



MEASURE H

Citizens' Oversight Advisory Board

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 493, Los Angeles, California 90012
<https://homeless.lacounty.gov/oversight/>

**NOTE: THIS WILL BE A TELECONFERENCE MEETING.
DUE TO THE CLOSURE OF ALL COUNTY BUILDINGS, MEETING PARTICIPANTS
AND MEMBERS OF THE PUBLIC WILL NEED TO CALL IN TO THE MEETING.**

Measure H Citizens' Oversight Advisory Board Meeting AGENDA

1st District Appointee
John Naimo

2nd District Appointee
Vacant

3rd District Appointee
Christine Margiotta

4th District Appointee
Andrew Kerr

5th District Appointee
Peggy Edwards

**Executive Director,
Homeless Initiative**
Cheri Todoroff

Advisory Board Liaison
Rowena Magaña

DATE: Thursday, March 3, 2022
TIME: 1:00 p.m.
JOIN VIA WEBLINK: [Click here to join the meeting](#)
OR CALL IN (AUDIO ONLY): [+1 323-776-6996,343512357#](tel:+13237766996)
(Ctrl+Click to follow link)

AGENDA

- I. Welcome & Introductions
- II. Approval of Minutes for the December 3, 2021 Regular Board Meeting
- III. General Public Comment
- IV. **Audit of the Homeless and Housing Measure H Special Revenue Fund for the Year Ending June 30, 2021:** Arlene Barrera & Oscar Valdez, Auditor-Controller
- V. **Update on the Homeless Initiative Fiscal Year (FY) 2022-23 Funding Recommendations Process:** Cheri Todoroff, Chief Executive Office-Homeless Initiative (CEO-HI)
- VI. **Homeless Initiative Website Re-design:** Christina Villacorte, CEO-HI
- VII. **Homeless Initiative Dashboard:** Elizabeth Ben-Ishai, CEO-HI
- VIII. Adjournment

If any person intends to submit documentation to the Advisory Board for its consideration prior to the meeting, such documentation shall be submitted via email to: CEO Measure H Oversight <MeasureHOversight@lacounty.gov>, no later than 5:00 p.m. the day before the scheduled meeting.

Next Meeting Date: Thursday, June 2, 2022 at 1:00 pm

Measure H Citizens' Oversight Advisory Board
Meeting Minutes
Thursday, December 2, 2021

ATTENDEES

Advisory Board: Christine Margiotta (Chair), John Naimo, Chancela Al-Mansour, Andrew Kerr, and Peggy Edwards

County Staff: Cheri Todoroff, Rowena Magaña, Tene Tate-Dickson, Elizabeth Ben-Ishai, Christina Villacorte, Jeremiah Rodriguez, and Noro Zurabyan

I. Welcome and Introductions

Ms. Margiotta called the meeting to order at 1:00 p.m.

II. Approval of Meeting Minutes

The September 2, 2021 meeting minutes were approved with no amendments and one abstention by Mr. Kerr.

III. General Public Comment

No general public comments.

IV. Homeless Initiative Funding: Cheri Todoroff, Chief Executive Office-Homeless Initiative (HI)

The Fiscal Year (FY) 2020-21 Homeless Initiative Final Expenditures Chart can be found at: www.homeless.lacounty.gov/oversight.

- Ms. Todoroff stated the total allocation for FY 2020-21 Measure H funded strategies was \$409m, which includes the original Board approved amount from September 2020, any midyear budget adjustments, and any CEO delegated authority shifts.
- \$326m was expended in FY 2020-21 (including allowable carry over claims from FY 2019-20).
- FY 2020-21 closed with an underspend of \$89.6m across all strategies.
- Unusually low expenditures in FY 2020-21 were due to:
 - The impact of COVID-19 on the homeless services delivery system (for example, some services were provided at lower volume, fewer property owners showed property to clients, and rental lease-ups were slower during the pandemic).
 - In addition, there was an infusion of new pandemic-related funding streams that were prioritized over Measure H due to their expenditure deadlines.
- In FY 2021-22, Funding Recommendations exceeded the annual estimated amount of Measure H revenue.
 - Carryover was used to avoid curtailments.
 - Under expenditures also supported fully funding strategies.

- Mr. Naimo asked for information on the sales tax revenue for last FY.
 - Ms. Tate-Dickson will share this information via email.

FY 2022-23 Funding Recommendations Process

- Ms. Todoroff stated the Final FY 2022-23 Funding Recommendations will be submitted to the Board of Supervisors (Board) for consideration in May 2022.
- In past recommendation processes, approval occurred after the FY, which led to complexities with LAHSA's contracting process.
- Early approval will provide sufficient time for the Los Angeles Homeless Services Authority (LAHSA) and County departments to execute contracts with providers prior to the start of the next FY.
- The first public online comment period will take place in January 2022, which will be an opportunity to share feedback before the funding recommendations are drafted.
- The HI will meet with strategy leads from County departments and LAHSA to review data and community input, which will shape the first round of funding recommendations.
- Draft recommendations will be released at the end of February 2022 via a public webinar.
- Following the webinar, a second public online comment period will take place.
- An additional virtual meeting will occur in March 2022 for the public to provide verbal comments.
- The HI and strategy leads will then convene for a final meeting to consider all the public input and make any necessary adjustments to the funding recommendations.
- The proposed funding recommendations will be presented to the homeless and budget deputies in April 2022.
- In May 2022, the HI will submit the Final FY 2022-23 Funding Recommendations Board letter for the Board's consideration in May.
- Ms. Margiotta asked if there are any changes made that will enhance the process or if the process is similar to previous years.
 - Ms. Ben-Ishai responded that steps are similar to previous years with the goal of seeking a transparent, open process and providing multiple venues for stakeholder input. One key difference is the opportunity to engage stakeholders and the Board regarding the strategy reassessment process and allowing for input.
- Mr. Kerr suggested that the HI work with professional economists to provide a more thorough outlook on the inflow of homelessness and to investigate the unintended consequences of actions like developing affordable housing or adding new resources like rental subsidies.
 - Ms. Todoroff shared her interest in exploring this further as that information is useful for policy makers and planning. She continued that the HI is tracking several trends including affordable housing and the impact the pandemic will have on homelessness.
 - She also shared an example of an unintended consequence, such as the allocation of almost 7,000 new emergency housing vouchers (EHVs) to

the County. The EHV's represent a large infusion of resources, but the current housing market makes it challenging to utilize the vouchers.

- Ms. Edwards asked how success will be measured by moving back the funding recommendations process.
 - Ms. Todoroff stated that approving the recommendations prior the start of the FY supports the service delivery network, providers, and ensures no gaps in service.
 - The HI is working closely with County departments and LAHSA to have contracts ready to execute prior to the FY.
- Public Comment
 - One constituent asked if the timeline is available.
 - Ms. Magaña responded that the funding recommendations timeline is available at: <https://homeless.lacounty.gov/2022-23-funding-recommendations-process/>.

V. Homeless Initiative Strategy Re-Assessment: Elizabeth Ben-Ishai, HI

- Ms. Ben-Ishai shared that the Board of Supervisors directed the HI to report back with recommendations on how to rethink or restructure the HI strategies.
- In the first phase, the HI worked closely with Clutch Consulting to review performance data, evaluations, research, community feedback gathered in the past, including notes from extensive Policy Summits that were conducted prior to the pandemic, the Coordinated Entry System refinement process, ad hoc committee reports, city homeless plans, and more.
- Out of the review came a proposed new framework that was packaged into a pre-recorded presentation for public input sessions.
- For the second phase, the HI team contracted with Ever Excel Consulting to facilitate 14 virtual community input sessions that included people with lived experience, partners from cities and COGs, homeless service providers, County departments, and other community stakeholders.
- The community input sessions began with the pre-recorded presentation, followed by breakout sessions facilitated by the consultant team.
- The Ever Excel team has compiled the information by capturing the key themes from the sessions and the HI is in the process of reviewing the report.
- The HI is developing final recommendations for the Board to consider.
- Ms. Ben-Ishai also shared the input session pre-recorded presentation.
- Mr. Kerr shared his understanding of the challenges case managers experience connecting people experiencing homelessness (PEH) to services and suggested prioritizing the quality of connections and services with PEH through training and human investment versus the shifting of strategies.
 - Ms. Ben-Ishai stated that a goal for streamlining the structure of the strategies was to make it easier to have accountability and evaluation.
- Ms. Edwards shared concerns about increasing tasks for case managers, which can result in employee burnout across the homeless services system. She suggested that the HI look for ways to retain employees, nurture them, potentially through system restructuring and looking at wages.

- Ms. Todoroff stated that these points have been elevated over time, and in particular, providers have asked to look at interim housing bed rates and whether they are covering the full cost of the service.
- Ms. Todoroff continued that the HI is planning more analysis in this area and will come back with a recommendation.
- Regarding the workforce, investment has been made in training, technical assistance, support staff, and recruitment efforts, however, the homeless services system has continued to grow with increased resources, which has put a strain on the service providers.
- In addition to increased recruitment and retention efforts, attention has been given toward increasing wages.
- Multiple funding streams also add to the complexity.
- Ms. Margiotta agreed about the importance of wages, contracting and turnover, and suggested we discuss more in depth at a future meeting.
- Ms. Margiotta also requested that the HI incorporate the racial and systematic injustice narrative through every conversation about homelessness when discussing causes and solutions to homelessness. Ms. Margiotta remarked that there is a lack of conversation around systemic prevention and the harmful role mainstream services and systems have in creating and perpetuating homelessness. She asked how the HI is operationalizing the inclusion of people with lived experience in decision making at all levels in the system.
 - Ms. Todoroff shared her sentiments for Ms. Margiotta's remarks and expressed the same commitment. Maintaining racial equity and systematic racism lenses are central in conversation and to the work of the HI and its partners.
 - Ms. Todoroff shared concern with stopping inflow and stated that many outside systems affect the homelessness services system, including access to education, access to living wage jobs, access to affordable housing, access to health care, systematic racism, which play into the complexity of prevention.
 - Often the homeless services system becomes engaged when someone literally becomes homeless and not years prior when people are experiencing housing instability in the first place.
 - Ms. Todoroff welcomed the conversation to increase prevention opportunities and engage the issue more completely as a system.
 - Ms. Ben-Ishai added that the HI will review community input on how to better include people with lived experience and develop concrete steps to meet the recommendation. Ms. Ben-Ishai continued that she appreciated the input and acknowledged the failure of framing racial and systematic inequities in the dynamics of homelessness and welcomes feedback and suggestions on how to improve.
- Ms. Margiotta shared her appreciation for the reflections. Solutions are born out of how problems are framed, so the HI framing of the problem has impacted the public's engagement and feedback, specifically what input they provide, and what they feel they can share input around. She shared how critical it is to have a racial and system inequity lens when analyzing the five major strategies and systemic prevention. She recommended:

- The HI “retrofit” the problem statement for the recommendations reassessment to describe the problem in detail and include racism and to acknowledge that framing was not part of the process, which may have affected community input;
 - consider systemic prevention as its own strategy, separate from programmatic prevention, stating the opportunity to treat systemic injustices that exist within our County system; and
 - include people with lived experience in decision making to be concretely laid out, including what decision tables they will join, how many seats they will have, and how they will be selected.
- Ms. Al-Mansour shared her support for Ms. Margiotta’s remarks and suggested the HI looks at previous work and recommendations made by the ad hoc committees on black people experiencing homelessness (BPEH) and women.
- Mr. Naimo stated that the data in the presentation underscores that the homeless community is not a finite group and that more data on prevention is needed. He asked if there are plans for a new point-in-time (PIT) homeless count and suggested that strategies be tied to transparent, annual measurable goals for accountability.
 - Ms. Todoroff shared her appreciation for the comment and noted many strategies have goals, but they are not always elevated in way that is visible, so it is important for HI to determine whether it has the right goals and how to make them more accessible, clear, and transparent, so the public can understand the impact.
 - Ms. Todoroff shared the PIT count is taking place in January. Volunteers are needed, and information is available on the LAHSA website.
- Ms. Edwards thanked Ms. Margiotta for raising her questions and suggested the HI look back and bring forward all recommendations, ensuring all are considered in each of the strategies.
- Mr. Kerr shared his agreement with Ms. Margiotta’s recommendations and suggested the County bring all levels of the government together to combat homelessness.
- Ms. Ben-Ishai shared the next step for HI is to submit a final report to the Board, which will include recommendations on how to restructure the strategies. The Board will decide on how to act on those recommendations.
- Recommendations are due by the end of December; however, an extension will likely be needed.
- No public comments were received for this item.

VI. Update on Project Homekey: Elizabeth Ben-Ishai, HI

- Ms. Ben-Ishai provided background on Homekey 1, sharing that the State launched the program last year, which enabled local jurisdictions to acquire or develop properties to serve as interim or permanent housing for PEH.
- In Homekey 1, the County applied independently to the State for funding to acquire the properties directly.
- The County acquired 10 properties (850 units) through that process.
 - Nine of 10 properties are being as used as interim housing and one is currently used as a permanent supportive housing (PSH).
 - All sites will ultimately be converted to PSH.

- For Homekey 2, the County is seeking partners from the community to apply jointly as co-applicants.
 - The CEO released a request for statements of interest in October 2021 to identify co-applicants. The HI is looking to:
 - develop and acquire buildings that can be used as interim housing for families, so that current motel voucher funding can be redirected to operate interim housing sites that are owned by the County or co-applicant.
 - The HI is also looking to acquire another 500 PSH units and interim housing beds for transition aged youth.
- 33 entities responded to the solicitation, many with multiple properties.
- Proposals are currently being reviewed to meet the January 31, 2022 State application deadline to access funding set aside for Los Angeles County.
- Applications may continue to be submitted until May 2022, but the County would be competing against other jurisdictions throughout the State.
- No public comments were received for this item.

