

MOTION BY SUPERVISOR HOLLY J. MITCHELL

May 19, 2026

Promoting Innovative Strategies to Fund Public Health Services

Public health programs and services across the nation are facing ongoing financial pressures and require innovative ways to maintain equitable services. In Los Angeles County (County), the Department of Public Health (DPH) has already lost nearly \$50 million due to federal, state, and local cuts. Millions more in public health funding have been threatened with cuts by the Federal Administration (Administration) through grant cancellations for funding already approved by Congress, as well as through proposals to significantly reduce funding in the federal budget process. The Administration recently released its federal budget blueprint, which begins the annual appropriations process and includes sweeping cuts and reorganization of the federal health infrastructure. These changes would result in the loss of hundreds of millions of dollars in annual grant funding for DPH and its community partners.

These cuts would be in addition to those resulting from the passage of H.R. 1, the One Big Beautiful Bill Act, passed by Congress last July. That bill modifies federal eligibility, enrollment, and work requirements needed to qualify for and maintain access to Medicaid (Medi-Cal in California) and the Supplemental Nutrition Assistance Program (SNAP, known as CalFresh in California). As a result, many County residents will lose

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their Medi-Cal benefits. The reduction in eligibility will also impact DPH's network of substance abuse treatment services by decreasing the Medi-Cal revenue flowing into the system. This revenue has supported increased utilization of substance abuse treatment services over the last few years through California's Drug Medi-Cal program. DPH's Substance Abuse Prevention and Control Bureau estimates a 15% reduction in service utilization in the County's Drug Medi-Cal Organized Delivery System (DMC-ODS), resulting in a \$147 million reduction in Medi-Cal revenue over three years for DPH administrative revenue and provider reimbursement due to H.R.1's impact on Medi-Cal eligibility.

DPH anticipates additional strain on clinical services for preventative care such as immunizations, sexual health, and tuberculosis treatment due to the decrease in health coverage resulting from H.R. 1. Any increase in uncompensated clinical care may reduce resources for other core DPH functions, including maternal health, infectious disease control, and chronic disease management. DPH's funding cuts have already resulted in reduced services and workforce reductions, including the closure of services at seven DPH health clinics and the termination of services and cuts to staffing for community partners.

New, innovative strategies for raising revenues are needed to ensure that DPH and its private and public community partners are able to maintain services and continue to focus on equity, ensuring that all residents have the resources and opportunities necessary for optimal health and wellbeing. Public safety must be preserved. That is why the Board of Supervisors approved a motion on February 10, 2026, to place the Essential Services Restoration Act for Los Angeles County General Sales Tax Measure on the June 2, 2026, Countywide ballot, to raise revenue to support safety net services threatened by H.R. 1. The County estimates that the tax, if the measure is passed, would generate approximately \$1 billion annually. The measure would also establish a nine-member advisory citizens' oversight committee to recommend and review expenditures from the sales tax and provide annual reporting to the public.

While the sales tax measure, if passed, would significantly strengthen the County's ability to maintain essential services, additional innovative strategies will still be needed to sustain public health services and avoid losing progress. Multiple County departments

have successfully established foundations as a way to leverage philanthropic and other private funds that support County priorities. Examples include the Department of Animal Care and Control, the Fire Department, the Library, and the Department of Parks and Recreation. Further, other County entities have also established foundations to support initiatives that benefit the public, including Rancho Los Amigos National Rehabilitation Center, Los Angeles General Hospital, and the Los Angeles County Museum of Art.

On April 2, 2026, a new independent nonprofit foundation, The Foundation to Advance Public Health Los Angeles (Foundation), was launched to support public health services in the County. The Foundation, incorporated on February 13, 2026, and currently seeking 501(c)(3) status, will work collaboratively with DPH to create partnerships that provide funding resources to the department and community organizations that aid, sponsor, promote, advance, and assist public health programs that further DPH's mission and values. The Foundation is not organized for the private gain of any person. Instead, it provides a means to support essential programs that measurably improve the quality of life for the people and communities of the County. The Foundation has already received funding commitments from philanthropic partners and will raise additional resources. These resources will support DPH initiatives and the equity efforts of community partners that no longer have support because of changes in federal or state policies resulting from H.R. 1 and other federal cuts.

With the diminished federal commitment to public health efforts and budget challenges at the state and local levels, the County's support for this new, innovative strategy will help ensure resources remain available for health and equity public strategies.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Approve the attached, or a substantially similar, affiliation agreement between the Department of Public Health (DPH) and the Fund for Advancing Public Health Los Angeles, and authorize the Chair of the Board to execute the agreement.
2. Find that the proposed actions are not a project under the California Environmental Quality Act for the reasons stated and the record.
3. Delegate authority to the Director of DPH, or her designee, to execute all future amendments, modifications, extensions, augmentations, and terminations relative

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to the affiliation agreement ~~as necessary,~~ that do not require an investment of net County cost, subject to County Counsel review, with advance notification to the Board of Supervisors and the Chief Executive Officer.

