

**MOTION BY SUPERVISOR MARK RIDLEY-THOMAS**

**April 18, 2017**

**Ensuring Effective Utilization of Probation Funding Streams**

The implementation of two State of California (State) grant programs by the Los Angeles County (County) Probation Department (Department), Senate Bill (SB) 678, and Juvenile Justice Crime Prevention Act (JJCPA), has been under ongoing scrutiny. SB 678 was approved in 2009 to provide a performance-based funding system for county probation departments to use State savings to implement evidence-based supervision practices. The revenue amount fluctuates but the Department has received between \$28.6 and \$43.8 million annually in SB 678 funding from Fiscal Year (FY) 2011-12 to FY 2015-16.

Alternatively, JJCPA is a stable funding source for local juvenile justice programs focused on delinquency prevention for at-risk youth that was created by the Crime Prevention Act of 2000. The Department chairs a committee, the Juvenile Justice Coordinating Council (JJCC), which oversees these funds and is responsible for ensuring the effective use of these resources. The County is allocated approximately \$28.0 to \$31.0 million annually in JJCPA funds.

Two reports issued by the Auditor-Controller (A-C) on July 24, 2015 and January 22, 2016 revealed that the Probation Department has not adequately spent SB 678 and JJCPA funds. As of May 2015, the Department had an available fund balance of \$140.5 million for SB 678 funds and \$25.1 million for JJCPA funds.

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Since the release of those reports, ongoing issues with fund accumulation and unspent revenues have persisted. As a result, the A-C performed a follow up audit to monitor these grant programs and update the Board of Supervisors on their utilization. On March 31, 2017, the A-C released a third report which indicated that, as of December 2016, \$36.7 million in JJCPA funds (a 46% increase from the first audit), and \$167.6 million in SB 678 funds (a 19% increase from the first audit) remain unspent.

For JJCPA, the report found that the accumulation of funds appeared to be the result of underspending by community-based organizations (CBOs) and County / City agencies, combined with the Department's inability to develop a spending plan for projected State allocations of growth fund revenues in the annual budgeting process. Additionally, proportions of this funding are earmarked for multiple programs over several years without a reporting requirement or audit. Challenges remain with the County contracting process for new programs. Similarly, the accumulation of SB 678 funds appears to be the result of underspending, linked to the Department not having finalized its SB 678 Services Plan and delays in program development. The Department's inability to identify and adapt to changes is partially due to operational deficiencies, as there is no dedicated unit to review and monitor the SB 678 program. While the Department's response to the newly released A-C report indicates some promising developments, particularly for JJCPA, with the re-establishment of the Juvenile Justice Coordinating Council and efforts to involve CBOs, the increase rather than decrease in fund accumulation for both grants is highly problematic.

**I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

1. Direct the Chief Probation Officer to report back to the Board of Supervisors (Board) in writing in 30 days with comprehensive spending plans, immediate and long-term, for both Juvenile Justice Crime Prevention Act (JJCPA) funds and Senate Bill (SB) 678 funds, that includes:
  - a. An assessment of all existing problems, as identified by the Auditor-Controller, that have prevented the effective utilization of these funds and contributed to the accumulation of unspent revenue;

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- b. Incorporation of previous Board instruction regarding both funding sources, including the “Expanding Effective Diversion Efforts in Los Angeles County” motion (Ridley-Thomas and Kuehl, August 11, 2015) which directed that 50% of unspent and ongoing SB 678 funds be allocated to the Office of Diversion and Reentry; and
2. Direct the Chief Probation Officer to report back to the Board quarterly, in writing, after the submission of the comprehensive JJCPA and SB 678 plans to provide updates on the status of implementation in addressing these unspent funds, and ongoing evaluation efforts for both funding streams.

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(DJ/DJJ/MN)