VIII. Adjournment

- Meeting ended at 2:50 p.m.
- Next meeting will be on Thursday, March 3, 2022

Minutes submitted by: Rowena Magaña and Jeremiah Rodriguez

Minutes approved by: Cheri Todoroff



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

ARLENE BARRERA
AUDITOR-CONTROLLER

OSCAR VALDEZ
CHIEF DEPUTY AUDITOR-CONTROLLER

ASSISTANT AUDITOR-CONTROLLERS

KAREN LOQUET
CONNIE YEE

December 21, 2021

TO: Supervisor Holly J. Mitchell, Chair
Supervisor Hilda L. Solis
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: Arlene Barrera *Arlene Barrera*
Auditor-Controller

SUBJECT: **AUDIT OF THE HOMELESS AND HOUSING MEASURE H SPECIAL
REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2021**

Attached is the independently audited report for the County of Los Angeles Homeless and Housing Measure H Special Revenue Fund (Measure H) Schedule of Revenues and Expenditures and Changes in Fund Balance (Schedule) for the year ended June 30, 2021. We contracted with an independent Certified Public Accounting firm, BCA Watson Rice LLP (BCA or auditor), to perform the audit under the Auditor-Controller's master agreement for audit services. BCA's report (Attachment I) concludes that the Schedule is presented fairly in conformance with generally accepted accounting principles. In addition, the auditor did not identify any audit findings this year.

We also engaged BCA to complete an Agreed Upon Procedures review to ensure that Measure H funding was being used as intended by the voter approved Measure. The auditor's report (Attachment II) did not identify any exceptions this year.

If you have any questions please call me, or your staff may contact Terri Kasman at tkasman@auditor.lacounty.gov.

AB:OV:TK:JH:meb

Attachments

c: Fesia Davenport, Chief Executive Officer
Celia Zavala, Executive Officer, Board of Supervisors
Audit Committee
Countywide Communications

Attachment I

COUNTY OF LOS ANGELES

Independent Auditor's Report on Schedule of Revenues and Expenditures and Changes in Fund Balance

HOMELESS AND HOUSING MEASURE H SPECIAL REVENUE FUND

For the Fiscal Year Ended June 30, 2021



2355 Crenshaw Blvd. Suite 150 Torrance, CA 90501
t: (310) 792-4640 f: (310) 792-4140

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements	
Schedule of Revenues and Expenditures and Changes in Fund Balance	3
Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance for Measure H Special Revenue Fund.....	6
Required Supplementary Information	
Schedule of Revenues and Expenditures and Changes in Fund Balance – Budget and Actual on Budgetary Basis For the fiscal year ended June 30, 2021	11
Notes to the Required Supplementary Information	13
Supplemental Information In Accordance with Government Auditing Standards	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Schedule of Revenues and Expenditures and Changes in Fund Balance of the Homeless and Housing Measure H Special Revenue Fund Performed in Accordance with <i>Government Auditing Standards</i>	15
Compliance	
Independent Auditor's Report on Compliance with Requirements Applicable to Revenues and Expenditures and Changes in Fund Balance of the Homeless and Housing Measure H Special Revenue Fund in Accordance with the <i>Measure H,</i> <i>Ordinance 2017-001, Chapter 4.73 to the Los Angeles County Code – Transaction and</i> <i>Use Tax to Prevent and Combat Homelessness</i>	17
Current Year Audit Findings and Recommendations	19
Status of Prior-Year Audit Findings and Recommendations	20

Independent Auditor's Report

Ms. Arlene Barrera
Auditor-Controller
County of Los Angeles
Los Angeles, California

Report on the Schedule of Homeless and Housing Measure H Revenues and Expenditures

We have audited the accompanying Schedule of Homeless and Housing Measure H (Measure H) Revenues and Expenditures and Changes in Fund Balance (the Schedule) of the County of Los Angeles (the County) for the fiscal year ended June 30, 2021, and the related notes to the Schedule, which collectively comprise the County's Schedule as listed in the table of contents.

Management's Responsibility for the Schedule of Measure H Revenues and Expenditures

The County's management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedule referred to above presents fairly, in all material respects, the Measure H Revenues and Expenditures of the County for the fiscal year ended June 30, 2021, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 11 and 12 be presented to supplement the Schedule. Such information, although not a part of the Schedule, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the Schedule in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the Schedule, and other knowledge we obtained during our audit of the Schedule. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

As discussed in Note 2 to the Schedule, the accompanying Schedule of the Measure H Special Revenue Fund is intended to present the revenues and expenditures attributable to the Fund. They do not purport to, and do not, present fairly the financial position of the County, as of June 30, 2021, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

BCA Watson Rice, LLP

Torrance, CA
December 3, 2021

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Schedule of Revenues and Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2021

Revenues:			
Voter Approved Special Taxes			\$ 418,638,597
Investment Losses			(238,091)
Prior Year Returned Funds			43,393
Total Revenues			<u>418,443,899</u>
Expenditures			
A: Prevent Homelessness			
A1: Homeless Prevention Program for Families			
Los Angeles Homeless Services Authority			
Department of Consumer and Business Affairs	\$ 5,128,456		
Department of Consumer and Business Affairs - paid with prior year encumbrance	25,000		
Department of Children and Family Services	975,000		
Department of Children and Family Services	87,469		
Total A1: Homeless Prevention Program for Families		\$ 6,215,925	
A5: Homeless Prevention Program for Individuals			
Los Angeles Homeless Services Authority	4,187,626		
Department of Consumer and Business Affairs	25,000		
Department of Consumer and Business Affairs - paid with prior year encumbrance	975,000		
Department of Children and Family Services	34,518		
Department of Health Services	175,222		
Total A5: Homeless Prevention Program for Individuals		5,397,366	
Total A: Prevent Homelessness			11,613,291
B: Subsidize Housing			
B3: Partner with Cities to Expand Rapid Re-Housing			
Department of Health Services	86,063		
Los Angeles Homeless Services Authority	51,095,474		
Total B3: Partner with Cities to Expand Rapid Re-Housing		51,181,537	
B4: Facilitate Utilization of Federal Housing Subsidies			
Los Angeles County Development Authority	7,859,010		
Total B4: Facilitate Utilization of Federal Housing Subsidies		7,859,010	
B7: Interim/ Bridge Housing for Those Exiting Institutions			
Department of Health Services	21,878,000		
Department of Public Health	9,103,079		
Department of Mental Health	72,000		
Los Angeles Homeless Services Authority	3,950,679		
Total B7: Interim/ Bridge Housing for Those Exiting Institutions		35,003,758	
Total B: Subsidize Housing			94,044,305

Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance are an integral part of this Schedule.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Schedule of Revenues and Expenditures and Changes in Fund Balance (Continued)
For the Fiscal Year Ended June 30, 2021

	Strategy by Department/ Agency:	Total by Strategy	Total by Objective
Expenditures			
C: Increase Income			
C4: Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness			
Department of Health Services	3,146,256		
Department of Mental Health	822,833		
Department of Public Social Services	3,031,826		
Total C4: Establish a Countywide SSI Advocacy Program		7,000,915	
C7: Subsidized Employment for Homeless Adults			
Department of Workforce Development, Aging, and Community Services	4,683,467		
Department of Workforce Development, Aging, and Community Services - paid with prior year encumbrance	1,689,878		
Chief Executive Office	800,000		
Total C7: Subsidized Employment for Homeless Adults		7,173,345	14,174,260
Total C: Increase Income			
D: Provide Case Management and Services			
D2: Jail In-Reach			
Department of Health Services	1,104,557		
Sheriff's Department	429,937		
Total D2: Jail In-Reach		1,534,494	
D6: Criminal Record Clearing Project			
Department of Public Defender	2,158,634		
Total D6: Criminal Record Clearing Project		2,158,634	
D7: Provide Services and Rental Subsidies for Permanent Supportive Housing (PSH)			
Department of Health Services	48,284,258		
Department of Mental Health	2,717,115		
Department of Public Health	1,105,040		
Total D7: Provide Services and Rental Subsidies for PSH		52,106,413	55,799,541
Total D: Provide Case Management and Services			
E: Create a Coordinated System			
E6: Countywide Outreach System			
Department of Health Services	19,507,257		
Department of Public Health	252,722		
Los Angeles Homeless Services Authority	12,118,625		
Total E6: Countywide Outreach System		31,878,604	

Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance are an integral part of this Schedule.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Schedule of Revenues and Expenditures and Changes in Fund Balance (Continued)
For the Fiscal Year Ended June 30, 2021

	<i>Strategy by Department/ Agency</i>	<i>Total by Strategy</i>	<i>Total by Objective</i>
Expenditures			
E7: Strengthen the Coordinated Entry System			
Los Angeles Homeless Services Authority	12,978,458		
Chief Executive Office	1,702,690		
Chief Executive Office - paid with prior year encumbrance	3,984,612		
Chief Executive Office - payable	677,562		
Chief Executive Office - 2021 encumbrance	2,129,635	21,472,957	
Total E7: Strengthen the Coordinated Entry System			
E8: Enhance the Emergency Shelter System			
Department of Health Services	28,677,013		
Los Angeles Homeless Services Authority	62,131,172		
Department of Mental Health	72,000		
Department of Public Health	455,935		
Chief Executive Office	2,100,000	93,436,120	
Total E8: Enhance the Emergency Shelter System			
E14: Enhanced Services for Transition Age Youth			
Los Angeles Homeless Services Authority	12,231,798	12,231,798	159,019,479
Total E14: Enhanced Services for Transition Age Youth			
Total E: Create a Coordinated System			
Administrative:			
Homeless Initiative Administration	2,019,681	2,019,681	2,019,681
Total Administrative:			
Grand Total Expenditures			336,670,557
Excess of Revenues Over Expenditures			81,773,342
Net Change in Fund Balance			81,773,342
Fund Balance, July 1, 2020			97,263,919
Fund Balance, June 30, 2021			\$ 179,037,261

Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance are an integral part of this Schedule.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance
June 30, 2021

The Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance are summaries of significant accounting policies and other disclosures considered necessary for a clear understanding of the accompanying Schedule of Revenues and Expenditures.

1. Organization

General

The County of Los Angeles (County), which was established in 1850, is a legal subdivision of the State of California charged with general governmental powers. The County's powers are exercised through an elected five-member Board of Supervisors, which, as the governing body of the County, is responsible for the legislative and executive control of the County.

Homeless and Housing Measure H Special Revenue Fund

Measure H, also known as the Transaction and Use Tax to Prevent and Combat Homelessness Ordinance (Los Angeles County Code, Chapter 4.73) is a special revenue fund of the County used to account for the proceeds of the voter-approved quarter-cent county-wide sales tax that became effective in March 2017. The California Board of Equalization began collecting the Measure H quarter-cent sales tax from businesses and consumers in October 2017. Revenues collected are required to be expended by the County pursuant to an expenditure plan approved by the Board of Supervisors prior to June 30th of each fiscal year. The fiscal year (FY) 2020-2021 Board approved expenditure plan funded 14 Homeless Initiative strategies to combat the homeless crisis in Los Angeles County. The funding was allocated to the following County departments and outside agencies: the Chief Executive Office (CEO), the Department of Children and Family Services (DCFS), the Department of Health Services (DHS), the Department of Mental Health (DMH), the Department of Public Health (DPH), the Department of Public Social Services (DPSS), Public Defender (PD), Workforce Development, Aging and Community Services (WDACS), Los Angeles Sheriff's Department (LASD), the Department of Consumer and Business Affairs (DCBA), the Los Angeles Community Development Authority (LACDA) (formerly known as the Community Development Commission), and the Los Angeles Homeless Services Authority (LAHSA).

These strategies were divided into the following six areas:

Strategy A - Preventing Homelessness - Combating homelessness requires reducing the number of families and individuals who have become homeless and helping currently homeless families and individuals move into permanent housing.

Strategy B - Subsidize Housing - Homeless families and individuals lack sufficient income to pay rent on an ongoing basis due to the high cost of housing in Los Angeles County. Subsidizing rent and related housing costs is key to enabling homeless families and individuals to secure and retain permanent housing and to prevent families and individuals from becoming homeless.

Strategy C - Increase Income - A high percentage of homeless adults can increase their income through employment and qualified disabled homeless individuals can increase their income through federal disability benefits. This increase in income can assist homeless families and individuals pay for their own housing in the future.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance
June 30, 2021

1. Organization (Continued)

Homeless and Housing Measure H Special Revenue Fund (Continued)

Strategy D - Provide Case Management and Services - The availability of appropriate case management and supportive services is critical to enable homeless families and individuals to take advantage of an available rental subsidy, increase their income, and access/utilize available services and benefits. Since the specific needs of homeless families and individuals vary depending on their circumstances, they need case management and supportive services to secure and maintain permanent housing.

Strategy E - Create a Coordinated System - Homeless individuals, families, and youth often encounter multiple County departments, city agencies, and community-based providers based on their complex individual needs. This fragmentation is often exacerbated by lack of coordination of services, disparate eligibility requirements, funding streams, and bureaucratic processes. A coordinated system brings together homeless and mainstream services to maximize the efficiency of current programs and expenditures.

Strategy F - Increase Affordable Homeless Housing - The lack of affordable housing for the homeless contributes substantially to the current crisis of homelessness. The County and cities throughout the region can increase the availability of both affordable and homeless housing through a combination of land use policy and subsidies for housing development.

