



County of Los Angeles CHIEF EXECUTIVE OFFICE

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October 2, 2018

To: Supervisor Sheila Kuehl, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Sachi A. Hamai 
Chief Executive Officer

TRANSITIONING THE ARTS COMMISSION INTO A COUNTY DEPARTMENT (ITEM NO. 5, AGENDA OF MAY 15, 2018)

On May 15, 2018, the Board of Supervisors (Board) directed the Chief Executive Officer (CEO), in conjunction with the Executive Officer of the Board of Supervisors (EO), Executive Director of the Arts Commission (Commission), County Counsel, the Auditor-Controller (A-C), and the Director of the Department of Human Resources (DHR), to: 1) move forward with the required steps to transition the Commission into a County Department, retaining the Commission as an advisory body to the new Department, and begin the transition no later than July 1, 2018; 2) develop a funding and staffing plan to include an appropriate executive team to support the Department; 3) report back during fiscal year (FY) 2018-19 Final Changes with a status update, including a timeline to implement key milestones with the goal of accomplishing this transition no later than FY 2019-20; 4) report back during the FY 2018-19 Supplemental Changes budget phase with the CEO's recommended funding and staffing plan, the estimated cost, the fiscal impact of the transition, and sources of funding, including grant or philanthropic funds which may be available; and set aside funding in Provisional Financing Uses (PFU) for the plan during the FY 2018-19 Supplemental Changes budget phase; and 5) provide recommendations to the Board on potential names of the new Department, taking into consideration the broad reach of the arts in the economy, education, and delivery of social services. Directives 1 and 3 were addressed in the CEO June 25, 2018 report. Directives 2, 4, and 5 are addressed in this report, which assumes the transition process will be completed no later July 1, 2019.

As indicated in the June 25, 2018 report, the CEO created an Arts Department Transition Advisory Committee (Committee), which includes representatives from the Commission, A-C, County Counsel, EO, and DHR. The Committee examined transition impact areas such as staffing, shared services requirements, County Code ordinance amendments, department name, etc. Committee findings and recommendations have been incorporated into this report.

Background

First established in 1947, the Commission is one of 37 County citizen advisory commissions. The Commission functions as the local arts agency for Los Angeles County (County), delivering a full range of cultural programs and activities. These are clustered in four key areas: arts education, civic art, grants, and research and evaluation. Staff from each of these areas are also involved in the growing focus on cross sectoral partnerships, engaging artists in assisting with a wide range of County priorities, from juvenile justice to support for the homeless. Transitioning the Commission to a County department solidifies the County as a cultural leader locally, regionally and nationally.

Staffing

The Commission currently has 26.0 full-time permanent budgeted positions (Attachment I), 3.0 temporary budgeted positions, and employs 14.0 contract staff. As of September 1, 2018, the Commission has 22.0 full-time permanent budgeted positions filled and 14.0 contract staff for a total of 36.0 staff.

The Executive Team is currently comprised of an Executive Director and a secretary. As part of the transition effort, a new Department Head and Chief Deputy position will be created. The Chief Deputy will oversee programmatic and administrative operations of the Department.

The reclassification of the functioning Administrative Deputy was requested and explored. It was determined that one Administrative Services Manager II position is appropriate for the Administrative Deputy position given the organizational size and structure. To support and assist the Administrative Deputy, the CEO is recommending the allocation of an Administrative Services Manager I position. The Commission requested one additional administrative support position; however, additional analysis is required to determine transition workload impact.

The Commission submitted a request for 6.0 new positions to support strategic and programmatic goals. The CEO has worked closely with the Commission to review proposed staffing plans; however, additional time is required to fully analyze the request and develop recommendations.

Lastly, the Commission has 15 Board-appointed Arts Commissioners that comprise a group of dedicated citizen volunteers with a wide range of arts and cultural expertise, and who donate their time and skills in support of the cultural ecology of the County. The 15-member Commission will be retained as an advisory body, providing insight into community cultural resources and priorities, sharing their expertise with staff, and advising the Board on matters of the arts.

Shared Services

The Commission currently receives administrative support from the EO in areas including, but not limited to, accounting, payroll, human resources and information technology. To fully support the needs of the new Department, a shared services model will be implemented to ensure continuity of administrative services. The Commission and CEO continue to work with the shared services departments (A-C, DHR, and the Internal Services Department) to refine service requirements and cost estimates.

Funding Requirements/Recommendations

The current estimated transition cost is \$2.5 million (Attachment II), which primarily represents shared services and proposed new staffing. The CEO and Commission have explored the availability of new, non-County revenue sources, including grant and philanthropic revenues, to fund the transition; however, as of this writing no viable funding sources have been identified. As a result, the entire transition cost will be funded with net County cost.

