



County of Orange

County Executive Office

August 26, 2026

Honorable Sheila F. Hanson
Presiding Judge of the Superior Court of California
700 Civic Center Drive West
Santa Ana, CA 92701

Subject: "Unbalanced Authority Oversight and Accountability in Orange County Government" Grand Jury Response

Dear Judge Hanson:

Per your request, and in accordance with Penal Code 933, please find the County of Orange response to the subject report as approved by the Board of Supervisors. The respondent is the Orange County Board of Supervisors.

If you have any questions, please contact Lisa Fernandez of the County Executive Office at 714-834-7219.

Sincerely,

A handwritten signature in black ink, appearing to read "KC Roestenberg", is written over a horizontal line.

KC Roestenberg
Interim County Executive Officer

Enclosure

cc: 2025-26 Orange County Grand Jury Foreman
Jessica Witt, Chief Operating Officer
Lisa Fernandez, Assistant Chief Deputy Operating Officer
Elizabeth Guillen-Merchant, Assistant Chief Deputy Operating Officer

FINANCIAL IMPACT:

N/A

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A - Grand Jury Report

Attachment B - Draft Response

Attachment C - Draft Transmittal Letter

Responses to Findings and Recommendations 2025-26 Grand Jury Report:



Unbalanced Authority Oversight and Accountability in Orange County Government

SUMMARY RESPONSE STATEMENT

On June 12, 2026, the Grand Jury released a report titled, "Unbalanced Authority Oversight and Accountability in Orange County Government." This report includes findings and recommendations directed to the Orange County Board of Supervisors. The responses to those findings and recommendations are provided below.

FINDINGS AND RESPONSES

F1. Elected County officials exercise substantial autonomy in managing their departments while administering functions involving significant public financial responsibilities.

Response: *Agrees with the finding.*

F2. The County lacks sufficient authority, structures and internal controls to ensure effective oversight and accountability of elected officials.

Response: *Disagrees partially with the finding.*

The County has established governance structures, internal controls, and oversight processes that promote accountability in financial management, human resources, procurement, public reporting, and independent audits as permitted by law. Elected officials are ultimately accountable to the Electorate.

F3. The Orange County Charter does not provide the Board of Supervisors with authority to address misconduct or performance deficiencies involving elected officials.

Response: *Disagrees partially with the finding.*

The Orange County Charter provides the Board of Supervisors with authority to address misconduct through the Charter-created Ethics Commission and its jurisdiction over Section 6 of the Code of Ethics.

F4. Some counties in California have amended their charters to strengthen oversight and implement internal controls for elected officials.

Response: *Disagrees partially with the finding.*

Some counties in California have amended their charters in ways that impact departments headed by elected officials, however, the County cannot comment on the reasons these jurisdictions decided to make these changes.

F5. Several counties in California have transitioned specific non-constitutional county offices from elected to appointed positions to ensure better accountability.

Response: *Disagrees partially with the finding.*

Several counties in California have transitioned specific non-constitutional county offices from elected to appointed positions, however, the County cannot comment on the reasons these jurisdictions decided to make these changes.

F6. Consolidating compatible County elected offices can improve efficiency, reduce duplication, and strengthen oversight.

Response: *Disagrees partially with the finding.*

Consolidating compatible County elected offices or their functions could result in operational impacts, however, the County cannot comment on the benefits of consolidation without conducting an evaluation to understand the full scope of its impacts.

F7. Independent audits provide an effective mechanism for identifying operational weaknesses, governance concerns, and compliance issues within departments administered by elected officials.

Response: *Agrees with the finding.*

F8. The County Internal Audit Department is an important entity that functions as independent oversight reporting directly to the Board of Supervisors and conducts audits in accordance with recognized professional auditing standards.

Response: *Agrees with the finding.*

F9. The Board of Supervisors has expanded Internal Audit Department's responsibilities to include performance auditing; however, sufficient staffing and resources are required to support this expanded role.

Response: *Agrees with the finding.*

RECOMMENDATIONS AND RESPONSES

R1. The Board of Supervisors should draft one or more of the proposed amendments to the County charter to be submitted to voters in order to strengthen the Board's ability to exercise appropriate governance oversight of elected officials by December 31, 2026.