2. Summary of Significant Accounting Policies

The Schedule of Revenues and Expenditures and Changes in Fund Balance for the Homeless and Housing Measure H Special Revenue Fund (the Schedule) has been prepared in conformity with Generally Accepted Accounting Principles in the United States of America (US GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the recognized standard-setting body for establishing governmental accounting and financial reporting principles for governments. The most significant of the County's accounting policies with regard to the special revenue fund type are described below:

Fund Accounting

The County utilizes fund accounting to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary. Governmental Funds are used to account for most of the County's governmental activities. The measurement focus is a determination of changes in financial position, rather than a net income determination. The County uses governmental fund type Special Revenue Fund to account for Measure H sales tax revenues and expenditures. Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance
June 30, 2021

2. Summary of Significant Accounting Policies (Continued)

Basis of Accounting

The modified accrual basis of accounting is used for the special revenue fund type. Under the modified accrual basis of accounting, revenues (primarily from sales tax) are recorded when susceptible to accrual, which means measurable (amount can be determined) and available (collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period). Expenditures are generally recorded when a liability is incurred.

Investment Earnings/Losses

The County maintains a pooled cash and investments account that is available for use by all funds, except those restricted by State statutes. For the fiscal year ended June 30, 2021, the Homeless and Housing Measure H Special Revenue Fund had investment losses of \$238,091.

Use of Estimates

The preparation of the Schedule in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Schedule of Revenues and Expenditures and Changes in Fund Balance for Measure H Special Revenue Fund

The Schedule is intended to reflect the revenues and expenditures of the Homeless and Housing Measure H Special Revenue fund only. Accordingly, the Schedule does not purport to, and does not, present fairly the financial position of the County and changes in financial position thereof for the year then ended in conformity with US GAAP.

The audited financial statements for the Homeless and Housing Measure H Special Revenue Fund for the fiscal year ended June 30, 2021 are included in the County's Audited Annual Comprehensive Financial Report (ACFR), which can be found at <https://auditor.lacounty.gov/annual-comprehensive-financial-report>.

3. Los Angeles Homeless Services Authority

For the year ended June 30, 2021, the County recorded \$163,822,288 for LAHSA's Measure H expenditures to prevent and combat homelessness projects under various homeless initiative strategies as listed in the table on the following page. However, LAHSA's actual Measure H expenditures were \$173,816,378 for the year ended June 30, 2021. The \$9,994,090 difference represents LAHSA's late 4th quarter claims/billings not reimbursed in FY 2019-20 by the County since it was submitted beyond the County's processing cut-off date for expenditures reimbursements/payments.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Notes to the Schedule of Revenues and Expenditures and Changes in Fund Balance
June 30, 2021

3. Los Angeles Homeless Services Authority (Continued)

Strategy		Measure H Disbursement by County	Measure H Actual Expenditures	Difference
A1	Homeless Prevention Programs for Families	\$ 5,128,456	\$ 5,518,453	\$ (389,997)
A5	Homeless Prevention Programs for Individuals	4,187,626	4,333,801	(146,175)
B3	Partner with Cities to Expand Rapid Re-Housing	51,095,474	51,991,006	(895,532)
B7	Interim/Bridge Housing for Those Exiting Institutions	3,950,679	3,967,927	(17,248)
E6	Countywide Outreach System	12,118,625	12,790,568	(671,943)
E7	Strengthen the Coordinated Entry System	12,978,458	12,640,715	337,743
E8	Enhance the Emergency Shelter System	62,131,172	69,499,726	(7,368,554)
E14	Enhanced Services for Transition Age Youth	12,231,798	13,074,182	(842,384)
Total		\$ 163,822,288	\$ 173,816,378	\$ (9,994,090)

4. COVID-19 Impact and Considerations

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around its duration. The County, through the CEO, expects this matter to negatively impact its operating environment; however, the related financial impact and duration cannot be reasonably estimated at this time.

5. Contingencies

The County is involved in a lawsuit filed by the LA Alliance for Human Rights alleging that the County has not taken adequate action to address the homelessness crisis in the Los Angeles County area. The County is working towards resolving the issues raised by the complainants. The County believes that any liability that may arise from the ultimate resolution of this lawsuit is not determinable at this time, but could be significant.

6. Subsequent Events

In preparing the Schedule of Measure H Revenues and Expenditures, the County has evaluated events and transactions for potential recognition or disclosure through December 3, 2021, the date the Schedule was issued. No subsequent events occurred that require recognition or additional disclosure in the Schedule.

REQUIRED SUPPLEMENTARY INFORMATION

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Schedule of Revenues and Expenditures and Changes in Fund Balance – Budget and Actual
on a Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Voter Approved Special Taxes	\$ 339,179,000	\$ 418,638,597	\$ 79,459,597
Investment Earnings		655,909	655,909
Prior Year Returned Funds		43,393	43,393
Total Revenues	<u>339,179,000</u>	<u>419,337,899</u>	<u>80,158,899</u>
Expenditures			
A: Prevent Homelessness			
A1: Homeless Prevention Program for Families			
Los Angeles Homeless Services Authority	8,991,000	5,128,456	3,862,544
Department of Consumer and Business Affairs	25,000	1,000,000	(975,000)
Department of Children and Family Services	500,000	87,469	412,531
Total A1: Homeless Prevention Program for Families	<u>9,516,000</u>	<u>6,215,925</u>	<u>3,300,075</u>
A5: Homeless Prevention Program for Individuals			
Los Angeles Homeless Services Authority	4,083,000	4,187,626	(104,626)
Department of Consumer and Business Affairs	25,000	1,000,000	(975,000)
Department of Children and Family Services	300,000	34,518	265,482
Department of Health Services	1,500,000	175,222	1,324,778
Total A5: Homeless Prevention Program for Individuals	<u>5,908,000</u>	<u>5,397,366</u>	<u>510,634</u>
Total A: Prevent Homelessness	<u>15,424,000</u>	<u>11,613,291</u>	<u>3,810,709</u>
B: Subsidize Housing			
B3: Partner with Cities to Expand Rapid Re-Housing			
Department of Health Services	150,000	86,063	63,937
Los Angeles Homeless Services Authority	75,368,000	51,095,474	24,272,526
Total B3: Partner with Cities to Expand Rapid Re-Housing	<u>75,518,000</u>	<u>51,181,537</u>	<u>24,336,463</u>
B4: Facilitate Utilization of Federal Housing Subsidies			
Los Angeles County Development Authority	8,422,000	7,859,010	562,990
Total B4: Facilitate Utilization of Federal Housing Subsidies	<u>8,422,000</u>	<u>7,859,010</u>	<u>562,990</u>
B7: Interim/ Bridge Housing for Those Exiting Institutions			
Department of Health Services	21,878,000	21,878,000	-
Department of Public Health	9,415,000	9,103,079	311,921
Los Angeles Homeless Services Authority	4,627,000	3,950,679	676,321
Department of Mental Health	72,000	72,000	-
Total B7: Interim/ Bridge Housing for Those Exiting Institutions	<u>35,992,000</u>	<u>35,003,758</u>	<u>988,242</u>
Total B: Subsidize Housing	<u>119,932,000</u>	<u>94,044,305</u>	<u>25,887,695</u>
C: Increase Income			
C4: Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness			
Department of Health Services	3,951,000	3,146,256	804,744
Department of Mental Health	1,101,000	822,833	278,167
Department of Public Social Services	4,600,000	3,031,826	1,568,174
Total C4: Establish a Countywide SSI Advocacy Program	<u>9,652,000</u>	<u>7,000,915</u>	<u>2,651,085</u>
C7: Subsidized Employment for Homeless Adults			
Department of Workforce Development, Aging, and Community Services	7,498,000	6,373,345	1,124,655
Chief Executive Office	800,000	800,000	-
Total C7: Subsidized Employment for Homeless Adults	<u>8,298,000</u>	<u>7,173,345</u>	<u>1,124,655</u>
Total C: Increase Income	<u>17,950,000</u>	<u>14,174,260</u>	<u>3,775,740</u>

See accompanying notes to the required supplementary information.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Schedule of Revenues and Expenditures and Changes in Fund Balance – Budget and Actual on a
Budgetary Basis (Continued)
For the Fiscal Year Ended June 30, 2021

	Budget	Actual	Variance
D: Provide Case Management and Services			
D2: Jail In-Reach			
Department of Health Services	1,870,000	1,104,557	765,443
Sheriff's Department	465,000	429,937	35,063
Total D2: Jail In-Reach	2,335,000	1,534,494	800,506
D6: Criminal Record Clearing Project			
Department of Public Defender	2,394,000	2,158,634	235,366
Total D6: Criminal Record Clearing Project	2,394,000	2,158,634	235,366
D7: Provide Services and Rental Subsidies for Permanent Supportive Housing (PSH)			
Department of Health Services	48,627,255	48,284,258	342,997
Department of Mental Health	9,613,000	2,717,115	6,895,885
Department of Public Health	1,564,000	1,105,040	458,960
Total D7: Provide Services and Rental Subsidies for PSH	59,804,255	52,106,413	7,697,842
Total D: Provide Case Management and Services	64,533,255	55,799,541	8,733,714
E: Create a Coordinated System			
E6: Countywide Outreach System			
Department of Health Services	20,881,745	19,507,257	1,374,488
Department of Public Health	756,000	252,722	503,278
Los Angeles Homeless Services Authority	11,611,000	12,118,625	(507,625)
Department of Mental Health	-	-	-
Total E6: Countywide Outreach System	33,248,745	31,878,604	1,370,141
E7: Strengthen the Coordinated Entry System			
Los Angeles Homeless Services Authority	27,069,000	12,978,458	14,090,542
Chief Executive Office	2,567,000	8,494,499	(5,927,499)
Total E7: Strengthen the Coordinated Entry System	29,636,000	21,472,957	8,163,043
E8: Enhance the Emergency Shelter System			
Department of Health Services	32,558,000	28,677,013	3,880,987
Los Angeles Homeless Services Authority	76,058,000	62,131,172	13,926,828
Department of Mental Health	72,000	72,000	-
Department of Public Health	668,000	455,935	212,065
Chief Executive Office	2,100,000	2,100,000	-
Total E8: Enhance the Emergency Shelter System	111,456,000	93,436,120	18,019,880
E14: Enhanced Services for Transition Age Youth			
Los Angeles Homeless Services Authority	14,499,000	12,231,798	2,267,202
Total E14: Enhanced Services for Transition Age Youth	14,499,000	12,231,798	2,267,202
Total E: Create a Coordinated System	188,839,745	159,019,479	29,820,266
Administrative:			
Homeless Initiative Administration	3,511,000	2,019,681	1,491,319
Total Administrative:	3,511,000	2,019,681	1,491,319
Total Expenditures	410,190,000	336,670,557	73,519,443
Excess (Deficit) of Revenues Over Expenditures	(71,011,000)	82,667,342	6,639,456
Less: Contractual Obligations/Changes in fund balance			
Commitments Outstanding as of fiscal year end	-	13,337,000	13,337,000
Changes in fund balance	-	(421,342)	(421,342)
Total Net Change in Contractual obligations	-	12,915,658	12,915,658
Net Change in Fund Balance	(71,011,000)	95,583,000	(166,594,000)
Fund Balance, July 1, 2020	71,011,000	71,011,000	-
Fund Balance, June 30, 2021	\$ -	\$ 166,594,000	\$ (166,594,000)

See accompanying notes to the required supplementary information.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Notes to the Required Supplementary Information
June 30, 2021

1. Budgets and Budgetary Information

In accordance with the provisions of Sections 29000-29144 of the Government Code of the State of California, commonly known as the County Budget Act, the County prepares and adopts an annual budget on or before October 2 for each fiscal year. Budgets are adopted on a basis of accounting that is different from accounting principles generally accepted in the United States of America. Budgets for the Homeless and Housing Measure H Special Revenue Fund are consistent with the annual expenditure plan approved by the Board of Supervisors. The County utilizes an encumbrance system as a management control technique to assist in controlling expenditures and enforcing revenue provisions. Under this system, the current year expenditures are charged against appropriations. Accordingly, actual revenues and expenditures can be compared with related budget amounts without any significant reconciling items.

2. Reconciliation of Fund Balance- Budgetary to US GAAP Basis

The Schedule of Revenues and Expenditures and Changes in Fund Balance of the Homeless and Housing Measure H Special Revenue Fund has been prepared on a modified accrual basis of accounting in accordance with US GAAP. The Budgetary Comparison Schedule has been prepared on a budgetary basis, which is different from US GAAP.

The following schedule is a reconciliation of the budgetary and US GAAP fund balances as of June 30, 2021:

Fund Balance - budgetary basis	\$ 166,594,000
Encumbrances and other reserves	<u>13,337,000</u>
Subtotal	179,931,000
Adjustments:	
Change in revenue accruals	<u>(894,000)</u>
Fund Balance - US GAAP basis	<u>\$ 179,037,000</u>

**SUPPLEMENTAL INFORMATION
IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

**Independent Auditor's Report on Internal Control over Financial
Reporting and on Compliance and Other Matters Based on an
Audit of the Schedule of Revenues and Expenditures and Changes in Fund Balance
of the Homeless and Housing Measure H Special Revenue Fund
Performed in Accordance with *Government Auditing Standards***

Ms. Arlene Barrera
Auditor-Controller
County of Los Angeles
Los Angeles, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Schedule of Revenues and Expenditures and Changes in Fund Balance (the Schedule) for Homeless and Housing Measure H (Measure H) Special Revenue Fund of the County of Los Angeles (the County) for the fiscal year ended June 30, 2021, and the related notes to the Schedule, which collectively comprised the County's Schedule, and have issued our report thereon dated December 3, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedule, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's Schedule will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's Schedule is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the amounts on the Schedule. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BCA Watson Rice, LLP

Torrance, California

December 3, 2021

**Independent Auditor's Report on Compliance with Requirements
Applicable to Revenues and Expenditures and Changes in Fund Balance of the
Homeless and Housing Measure H Special Revenue Fund in Accordance with the
Measure H, Ordinance 2017-001, Chapter 4.73 to the Los Angeles County Code –
Transaction and Use Tax to Prevent and Combat Homelessness**

Ms. Arlene Barrera
Auditor-Controller
County of Los Angeles
Los Angeles, California

Report on Compliance

We have audited the County of Los Angeles' (the County) compliance of the Homeless and Housing Measure H (Measure H) revenues and expenditures and changes in fund balance with the compliance requirements described in the *Measure H, Ordinance 2017-001, Chapter 4.73 to the Los Angeles County Code – Transaction and Use Tax to Prevent and Combat Homelessness* (Measure H Ordinance), for the fiscal year ended June 30, 2021.

