BOARD OF SUPERVISORS
Hilda L. Solis, First District
Holly J. Mitchell, Second District
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Kathryn Barger, Fifth District

Chief Executive Office.

COUNTY OF LOS ANGELES
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CHIEF EXECUTIVE OFFICER
Fesia A. Davenport

October 13, 2023

To: Supervisor Janice Hahn, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Lindsey P. Horvath
Supervisor Kathryn Barger

From: Fesia A. Davenport FAD
FAD (Oct 12, 2023 20:11 PDT)
Chief Executive Officer

CARE FIRST AND COMMUNITY INVESTMENT EXPENDITURES AND PROGRAMS REPORT BACK (ITEM NO. 46, AGENDA OF SEPTEMBER 12, 2023)

On September 12, 2023, your Board approved the Year 3 Care First and Community Investment (CFCI) Spending Plan (Year 3 Spending Plan) totaling $88.304 million. During the presentation of the Year 3 Spending Plan, your Board requested that the Chief Executive Officer provide you with various information on CFCI allocations and spending. A high-level summary of the information requested is provided below. A more detailed report and schedule of project timelines and expenses is included in the attachment. We compiled this information with significant support from the Justice, Care and Opportunities Department (JCOD), other County departments that manage CFCI and American Rescue Plan Act (ARPA) programs, and County Counsel.

During the September 12, 2023 Board meeting, Supervisor Hahn also requested that my office identify an approximate additional $12.0 million during the Fiscal Year (FY) 2023-24 Supplemental Budget phase, to bring the Year 3 CFCI allocation from the Board-approved $88.3 million in the FY 2023-24 Recommended Budget to $100.0 million total, in addition to $200.0 million in ongoing funding allocated to CFCI in prior budget years.

On March 16, 2021, my office sent your Board a memorandum explaining that the mandated Measure J (now CFCI) set-aside would be "phased-in over a three-year period beginning on July 1, 2021, and incrementally grow to the full set-aside by June 30, 2024." At that time, we estimated the CFCI set-aside would be about $300.0 million as of June 30, 2024. In a memorandum to your Board dated May 17, 2021, we further explained that the "$300.0 million is both an estimate and a projection of what the set-aside amount might be if the County's revenues and obligations remained static between now and 2024 - which is unlikely to occur."

In the FY 2023-24 Recommended Budget, my office calculated the total CFCI set-aside based on the actual budget information for FY 2023-24. This calculation showed the total CFCI set-aside to be $288.3 million. As such, we recommended, and your Board approved, $88.3 million in ongoing funding for CFCI during the Recommended Budget phase. This amount fully satisfies the set-aside requirement under the County's CFCI Board Budget Policy.

We recognize the importance of the work funded by CFCI and its positive impacts to the community we serve, as well as the necessity to fully fund the CFCI set-aside. Over the last three fiscal years, the County has allocated $588.3 million in CFCI funding (not including $88.7 million in ARPA funding for CFCI programs). As explained below, through June 30, 2023, $58.9 million has been spent and an additional $70.3 million has been obligated in our financials system. About $170.0 million is being carried over to this budget year from prior years. Given these available resources and the fact that CFCI programs are continuing to ramp up and launch, and also considering the need for funding in other high-priority County programs, including programs identified by your Board in motions throughout the fiscal year, we are not recommending any additional funding for CFCI over-and-above the required $88.3 million this budget year.

Summary of Responses to Board Questions from the September 12, 2023, Board Meeting

1a. *How much CFCI funding was allocated through the Third-Party Administrator (TPA) and County departments?*

Year 1, Year 2, and Year 3 allocations of ongoing CFCI funding total $288.3 million.

TPA: $117.9 million (40.9%), County departments: $170.4 million (59.1%). One-time ARPA funding of $88.7 million is managed by County departments.

1b. *How much CFCI funding has been expended or encumbered through the TPA and County departments?*

For the purposes of this analysis, an encumbrance is an accounting tool which reflects that a department has executed a legally-enforceable contract for services, and it sets aside (encumbers) sufficient funding to pay for the services. However, an encumbrance does not signify that payments have been made under the contract or that services have started. The encumbrance only reflects that the funding has been set aside to pay for services under the contract.

Additionally, for services provided directly by a department (e.g., where County staff are providing the services themselves and not through a contracted provider), funding is not encumbered. Rather, this funding will be paid out as salary and employee benefits as services are rendered.

For this reason, encumbrance information does not provide a clear picture of the progress by which the TPA or departments are making in delivering CFCI-funding services. For example, JCOD encumbers 100 percent of funds for the TPA early each fiscal year, sometimes before the TPA starts funding service-providers and funds will be paid out over the course of the year.

