

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

September 23, 2025

**FROM**

**GEORGINA YOSHIOKA, Director, Department of Behavioral Health**

**SUBJECT**

Contract with Ernst & Young, LLP for an Organizational and Operational Review of the Department of Behavioral Health

**RECOMMENDATION(S)**

Approve **Contract No. 25-793** with Ernst & Young, LLP, including non-standard terms, for an organizational and operational review of the Department of Behavioral Health, in an amount not to exceed \$396,639, for the contract period of September 23, 2025, through June 30, 2026.

(Presenter: Georgina Yoshioka, Director, 252-5142)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Promote the Countywide Vision.**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.**

**FINANCIAL IMPACT**

This item does not impact Discretionary General Funding (Net County Cost). The recommended contract amount not to exceed \$396,639 will be funded by the 1991 and 2011 Realignment, and Mental Health Services Act funds. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2025-26 budget.

**BACKGROUND INFORMATION**

DBH is responsible for providing mental health and substance use disorder (SUD) services to San Bernardino County (County) residents experiencing severe mental illness and/or SUD. DBH provides a full range of SUD services for county residents through contracts with community-based organizations and County-operated clinics, with the goal of promoting SUD prevention, intervention, treatment, education, recovery, and resiliency for individuals and families. An integral part of the service delivery system of care consists of seeking opportunities for overall department improvement amid major reforms.

Historically, DBH has contracted with the California Department of Health Care Services (DHCS) as the primary regulatory agency for the provision of standardized local mental health and SUD services. With recent changes to legislative mandates, including but not limited to California Advancing and Innovating Medi-Cal (which seeks to create a more coordinated, person-centered, and equitable health system) and Proposition 1 (which established the Behavioral Health Services Act and reforms behavioral health care funding to include treatment, housing interventions, and workforce support for individuals with SUDs), services are shifting towards prioritizing treatment and housing for individuals with severe behavioral health needs,

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including SUD. DBH, as part of the behavioral health system of care, will be impacted by these changes. Consequently, DBH determined that a competitive solicitation for an experienced and qualified consultant was necessary to assist the department in conducting a thorough operational assessment and developing a plan to navigate these changes to the current system of care and their impact on operations.

The contract with Ernst & Young, LLP (Ernst & Young) was negotiated based on the standard County contract, but deviates from the standard County contract terms as follows:

1. Ernst & Young is not required to indemnify the County for the actions or omissions of its subcontractors.
  - The standard County contract requires contractors to indemnify the County for the acts or omissions of their subcontractors.
  - Potential Impact: In the event the County is sued because of the acts or omissions of Ernst & Young's subcontractor, Ernst & Young has no contractual obligation to defend or indemnify the County for such claims.
2. Ernst & Young limits its general indemnity obligations to third-party claims for bodily injury (including death) and property damage to the extent caused by its negligent or intentional acts or omissions.
  - The County standard contract general indemnity provision requires contractors to indemnify, defend, and hold the County harmless from third-party claims arising out of the acts, errors or omissions of any person.
  - Potential Impact: Ernst & Young's indemnity obligation is more limited compared to the standard County general indemnity obligation. In the event a claim arises that falls outside the scope of Ernst & Young's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
3. Ernst & Young excludes from its intellectual property infringement indemnity obligation claims that arise out of or that result from (a) the County's information, (b) use of deliverables other than as contemplated under the contract, (c) any alterations or modifications of the deliverables, (d) a combination of the deliverables with materials not provided by Ernst & Young, or (e) its compliance with the County's designs, specifications, or instructions in the creation of the deliverables.
  - The County standard contract provision relating to intellectual property infringement does not exclude any types of claims.
  - Potential Impact: In the event an intellectual property infringement claim arises that falls within the scope of the exclusions, Ernst & Young has no contractual obligation to defend or indemnify the County on such claims.
4. Ernst & Young caps its liability to the greater of \$500,000, but this limit will not apply to claims caused by its fraud or willful misconduct.
  - The standard County contract does not include a limitation of liability.
  - Potential Impact: Claims could exceed the liability cap and the contract amount, leaving the County financially liable for the excess.

Upon approval of the recommended contract, Ernst & Young will conduct a high-level organizational and operational review of DBH operations. This review will identify strengths and weaknesses by comparing fiscal and operational functions with similar jurisdictions and

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recommend opportunities for improvement and growth for DBH to consider and implement regarding its existing delivery system of care.

**PROCUREMENT**

On December 2, 2024, the County Administrative Office approved and authorized the release of a Request for Proposals (RFP) No. DBHE25-ADMN-5701 with the Purchasing Department to solicit interested and qualified agencies to conduct an organizational and operational review of DBH. The RFP was posted on the San Bernardino County’s Electronic Procurement Network (ePro).

There were 12 proposals received in response to the RFP by the established deadline. All noted on the table below, met the minimum procurement requirements and continued through the evaluation process.

<b>Proposing Agency</b>	<b>Proposer Location</b>	<b>Total Proposed Amount</b>
Berry, Dunn, McNeil & Parker, LLC	Portland, ME	\$313,300
Ernst & Young US LLP	Los Angeles, CA	\$396,639
Harvey Behavioral Health Outcomes Data Services	Cypress, CA	\$385,000
Huron Consulting Services LLC	Chicago, IL	\$359,750
KPMG LLP	Los Angeles, CA	\$395,000
MGT Impact Solutions, LLC	Sacramento, CA	\$347,522
MVP Consulting Group	Long Beach, CA	\$275,000
Recovery Innovations, Inc.	Phoenix, AZ	\$399,190
Tegria Services Group – US, INC	Madison, WI	\$382,099
Third Sector Capital Partners, Inc.	Boston, MA	\$350,000
TurningWest, Inc.	Chino Hills, CA	\$394,240
Weaver and Tidwell, L.L.P.	Los Angeles, CA	\$390,000

The evaluation committee, comprised of five individuals from Arrowhead Regional Medical Center, the Sheriff/Coroner/Public Administrator’s Department, Department of Public Health, and DBH reviewed and evaluated the proposals based on the criteria referenced in the RFP. These criteria included but were not limited to qualifications and experience, technical review, cost, and financial review.

Based on the evaluation criteria and resulting contract negotiation, the evaluation committee determined that Ernst & Young, LLP best met the needs of the County. Award and denial letters were sent to all responsible and responsive proposers on February 28, 2025. No protests were received within the allowable period.

Purchasing supports this competitive procurement based on the formal solicitation described above.

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**REVIEW BY OTHERS**

This item has been reviewed by Behavioral Health Contracts (Michael Shin, Administrative Manager, 388-0899) on August 28, 2025; County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on August 29, 2025; Risk Management (Gregory Ustaszewski, Staff Analyst II, 386-9008) on September 3, 2025; Purchasing (Joni Yang, Buyer III, 387-2463) on August 29, 2025; and County Finance and Administration (Paul Garcia, Administrative Analyst, 386-8392) on September 8, 2025.

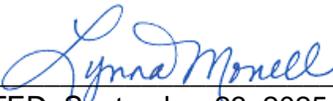
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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Joe Baca, Jr. Seconded: Curt Hagman  
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY  \_\_\_\_\_  
DATED: September 23, 2025



cc: DBH - Lombard w/agree  
Contractor - c/o DBH w/agree  
File - w/agree  
CCM 09/30/2025