Management's Responsibility

The County's management is responsible for compliance with the requirements of laws and regulations applicable to the Measure H revenues and expenditures.

Auditor's Responsibility

Our responsibility is to express an opinion on the County's compliance with Measure H revenues and expenditures based on our audit of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on Measure H revenues and expenditures occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on the Measure H revenues and expenditures. However, our audit does not provide a legal determination of the County's compliance with those requirements.

Opinion on Measure H Revenues and Expenditures

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Measure H revenues and expenditures for the fiscal year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on the Measure H revenues and expenditures as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the *Measure H, Ordinance 2017-001, Chapter 4.73 to the Los Angeles County Code – Transaction and Use Tax to Prevent and Combat Homelessness*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement of the Measure H revenues and expenditures that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Measure H Ordinance. Accordingly, this report is not suitable for any other purpose.

BCA Watson Rice, LLP

Torrance, California
December 3, 2021

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Current Year Audit Findings and Recommendations
For the Year Ended June 30, 2021

There are no current year audit findings.

County of Los Angeles
Homeless and Housing Measure H Special Revenue Fund
Status of Prior-Year Audit Findings and Recommendations

There were no prior year audit findings.

Attachment II

COUNTY OF LOS ANGELES

Independent Accountant's Report

MEASURE H

(Ordinance 2017-001, Chapter 4.73 to the Los Angeles County Code –
Transaction and Use Tax to Prevent and Combat Homelessness)

For the Fiscal Year Ended June 30, 2021



2355 Crenshaw Blvd. Suite 150 Torrance, CA 90501
t: (310) 792-4640 f: (310) 792-4140



2355 Crenshaw Blvd. Suite 150 Telephone: 310.792.4640
Torrance, CA 90501 Facsimile: 310.792.4331
www.bcawatsonrice.com

INDEPENDENT ACCOUNTANT'S REPORT

Ms. Arlene Barrera
Auditor-Controller
County of Los Angeles
Los Angeles, California

We have performed the procedures enumerated below, which were agreed to by the County of Los Angeles (the County), solely to assist the County in determining whether the twelve (12) County Departments and outside agencies that received Homeless and Housing Measure H (Measure H) Special Revenue Funds were in compliance with the Measure H Ordinance 2017-001, Chapter 4.73 to the Los Angeles County Code – Transaction and Use Tax to Prevent and Combat Homelessness terms and conditions for the year ended June 30, 2021. The twelve County Departments and outside agencies are as follows: the Chief Executive Office (CEO), the Department of Children and Family Services (DCFS), the Department of Health Services (DHS), the Department of Mental Health (DMH), the Department of Public Health (DPH), the Department of Public Social Services (DPSS), Public Defender (PD), Workforce Development, Aging and Community Services (WDACS), the Los Angeles Sheriff's Department (LASD), the Department of Consumer and Business Affairs (DCBA), the Los Angeles Community Development Authority (LACDA) (formerly known as the Community Development Commission), and the Los Angeles Homeless Services Authority (LAHSA). The management of the twelve County Departments and outside agencies are responsible for compliance with the Measure H Ordinance requirements.

The County has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining whether the foregoing County Departments and outside agencies are in compliance with the Measure H Ordinance requirements for the fiscal year ended June 30, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the results of those procedures are as follows:

1. We performed the agreed-upon test procedures as described below utilizing the American Institute of Certified Public Accountants (AICPA) Sampling Guidelines.

Results

CEO

CEO's Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (16.78%) and non-payroll expenditures (83.22%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for the months of September 2020 and March 2021 and performed detailed testing of all employees charged to the program, which represented 17.10% of total payroll expenditures. In addition, we selected 17 transactions for non-payroll/program expenditures, which represented 42.87% of total non-payroll expenditures. **No exceptions were found.**

DCFS

DCFS' Measure H expenditures for the year ended June 30, 2021 consist of DCFS subcontractor expenditures (100%). Based on the AICPA Sampling Guidelines, we selected a sample size of 6 subcontractor expense reports for non-payroll/program expenditures, equivalent to 46.66% of the total subcontractor expenditures. **No exceptions were found.**

DHS

DHS' Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (9.54%) and non-payroll expenditures (90.46%). Based on the AICPA Sampling Guidelines, we selected a sample size of one month for payroll expenditures for the month of January 2021 and performed detailed testing of all employees charged to the program, which represented 8.19% of total payroll expenditures. In addition, we selected 33 expenditures reports for non-payroll cost reimbursement contract expenditures and 7 fee-for-service invoice contract expenditures representing 22.76% and 15.58% of the total non-payroll expenditures, respectively. From each expenditure report, we selected one transaction (33 for cost reimbursements and 7 for fee-for-service) to verify the adequacy of supporting back-up documentation. **No exceptions were found.**

DMH

DMH's Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (66.64%) and non-payroll subcontractor expenditures (33.36%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months consisting of four pay periods for payroll expenditures for the months of September 2020 and March 2021 and performed detailed testing of 30 employees who charged their payroll expenditures to the program, which represented 16.64% of total payroll expenditures. In addition, we reviewed four non-payroll subcontractor claimed expenditures (one claim per quarter), which represented 5.74% of total subcontractor expenditures. **No exceptions were found.**

DPH

DPH's Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (9.73%) and non-payroll expenditures (90.27%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for the months of November 2020 and April 2021 and performed detailed testing of all employees charged to the program during these two months, which represented 17.73% of total payroll expenditures. In addition, we selected 4 transactions for non-payroll contractor expenditures, which represented 13.60% of total non-payroll contractor expenditures, and 36 non-payroll recipient expenditures, randomly selected from the months of July 2020 through June 2021, which represented 33.21% of total non-payroll recipient expenditures. The non-payroll recipient expenditures consist of monthly recurring payments for health services for various clients. **No exceptions were found.**

DPSS

DPSS' Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (22.30%) and subcontractor expenditures (77.70%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for the months of November 2020 and April 2021 and performed detailed testing of 22 employees who charged payroll expenditures to the program, which represents 17.52% of total payroll expenditures. We also selected 25 transactions for subcontractor expenditures, which represented 52.93% of total subcontractor expenditures. From each subcontractor claim/invoice, we selected one transaction to verify the adequacy of supporting back-up documentation. The subcontractor expenditures represent payments made to subcontractors of the Department of Health Services for the implementation of the Benefit Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness. **No exceptions were found.**

PD

PD's Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (71.73%) and non-payroll and subcontractor expenditures (28.27%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for the months of October 2020 and March 2021 and performed detailed testing of all employees who charged payroll to the program during these two months, which represented 16.96% of total payroll expenditures. In addition, we randomly selected seven non-payroll/subcontractor transactions/expenditures, which represented 83.03% of the total non-payroll/subcontractor expenditures. **No exceptions were found.**

WDACS

WDACS Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (11.40%) and subcontractor expenditures (88.60%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for the months of September 2020 and March 2021 and performed detailed testing of four employees who charged payroll to the program, which represented 7.54% of total payroll expenditures. In addition, we randomly selected 40 subcontractor expense reports for non-payroll/program expenditures, equivalent to 41.33% of the total subcontractor expenditures. From these expense reports we selected 40 transactions to verify the adequacy of back-up supporting documents, which represented 11.67% of the selected subcontractor expense reports. **No exceptions were found.**

LACDA

LACDA's expenditures for the year ended June 30, 2021 consist of payroll expenditures (4.55%) and non-payroll expenditures (95.45%). Based on the AICPA Sampling Guidelines, we selected a sample size of one month for payroll expenditures for the month of March 2021 and performed detailed testing of all employees charged to the program. In addition, we selected 40 transactions for non-payroll expenditures, which represented 45.91% of total non-payroll expenditures. **No exceptions were found.**

LAHSA

LAHSA's Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (11.71%) and non-payroll/subcontractor expenditures (88.29%). Based on the AICPA Sampling Guidelines, we selected a sample size of one month of payroll expenditures for the month of March 2021 and performed detailed testing of 50 randomly selected employees, which represented 13% of the payroll employees charged to the program. In addition, we selected 60 expenditures reports for non-payroll/subcontractor expenditures, which represented 7.31% of total non-payroll/subcontractor expenditures. From the selected expenditures reports, we further selected 60 individual transactions for detailed testing. In addition to the foregoing detailed test procedures, we also reviewed LAHSA's monitoring procedures and monitoring reports of its subcontractors to ensure that claimed expenditures were in accordance with the respective contracts/agreements and the expenditures claimed were allowable and within budget of the specific strategies. **No exceptions were found.**

LASD

LASD's Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (100%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months consisting of four pay periods for payroll expenditures for the months of October 2020 and March 2021 and performed detailed testing of all employees charged to the program, which represented 16.84% of total payroll expenditures. **No exceptions were found.**

DCBA

DCBA's Measure H expenditures for the year ended June 30, 2021 consist of payroll expenditures (2.5%) and subcontractor expenditures (97.5%) incurred in fiscal year 2020-2021, but paid from the fiscal year 2019-2020 encumbrance/allocation. Based on the AICPA Sampling Guidelines, we selected a sample size of two months consisting of four pay periods for payroll expenditures for the months of January 2021 and March 2021 and performed detailed testing of all employees charged to the program, which represented 66.67% of total payroll expenditures. In addition, we selected two (2) subcontractor's invoices and its supporting documents, which represented 51.88% of the total subcontractor's expenditures paid from the fiscal year 2019-2020 encumbrance/allocation. **No exceptions were found.**

2. We verified that the Department/Agency or their contractors and subcontractors providing Measure H services maintained:
 - a. Documentation to support the amount billed for providing Measure H program services under their contract.

Results

CEO

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed percentage of time charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the Employee Sequence Register. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the 17 non-payroll transactions selected, we agreed the expenditures to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

DCFS

For the 6 subcontractor transactions selected, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

DHS

For the one month selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the Employee Sequence Registers. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the 33 non-payroll transactions for reimbursement contracts and 7 non-payroll transactions for fee-for-service contracts selected for detailed testing, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

DMH

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the Employee Sequence Registers. We also confirmed

that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the four non-payroll subcontractor claimed expenditures selected, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

DPH

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the Employee Sequence Register. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the 4 non-payroll contractor transactions selected, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

For the 36 non-payroll recipient expenditures transactions selected, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and properly recorded in the accounting system. **No exceptions were found.**

DPSS

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the Employee Sequence Register. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the 25 selected subcontractor expenditures, we agreed the expenditure to backup supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

PD

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed payroll expenditures on the labor distribution report to the pay stubs, and agreed salaries on the labor distribution report to salaries in the Employee Sequence Register. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the seven non-payroll transactions selected, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

WDACS

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the Employee Sequence Register. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the 40 subcontractor expenditures selected, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

LACDA

For the one month selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the employee payroll register. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the 40 non-payroll/program transactions selected, we agreed the expenditure to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

LAHSA

For the one month payroll expenditures and the 50 randomly selected employees, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the employee personnel files. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the 60 non-payroll/subcontractor expenditures selected for detailed testing, we agreed the expenditures to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

LASD

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the employee personnel files. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

DCBA

For the two months selected, we traced payroll expenditures to labor distribution reports, agreed hours charged on the labor distribution report to the timesheets, and agreed pay rates charged on the labor distribution report to pay rates in the employee personnel files. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions were found.**

For the two subcontractor's invoices paid from fiscal year 2019-2020 encumbrance/allocation, we agreed the expenditures to back-up supporting documentation, confirmed that the expenditures were properly approved, and verified that the expenditures were properly recorded in the accounting system. **No exceptions were found.**

- b. Records to verify that funds were used for allowable expenditures in compliance with the requirements of Measure H.

Results

CEO

For the two months selected, we confirmed that the payroll expenditures were specific to the cost of Administration of the Measure H program. **No exceptions were found.**

For the 17 transactions of non-payroll expenditures selected, we confirmed **with no exceptions** that the non-payroll expenditures were specific to the cost of Administration of the Measure H programs and the following Measure H strategies.

- Strategy C7 - Subsidize Employment for Homeless Adults
- Strategy E7 - Strengthen the Coordinated Entry System of the Measure H Program.
- Strategy E8 - Enhance the Emergency Shelter System

DCFS

For the 6 transactions of subcontractor expenditures selected, we confirmed that these expenditures were specific to Strategy A1 – Homeless Prevention Programs for Families and Strategy A5 – Homeless Prevention Programs for Individuals of the Measure H Program. **No exceptions were found.**

DHS

For the one month of payroll expenditures selected, 33 transactions of non-payroll expenditures for reimbursement contracts, and seven non-payroll expenditure transactions for fee-for-service contracts, we confirmed **with no exceptions** that the payroll expenditures and non-payroll expenditures were specific to the following Measure H strategies.