As part of the FY 2018-19 Supplemental Budget, the CEO recommends a total of \$1.5 million in ongoing funding be added to the budget for the following:

- 1.0 Chief Deputy position at \$265,000 (placeholder utilized until classification is created);
- 1.0 Administrative Services Manager I position at \$176,000;
- \$1.0 million set aside in the PFU budget unit for operating costs associated with the new department. This amount will be reevaluated pending further analysis of staffing and shared service costs.

During the FY 2019-20 Recommended Budget phase, we plan to transfer funding set aside in the PFU budget unit to the new Arts department while also addressing any further needs that will be finalized at that time.

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Department Name

It is recommended that the Commission be renamed the “Los Angeles County Department of Arts and Culture.” The proposed name has been shared with your Offices and no concerns have been expressed.

Next Steps

The attached timeline provides a detailed chronology of the major tasks required to complete the transition (Attachment III). As of this report, the transition is on schedule and will take place over the course of FY 2018-19 with the Department becoming fully independent of the EO no later than July 1, 2019. The following are major upcoming tasks:

- November 2018: Amend the County Code to create the new Department, Department Head and Chief Deputy Classifications, and staffing ordinance.
- March 2019: Execute Shared Services agreements (July 1, 2019 effective date).
- April 2019: Allocate additional funding to the Department as part of FY 2019-20 Recommended Budget.
- July 2019: Transition complete.

If you have any questions or need additional information, please contact me or your staff may contact Gevork Simdjian at (213) 893-9736, or via e-mail at gsimdjian@ceo.lacounty.gov.

SAH:JJ:MM
SW:GS:AB:cg

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Arts Commission
Auditor-Controller
Human Resources
Internal Services

Arts Commission Staffing

CURRENT STAFFING (29.0 Budgeted FTEs)

Executive Positions

- 1.0 Executive Director, Arts
- 1.0 Secretary, Commission Services

Administrative Positions

- 1.0 Administrative Services Manager II (Administrative Deputy)
- 1.0 Head Marketing & Communications
- 1.0 Sr. Systems Info Analyst
- 1.0 Intermediate Typist Clerk

Division Director Positions

- 2.0 Chief I, Arts Commission
- 1.0 Chief II, Arts Commission

Programmatic Positions

- 6.0 Arts Commission Program Associate
- 2.0 Arts Commission Program Assistant
- 5.0 Arts Commission Senior Program Associate
- 4.0 Arts Commission Manager

Temporary Positions

- 1.0 Career Development Intern
- 1.0 Student Professional Worker
- 1.0 Student Worker

NEW STAFFING (FY 2018-19 SUPPLEMENTAL CHANGES)

Executive Positions

- 1.0 Chief Deputy, Arts (placeholder utilized until classification is created)

Administrative Positions

- 1.0 Administrative Services Manager I

Arts Commission Transition Estimate (NCC)

	<i>Current Arts Comm. Budget</i>	<i>Estimated Transition Cost</i>	<i>Total Budget</i>	<i>Supplemental Changes</i>
Arts Commission - Admin	194,000	65,000	259,000	0
Lease Costs	290,000 ^[1]	60,000	350,000	0
IT Hardware	15,000 ^[1]	10,000	25,000	0
Operations Sub-Total	499,000	135,000	634,000	0
Auditor Controller Shared Services	91,000 ^[1]	246,000	337,000	0
Human Resources	0	60,000	60,000	0
Internal Services IT Division	0	200,000	200,000	0
Shared Services Sub-Total	91,000	506,000	597,000	0
Current Staff	3,851,000	575,000	4,426,000	0
Executive Team	0	308,000	308,000	265,000 ^[2]
Administrative Staff	0	176,000	176,000	176,000 ^[3]
Program Support-Civic Art Inventory	50,000	102,000	152,000	0
Programmatic Support		438,000	438,000	0
Staffing Sub-Total	3,901,000	1,599,000	5,500,000	441,000
Unavoidable Cost Increases	0	250,000	250,000	0
Other Sub-Total	0	250,000	250,000	0
Totals	\$ 4,491,000	\$ 2,490,000	\$ 6,981,000	\$ 441,000

Approved to Arts \$ 441,000
 Approved to PFU \$ 1,049,000

Total Transition Funding 18-19 Supp Changes \$ 1,490,000

[1] Currently resides in Executive Office Budget. Will be transferred to Arts Dept in FY 2019-20 Rec Budget.

[2] Reflects Chief Deputy \$265k

[3] Reflects ASM I \$176k

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