



## **CITY ATTORNEY'S OFFICE**

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## **CITY COUNCIL STAFF REPORT**

Meeting: January 17, 2023

### **Subject**

Consider approval of response to the 2022 Civil Grand Jury of Santa Clara County Report entitled "Show Me the Money: Financial Transparency Needed"

### **Recommended Action**

Approve the response to the 2022 Civil Grand Jury of Santa Clara County Report entitled "Show Me the Money: Financial Transparency Needed"

### **Background**

On December 14, 2022, the 2022 Civil Grand Jury of Santa Clara County released a report regarding compliance with Government Code section 41004. Section 41004 provides: "Regularly, at least once each month, the city treasurer shall submit to the city clerk a written report and accounting of all receipts, disbursements, and fund balances. The city treasurer shall file a copy with the legislative body." Section 41004 does not specify the manner in which the report is transmitted, except for the requirement that it be in writing.

The Grand Jury Report reviewed compliance with section 41004 for all cities in Santa Clara County. The Grand Jury final report is included as Attachment A.

### **Discussion**

The Grand Jury investigated compliance with Government Code section 41004 and issued one finding and one recommendation regarding the City of Cupertino:

#### **Finding 8**

When the Civil Grand Jury began this investigation, the City of Cupertino was not in compliance with California Government Code section 41004. However, starting in March 2022, the City of Cupertino began producing treasurer's reports compliant with Section 41004.

**Recommendation 8**

The City of Cupertino should maintain compliance with California Government Code section 41004. Continued compliance is recommended.

Pursuant to California Penal Code section 933(c), the Grand Jury Report requests that the City of Cupertino respond to Finding 8 and Recommendation 8. The Grand Jury Report accurately reflects changes made to the City's reporting process based on input from the Audit Committee. A draft response letter for the City Council to consider is included as Attachment B. The proposed response indicates that Cupertino agrees with the finding and recommendation and will continue to comply with Government Code section 41004.

If approved by the City Council, the response letter will be submitted to the Presiding Judge of the Santa Clara County Superior Court before the response deadline.

**Sustainability Impact**

No sustainability impact.

**Fiscal Impact**

No fiscal impact.

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Prepared by: Christopher D. Jensen, City Attorney

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A - Civil Grand Jury of Santa Clara County Report

B – Draft Response Letter to Civil Grand Jury of Santa Clara County