- Strategy A5 - Homeless Prevention Programs for Individuals
- Strategy B3 - Partners with Cities to Expand Rapid Re-Housing
- Strategy B7 - Interim/Bridge Housing for Those Exiting Institutions
- Strategy C4 - Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness
- Strategy D2 - Expansion of Jail In Reach
- Strategy D7 - Provides Services and Rental Subsidies for Permanent Supportive Housing
- Strategy E6 - Countywide Outreach System
- Strategy E8 - Enhance the Emergency Shelter System

DMH

For the two months of payroll expenditures selected and four subcontractor expenditures/claims selected, we confirmed **with no exceptions** that the payroll expenditures and subcontractor expenditures were specific to the following Measure H strategies.

- Strategy B7 - Interim/Bridge Housing for those Exiting Institutions
- Strategy C4 - Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at risk of Homelessness
- Strategy D7 - Provide Services and Rental Subsidies for Permanent Supportive Housing
- Strategy E8 - Enhance the Emergency Shelter System

DPH

For the two months of payroll expenditures, four subcontractor expenditures, and 36 non-payroll recipient expenditures transactions selected, we confirmed **with no exceptions** that the payroll and non-payroll/subcontractor expenditures were specific to the following Measure H strategies:

- Strategy B7 – Interim/Bridge Housing for those Exiting Institutions
- Strategy D7 – Provide Services and Rental Subsidies for Permanent Supportive Housing
- Strategy E6 – Countywide Outreach System
- Strategy E8 – Enhance the Emergency Shelter System

DPSS

For the two months of payroll expenditures and 25 transactions of subcontractor expenditures selected, we confirmed that these expenditures/expenditures were specific to the Strategy C4 – Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at risk of Homelessness of the Measure H Program. **No exceptions were found.**

PD

For the two months of payroll expenditures and seven non-payroll/subcontractor expenditures selected, we confirmed that these expenditures/expenditures were specific to the Strategy D6 – Criminal Record Clearing Project of the Measure H Program. **No exceptions were found.**

WDACS

For the two months of payroll expenditures and 40 subcontractor expenditures/expenditures selected, we confirmed that these expenditures/expenditures were specific to the Strategy C7 – Subsidize Employment for Homeless Adults of the Measure H Program. **No exceptions were found.**

LACDA

For the one month of payroll expenditures and 40 transactions of non-payroll expenditures selected, we confirmed that the payroll and non-payroll expenditures were specific to Strategy B4 – Facilitate Utilization of Federal Housing Subsidies and Strategy F7 – Preserve Current Affordable Housing and Promote the Development of Affordable Housing for Homeless Families and Individuals of the Measure H Program. **No exceptions were found.**

LAHSA

For the one month of payroll expenditures and 50 selected employees and 60 non-payroll/subcontractor expenditures, we confirmed **with no exceptions** that these expenditures/expenditures were specific to the following Measure H strategies:

- Strategy A1 – Homeless Prevention Programs for Families
- Strategy A5 – Homeless Prevention Programs for Individuals
- Strategy B3 – Partners with Cities to Expand Rapid Re-Housing
- Strategy B7 – Interim/Bridge Housing for Those Exiting Institutions
- Strategy E6 – Countywide Outreach System
- Strategy E7 – Strengthen the Coordinated Entry System
- Strategy E8 – Enhance the Emergency Shelter System
- Strategy E14 – Enhanced Services for Transition Age Youth

LASD

For the two months of payroll expenditures selected, we confirmed that the payroll expenditures were specific to Strategy D2 – Expansion of Jail In Reach of the Measure H program. **No exceptions were found.**

DCBA

For the two months of payroll expenditures and the subcontractor's expenditures paid from the fiscal year 2019-2020 encumbrance/allocation, we confirmed **with no exceptions** that these expenditures/expenditures were specific to the following Measure H strategies:

- Strategy A1 – Homeless Prevention Programs for Families
 - Strategy A5 – Homeless Prevention Programs for Individuals
- c. Internal controls over financial reporting and compliance with provisions of laws, regulations, contracts or grant agreements.

Results

CEO

For the two months of payroll expenditures and 17 transactions of non-payroll expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

DCFS

For the 6 transactions of subcontractor expenditures/expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

DHS

For the one month of payroll expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

For the 33 non-payroll expenditures selected for reimbursement contracts and seven non-payroll expenditures selected for fee-for-service contracts, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

DMH

For the two months of payroll expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

For the four non-payroll subcontractor claimed expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied

with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

DPH

For the two months of payroll expenditures, four non-payroll contractor expenditures, and 36 non-payroll recipient expenditures transaction selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

DPSS

For the two months of payroll expenditures and 25 transactions of subcontractor expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

PD

For the two months of payroll expenditures and seven transactions of non-payroll/subcontractor expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

WDACS

For the two months of payroll expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

For the 40 transactions of subcontractor expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

LACDA

For the one month of payroll expenditures and 40 transactions of non-payroll expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

LAHSA

For the one month of 50 employee payroll expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

For the 60 non-payroll/subcontractor expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

LASD

For the two months of payroll expenditures selected, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

DCBA

For the two months of payroll expenditures selected and for the subcontractor's expenditures paid from the fiscal year 2019-2020 encumbrance/allocation, the supporting documents showed evidence of being reviewed and properly authorized, and the expenditures tested complied with the Measure H Expenditure Plan approved by the Board of Supervisors for FY 2020-21. **No exceptions were found.**

- d. Minimum encryption standards required by the County of Los Angeles Board of Supervisors' Policy 5.200, Contractor Protection of Electronic County Information (July 2016).

Results

We found that all 12 County Departments and outside Agencies complied with minimum encryption standards required by the County of Los Angeles Board of Supervisors' Policy 5.200, Contractor Protection of Electronic County Information (July 2016).

3. We verified that the Measure H funds are being used for the specific strategies approved by the Board.

Results

CEO

CEO was allocated \$3,511,000 of Measure H funds to be used for Administration of the Measure H program, \$800,000 of Measure H funds to be used for Strategy C7 – Subsidize Employment for Homeless Adults, \$2,567,000 of Measure H funds to be used for Strategy E7 – Strengthen the Coordination Entry System, and \$2,100,000 of Measure H funds to be used for Strategy E8 – Enhance the Emergency Shelter System of the Measure H program based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

CEO's Measure H expenditures in FY 2020-21 totaled \$13,414,180, which consisted of \$2,019,681 used for Administration, \$800,000 used for Strategy C7 – Subsidize Employment for Homeless Adults, \$8,494,499 used for Strategy E7 – Strengthen the Coordination Entry System, and \$2,100,000 used for Strategy E8 – Enhance the Emergency Shelter System. **No exceptions were found.**

DCFS

DCFS was allocated \$500,000 of Measure H funds to be used for Strategy A1 – Homeless Prevention Programs for Families and \$300,000 to be used for Strategy A5 – Homeless Prevention Programs for Individuals based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

DCFS' Measure H expenditures in FY 2020-21 totaled \$121,987, which consisted of \$87,469 used for Strategy A1 – Homeless Prevention Programs for Families and \$34,518 used for Strategy A5 – Homeless Prevention Programs for Individuals. **No exceptions were found.**

DHS

DHS was allocated \$131,416,000 of Measure H funds to be used for the following eight strategies:

Strategy		Measure H Allocation
A5	Homeless Prevention Programs for Individuals	\$ 1,500,000
B3	Partner with Cities to Expand Rapid Re-Housing	150,000
B7	Interim/Bridge Housing for Those Exiting Institutions	21,878,000
C4	Establishing a Countywide SSI Advocacy Program for People Experiencing Homelessness or At-Risk of Homelessness	3,951,000
D2	Expansion of Jail In Reach	1,870,000
D7	Provide Services and Rental Subsidies for Permanent Supportive Housing	48,627,255
E6	Countywide Outreach System	20,881,745
E8	Enhance the Emergency Shelter System	32,558,000
Total		<u>\$ 131,416,000</u>

Under Strategy A5, DHS provides screening and a targeted intervention to single adults and youth who are currently at risk of becoming homeless and have been screened and identified as having high risk factors.

Under Strategy B3, DHS provides a time-limited intervention including financial assistance/subsidies and supportive services so that participants will be able to successfully maintain housing without long-term assistance.

Under Strategy B7, DHS provides clients with complex health and/or behavioral health conditions who need a higher level of support services than is available in most shelter settings. Interim housing includes stabilization housing and recuperative care. Some interim housing programs provide enhanced onsite mental health services.

Under Strategy C4, DHS expands and integrates physical and mental health clinical services to support County-wide Benefits Entitlements Services Team, including technical assistance, training, case consultation, record retrieval services, care coordination and comprehensive evaluations.

Under Strategy D2, DHS expands Jail In Reach to make it available to all homeless people incarcerated in a Los Angeles County jail.

Under Strategy D7, DHS increases existing work orders and executes new work orders with Supportive Housing Services Master Agreement vendors to provide Intensive Case Management Services.

Under Strategy E6, DHS aims at improving outreach efforts to homeless individuals and families on the streets and in encampments in Los Angeles County. DHS developed a dispatch and tracking technology infrastructure for outreach requests, expanded Service Planning Area (SPA)-level and macro coordination of outreach teams through Coordinated Entry System Outreach Coordinators, launch and implemented Multidisciplinary Outreach teams to better assist unsheltered homeless individuals through expanded multidisciplinary outreach capacity, and support and expand general outreach staffing in all SPAs to further support outreach bandwidth.

Under Strategy E8, DHS provides interim housing to serve clients with complex health and/or behavioral health conditions who need a higher level of support services than is available in most shelter settings.

DHS' Measure H expenditures in FY 2020-21 totaled \$122,858,626 and were specific for the strategies listed below. **No exceptions were found.**

Strategy		Measure H Disbursement by County	Measure H Actual Expenditures	Difference
A5	Homeless Prevention Programs for Individuals	\$ 175,222	\$ 175,222	\$ -
B3	Partner with Cities to Expand Rapid Re-Housing	86,063	86,063	-
B7	Interim/Bridge Housing for Those Exiting Institutions	21,878,000	21,878,000	-
C4	Establishing a Countywide SSI Advocacy Program for People Experiencing Homelessness or At-Risk of Homelessness	3,146,256	3,146,256	-
D2	Expansion of Jail In Reach	1,104,557	1,104,557	-
D7	Provide Services and Rental Subsidies for Permanent Supportive Housing	48,284,258	48,284,258	-
E6	Countywide Outreach System	19,507,257	19,507,257	-
E8	Enhance the Emergency Shelter System	28,677,013	28,677,013	-
Total		\$ 122,858,626	\$ 122,858,626	\$ -

DMH

DMH was allocated \$10,858,000 of Measure H funds to be used for the following four strategies:

Strategy		Measure H Allocation
B7	Interim/Bridge Housing for Those Exiting Institutions	\$ 72,000
C4	Establishing a Countywide SSI Advocacy Program for People Experiencing Homelessness or At-Risk of Homelessness	1,101,000
D7	Provide Services and Rental Subsidies for Permanent Supportive Housing	9,613,000
E8	Enhance the Emergency Shelter System	72,000
Total		<u>\$ 10,858,000</u>

Under Strategy B7, DMH serves clients with complex health and/or behavioral health conditions who need a higher level of support services than is available in most shelter settings. Interim housing includes stabilization housing and recuperative care. Some interim housing programs provide enhanced onsite mental health services.

Under Strategy C4, DMH expands and integrates physical and mental health clinical services to support Countywide Benefits Entitlements Services Team, including technical assistance, training, case consultation, record retrieval services, care coordination and comprehensive evaluations.

Under Strategy D7, DMH provides a local rent subsidy to ensure that housing units are affordable to people who are homeless. All strategy D7 clients receive Intensive Case Management Services and is matched to a rental subsidy. Based on client need, clients receive specialty mental health services through the Housing Full Service Partnership Program, in addition to substance use disorder outreach and assessment and service navigation.

Under Strategy E8, DMH provides interim housing to serve clients with complex health and/or behavioral health conditions who need a higher level of support services than is available in most shelter settings.

DMH's Measure H expenditures in FY 2020-21 totaled \$3,683,948 and were specific for the strategies listed below. **No exceptions were found.**

Strategy		Measure H Expenditures
B7	Interim/Bridge Housing for Those Exiting Institutions	\$ 72,000
C4	Establishing a Countywide SSI Advocacy Program for People Experiencing Homelessness or At-Risk of Homelessness	822,833
D7	Provide Services and Rental Subsidies for Permanent Supportive Housing	2,717,115
E8	Enhance the Emergency Shelter System	72,000
Total		<u>\$ 3,683,948</u>

DPH

DPH was allocated \$12,403,000 of Measure H funds to be used for the following four strategies:

Strategy		Measure H Allocation
B7	Interim/Bridge Housing for Those Exiting Institutions	\$ 9,415,000
D7	Provide Services and Rental Subsidies for Permanent Supportive Housing	1,564,000
E6	Countywide Outreach System	756,000
E8	Enhance the Emergency Shelter System	668,000
Total		<u>\$ 12,403,000</u>

Under Strategy B7, DPH Substance Abuse Prevention and Control (SAPC) Recovery Bridge Housing (RBH) serves individuals who are homeless at treatment discharge and who choose abstinence-based housing for up to 90 days.

Under Strategy D7, DPH supports the increase in access to supportive housing by funding high quality tenant services and, when necessary, a local rent subsidy to ensure that housing units are affordable to people who are homeless.

Under Strategy E6, DPH develops and implements a plan to leverage current outreach efforts and creates a countywide network of multidisciplinary, integrated street-based teams to identify, engage and connect homeless individuals to interim and/or permanent housing and supportive services.

