

# COUNTY OF SANTA CLARA

## Budgeting for Equity – Manual and Tool

Fiscal Year 2024 – 2025

Office of Budget & Analysis

In partnership with the Office of Diversity, Equity and Belonging



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## Introduction

The County of Santa Clara has the opportunity and the obligation to promote equitable access, opportunity, and inclusion in County operations, policies, and budget decisions. A key strategy to advance equity is through information sharing and the provision of tools and resources to County agencies and departments. Further, to ensure the impacts of these efforts are longstanding, an expanding area of focus for the County of Santa Clara is the assessment of how individual budget actions impact racial equity in the community and within the County organization. The County, as a member of the Government Alliance on Race and Equity national network, aims to incorporate an equity and inclusion lens in the development of the annual budget, as a part of the County's larger strategy to advance equity in government.

### What does it mean to advance equity in government?

As a practice, equity recognizes that people are situated differently. This is due to historically sanctioned practices of oppression, exclusion, and disinvestment of certain communities in this country, which created deep and pervasive inequities between communities. When we observe inequities, equity requires that we expand our perspective beyond focusing just on individuals to also consider and understand the conditions individuals are situated in.

When we begin to examine the conditions and situations of the communities we intend to positively impact, we shift from just thinking about solutions in terms of programs and services to also thinking about how we can change systems and structures that create and perpetuate conditions of inequity in our communities.

As a government entity, the County acknowledges the impact structural racism has played in shaping operations. Advancing equity in government means moving our County towards one where everyone is situated in a way that they can participate, prosper, and reach their full potential, regardless of race, gender, nation of origin, sexual orientation, ability, or any other historically marginalized identity.

To achieve this vision, it will require that we intentionally examine our policies, programs, and practices to assess who benefits and who is burdened by existing systems and structures. Once we have a clear analysis of who benefits and who is burdened by our decision-making, we can work to intentionally include and shift power towards those communities that have been historically excluded and continue to work towards a Santa Clara County where everyone belongs.

### Applying an Equity Lens to Budgeting

On August 25, 2020, the Board adopted a Resolution, formally stating the County's commitment to the use of principles of equity in policy and budgeting decisions to prioritize and operationalize accessibility, diversity, equity, and inclusion across departments and services. On December 14, 2021, the Board adopted a Resolution, which builds upon the previous resolution and explicitly recognizes disability as a key element of equity, and incorporates the principles and commitments outlined in the Silicon Valley Equity Pledge and Disability Inclusion Equity Pledge. To further advance an equity framework in budget and policy decisions, the Government Alliance on Race & Equity framework has been adopted by the Board of Supervisors to normalize conversations about race, organize efforts to shift institutional culture and practice by implementing a county-wide racial equity strategy and operationalize equity through the application of racial equity impact assessment tools.

## What is a Budget Equity Tool?

A budget equity tool is an example of a racial equity impact assessment tool, and it is designed to lay out a process and set of questions to assess how budget proposals will benefit and/or burden communities, specifically communities of color.

A budget equity tool is designed to integrate explicit considerations of racial and economic equity into the budget development process. This process for ensuring just and fair allocation of resources aligns with the County's Strategic Goals and Measures of Success.

## Alignment with the County's Mission, Strategic Goals, and Measures of Success





### County of Santa Clara Mission

The County's mission is to plan for the needs of a dynamic community, provide quality services, and promote a healthy, safe, and prosperous community for all.




In order to fully realize this mission, the County will work towards its **Strategic Goals** through the application of **Guiding Principles** and demonstrate impact through a number of **Measures of Success**.

### County of Santa Clara Strategic Goals

The Strategic Goals guide the County operations and service delivery to residents, businesses, and visitors. These goals address some of the most critical issues the County's community is facing and provide a countywide context for strategic decisions, initiatives, and priorities.

-  **Advancing Equity:** Proactively seek to eliminate inequities and embed equity and inclusion lenses in daily operations, policies, and budget decisions.
-  **Health for All:** Improve the health status of all residents, reduce the burden of illness and injury, and provide care to the County's vulnerable children and families.
-  **Furthering Sustainability:** Improve community resilience and health by adapting to a changing global climate, enhance natural resources and the environment, balance development, and increase the economic and social vitality for all residents.
-  **Safe Community:** Maintain a community environment where all residents, children, and families, feel safe, are treated fair under the law, and are protected and safe from crime.