A better indicator of service-delivery is the spend rate, which reflects money departments have paid to service providers. In the case of JCOD's TPA (Amity), payment milestones are tied to the TPA's schedule for disbursing grants to qualifying community-based organizations (CBOs).

As your Board requested, both the encumbrance and spend rate are included below and in the Attachment.

Cumulative spending and additional encumbrances for Year 1 (FY 2021-22 and FY 2022-23) and Year 2 (FY 2022-23) programs total:

TPA: $77.9 million budgeted, $10.5 million (13.5%) spent, $65.9 million encumbered (84.6%), with 98.1% spent or encumbered.

County: $160.5 million budgeted, $48.1 million (30.0%) spent, $4.3 million encumbered (2.7%), with 32.7% spent or encumbered.

ARPA: $88.7 million budgeted, $17.6 million (19.9%) spent, $57.5 million (64.8%) encumbered, with 84.7% spent or encumbered.

2. *A schedule showing the process for spending down CFCI funding by County departments versus by the TPA.*

   Details are included in the Attachment.

3. *Length of time from point of allocation until CFCI funding money is programmed.*

   Average time from Board Spending Plan approval to the start of services is:

   - 14.1 months for Year 1 and Year 2 CFCI programs, overall.
   - 12.0 months for County programs.
   - 17.4 months for TPA programs.
   - 19.1 months for ARPA programs.

   The figures above reflect the time needed to develop three new spending and project design processes, solicit for and onboard a new TPA, meet federal and/or Board-directed equity requirements, develop metrics, outcomes and evaluation tools and various other processes. ARPA programs were also designed to be a bridge to recovery, hence the longer period to spend the funds and the focus on the equity design and development process in the ARPA statute.

4. *Information on acceptance and denial rates in the Year 1 CFCI TPA solicitation.*

   In Year 1, 649 applications were received and 118 (18%) were approved.

5. *An analysis on the JCOD Incubation Academy, including the process for capacity building, program requirements, and geographic data.*

   The program includes 87 CBOs from all five Supervisorial Districts, 20 of whom have also received funding through the CFCI TPA. Statistics on CBOs completing the program mirror those of program applicants. Full information is included in the Attachment.

6. *An update on the Weingart Center's single countywide indirect cost project.*

   The requested report was submitted to the Board on March 3, 2016. Neither departments, nor County CBOs, have widely adopted the tools developed. Full information is included in the Attachment.

7. *An update on Senate Bill (SB) 159 related to in-custody deaths.*

   SB 519 (Atkins) was signed by Governor Gavin Newsom on October 4, 2023. The bill will create a position of Director of In-Custody Death Review at the State to review investigations into in-custody deaths in local detention facilities and create a process to engage with local sheriffs and administrators of local detention facilities on recommended changes to local detention facilities, among other items. SB 519 will go into effect on January 1, 2024.

8. *An update on CFCI and JCOD staffing and hiring.* As of FY 2023-24 Supplemental Changes Budget:

   - *6.0 positions are budgeted for CFCI programs and operations.*
   - *41.0 positions are budgeted at the Office for Administrative Services at JCOD, including 11.0 in Budget and Fiscal and 8.0 in Contracts and Grants, all of which support JCOD needs, including CFCI.*

Should you have any questions on this matter, please contact me or you may contact Matthew McGloin at (213) 974-1694 or mmcgloin@ceo.lacounty.gov.

FAD:JMN:MM
MM:KK:VA:yjf

Attachment

c: Executive Office, Board of Supervisors
County Counsel
Arts and Culture
Consumer and Business Affairs
Economic Opportunity
Health Services
Justice, Care and Opportunities
Mental Health
Public Health
Youth Development

Chief Executive Office.

ATTACHMENT

October 10, 2023

On September 12, 2023, your Board approved the Year 3 Care First and Community Investment (CFCI) Spending Plan (Year 3 Spending Plan) totaling $88.304 million, and your Board delegated authority to amend the existing contract with the CFCI Third Party Administrator (TPA) to include Year 3 CFCI programs and approved an appropriation adjustment. In addition, your Board further delegated authority to departments receiving CFCI funds to execute new or amend existing agreements to use CFCI funds.