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**AGREEMENT BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
THE FUND FOR ADVANCING PUBLIC HEALTH LA**

This AGREEMENT is made and entered into this [nth] day of [month, year], by the **COUNTY OF LOS ANGELES**, a body corporate and politic referred to as "**COUNTY**", by and through the **DEPARTMENT OF PUBLIC HEALTH**, referred to as "**DEPARTMENT**" and the **FUND FOR ADVANCING PUBLIC HEALTH LA**, referred to as "**FOUNDATION**", a California nonprofit corporation.

WHEREAS, COUNTY and FOUNDATION enter into this Agreement pursuant to the County Fiscal Policy, Chapter 16, Departmental Foundations/Support Groups, in order to set forth their respective duties and obligations with respect to the continued relationship and activities of each, the receipt and use of donated funds and equipment, and the use of DEPARTMENT resources.

WHEREAS, FOUNDATION was incorporated February 13, 2026 to operate as a Nonprofit Public Benefit Corporation for charitable purposes (i.e. to distribute funds, property, and other resources for the aiding, sponsoring, promoting, advancing and assisting public health in Los Angeles County); and the FOUNDATION is not organized for the private gain of any person.

WHEREAS, FOUNDATION is a duly incorporated domestic non-profit corporation registered with the State of California and is authorized by law to provide the services contemplated by this Agreement;

WHEREAS, FOUNDATION is qualified by reason of experience and organization to provide the services contemplated by this Agreement.

NOW THEREFORE, in consideration of the foregoing conditions herein contained, COUNTY and FOUNDATION do hereby agree to the following:

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1. TERM OF AGREEMENT

The term of this Agreement is open, remaining in effect unless and until terminated pursuant to the applicable terms hereof, during which time FOUNDATION may perform the services provided for herein.

2. FOUNDATION OBLIGATIONS

FOUNDATION agrees to provide the following services to the DEPARTMENT:

- a. FOUNDATION will provide funds, property, services and other resources to the DEPARTMENT for the aiding, sponsoring, promoting, improving and advancing of public health.
- b. FOUNDATION will make provision for the use of its programs and any technologies developed in collaboration with the DEPARTMENT.
- c. FOUNDATION may solicit donations, including but not limited to, equipment, monetary, advertising, and other related resources, from private entities and apply for grants to support the obligations within this foundation agreement.
- d. FOUNDATION will provide goodwill to the DEPARTMENT.
- e. FOUNDATION will not use County time, materials, or resources to engage in social media activities, unless otherwise authorized by the DEPARTMENT Director, or her designee.
- f. FOUNDATION shall satisfactorily provide the following information and/or reports to the DEPARTMENT:
 - i. Upon DEPARTMENT'S request, submit annually to DEPARTMENT the Annual Reporting Form for Foundation Activities.
 - ii. Upon written request not less than 30 days' notice, FOUNDATION will make available to DEPARTMENT and the

Los Angeles County Auditor-Controller their compiled financial statements.

- iii. FOUNDATION will provide an account of the tangible/intangible benefits provided to DEPARTMENT in a narrative form that describes the programs/services provided.
- iv. Upon written request no less than 30 days, the FOUNDATION will disclose to potential donors the types of items, activities, and programs for which contributions or donations will be used.
- v. FOUNDATION will maintain secure tax-exempt status and any required business license(s) if it solicits monetary donations from the public.

3. DEPARTMENT OBLIGATIONS

- a. DEPARTMENT will assist FOUNDATION in providing the aforementioned services by providing, as legally permissible, the following: technology support, personnel releases, administrative and program staff support, temporary and occasional use of space, utilities, supplies, travel/transportation or other resources on an as needed basis to the extent that these resources are available and are in the best interest of the DEPARTMENT and COUNTY.
- b. DEPARTMENT will account for all costs incurred to support and monitor the FOUNDATION and ensure such costs are accounted for or tracked separately from DEPARTMENT costs (i.e., costs attributable to salaries, employee benefits, office space, office supplies, utilities, etc.).
- c. DEPARTMENT costs incurred on behalf of the FOUNDATION should be commensurate with the volume and significance of the benefit received (i.e., FOUNDATION's benefit to DEPARTMENT should outweigh the costs incurred by the DEPARTMENT in maintaining the relationship). The DEPARTMENT will notify FOUNDATION concerning any cost-benefit concerns related to this Agreement.