Under Strategy E8, DPH provides support to enhance the Emergency Shelter System.

DPH's Measure H expenditures in FY 2020-21 totaled \$10,916,776 and were specific for the strategies listed below. **No exceptions were found.**

Strategy		Measure H Expenditures
B7	Interim/Bridge Housing for Those Exiting Institutions	\$ 9,103,079
D7	Provide Services and Rental Subsidies for Permanent Supportive Housing	1,105,040
E6	Countywide Outreach System	252,722
E8	Enhance the Emergency Shelter System	455,935
Total		<u>\$ 10,916,776</u>

DPSS

DPSS was allocated \$4,600,000 of Measure H funds to be used for Strategy C4 – Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at risk of Homelessness based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

Under Strategy C4, DPSS expands and integrates physical and mental health clinical services to support Countywide Benefits Entitlements Services Team, including technical assistance, training, case consultation, record retrieval services, care coordination and comprehensive evaluations.

DPSS' Measure H expenditures in FY 2020-21 totaled \$3,031,826 specific for Strategy C4 – Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or At-Risk of Homelessness. **No exceptions were found.**

PD

PD was allocated \$2,394,000 of Measure H funds to be used for Strategy D6 – Criminal Record Clearing Project based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

Under Strategy D6, PD provides field-based service to homeless and formerly homeless adults who have criminal records by connecting them with legal services to assist with record clearing and other legal barriers to achieving stable housing and employment.

PD's Measure H expenditures in FY 2020-21 totaled \$2,158,634 and were specific for Strategy D6 – Criminal Record Clearing Project. **No exceptions were found.**

WDACS

WDACS was allocated \$7,498,000 of Measure H funds to be used for Strategy C7 – Subsidized Employment for Homeless Adults based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

Under Strategy C7, WDACS provides Transitional Employment Services to Los Angeles County residents who experience multiple barriers to employment, including those who are homeless, former offenders and/or disconnected youth (Job Seekers and Participants). Funding for this strategy expands existing workforce development models, such as the Los Angeles Regional Initiative Enterprise, throughout the County to provide transitional subsidized employment services to homeless individuals.

WDACS's Measure H expenditures in FY 2020-21 totaled \$6,373,345 for Strategy C7 – Subsidized Employment for Homeless Adults. **No exceptions were found.**

LACDA

LACDA was allocated \$8,422,000 of Measure H funds to be used for Strategy B4 - Facilitate Utilization of Federal Housing Subsidies based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

Under Strategy B4, LACDA conducts the development and preservation of homeless housing in areas of the County where there is an urgent need for housing under Measure H eligible Homeless Initiative Strategy F7 - Preserve Current Affordable Housing and Promote the Development of Affordable Housing for Homeless Families and Individuals.

LACDA's Measure H expenditures in FY 2020-21 totaled \$7,859,010 for Strategy B4 - Facilitate Utilization of Federal Housing Subsidies. Also, during FY 2020-2021, LACDA's Measure H expenditures for Strategy F7 totaled \$6,394,142, which was coming from the unspent allocation/advances from prior-year. **No exceptions were found.**

LAHSA

LAHSA was allocated \$222,306,000 of Measure H funds to be used for the following eight strategies:

Strategy		Measure H Allocation
A1	Homeless Prevention Programs for Families	\$ 8,991,000
A5	Homeless Prevention Programs for Individuals	4,083,000
B3	Partner with Cities to Expand Rapid Re-Housing	75,368,000
B7	Interim/Bridge Housing for Those Exiting Institutions	4,627,000
E6	Countywide Outreach System	11,611,000
E7	Strengthen the Coordinated Entry System	27,069,000
E8	Enhance the Emergency Shelter System	76,058,000
E14	Enhanced Services for Transition Age Youth	14,499,000
Total		<u>\$ 222,306,000</u>

Under Strategy A1, the funding is dedicated to shelter diversion services within Coordinated Entry System (CES) for families. This will allow CES for family providers to have specialized diversion staff and limited financial assistance to help families identify alternative housing arrangements outside the homeless system or return to a community of care outside of Los Angeles County.

Under Strategy A5, LAHSA provides screening and a targeted intervention to single adults and youth who are currently at risk of becoming homeless and have been screened and identified as having high risk factors.

Under Strategy B3, LAHSA provides time-limited intervention, including financial assistance/subsidies and supportive services so that participants will be able to successfully maintain housing without long-term assistance.

Under Strategy B7, LAHSA increases the bed rate for these shelters specifically reserved for people exiting institutions allows for a specialized level of care at the facilities. These are safe, reserved, low-barrier and supportive 24-hour interim housing beds for persons exiting institutions but who are not in need of specialized and high-level care.

Under Strategy E6, LAHSA aims at improving outreach efforts to homeless individuals and families on the streets and in encampments in Los Angeles County. LAHSA developed a dispatch and tracking technology infrastructure for outreach requests, expanded SPA-level and macro coordination of outreach teams through CES Outreach Coordinators, launch and implemented Multidisciplinary Outreach teams to better assist unsheltered homeless individuals through expanded multidisciplinary outreach capacity, and support and expand general outreach staffing in all SPAs to further support outreach bandwidth.

Under Strategy E7, with the implementation of the CES, all people in need of housing and services can be screened, triaged, and connected to resources, based upon service need and availability. LAHSA will expand regional coordination for each population system, create domestic violence liaisons, expand

housing navigation, create housing location program, create training academy and provisions of technical assistance to agencies, create legal services system, and create a representative payee program.

Under Strategy E8, LAHSA increases the bed rate for LAHSA's existing shelters to allow for higher quality services in the shelters resulting in better outcomes. Adding beds to the system decreases the gap in shelter services and these safe, low-barrier and supportive 24-hour crisis housing beds are designed to facilitate permanent housing placement.

Under Strategy E14, the funding will expand and enhance the resources to house and serve transitional age youth experiencing homelessness.

The County disbursed \$163,822,288 to LAHSA in FY 2020-21, and LAHSA's Measure H expenditures in FY 2020-21 totaled \$173,816,378 and were specific for the strategies listed below. **No exceptions were found.**

Strategy		Measure H Disbursement by County	Measure H Actual Expenditures	Difference
A1	Homeless Prevention Programs for Families	\$ 5,128,456	\$ 5,518,453	\$ (389,997)
A5	Homeless Prevention Programs for Individuals	4,187,626	4,333,801	(146,175)
B3	Partner with Cities to Expand Rapid Re-Housing	51,095,474	51,991,006	(895,532)
B7	Interim/Bridge Housing for Those Exiting Institutions	3,950,679	3,967,927	(17,248)
E6	Countywide Outreach System	12,118,625	12,790,568	(671,943)
E7	Strengthen the Coordinated Entry System	12,978,458	12,640,715	337,743
E8	Enhance the Emergency Shelter System	62,131,172	69,499,726	(7,368,554)
E14	Enhanced Services for Transition Age Youth	12,231,798	13,074,182	(842,384)
Total		\$ 163,822,288	\$ 173,816,378	\$ (9,994,090)

The \$9,994,090 difference represents fourth quarter subcontractor expenditures, which were submitted late and were not included in the County's FY 2020-21 actual expenditures. These expenditures will be reported by the County as FY 2021-22 Measure H expenditures.

LASD

LASD was allocated \$465,000 of Measure H funds to be used for Strategy D2 – Expansion of Jail In-Reach based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

Under Strategy D2, LASD expands Jail In-Reach to make it available to all homeless people incarcerated in a Los Angeles County jail.

LASD's Measure H expenditures in FY 2020-21 totaled \$429,937 and were specific for Strategy D2 – Expansion of Jail In-Reach. **No exceptions were found.**

DCBA

DCBA was allocated \$25,000 of Measure H funds to be used for Strategy A1 – Homeless Prevention Programs for Families and \$25,000 of Measure H funds to be used for Strategy A5 – Homeless Prevention Programs for Individuals, based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2020-21.

DCBA's Measure H expenditures in FY 2020-21 totaled \$2,000,000, which consisted of \$1,000,000 used for Strategy A1 – Homeless Prevention Programs for Families and \$1,000,000 used for Strategy

A5 – Homeless Prevention Programs for Individuals. Out of the total \$2,000,000 expenditures, \$1,950,000 was paid from the fiscal year 2019-20 encumbrance/allocation. **No exceptions were found.**

4. We verified that the service levels/strategies reported for each Department and Agency are accurate and that the funds were used for the specific purpose of each strategy.

Results

CEO

Based on our procedures performed for the two months of payroll/administrative expenditures and 17 transactions of non-payroll/program expenditures selected, the service levels reported by CEO were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

DCFS

Based on our procedures performed for the six transactions of non-payroll/subcontractor expenditures selected, the service levels reported by DCFS were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

DHS

For the one month of payroll expenditures, 33 non-payroll reimbursement contract expenditures, and 7 non-payroll fee-for-service expenditures selected, the service levels reported by DHS were accurate and the funds were used for the specific purpose of the Measure H strategies. **No exceptions were found.**

DMH

Based on our procedures performed for the two months of payroll expenditures and four subcontractor expenditures selected, the service levels reported by DMH were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

DPH

For the two months of payroll expenditures, 4 non-payroll contractor expenditures, and 36 non-payroll recipient expenditures selected, the service levels reported by DPH were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

DPSS

For the two months of payroll expenditures and 25 transactions of subcontractor's cost selected, the service levels reported by DPSS were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

PD

For the two months of payroll expenditures and seven transactions of non-payroll/subcontractor expenditures selected, the service levels reported by PD were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

WDACS

For the two months of payroll expenditures and 40 transactions of subcontractor expenditures selected, the service levels reported by WDACS were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

LACDA

Based on our procedures performed for the one month of payroll expenditures and 40 transactions of non-payroll expenditures selected, the service levels reported by LACDA were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

LAHSA

For the one month of payroll expenditures and 60 non-payroll/subcontractor expenditures selected, the service levels reported by LAHSA were accurate and the funds were used for the specific purpose of the Measure H strategies. **No exceptions were found.**

LASD

For the two months of payroll expenditures selected, the service levels reported by LASD were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

DCBA

For the two months of payroll expenditures selected and the subcontractor's expenditures paid from fiscal year 2019-2020 encumbrance/allocation, the service levels reported by DCBA were accurate and the funds were used for the specific purpose of the Measure H strategy. **No exceptions were found.**

We were engaged by the County of Los Angeles to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the twelve County Departments' and outside agencies' compliance with the Measure H, Ordinance 2017-001, Chapter 4.73 to the Los Angeles County Code – Transaction and Use Tax to Prevent and Combat Homelessness for the year ended June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the County of Los Angeles, County Departments', and outside agencies', and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the County of Los Angeles and the twelve County Departments and outside agencies: CEO, DCFS, DHS, DMH, DPH, DPSS, PD, WDACS, LASD, DCBA, LACDA, and LAHSA and is not intended to be, and should not be used by anyone other than these specified parties.

BCA Watson Rice, LLP

Torrance, CA
December 3, 2021



Los Angeles County HOMELESS INITIATIVE

Proposed FY 2022-23
Funding Recommendations

WEBINAR

February 23, 2022

FY 2022-23 MEASURE H FUNDING RECOMMENDATIONS PROCESS

November 2021

- The Homeless Initiative informed the County Board of Supervisors of its plans to launch a process to develop final FY 2022-23 Measure H funding recommendations.

First Public Comment Period

- Public comments were solicited from January 11 to February 1, 2022, through a publicized online form. Comments received will be available to view and download by February 25, 2022 at <https://homeless.lacounty.gov/2022-23-funding-recommendations-process/>

Strategy Lead Discussions

- In January and February 2022, County departments and LAHSA Strategy Leads participated in meetings to consider relevant data, community input, and other available information to develop draft FY 2022-23 funding recommendations.

FY 2022-23 MEASURE H FUNDING RECOMMENDATIONS PROCESS

Public Release of Draft Funding Recommendations for Public Comment

- On February 23, 2022, the Draft FY 2022-23 Funding Recommendations were posted on the Homeless Initiative website, which are available to view and download at <https://homeless.lacounty.gov/2022-23-funding-recommendations-process/>.
- Strategy Fact Sheets, this webinar PowerPoint and other background information will also be posted on that website by February 25, 2022.

Second Public Comment Period

- From February 23 – March 10, members of the public are invited to submit public comment via the above weblink.
- On March 9, from 1:00–4:00 pm, a virtual public meeting will be held; members of the public will be able to provide verbal comments on the recommendations.

April 14, 2022

- Draft Board Letter will be presented at Homeless Policy Board Deputies Meeting

May 17, 2022

- Board of Supervisors will consider the FY 2022-23 Funding Recommendations



A1: Homeless Prevention Program for Families

LEAD AGENCY: LAHSA / DCFS

DESCRIPTION:

LAHSA administers this strategy using a multi-faceted approach to implement an integrated, comprehensive homeless prevention program to effectively identify, assess, and prevent families from becoming homeless, and divert families in a housing crisis from homelessness. This strategy addresses rental/housing subsidies, case management and employment services, and legal services.

DCFS administers the Prevention and Aftercare Program for a pilot to provide financial assistance to families who are referred to DCFS, do not have an open DCFS case, and have unstable housing.



A1: Homeless Prevention Program for Families

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$11,500,000	\$8,001,000

EXPLANATION OF VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive an allocation of \$7,501,000 Measure H funding and leverage additional non-CEO administered County funding to maintain LAHSA service levels comparable to those in FY 2021-22 for this strategy.
- Due to COVID-19, \$500,000 allocated to DCFS in FY 2020-21 was unspent and carried over to FY 2021-22. Therefore, no new funding was allocated in FY 2021-22. For FY 2022-23, \$500,000K Measure H funding is proposed to maintain service levels comparable to those in FY 2021-22.