During the Chief Executive Office (CEO) presentation of the Year 3 Spending Plan, your Board requested that the CEO provide you with the following CFCI program information:

1. *A side-by-side analysis of the programs managed by the TPA versus County departments, including:*
   a. *How much CFCI funding was allocated through the TPA and County departments?*
   b. *How much CFCI funding has been expended or encumbered through the TPA and County departments?*
2. *A schedule showing the process for spending down CFCI funding by County departments versus by the TPA.*
3. *Length of time from point of allocation until CFCI funding money is programmed.*
4. *Information on funding acceptance and denial rates at the CFCI TPA.*
5. *An analysis on the Justice, Care and Opportunities Department (JCOD) Incubation Academy, including the process for capacity building, program requirements, and geographic data.*
6. *An update on the Weingart Center's single countywide indirect cost project.*
7. *An update on Senate Bill (SB) 519 related to in-custody deaths.*
8. *An update on JCOD staffing and hiring.*

This report provides full responses to the requests made by your Board.

<u>Detail on CFCI funding allocated through the TPA and County departments</u>

In the CFCI spending plan recommendations for Year 1, Year 2, and Year 3, the CEO has recommended two methods to deploy CFCI funds, either through a TPA or through County departments, where the majority of funds will be passed through to community-based organizations (CBOs). Allocation of each year's incremental CFCI funding is as follows:

CFCI Allocations by TPA and County, Year 1, 2, 3, in *$ Millions*						
	Year	**TPA Amount Budgeted**	**% of Amount Budgeted**	**County Dept Amount Budgeted**	**% of Amount Budgeted**	**Total Amount Budgeted**
Year 1	FY 21-22	$18.5	18.5%	$81.5	81.5%	$100.0
Year 2	FY 22-23	$40.9	40.9%	$59.1	59.1%	$100.0
Year 3	FY 23-24	$58.5	66.2%	$29.8	33.8%	$88.3
CFCI Subtotal		**$117.9**	**40.9%**	**$170.4**	**59.1%**	**$288.3**
Year 1 - ARPA	FY 21-22	$0.0	0.0%	$88.7	100.0%	$88.7
Total CFCI + ARPA		**$117.9**	**31.3%**	**$259.1**	**68.7%**	**$377.0**

As shown above, American Rescue Plan Act (ARPA) funding that supported programs included in the CFCI Year 1 Spending Plan were entirely managed by County departments. CFCI funding managed by the TPA has more than tripled from Year 1 to Year 3, at 18.5% of funds in Year 1, 40.9% in Year 2, and 66.2% in Year 3.

Year 1 and Year 2 CFCI funding expended or encumbered through the TPA and County departments, as of June 30, 2023 (fiscal year-end)

As explained in the cover memo, encumbrance data is not necessarily the best indicator of service delivery. This is because encumbrances reflect the funding needed to be set aside to pay for the services that are under contract with an outside agency or provider. An encumbrance does not signify that payments have been made under the contract or that services have started. The encumbrance only reflects that the funding has been set aside to pay for services under the contract. Furthermore, for services provided directly by a department (e.g., where County staff are providing the services themselves and not through a contracted provider), funding is not encumbered and is paid out as salary and employee benefits expense as services are rendered.

As County departments execute contracts each year, each contract's full year of funding is typically encumbered, even though it may be paid out over the course of the year.

A better indicator of service-delivery is the spend rate, which reflects money departments have paid to service providers. In the case of JCOD's TPA (Amity), payment milestones are tied to the TPA's schedule for disbursing grants to qualifying CBOs.

The figures below show Fiscal Year (FY) 2021-22 and FY 2202-23 spending (in millions) and additional amounts encumbered. Figures exclude Year 3 programs, which are part of the spending plan approved by your Board on September 12, 2023, and total $388.7 million, which is greater than the amount in the chart above, because they include two years of cumulative budget, spending, and encumbrances for Year 1 programs (the first and second allocations of Year 1 funding), plus Year 2 programs.

CFCI Spending and Encumbrances - Summary-level (*in $ millions*)	Amount Budgeted	Amount Spent	Additional Amount Encumbered	Total Amount Spent or Encumbered	% of Budget Spent	% of Budget Encumbered	% of Budget Spent or Encumbered
TPA	$77.9	$10.5	$65.9	$76.4	13.5%	84.6%	98.1%
County	$160.5	$48.1	$4.3	$52.5	30.0%	2.7%	32.7%
ARPA	$88.7	$17.6	$57.5	$75.1	19.9%	64.8%	84.7%
JCIT Unalloc.	$61.6	$0.3	$0.0	$0.3	0.4%	0.0%	0.4%
Total	**$388.7**	**$76.6**	**$127.7**	**$204.3**	**19.7%**	**32.9%**	**52.6%**

- County departments have spent more of their available CFCI funds (30.0% of total budget), compared to 19.9% for ARPA, and 13.5% spent by the TPA.
- TPA encumbrances are at 84.6% of total budget, with ARPA at 64.8%, and County departments at 2.7%.
- TPA spending and encumbrances total nearly 100% of budget. As mentioned above, this is because JCOD can encumber 100% of anticipated TPA expenses at the start of each year. County departments encumber funds incrementally (program by program), as contracts are signed, and any funding that supports County staff or overhead is not encumbered, per County accounting practices.