- d. COUNTY shall have no duty of payment, obligation or liability to FOUNDATION, its employees, officers, agents, or vendors or subcontractors.
- e. All DEPARTMENT employees engaging in FOUNDATION activities will do so in an off-duty capacity, unless such activities are within the scope of this Agreement or are otherwise authorized by the DEPARTMENT Director, or her designee.

4. FOUNDATION EMPLOYEES AND EQUIPMENT

FOUNDATION agrees that FOUNDATION has secured or will secure at FOUNDATION's own expense all persons, employees and equipment required beyond the aforementioned DEPARTMENT services to perform the services required under this Agreement and that all such services will be performed under FOUNDATION supervision, by persons authorized by law to perform such services. This is not intended to limit "In-Kind Donations" from the DEPARTMENT.

5. CONFLICT OF INTEREST

- a. FOUNDATION and its subsidiaries and its agents and employees shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. FOUNDATION warrants that it is not now aware of any fact which creates a conflict of interest. If the FOUNDATION hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest it shall immediately make full written disclosure of such fact to DEPARTMENT. Full written disclosure shall include, with limitation, identification of all persons implicated, and a complete description of all relevant circumstances.
- b. The DIRECTOR of the DEPARTMENT, or her designee, may serve on the FOUNDATION's Board of Directors. Otherwise, County employees may not serve on the FOUNDATION's Board or in other key positions without prior approval of the Board of Supervisors. County employees shall not receive compensation from the FOUNDATION for their service on the FOUNDATION's Board or for service as a FOUNDATION officer. However, County Employees may fill non-leadership roles within the FOUNDATION and provide administrative and operational support consistent with the terms of this Agreement.

6. TERMINATION

COUNTY or FOUNDATION may terminate this Agreement without cause upon 30 days' written notice. All operations under this Agreement shall cease effective the 30th day after receipt of notice of termination and both Parties' obligations under this Agreement shall cease on that date.

7. USE OF SERVICES

This Agreement is founded on the premise that the program contemplated is for furthering the objectives recited herein and that the services provided under this Agreement are within the power of DEPARTMENT to provide. In the event that program monitoring discloses that said services are not being used for that purpose or that FOUNDATION has adopted or amended its Bylaws or amended its Articles of Incorporation with the result that, as determined by the DEPARTMENT Director or her designee, FOUNDATION policies or programs conflict with the purpose originally declared in FOUNDATION Articles of Incorporation or with the purpose of this Agreement, DEPARTMENT shall notify FOUNDATION immediately concerning any such conflict or potential conflict and shall provide FOUNDATION with 30 days to amend its Bylaws or Articles of Incorporation so as to resolve any such conflict or potential conflict. If, after 30 days' notice the conflict or potential conflict has not been resolved, the DEPARTMENT Director, or her designee, may terminate this Agreement forthwith, and FOUNDATION shall be entitled to no further services from the DEPARTMENT.

8. PROGRAM ADMINISTRATION

This Agreement will be administered by the DEPARTMENT.

9. CONFIDENTIALITY

FOUNDATION shall maintain the confidentiality of all records, including but not limited to COUNTY records, in accordance with all applicable federal, state, and local laws, regulations, ordinances, and directives as to confidentiality and privileges.

COUNTY shall maintain the confidentiality of all records, including but not limited to FOUNDATION records, in accordance with all applicable federal, state, and local laws, regulations, ordinances, and directives as to confidentiality and privileges.

10. INDEMNIFICATION

a. Except as otherwise provided in Section 10(b), FOUNDATION agrees to indemnify, defend and save harmless COUNTY, its agents, officers and

employees from and against any and all liability, expense, including reasonable defense costs and legal fees, claims for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury, or property damage arising from or connected with FOUNDATION operations, or its services hereunder including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnities. However, FOUNDATION shall not be liable to pay additional sums on account of judgments rendered against any director, for acts or omissions constituting bad faith, willful misfeasance or reckless disregard of duties.

- b. COUNTY agrees to indemnify, defend and save harmless any member of the Board of Directors of FOUNDATION from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever arising out of an action or omission to act provided such actions or omissions to act arose directly from the performance of duties within the scope of work to be performed under this Agreement. However, COUNTY shall not be liable to pay additional sums on account of judgments rendered against any director, for acts or omissions constituting bad faith, willful misfeasance or reckless disregard of duties.

11. INDEPENDENT CONTRACTOR

Both parties hereto, in the performance of this Agreement, will be acting in an individual capacity and not as agent, employees, or agents of the other party. DEPARTMENT employees shall remain employees of DEPARTMENT notwithstanding the fact they are assisting the FOUNDATION.