-  **Operational Efficiency:** Provide responsive and accountable government with demonstrated effectiveness through employee engagement, measures of success, and continuously improving service delivery.
-  **Accessible Housing:** Improve access to safe and stable housing through the development of affordable units and efforts to address homelessness.
-  **Community Engagement:** Foster open communication with residents to ensure rising and imminent needs are being vocalized and addressed, and that safety net services are easily accessible.

## Guiding Principles for Achieving Transformative Racial Equity in Government

In October 2023, the Office of Diversity, Equity, and Belonging engaged over 60 County of Santa Clara executives, department leaders and equity practitioners in an exercise to review, provide feedback, and endorse local versions of five guiding principles<sup>1</sup> for achieving transformative racial equity in government. These principles will guide consistent decision-making, strategy, and actions to advance racial equity across County departments and cross-system operations, in alignment with the County's strategic goals and operational priorities.

1. **Understand government's role in past and present inequities:** Understand and acknowledge the government's role in impacting communities at a wide scale to this day – whether positive, negative, or seemingly neutral.
  - a. **Example:** Taking an inventory of the historic and present benefits and harms of major laws, policies, and programs.
2. **Consistently address root causes:** Target the fundamental root causes of gaps and inequities, and prioritize the people who have traditionally been excluded, recognizing these investments will benefit all.
  - a. **Example:** Assessing the impact of an entire portfolio of departmental programs and operations on holistically addressing root causes of inequity versus selectively addressing symptoms.
3. **Work in partnership with communities impacted by inequities:** Engage and elevate community voice in the design, discussion and decision-making process for policies, practices, and programs that impact them.
  - a. **Example:** Leveraging the expertise and experiences of all to promote equity, particularly leaders of color and their communities.
4. **Adopt a continuous learning and adaptive approach:** Acknowledge that the scale and complexity of reaching racial equity will require ongoing commitment, action, and adjustments to drive meaningful change and strengthen our communities over time.
  - a. **Example:** Evaluating and significantly adjusting policies, programs, and systems where data highlights that racially equitable outcomes and goals are not being met.

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<sup>1</sup> PolicyLink's [For Love of Country: A Path for the Federal Government to Advance Racial Equity](#)

5. **Be transparent and accountable:** Build trust and accountability in the long-term commitment for racial equity through data-driven decision-making and outcome tracking.
  - a. **Example:** Creating and publishing annual progress towards departmental racial equity aspirations and goals, including positive and negative changes in outcomes across populations.

## County of Santa Clara Measures of Success

The vision of Measures of Success is to support data-driven strategic planning, multi-departmental collaboration to address systemwide opportunities and challenges, and to share results across the County organization.

The County's Budget Equity Tool particularly aligns with the Process Improvement strategies within the Measures of Success, which focus on identifying, analyzing and improving existing business processes to optimize performance, meet best practice standards or simply improve quality and the user experience for customers and end-users. Implementation of a Budget Equity Tool aims to ensure the County's allocation of resources supports departmental efforts to eliminate inequities within our communities.

The vision is for all residents of Santa Clara County to have full access to the services and programs they need to live their lives to their fullest potential.

## Introduction to the County of Santa Clara Budget Equity Tool

This iteration of the County's Budget Equity Tool was developed in collaboration with the Office of Budget & Analysis (OBA) and the [Office of Diversity, Equity, and Belonging](#) (ODEB). The Budget Equity Tool is informed by and builds on national best practice from other government jurisdictions doing equity work across the country. The County's budget equity tool was formally adopted by the County Executive as a part of Countywide efforts to advance equity in government, and will be incorporated into the County budget process, going forward.

County-wide application of a uniform budget equity tool provides County Departments and Agencies with a structured way to apply equity concepts to key decision-making processes around resource allocation and assess equity impacts of budgetary decisions.

There is a recognition that every department is in different places, and it will take time to develop the institutional muscle to normalize conversations about equity. The departmental submission of budget equity tools will be an iterative process. As the County matures in its advancement of equity, the budget equity tool will evolve, and subsequent iterations will build upon the lessons learned in the initial budget cycle.

## Completing the Budget Equity Tool

County Departments will submit responses to the budget equity tool questions to OBA as a part of the department's submission of budget proposals. As applicable, the department's submissions may be informed by input from impacted communities and stakeholders, as ongoing dialogue with these communities can build our understanding of current inequities.