A5: Homeless Prevention Program for Individuals

LEAD AGENCY: LAHSA / DCFS / CEO

DESCRIPTION:

LAHSA administers this strategy using a multi-faceted approach to implement an integrated, comprehensive homeless prevention program to effectively identify, assess, and prevent individuals from becoming homeless, and divert individuals in a housing crisis from homelessness. This strategy provides rental/housing subsidies, case management and employment services, and legal services.



A5: Homeless Prevention Program for Individuals

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$11,500,000	\$11,136,000

EXPLANATION OF VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive \$10,224,000 Measure H funding and will leverage non-CEO administered County funding sources to maintain LAHSA service levels comparable to those in FY 2021-22.
- Due to COVID-19, there was \$300,000 allocated to DCFS in FY 2020-21 that was unspent and carried over to FY 2021-22. Therefore, no new funding was allocated in FY 2021-22. For FY 2022-23, \$300,000 Measure H funding is proposed to maintain service levels comparable to those in FY 2021-22.
- CEO is proposed to receive \$412,000 Measure H funding for Continuum of Care contracts for Long Beach, Pasadena and Glendale. Slight reduction in funding to reflect actual costs.



B1: Provide Subsidized Housing to Homeless Disabled Individuals Pursuing SSI

LEAD AGENCY: DPSS

DESCRIPTION:

DPSS provides rental subsidies to disabled homeless General Relief participants applying for Supplemental Security Income (SSI). For individuals approved for SSI, those rental subsidy costs are recovered through Interim Assistance Reimbursement and reinvested in the program.



B1: Provide Subsidized Housing to Homeless Disabled Individuals Pursuing SSI

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$5,138,000	\$3,620,000

EXPLANATION OF VARIANCE FROM FY 2021-22:

- This strategy will leverage non-CEO administered funding to maintain service levels comparable to those in FY 2021-22.



B3: Expand Rapid Re-housing

LEAD AGENCY: LAHSA / CEO

DESCRIPTION:

Rapid re-housing is a crisis intervention model designed to help individuals and families quickly exit homelessness and return to permanent housing. Rapid re-housing assistance is offered without preconditions – like employment, income, absence of criminal record, or sobriety – and the services provided are tailored to the unique needs of the household including time-limited financial assistance, housing location, and case management.



B3: Expand Rapid Re-housing

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$87,719,000	\$64,929,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive \$64,929,000 Measure H funding and will leverage CEO and/or non-CEO administered County funding sources to maintain LAHSA service levels comparable to those in FY 2021-22.
- Funding allocated to CEO (\$740,000) is for the Continuum of Care contracts with Long Beach, Pasadena and Glendale. Recommended reduction reflects actual program costs.



B4: Facilitate Utilization of Federal Housing Subsidies

LEAD AGENCY: LACDA

DESCRIPTION:

The Homeless Incentive Program (HIP) encourages landlord acceptance of subsidized tenants with a Housing and Urban Development voucher issued by a participating Public Housing Authority (PHA).

HIP provides the following services:

- Damage Mitigation / Property Compliance Fund
- Vacancy payments to hold units
- Security deposit assistance
- Housing counseling and retention services



B4: Facilitate Utilization of Federal Housing Subsidies

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$11,105,000	\$13,853,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- Increase reflects the commitment by some Public Housing Authorities to dedicate additional federal vouchers to the program as well as a slight increase in the average cost to place families.



B6: Family Reunification Housing Subsidies

LEAD AGENCY: DCFS

DESCRIPTION:

This strategy provides rapid re-housing and case management to families in the child welfare system where parental homelessness is the sole barrier to the return of their child(ren). A significant number of children in out-of-home placements can be reunited with their parents, if their parents are able to obtain and sustain suitable housing.



B6: Family Reunification Housing Subsidies

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$1,468,000	\$0

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- This strategy will leverage non-CEO administered County funding sources to maintain service levels comparable to those in FY 2021-22.



B7: Interim Housing for Those Exiting Institutions

LEAD AGENCY: LAHSA / DHS / DMH/ DPH

DESCRIPTION:

Strategy B7 increases the interim/bridge housing stock across the County. B7 beds are used for individuals exiting institutions, including jails, hospitals (public and private), residential mental health facilities, and foster care.

Bridge housing for individuals exiting institutions includes:

- Shelter
- Stabilization Housing
- Shared Recovery Housing
- Recuperative Care
- Community-based Residential Care for disabled individuals



B7: Interim Housing for Those Exiting Institutions

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$36,820,000	\$37,684,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive \$4,676,000 Measure H funding, which reflects a slight increase above the FY 2021-22 for staffing costs necessary for strategy operation.
- DHS is proposed to receive \$22,531,000 Measure H funding, which is a slight reduction from FY 2021-22 to reflect actual cost for DHS to administer B7 interim housing beds.
- DMH is proposed to receive \$83,000 Measure H funding, which is a slight increase above FY 2021-22 to reflects actual costs for salaries and employee benefits.
- DPH is proposed to receive \$10,394,000 Measure H, which is an increase from FY 2021-22 for the following: 1) actual costs for salaries and employee benefits; and 2) the need to maintain the operation of Recovery Bridge Housing beds after one-time funding for those beds is expended by mid FY 2022-23.



C4/C5/C6: Countywide SSI/SSDI and Veterans Benefits Advocacy

LEAD AGENCY: DHS / DPSS / DMH

DESCRIPTION:

This strategy provides Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), and any other applicable Social Security Administration benefits and Veterans Benefits Advocacy for disabled individuals who are homeless or at risk of homelessness. Services include support with developing and filing high quality benefits applications, securing medical records, legal representation for appeals needs, coordinating housing and other needed services.



C4/C5/C6: Countywide SSI/SSDI and Veterans Benefits Advocacy

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$9,982,000	\$1,993,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- DHS/DPSS will leverage approximately \$9.0M in non-CEO administered funding to maintain service levels comparable to those in FY 2021-22.
- DMH is proposed to receive \$1,993,000 Measure H funding, which is an increase from FY 2021-22 to reflect an increase for salaries and employee benefits formerly offset with other funding. Costs are necessary for strategy operation and do not represent net new positions.



C7: Increase Employment for Homeless Adults

LEAD AGENCY: WDACS Economic and Workforce Development

DESCRIPTION:

Individuals who are experiencing homelessness, recently homeless, or at risk of homelessness are provided expanded employment opportunities and support through subsidized employment, including through Social Enterprises, career pathways opportunities, and other programming.



C7: Increase Employment for Homeless Adults

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$7,100,000	\$7,100,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- No Change



D2: Jail In-Reach

LEAD AGENCY: DHS / Sheriff

DESCRIPTION:

Jail In-Reach (JIR) links homeless incarcerated individuals to supportive services from the beginning of incarceration in order to avoid discharges into homelessness. Case managers from four contracted community-based organizations work with individuals in all County jail facilities and continue case management in the community post-release.



D2: Jail In-Reach

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$2,335,000	\$2,540,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- DHS is proposed to receive \$2,091,00 in Measure H funding, which is a slight increase from FY 2021-22 to reflect an increase for salaries and employee benefits necessary for strategy operation.
- LASD is proposed to receive \$449,000 which is a slight decrease to reflect actual staff costs.



D6: Criminal Record Clearing Project

LEAD AGENCY: Public Defender

DESCRIPTION:

Criminal Record Clearing Project outreach teams deploy mobile legal clinics to encampments, County and City facilities, and at events hosted by community- and faith-based organizations.

In this unique partnership, Public Defender and Los Angeles City Attorney work together to expand access to criminal records clearing services, which remove barriers to housing, employment, and other resources for people experiencing homelessness.



D6: Criminal Record Clearing Project

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$3,067,000	\$3,098,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- Increase is for salaries and employee benefit costs, which are necessary for strategy operation and do not represent net new positions.



D7: Provide Services for Permanent Supportive Housing

LEAD AGENCY: DHS / DMH / DPH

DESCRIPTION:

Funding for this strategy provides supportive services including intensive case management, specialty mental health and substance abuse assessment and linkage to services and, subject to availability, a locally-funded rent subsidy for disabled homeless adults and families who need permanent supportive housing.



D7: Provide Services for Permanent Supportive Housing

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$125,732,000	\$143,784,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- DHS is proposed to receive \$128,439,000 (combined Measure H and State Homeless, Housing and Assistance Program (HHAP) funding reflecting an increase from FY 2021-22 due to additional supportive services consistent with the increase in permanent supportive housing units/subsidies.
- DMH is proposed to receive \$13,121,000 Measure H reflecting an increase from FY 2021-22 due to additional supportive services consistent with the increase in permanent supportive housing units/subsidies.
- DPH is proposed to receive \$2,224,000 Measure H reflecting an increase from FY 2021-22 due to additional supportive services consistent with the increase in permanent supportive housing units/subsidies.



E6: Expand Countywide Outreach System

LEAD AGENCY: LAHSA / DHS / DPH / CEO

DESCRIPTION:

The Countywide Outreach System includes:

- Generalist and multidisciplinary outreach teams;
- Coordination of all outreach teams through Countywide outreach coordination at LAHSA and through multiple regional CES outreach coordinators within each SPA;
- A web-based communication platform (LA-HOP) enables all County organizations and residents to report people in need of homeless outreach. Outreach requests submitted via the platform are automatically routed to the appropriate regional outreach coordinator so that a team can be sent to the location.



E6: Expand Countywide Outreach System

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$39,165,000	\$40,150,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive \$11,572,000 in Measure H funding reflecting an increase for additional staffing costs necessary for strategy operation.
- DHS is proposed to receive \$26,784,000 in Measure H reflecting an increase for salaries and employee benefit costs, which are necessary for strategy operation and do not represent net new positions.
- DPH is proposed to receive \$756,000 in Measure H reflecting no change from FY 2021-22.
- CEO is proposed to receive \$1,038,000 in Measure H funding for Continuum of Care contracts for Long Beach and Glendale. The increase from FY 2021-22 is due to implementation of the Homeless Encampment Automated Request System and to reflect actual program costs.



E7: Strengthen the Coordinated Entry System

LEAD AGENCY: LAHSA / CEO

DESCRIPTION:

The Coordinated Entry System (CES) is a no-wrong door, countywide system that engages and connects homeless families and individuals to the optimal resources for their housing needs. Funding for this strategy strengthens the Coordinated Entry System by supporting the following components:

- Housing Navigation (including DV Housing Navigation)
- Legal Services
- Representative Payee
- Regional Coordination (including DV regional coordination)
- Agency Training
- Agency Technical Assistance

This strategy provides funding to the Councils of Governments to provide regional coordination services to engage cities in Los Angeles County to prevent and combat homelessness. Such effort includes education, service coordination, staff training, policy/advocacy, and housing solutions.



E7: Strengthen the Coordinated Entry System

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$31,296,000	\$40,438,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive \$19,434,000 Measure H and will leverage non-CEO County administered funding sources to maintain LAHSA service levels comparable to those in FY 2021-22.
- CEO is proposed to receive \$21,004,000 Measure H for the following: 1) \$10m for Councils of Governments and their member cities; 2) \$10m for new investments for local jurisdictions; 3) \$500K for Regional Coordination; 4) \$319K for the second year of the 2-Year Countywide Women's Needs Assessment project; and 5) \$473K for the administration of Continuum of Care contracts for Long Beach, Pasadena and Glendale.



E8: Enhance the Emergency Shelter System

LEAD AGENCY: LAHSA / DHS / DMH / DPH / CEO

DESCRIPTION:

Enhancements to the emergency shelter system include:

- More beds made possible by Measure H funding;
- Facilities that operate 24 hours a day;
- Provision of and/or linkage to mental health and substance use disorder services;
- Availability to partners and pets;
- Storage for belongings; and
- Confidentiality for those fleeing domestic violence and others who require it.



E8: Enhance the Emergency Shelter System

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$114,668,000	\$125,611,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive \$70,395,000 (combined Measure H and State Homeless, Housing and Assistance Program (HHAP) and will leverage CEO and/or non-CEO administered County funding sources to maintain LAHSA service levels comparable to those in FY 2021-22. Changes within the strategy include program enhancements, such as a newly proposed nightly reimbursement rate increase from \$80 to \$90 per night for Family programs, and proposed increases in the number of full-time staff supporting the program.
- DHS is proposed to receive \$52,787,000 (combined Measure H and State Homeless, Housing and Assistance Program (HHAP) reflecting an increase due to 1) new interim housing sites that were created with County capital investments, and 2) increased salaries and employment benefits costs.
- DMH is proposed to receive \$81,000 Measure H reflecting no change from FY 2021-22.
- DPH is proposed to receive \$668,000 Measure H reflecting no change from FY 2021-22.
- CEO is proposed to receive \$1,680,000 Measure H for Continuum of Care contracts for Long Beach, Pasadena and Glendale. The recommended decrease reflects a reduction in the CEO's E8 allocation and does not impact the CoC contracts.



E14: Enhanced Services for Transition Age Youth

LEAD AGENCY: LAHSA

DESCRIPTION:

This strategy includes:

- Access/drop-in centers
- Transitional housing for youth
- Youth collaboration
- Family reconnection services
- Education Liaisons



E14: Enhanced Services for Transition Age Youth

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$23,000,000	\$21,988,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- LAHSA is proposed to receive \$21,988,000 (combined Measure H and State Homeless, Housing and Assistance Program (HHAP) and will leverage non-CEO administered funding to maintain LAHSA service levels comparable to those in FY 2021-22.



