accountability, and the impact of contracting decisions on county workers, small business contractors and service outcomes. These are key criteria that must guide any assessment of county contracts alongside fiscal considerations. Bringing or keeping work in house allows the county to ensure stable jobs, stronger oversight, and higher quality services for San Diegans.

Each year, the County of San Diego adopts a budget exceeding \$8.6 billion, with approximately \$2.2 billion allocated to contracted goods, services, and construction projects. Given current economic uncertainties and growing fiscal pressures at the state and federal levels, this proposal represents a timely and prudent step toward ensuring that taxpayer dollars are managed efficiently, equitably, and transparently.

In addition to identifying fiscal inefficiencies, the subcommittee's review should assess how outsourcing impacts county staff and service delivery. This subcommittee should also strengthen accountability by examining whether contracted services are meeting standards for quality, equity, accessibility, and compliance. The county should also account for the full cost of contract oversight and enforcement when evaluating whether contracting out is truly cost-effective. In many cases, this analysis is likely to show that subcontracting is not the best choice for service quality or long-term fiscal stability.

By reviewing outdated contracts, analyzing opportunities to bring certain services in-house, and enhancing the use of key performance indicators, the Subcommittee can not only strengthen accountability but also ensure that county services are delivered with high quality, strong oversight, and maximum public benefit.

Moreover, assessing long-term and revenue-generating contracts will help identify ways to reinvest savings into critical County programs such as food assistance, healthcare, and housing ensuring continued service delivery to the residents who need it most.

The subcommittee's work will not only safeguard public resources but also strengthen confidence in County operations and promote inclusive economic growth by expanding opportunities for local and small businesses.

For these reasons, the Community Budget Alliance and Invest in San Diego Families coalition are proud to support the creation of the *Ad Hoc Fiscal Transparency and Accountability Subcommittee* and urges the Board's unanimous approval of this measure with recommended enhancements in four areas:

- Include objective of improving service delivery as one of the key criteria for the work of the subcommittee
- Clarify that enhancing County policies and procedures should advance equity, community, sustainability and responsible labor standards
- Work with impacted labor organizations, equity-focused small business chambers like Business For Good San Diego and community stakeholders to identify any changes to County contracting policy, standards or practices
- Ensure compliance with newly enacted Assembly Bill 339 (2025), which requires California public agencies to give at least 45 days' written notice to recognized employee organizations before contracting for services that fall within the scope of represented employees.

We should not prioritize cost savings over the quality of service we provide to San Diegans, the stability and oversight that in-house jobs offer, or the wellbeing of county workers and/or small business contractors. The passage of this policy with these adjustments will ensure our contracting policies serve all San Diegans.

Sincerely,

Erica Castillo
Advocacy Co-Chair & Small Business Owner
Business For Good San Diego