1. OBA will review each Department's Budget Equity Tool submission and in partnership with the Office of Diversity, Equity, and Belonging, will provide support to Department staff directly in completing the Budget Equity Tool in advance of the budget proposal submittal deadline.
2. Once completed Budget Equity Tools are received, OBA will vet the analyses provided by the departments, considering each department's unique role within the organization and how that relates to the advancement of equity.
  - a. While the Budget Equity Tool is an integrated requirement of budget instructions, the level of analyses from the tool helps inform equity implications across the County. The Budget Equity Tool provides additional context and understanding of how the County is working to advance equity within all the County's operations.

To further advance equity and inclusion in budget and policy, Administration will continue to implement specific equity tools and provide resources as part of this year's budget process and beyond. As the County matures in its advancement of equity, the Budget Equity Tool will evolve, and subsequent iterations will build upon the lessons learned in the initial budget cycle.

Below is a snapshot of key dates to support Departments' Budget Equity Tool submissions:

Dates	Activity	Details
December 1, 2023	Budget Equity Manual & Tool is sent to Departments	Refer to budget instructions
December 1, 2023	Department staff watch Budget Equity Tool training video	<a href="#">Link to video</a>
December 1, 2023	Office of Diversity Equity and Belonging SharePoint Racial Equity Self -Service Resource Hub Available	<a href="#">Link to ODEB Resource Hub</a>
December 7th, 2023, 10:00am-11:30am	Equity in Government Speaker Series: Glenn Harris President of Race Forward/GARE guest speaker	<a href="#">Link to Zoom</a>
January 10 <sup>th</sup> Virtual Racial Equity Training	Office of Diversity, Equity, & Belonging is partnering with National Trainers from the Government Alliance of Race and Equity (GARE) to host a 6-hour Governing for Racial Equity training for a deeper dive on racial equity concepts.	<a href="#">Link to registration</a>
December 2023/January 2024	Individual Department Meetings with OBA analyst and ODEB to workshop equity responses	To be scheduled
February 2, 2024	Budget Equity Tool responses are due to OBA	
February and March 2024	OBA reviews Budget Equity Tool submissions	

## Frequently Asked Questions

### *How will OBA ensure departments completely fill out the tool and maximize the use of data?*

Through the individual department meetings to be scheduled in December 2023 and January 2024, OBA and ODEB will work closely with departments to ensure that departments are prepared to provide a responsive written answer for the Budget Equity Tool.

### *Once received and reviewed by OBA analysts, what is the process to vet, assess, or validate the equity analyses? How is the equity analysis then taken into consideration when providing recommendations to the CEO? How can departments expect this information to be used in OBA's recommendations to the CEO?*

OBA analysts will review the Budget Equity Tool response provided by departments. The Budget Equity Tool responses provides additional context and help convey understanding of how departments advance or maintain equity within its operations or within the community. OBA budget recommendations are formed in consideration of many factors, including service impact, operational impact, readiness, legal mandates, health and safety factors, efficiency, measures of success, alignment with strategic goals, fiscal impact, and affordability, in addition to equity impact.

### *How does the County shift the culture to embed equity in the work that we do?*

This tool is one step towards embedding equity considerations within County functions and practices, and to help ensure that resources are distributed and implemented equitably in our community. An important consideration regarding the implementation of the Budget Equity Tool is that equity is both a process and an end result. While it is important to transparently demonstrate how the County is equitably allocating resources through budget proposal equity impact statements, it is just as important for all County departments to practice intentionally examining how we make decisions that impact the larger Santa Clara County community, particularly marginalized communities.

Shifting the organizational practices of how we make decisions is just one strategy towards larger organizational culture change. Other strategies led by ODEB include:

- Developing a Countywide Racial Equity Strategic Roadmap to which Departments can anchor their intersectional equity work,
- Implementing equity training and learning programs for County staff to strengthen and deepen their knowledge and abilities to apply equity tools, and
- Continually improving our communication and reinforcement strategies to ensure all County staff have situational awareness of why equity is an organizational value and operational priority, and what the expectations are for departments to align their policies and practices to larger County equity strategies.

### *Why emphasize racial equity in the budget tool if equity in government is broader than just race?*

Across every indicator of success, racial inequities are deep and pervasive. The work of the Office of Diversity, Equity and Belonging is race explicit, not exclusive. The office takes an intersectional approach and analysis to address racial inequities, including communities and marginalized groups, based on gender,



sexual orientation, ability and age, immigrants/refugees to name but a few. Focusing on racial equity provides the opportunity to introduce a framework, tools and resources, such as this budget equity tool, that can also be applied to other areas of marginalization.

