

AGN. NO.

MOTION BY SUPERVISORS HILDA L. SOLIS

June 25, 2024

AND JANICE HAHN

**Financial Literacy for Youth in Los Angeles County Care and
Accountability of Los Angeles County Probation Department's Unclaimed
Juvenile Funds and Property**

On March 11, 2024, the County of Los Angeles (County) Department of Auditor and Controller (A-C) issued its report on an audit required by the Welfare and Institutions Code Section 275(b) on Fiscal Years 2021-22 and 2022-23. The primary objective of this performance audit was to “determine if the Probation Department adequately and appropriately maintained, accounted for, and disbursed trust monies for fiscal years 2021-2022 and 2022-2023, as outlined in the CWIC Section 276.”

The A-C visited four Probation Area offices, Los Padrinos Juvenile Hall, and one Fiscal Services section. In one of the A-C's finding was that there was

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no process for the disposition of unclaimed funds collected by the Probation Department.

For example, “when juveniles are released from detention, they are provided with a form for how to retrieve the monies they turned in upon detention. The juvenile must submit a request to retrieve the funds. Probation receives a graduation release list but there is no process in place to return the monies to juveniles if they do not submit a request form. As a result, the monies become unclaimed funds and remain in the trust account.” The unfortunate consequence of this is that the Probation Department is holding funds that do not belong to them but should be returned to the youth. The other issue is that Probation has not developed a process in which funds can easily be provided to the youth given they are not able to provide cash or even the original form of monies. This is an unnecessary challenge or obstacle especially if the youth or family are unable to process checks because of the lack of a bank account.

As of May 29, 2024, there is \$548,557.95 of unclaimed funds. These funds, as established by the A-C, does not belong to the Probation Department or the County and all efforts need to be made to ensure these funds are returned to the youth and their families. Additionally, the Probation Department needs to abide by the recommendation made by the A-C to “review section 2.6.0 of the [County Fiscal Manual] CFM, which specifies the procedures to follow regarding the disposition of unclaimed funds. Further, [they] recommend the Probation Department develop and implement procedures that align with the CFM’s requirements and are more proactive in the identification and disposal of

unclaimed juvenile funds.” In addition, the Probation Department should create a comprehensive, consistent, and clear process in which funds can be immediately provided to the youth, or appropriate guardian, upon release, so that the Probation Department is not unnecessarily holding onto these funds.

Last month, the A-C partnered with SCE Credit Union to provide youth in foster care access to their own bank accounts without an adult co-signer. The program also provides financial literacy training for the youth so that they learn financial responsibility and management. Though the program is currently supporting foster youth, the benefit of the program is tremendous and should be expanded to other youth in the County’s care or interface with County departments, such as youth in Probation detention facilities and youth who are receiving services from the Department of Youth Development (DYD).

Financial literacy or lack thereof, especially for our youth, can lead to making life-altering changes that can place them at risk for continued systems involvement or homelessness. Ensuring that while the youth are in the care of the County or if a youth is receiving any services from the County should be met with an opportunity to learn more about the impact of finances on their day to day lives, as this too is a form of preventative care.

WE, THEREFORE, MOVE that the Board of Supervisors:

1. Direct the Probation Department and the Probation Oversight Commission, with support from the Chief Executive Office, to:
 - a. Develop an outreach plan to identify and return the current, unclaimed funds and property, in 180 days, to the appropriate youth and family.

- b. Provide the Board with an implementation plan, in collaboration with formerly incarcerated youth, on how unclaimed juvenile funds and property, after numerous and reasonable attempts to contact the youth, should be processed or utilized, as legally allowed.
 - c. Develop a comprehensive, consistent, and clear process and policy in which funds and property taken from youth upon intake are immediately provided to them upon release, including review of providing the funds in either the original form, an electronic form, or one that is applicable to the youth's financial status.
- 2. Direct the Probation Department and the Probation Oversight Commission to provide the Board with a monthly report back, in writing, with a status on the unclaimed funds and property and provide verbal updates at the Probation Oversight Commission meetings until all means have been exhausted or funds and property have been returned.

WE, FURTHER, MOVE that the Board of Supervisors:

- 1. Direct the Probation Department, Department of Children and Family Services, Department of Youth Development, Department of Public Social Services, Youth Commission, and any relevant Departments that provide services or interface with youth, with support from the Auditor-Controller, to provide the Board with a report back, in writing, in 90 days, with a comprehensive implementation and outreach plan on:

- a. Providing financial literacy classes, programs, and services to youth in the care of or interface with LA County Departments, such as the Probation Department and DYD.
 - b. Expanding the current partnership with SCE Credit Union and finding other opportunities with banking institutions to allow youth in the care of LA County to open their own bank accounts with limited or no barriers.
2. Direct the Probation Department to provide monthly verbal updates, until notice, to the Probation Oversight Commission at their public meetings on the status of bringing in a financial literacy program and ability for youth incarcerated in the Probation camps and halls to open their own banking accounts and providing other financial tools.

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