Amendments:

- Authorization for the Board of Supervisors to remove an elected official for cause by a four-fifths supermajority vote.
- Authorization for the Board of Supervisors to convert an elected office to an appointed position.
- Authorization to consolidate compatible County departments and merge two elected or appointed offices into one elected position.

Response: *The recommendation will not be implemented because it is not warranted or is not reasonable.*

While the Board is committed to maintaining strong governance oversight of all County operations within the framework established by state law and the County charter, it does not believe that the proposed amendments are warranted. Existing laws, governance structures, internal controls and oversight processes promote accountability within the Board's authority, including financial management, human resources, procurement, public reporting, and independent audits provide appropriate oversight while preserving the will of the voters who directly elect these officials to carry out their statutory responsibilities

R2. The Board of Supervisors should adopt a policy mandating regularly scheduled audits or performance reviews of elected officials by December 31, 2026.

Response: *The recommendation will not be implemented because it is not warranted or is not reasonable.*

Consistent with industry standards, the Internal Audit Department (IAD) provides audit coverage across the County, including coverage of elected officials, using a risk-based approach to focus available audit resources on as many of the areas that pose the greatest threat to the County's objectives. Unlike cyclical auditing, which allocates effort based on predetermined schedules, a risk-based method prioritizes audits according to the significance and likelihood of risks. This allows Internal Audit to respond to emerging issues, align with stakeholder expectations, and provide more meaningful assurance. By assessing the entire risk universe, including offices of elected officials, and concentrating on the areas of highest risk, IAD delivers greater value, improves organizational resilience, and ensures that audit coverage remains both relevant and strategic.

For Fiscal Years 2025-26 and 2026-27, IAD's risk-based Audit Plans include at least eight audits at offices of elected officials.

R3. The Board of Supervisors should direct the County Internal Audit Department to develop standardized procedures for publicly reporting corrective actions taken in response to audit findings involving offices of elected officials by December 31, 2026.

Response: *The recommendation has been implemented.*

The recommendation is addressed through existing audit reporting and follow-up practices. IAD is committed to maintaining transparency and already publicly reports the results of their audits, including audits of offices of elected officials. IAD publicly reports findings and recommendations of the audits they conduct, including the status of corrective actions in follow-up audits. IAD also engages openly and publicly with the Board and Audit Oversight Committee (AOC) on audit results. Specifically, IAD:

- a. Issues audit reports to stakeholders, such as the client department management, Board, AOC, and County Executive Office.
- b. Publishes audit reports on their public-facing website.
- c. Presents audit reports to the AOC for approval at quarterly public AOC meetings.
- d. Provides the Board, at public Board meetings, the audit reports issued for the quarter along with a summary of the reports highlighting critical and significant control findings.

R4. The Board of Supervisors should establish a formal process for periodic public reporting and discussion of internal audit findings involving departments administered by elected officials, including presentation of audit results at Board meetings to promote transparency and accountability to Orange County residents by December 31, 2026.

Response: *The recommendation has been implemented.*

The recommendation is addressed through existing audit reporting and follow-up practices. IAD is committed to maintaining transparency and already publicly reports the results of their audits, including audits of offices of elected officials. IAD publicly reports findings and recommendations of the audits they conduct, including the status of corrective actions in follow-up audits. IAD also engages openly and publicly with the Board and AOC on audit results. Specifically, IAD:

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- d. Provides the Board, at public Board meetings, the audit reports issued for the quarter along with a summary of the reports highlighting critical and significant control findings.

R5. The Board of Supervisor should ensure that the County Internal Audit Department maintains sufficient staffing and budgetary resources to carry out its expanded responsibilities for operational performance reviews and oversight of departments administered by elected officials by December 31, 2026.

Response: *The recommendation will not be implemented because it is not warranted or is not reasonable.*

The Board recognizes that IAD requires sufficient staffing and budgetary resources to carry out its expanded responsibilities. However, implementation by December 31, 2026, is not feasible because staffing and budgetary resources are considered through the County's annual budget process, which will not be completed by that date. Given the County's current fiscal constraints, additional resources will be considered as they become available through future budget processes. In the meantime, IAD will continue to carry out its responsibilities using existing resources and will continue to seek additional resources through future County budget processes.