*Do I need to develop a new community stakeholder process to implement this tool?*

No. Departments have many existing data points and touch points with community stakeholders, including through survey results, community input sessions or quarterly meetings, and County commissions and bodies. Instead of creating a new community stakeholder process, the goal is to utilize existing data to inform the budget requests. As applicable, the department's submissions may be informed by input from impacted communities and stakeholders, as ongoing dialogue with these communities can build our understanding of current inequities.

*When the County is engaging in budgeting and contracting activities, can the County legally consider the impact on racial, ethnic, or other communities?*

State law prohibits the County's contracting activities from discriminating against, or granting preferential treatment to, any individual or group on the basis of race, ethnicity, color, national origin, or sex. (Cal. Const., art. 1, § 31.) For example, the County could not award a contract to a vendor on the basis of that vendor's race or sex. However, the law does not prohibit the County from advancing equity by using funds or entering into contracts that benefit or target individuals or communities of a particular race, ethnicity, sex, or other characteristic.

*My department provides internal services directly to other County departments (e.g. Facilities and Fleet, Procurement, Technology Services and Solutions, etc.) and doesn't provide services directly to the community. How does this Budget Equity Tool apply to my department?*

The updated Budget Equity Tool is designed to be applicable to all County departments/agencies. Departments or agencies that primarily provide an internal service function can advance equity through their approach to provide internal services, and/or in the way that they enable other County departments/agencies to provide direct, essential services in the community that advance equity.

## Fiscal Year 2024-2025 Budget Equity Tool Questions

Please consider the questions below and prepare one equity statement for your entire department or agency to accompany your budget proposal(s). **The equity statement should be reflective of the department's entire budget: the base budget, current modified budget, and requests for future modifications**, and limited to no more than 500 words. The questions below are meant to serve as a writing prompt; these may not be the only questions to contemplate when providing a thorough response on equity implications. Oftentimes, the equity implications of a department or agency's operations are linked to the major business or service delivery objectives of the department or agency.

### Guiding Questions on Equity Implications

1. How does your department or agency advance equity? Please consider the following:
  - a. How does your department/agency's overall allocation of resources promote equity through just or fair distribution of resources, based on need?
  - b. How does the department/agency's overall budget promote just and fair inclusion for all individuals in the County to participate, prosper and reach their full potential?
  - c. What inequities are minimized as a result of the department's overall resource allocation, if any?
  - d. How have you considered equity in the approach taken to meet budget reduction targets? For example, have you proposed reductions that will preserve service capacity for higher-need populations?
  - e. The anticipated impact of your department/agency's overall allocation of resources to marginalized groups or communities; example communities include (but are not limited to), to low-income individuals/households, immigrants or refugees, people of color, communities that have historically experienced disinvestment in physical environments, justice-involved youth, or people with disabilities. Include any qualitative and quantitative data to support your answer.
2. Describe how the needs of a specific community or stakeholder informed the issue area. Include any qualitative and quantitative data to support or inform your answer/approach. How is that information reflected in your budget proposals?

## Departmental Resources

Internal and external sources to collect population-level data

a. **External:**

- i. [US Census Bureau Data Equity Tools](#)
- ii. [Racial Equity GIS Hub](#)
- iii. [Statistical Atlas](#)
- iv. [CA Health and Human Services Open Data Portal](#)
- v. [CA Immigrant Data Portal](#)

b. **Internal:**

- i. [County of Santa Clara Open Data Portal](#)
- ii. [Public Health Department Open Data Portal](#)
- iii. [Public Health Department Neighborhood-level Data](#)
- iv. [Public Health Population Health Assessments](#)

## Glossary

Please refer to the following definitions in reflecting on and answering the questions in the Budget Equity Tool. Feel free to use these terms and concepts in your response.

### **BUDGET:**

For the purposes of this tool, the term budget includes general fund, restricted funds and grants. The term “overall budget” refers to a department’s entire operating budget.