12. ASSIGNMENT

This Agreement, or any provision hereof or any right or obligation arising hereunder, is not assignable by either party in whole or in part, without the express written consent of the other party.

13. BINDING EFFECT

All of the provisions of this Agreement and any amendment thereto shall extend to and be binding upon and inure to the benefits of the successors of the respective parties.

14. RETENTION OF RECORDS

FOUNDATION agrees that COUNTY or any duly authorized representative shall have access to and the right to examine, audit, copy, excerpt, or transcribe any transaction, activity, timecards, or other records relating to this Agreement. Such material shall be kept and maintained by FOUNDATION at a location in Los Angeles County for a period of four (4) years after completion of this relationship, unless the COUNTY provides written permission to dispose of such material prior to the end of such period.

15. COMPLIANCE WITH LAWS

- a. FOUNDATION shall comply in all respects with the anti-discrimination requirements of the Los Angeles County Code and all applicable federal, state, and local laws.
- b. The parties agree to comply with all applicable federal, state and local laws, rules, regulations, ordinances and directives insofar as they pertain to the performance of this Agreement.

16. NON-DISCRIMINATION AND CIVIL RIGHTS COMPLIANCE

- a. FOUNDATION hereby certifies and agrees that it will comply with Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title 1X of the Education Amendments of 1972, where applicable, and Title 43, part 17 of the Code of Federal Regulations Subparts A and B, to the end that no persons shall, on the grounds of race, creed, color, national origin, political affiliation, religion, marital status, sex, sexual orientation, age or handicap, be subjected to discrimination under the privileges and use granted by this Agreement or under any project, program or activity supported by this Agreement.
- b. FOUNDATION agrees and certifies that the regulation provided in 16(a) of this Agreement shall apply to social media activities and materials posted on social media sites, such as Instagram, Facebook, X (formerly Twitter) and the like. FOUNDATION agrees and certifies that it will regularly monitor its social media sites to ensure compliance with stated regulations.
- c. FOUNDATION certifies and agrees that all persons employed thereby, are and shall be treated equally without regard to or because of race, creed, color, national origin, political affiliation, religion, marital status, sex, sexual orientation, age or handicap and in compliance with all federal and state laws prohibiting discrimination in employment, including but not limited to, the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; and the State Fair Employment Practices Acts.

- d. FOUNDATION certifies and agrees that subcontractors, bidders and vendors thereof are and shall be selected without regard to or because of race, creed, color, national origin, political affiliation, religion, marital status, sex, sexual orientation, age or handicap.
- e. All employment records shall be open for inspection and re-inspection at any reasonable time during the term of this Agreement for the purpose of verifying the practice of non-discrimination by FOUNDATION in the areas heretofore described.
- f. If DEPARTMENT finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which DEPARTMENT may determine to cancel, terminate, or suspend this Agreement. While DEPARTMENT reserves the right to determine independently that the nondiscrimination provisions of this Agreement have been violated, in addition, a determination by California Fair Employment and Housing Commission and Equal Employment Opportunity Commission that FOUNDATION has violated state or federal non-discrimination laws or regulations shall constitute a finding by DEPARTMENT that FOUNDATION has violated the non-discrimination provisions of this Agreement.

17. RELIGIOUS PROSELYTIZING AND POLITICAL PROPAGANDIZING

FOUNDATION agrees that it will not perform or permit any religious proselytizing or political propagandizing in connection with the performance of this Agreement. Services under this Agreement will be used exclusively for performance of the work required under this Agreement and no services made available under this Agreement shall be used to promote any religious or political activities.

18. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the State of California.

19. SEVERABILITY

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

20. NOTICE

- a. Any notice or notices required or permitted to be given pursuant to this Guideline may be personally served on the other party by the party giving

such notice, or may be served by certified mail, postage prepaid, return receipt requested.

- b. All notices to the COUNTY or DEPARTMENT shall be sent addressed to the following:

Director
County of Los Angeles Department of Public Health
313 N. Figueroa St.
Suite 806B
Los Angeles, CA 90012

- c. All notices to the FOUNDATION and its subsidiaries shall be sent addressed to the following:

Foundation for Advancing Public Health LA
313 N. Figueroa St.
Suite 806B
Los Angeles, CA 90012

21. COORDINATORS

The DEPARTMENT's agreement coordinator, or another person designated by the DEPARTMENT Director, shall be the DEPARTMENT Director of Program and shall have the authority to administer the Agreement on behalf of DEPARTMENT. Said coordinator or designee shall be mutually acceptable to both DEPARTMENT and FOUNDATION. FOUNDATION shall provide a representative to be available to DEPARTMENT for consultation and assistance during the performance of this Agreement.

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