Central Measure H Administration

LEAD AGENCY: Chief Executive Office - Homeless Initiative

DESCRIPTION:

The Homeless Initiative Team coordinates the overall implementation of Measure H.

FY 2021-22 ALLOCATION	FY 2022-23 FUNDING RECOMMENDED
\$4,211,000	\$4,980,000

EXPLANATION FOR VARIANCE FROM FY 2021-22:

- Increase reflects increase for staff and contract needs to support Measure H administration



FY 2022-23 MEASURE H FUNDING RECOMMENDATIONS PROCESS NEXT STEPS

March 9, 2022	1:00-4:00pm Virtual Public Meeting to receive verbal public comments <ul style="list-style-type: none">• Call-in information will be posted on the HI website and released via an email notification to the Homeless Initiative subscription group.
March 10, 2022	Last day to submit public comments through HI website
March 17, 2021	Homeless Initiative, County Departments, and LAHSA Strategy Leads meet to discuss public comments and consider potential revisions to recommendations
April 14, 2022	Homeless Initiative presents the Board Letter with final funding recommendations at the Homeless Policy Deputies Meeting
May 17, 2022	Board of Supervisors considers final FY 2022-23 HI Funding Recommendations



QUESTIONS AND COMMENTS

Los Angeles County Homeless Initiative

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 493
Los Angeles, CA 90012



HomelessInitiative@lacounty.gov



@HomelessInitiativeLA

To provide public comment for the FY 2022-23 Homeless Initiative Funding Recommendations, please visit this link:

[Draft FY 2022-23 HI Funding Recommendations](#)

LOS ANGELES COUNTY HOMELESS INITIATIVE – FY 2022-23 FUNDING RECOMMENDATIONS

The following chart presents funding allocations for Homeless Initiative Strategies approved by the Board of Supervisors in FY 2021-22 as well as the proposed funding allocations for FY 2022-23. Multiple Los Angeles County-administered funding sources, including Measure H, and State and Federal funding, are included in the amounts below.

STRATEGY	FY 2021-22 TOTAL FUNDING ALLOCATION*	FY 2022-23 TOTAL FUNDING RECOMMENDATION**	EXPLANATION OF VARIANCE FROM FY 2021-22
A1 - LAHSA Homeless Prevention Program for Families	\$11,500,000	\$7,501,000	This strategy will leverage non-CEO administered County funding sources to maintain service levels comparable to those in FY 2021-22.
A1 - DCFS Homeless Prevention Program for Families	\$0	\$500,000	Due to COVID-19, there was \$500K allocated in FY 2020-21 that was unspent and was carried over to FY 2021-22; therefore, no new funding was allocated in FY 2021-22. For FY 2022-23, \$500K Measure H funding is proposed to maintain service levels comparable to those in FY 2021-22.
A5 – LAHSA Homeless Prevention Program for Individuals	\$11,050,000	\$10,224,000	This strategy will leverage non-CEO administered County funding sources to maintain service levels comparable to those in FY 2021-22.
A5 – CEO Homeless Prevention Program for Individuals	\$450,000	\$412,000	Funding allocated to CEO for Continuum of Care contracts for Long Beach, Pasadena, and Glendale.
A5 – DCFS Homeless Prevention Program for Individuals	\$0	\$300,000	Due to COVID-19, there was \$300K allocated in FY 2020-21 that was unspent and was carried over to FY 2021-22; therefore, no new funding was allocated in FY 2021-22. For FY 2022-23, \$300K Measure H funding is proposed to maintain service levels comparable to those in FY 2021-22 level.
B1 - DPSS Provide Subsidized Housing to Homeless Disabled Individuals Pursuing SSI	\$5,138,000 Comprised of the following: \$1,713,000 (Measure H) \$3,425,000 (DPSS-MSUDRP funding)	\$3,620,000	This strategy will leverage non-CEO administered funding to maintain service levels comparable to those in FY 2021-22.

LOS ANGELES COUNTY HOMELESS INITIATIVE – FY 2022-23 FUNDING RECOMMENDATIONS

STRATEGY	FY 2021-22 TOTAL FUNDING ALLOCATION*	FY 2022-23 TOTAL FUNDING RECOMMENDATION**	EXPLANATION OF VARIANCE FROM FY 2021-22
B3 – LAHSA Expand Rapid Rehousing	\$87,719,000 Comprised of the following: \$73,624,000 (Measure H) \$14,095,000 (LAHSA funding)	\$64,929,000	This strategy will leverage CEO and/or non-CEO administered County funding sources to maintain service levels comparable to those in FY 2021-22.
B3 – CEO Expand Rapid Rehousing	\$1,312,000	\$740,000	Funding allocated to CEO for Continuum of Care contracts with Long Beach, Pasadena, and Glendale.
B4 – LACDA Facilitate Utilization of Federal Housing Subsidies	\$11,105,000	\$13,853,000	Increase reflects the commitment by some Public Housing Authorities to dedicate additional federal vouchers to the program as well as a slight increase in the average cost to place families.
B6 – DCFS Family Reunification Housing Subsidies	\$1,468,000	\$0	This strategy will leverage non-CEO administered County funding sources to maintain service levels comparable to those in FY 2021-22.
B7 – DHS Interim/Bridge Housing for those Exiting Institutions	\$ 22,704,000	\$22,531,000	Slight reduction reflects actual cost for DHS to administer B7 interim housing beds.
B7 – DMH Interim/Bridge Housing for those Exiting Institutions	\$82,000	\$83,000	Slight increase reflects actual costs for salaries and employee benefits.
B7 – DPH Interim/Bridge Housing for those Exiting Institutions	\$9,415,000	\$10,394,000	Funding increase reflects: 1) actual costs for salaries and employee benefits, and 2) the need to maintain the operation of Recovery Bridge Housing beds after one-time funding for those beds is expended by mid FY 2022-23.

LOS ANGELES COUNTY HOMELESS INITIATIVE – FY 2022-23 FUNDING RECOMMENDATIONS

STRATEGY	FY 2021-22 TOTAL FUNDING ALLOCATION*	FY 2022-23 TOTAL FUNDING RECOMMENDATION**	EXPLANATION OF VARIANCE FROM FY 2021-22
B7 – LAHSA Interim/Bridge Housing for those Exiting Institutions	\$4,619,000	\$4,676,000	Increase reflects staffing costs necessary for strategy operation.
C4/5/6 - DHS/DPSS Countywide Supplemental Security/Social Security Disability Income and Veterans Benefits Advocacy	DHS: \$4,226,000 DPSS: \$4,600,000 Total: \$8,826,000	\$0	This strategy will leverage approximately \$9.0M in non-CEO administered funding to maintain service levels comparable to those in FY 2021-22.
C4/5/6 – DMH Countywide Supplemental Security/Social Security Disability Income and Veterans Benefits Advocacy	\$1,156,000	\$1,993,000	Increase reflects salaries and employee benefit formerly offset with other funding. Costs are necessary for strategy operation and do not represent net new positions.
C7 – WDACS Increase Employment for Homeless Adults	\$7,100,000	\$7,100,000	No change.
D2 – DHS Jail In-Reach	\$1,870,000	\$2,091,000	Increase reflects salaries and employee benefits necessary for strategy operation.
D2 – LASD Jail In-Reach	\$465,000	\$449,000	Slight decrease reflects actual staff costs.
D6 – PD Criminal Record Clearing Project	\$3,067,000	\$3,098,000	Increase reflects salaries and employee benefit costs, which are necessary for strategy operation and do not represent net new positions.

LOS ANGELES COUNTY HOMELESS INITIATIVE – FY 2022-23 FUNDING RECOMMENDATIONS

STRATEGY	FY 2021-22 TOTAL FUNDING ALLOCATION*	FY 2022-23 TOTAL FUNDING RECOMMENDATION**	EXPLANATION OF VARIANCE FROM FY 2021-22
D7 – DHS Provide Services and Rental Subsidies for Permanent Supportive Housing	\$113,142,000 Comprised of the following: \$97,642,000 (Measure H) \$15,500,000 (State HHAP 2)	\$128,439,000 Comprised of the following: \$98,310,000 (Measure H) \$30,129,000 (State HHAP)	Increase is due to additional supportive services consistent with the increase in permanent supportive housing units/subsidies.
D7 – DMH Provide Services and Rental Subsidies for Permanent Supportive Housing	\$11,026,000	\$13,121,000	Increase is due to additional supportive services consistent with the increase in permanent supportive housing units/subsidies.
D7 – DPH Provide Services and Rental Subsidies for Permanent Supportive Housing	\$1,564,000	\$2,224,000	Increase is due to additional supportive services consistent with the increase in permanent supportive housing units/subsidies.
E6 – DHS Countywide Outreach System	\$26,473,000	\$26,784,000	Increase reflects salaries and employee benefit costs, which are necessary for strategy operation and do not represent net new positions.
E6 – DPH Countywide Outreach System	\$756,000	\$756,000	No change.
E6 – LAHSA Countywide Outreach System	\$11,121,000	\$11,572,000	Increase reflects additional staffing costs necessary for strategy operation.
E6 – CEO Countywide Outreach System	\$815,000	\$1,038,000	Funding allocated to CEO for Continuum of Care contracts for Long Beach, Pasadena, and Glendale. Recommended increase is due to implementation of the Homeless Encampment Automated Request System and to reflect actual program costs.

LOS ANGELES COUNTY HOMELESS INITIATIVE – FY 2022-23 FUNDING RECOMMENDATIONS

STRATEGY	FY 2021-22 TOTAL FUNDING ALLOCATION*	FY 2022-23 TOTAL FUNDING RECOMMENDATION**	EXPLANATION OF VARIANCE FROM FY 2021-22
E7 – CEO Strengthen the Coordinated Entry System	\$7,174,000	\$21,004,000	Increase in funding includes the following: 1) \$10.0M for Councils of Governments and their member cities; 2) \$10.0M for new investments for local jurisdictions; 3) \$500K for Regional Coordination; 4) \$319K for the second year of the 2-Year Countywide Women's Needs Assessment project; and 5) \$185K for Continuum of Care contracts for Long Beach, Pasadena and Glendale.
E7 – LAHSA Strengthen the Coordinated Entry System	\$24,122,000 Comprised of the following: \$18,008,000 (Measure H) \$6,114,000 (LAHSA funding)	\$19,434,000	This strategy will leverage non-CEO County administered funding sources to maintain service levels comparable to those in FY 2021-22.
E8 – DHS Enhance the Emergency Shelter System	\$36,189,000	\$52,787,000 Comprised of the following: \$36,189,000 (Measure H) \$16,598,000 (State HHAP)	Funding increase is due to 1) new interim housing sites that were created with County capital investments, and 2) increased salaries and employment benefits costs.
E8 -DMH Enhance the Emergency Shelter System	\$81,000	\$81,000	No change
E8 – DPH Enhance the Emergency Shelter System	\$668,000	\$668,000	No change.
E8 – LAHSA Enhance the Emergency Shelter System	\$75,962,000 Comprised of the following: \$60,593,000 (Measure H) \$10,900,000 (State HHAP 2) \$4,469,000 (LAHSA funding)	\$70,395,000 Comprised of the following: \$59,495,000 (Measure H) \$10,900,000 (State HHAP)	This strategy will leverage CEO and/or non-CEO administered County funding sources to maintain service levels comparable to those in FY 2021-22. Changes within the strategy include program enhancements, such as a newly proposed nightly reimbursement rate increase from \$80 to \$90 per night for Family programs, and proposed increases in the number of full-time staff supporting the program.

LOS ANGELES COUNTY HOMELESS INITIATIVE – FY 2022-23 FUNDING RECOMMENDATIONS

STRATEGY	FY 2021-22 TOTAL FUNDING ALLOCATION*	FY 2022-23 TOTAL FUNDING RECOMMENDATION**	EXPLANATION OF VARIANCE FROM FY 2021-22
E8 – CEO Enhance the Emergency Shelter System	\$1,768,000	\$1,680,000	Funding allocated to CEO for Continuum of Care contracts for Long Beach, Pasadena, and Glendale. Recommended decrease is a reduction in the CEO's E8 allocation and does not impact the CoC contracts.
E14 – LAHSA Enhanced Services for Transition Age Youth	\$23,000,000 Comprised of the following: \$20,000,000 (Measure H) \$3,000,000 (State HHAP 2)	\$21,988,000 Comprised of the following: \$13,755,000 (Measure H) \$8,233,000 (State HHAP)	This strategy will leverage non-CEO administered funding to maintain service levels comparable to those in FY 2021-22.
CENTRAL MEASURE H ADMINISTRATION	\$4,211,000	\$4,980,000	Increase reflects increase for staff and contract needs to support Measure H administration.
TOTALS	FY2021-22 TOTAL STRATEGY ALLOCATIONS: \$527,118,000 Comprised of the following: Measure H - \$469,615,000 State HHAP - \$29,400,000 Non-CEO Administered Funding (LAHSA and DPSS) \$28,100,000	FY2022-23 TOTAL FUNDING RECOMMENDATION: \$556,453,000 Comprised of the following: Measure H - \$465,585,000 State HHAP - \$65,860,000 Non-CEO Administered Funding - \$25,008,000	

*FY2021-22 Total Strategy Allocation includes all funding administered by the County Chief Executive Office (Measure H and State Homeless Housing Assistance and Prevention Program) and funding administered by DPSS for Strategy B1 and LAHSA for B3, E7, E8.

**FY2022-23 Total Funding Recommendation includes all funding administered by the County Chief Executive Office (Measure H, State Homeless Housing Assistance and Prevention Program) and non-CEO administered funding.