### **COMMUNITY ENGAGEMENT:**

The process of working collaboratively with and through groups of people affiliated by geographic proximity, special interest, or similar situations to address issues affecting the well-being of those people. *Source: Principles of Community Engagement, Centers for Disease Control and Prevention*

### **COMMUNITY INDICATOR:**

The means by which we can measure socioeconomic conditions in the community. All community indicators should be disaggregated by race, if possible. *Source: Government Alliance on Race and Equity*

### **EQUALITY:**

Equality, in contrast to equity, is “sameness” or a state in which everyone gets the same thing, often with a focus on opportunities as opposed to outcomes. A focus on equality often ignores the realities of historical exclusion and power differentials between racial groups that have prevented full democratic inclusion, often perpetuated through policy. *Source: PolicyLink & Race Forward*

**EQUITY:**

- A process and outcome that results in just and fair inclusion into a society in which everyone can participate, prosper, and reach their full potential.  
*Source: PolicyLink*
- As a *process*, equity requires a new way of doing business: one that (1) prioritizes access and opportunities for groups who have the greatest need; (2) methodically evaluates benefits and burdens produced by seemingly neutral systems and practices; and (3) engages those most impacted by the problems we seek to address as experts in their own experiences, strategists in co-creating solutions, and evaluators of success.  
*Source: City of Chicago & Race Forward*
- As an *outcome*, equity, is a measure of justice that is achieved when outcomes in the conditions of well-being are improved for marginalized groups, lifting outcomes for all.  
*Source: PolicyLink & Race Forward*

**EQUITY LENS:**

A critical thinking approach to addressing inequities by assessing burdens, benefits, and outcomes to marginalized communities. *Source: Adapted from the City of Portland Office of Equity and Human Rights*

**INEQUITY:**

Systematic differences in outcomes of different population groups. These inequities have significant social and economic costs both to individuals and societies. These differences are avoidable, unjust, and unfair. Albeit not exhaustive, examples of inequities include: Housing, Violence, Substance Abuse, Mental Health, Criminal justice system; Lack of access to Health Care; Digital inequality; income inequality; neighborhood conditions; access to education; transportation. *Sources: CDC, PolicyLink, WHO*

**LOW-INCOME:**

While there is no single definition to describe people and households that are low-income, many reports define low-income households as those earning less than twice the federal poverty line. For the purposes of determining eligibility for assisted housing programs, HUD defines low-income families as families whose incomes do not exceed 80% of the Median Family Income (MFI) and very low-income families as families whose incomes do not exceed 50% of MFI for the area. *Source: Department of Housing and Community Development, Division of Housing Policy Development*

**MARGINALIZED COMMUNITIES:**

Communities that are (intentionally or unintentionally) distanced from access to power and resources and constructed as insignificant, peripheral, or less valuable/privileged to a community or “mainstream” society. Marginalized communities or people are those excluded from mainstream social, economic, cultural, or political life. *Source: University of British Columbia, Equity & Inclusion Glossary of Terms*

**OUTCOME:**

A future state of being resulting from a change at the jurisdiction, department, or program level. *Source: Government Alliance on Race & Equity, Getting to Results*

**PEOPLE OF COLOR (POC):**

A term born out of the antiracism movement used to describe nonwhites. The term is meant to be inclusive among nonwhite groups, emphasizing common 12 experiences of racism and oppression and resistance against it. *Source: Hollins and Govan: Diversity, Equity, and Inclusion*

**RACIAL DISPARITY:**

A significant difference in conditions between a racial group and the white population that is avoidable and unjust. *Source: City of Portland Office of Equity and Human Rights*

**RACIAL EQUITY:**

Racial equity is a process of eliminating racial disparities and improving outcomes for everyone. It is the intentional and continual practice of changing policies, practices, systems, and structures by prioritizing measurable change in the lives of people of color. *Source: Race Forward*

**RACISM:****Individual Racism:**

Pre-judgment, bias, or discrimination based on race by an individual.

*Source: Government Alliance on Race and Equity*

**Institutional Racism:**

Occurs within institutions. It involves unjust policies, practices, procedures and outcomes that work better for white people than for people of color.

*Source: Government Alliance on Race and Equity*

**Structural Racism:**

A history and current reality of institutional racism across all institutions, combining to create a system that negatively impacts communities of color.

*Source: Government Alliance on Race and Equity*

**UNDERSERVED:**

Refers to people and places that historically and currently have not had equitable resources or access to infrastructure, healthy environments, housing choice, etc. Disparities may be recognized in both services and in outcomes. *Source: City of Portland Office of Equity and Human Rights*