The CFCI Year 1 spending plan included $87.7 million in ARPA-funded programs, all of which were funded in the ARPA Tranche 1 spending plan. Ten of the 14 programs received additional, non-CFCI-related funding in Tranche 2. For CFCI reporting purposes, only the Tranche 1 funding and related realignments, with an adjusted total of $88.7 million, are reflected in this report.

As of June 30, 2023, 100% of CFCI and ARPA funding has been committed to projects, except approximately $61.0 million in one-time Jail Closure Implementation Team funding, the majority of which was approved by your Board to support additional community-based mental health beds during FY 2023-24 Final Changes Budget.

- The TPA is managing 118 grantees for Year 1 programs and will manage some number of additional Year 2 programs, when the Year 2 solicitation concludes later in 2023.
- County departments are managing a total of 45 programs: Year 1 (excluding CFCI Administration) - 21 programs; Year 2 (excluding Administration) - 10 programs; and ARPA - 14 programs.

CFCI Spending Overview, FY 2021-22 and FY 2022-23, as of June 30, 2023 (*in $ millions*)

		Amount Budgeted	Amount Spent	Add'l Amount Encumbered	Total Amount Spent or Encumbered	Percent of Budget Spent	Percent of Budget Encumbered	Total Percent Spent or Encumbered
Year 1	**ARPA**	**$88.7**	**$17.6**	**$57.5**	**$75.1**	**19.9%**	**64.8%**	**84.7%**
	ARTS	*$3.1*	*$3.1*	*$0.0*	*$3.1*	*100.0%*	*0.0%*	*100.0%*
	DCBA	*$3.5*	*$2.1*	*$1.4*	*$3.5*	*60.5%*	*39.5%*	*100.0%*
	DEO	*$55.5*	*$6.5*	*$50.9*	*$57.4*	*11.8%*	*91.7%*	*103.4%*
	DMH	*$7.5*	*$0.0*	*$0.0*	*$0.0*	*0.0%*	*0.0%*	*0.0%*
	DPH	*$13.1*	*$5.7*	*$0.2*	*$5.9*	*43.5%*	*1.8%*	*45.3%*
	JCOD	*$6.0*	*$0.2*	*$5.0*	*$5.2*	*3.2%*	*83.3%*	*86.5%*
	County	**$101.4**	**$42.8**	**$4.3**	**$47.1**	**42.2%**	**4.3%**	**46.4%**
	ARTS	*$1.0*	*$0.4*	*$0.2*	*$0.6*	*41.1%*	*17.5%*	*58.5%*
	DCBA	*$4.0*	*$0.0*	*$0.0*	*$0.0*	*0.5%*	*0.0%*	*0.5%*
	DHS	*$28.3*	*$13.9*	*$0.0*	*$13.9*	*49.1%*	*0.0%*	*49.1%*
	DMH	*$2.5*	*$2.4*	*$0.0*	*$2.4*	*98.5%*	*0.0%*	*98.5%*
	DPH	*$19.4*	*$15.8*	*$0.2*	*$16.0*	*81.5%*	*1.0%*	*82.4%*
	DYD	*$5.0*	*$2.5*	*$2.5*	*$5.0*	*50.0%*	*50.0%*	*100.0%*
	JCOD	*$41.2*	*$7.7*	*$1.5*	*$9.1*	*18.6%*	*3.6%*	*22.2%*
	TPA	**$37.0**	**$9.2**	**$27.4**	**$36.5**	**24.8%**	**74.0%**	**98.8%**
	JCIT - Unalloc.	**$61.6**	**$0.3**	**$0.0**	**$0.3**	**0.4%**	**0.0%**	**0.4%**
	Total	**$288.7**	**$69.8**	**$89.2**	**$159.0**	**24.2%**	**30.9%**	**55.1%**
Year 2	**County**	**$59.1**	**$5.4**	**$0.0**	**$5.4**	**9.1%**	**0.0%**	**9.1%**
	DEO	*$2.0*	*$0.0*	*$0.0*	*$0.0*	*0.0%*	*0.0%*	*0.0%*
	DHS	*$43.1*	*$5.4*	*$0.0*	*$5.4*	*12.5%*	*0.0%*	*12.5%*
	DPH	*$0.5*	*$0.0*	*$0.0*	*$0.0*	*0.0%*	*0.0%*	*0.0%*
	DYD	*$1.8*	*$0.0*	*$0.0*	*$0.0*	*0.0%*	*0.0%*	*0.0%*
	JCOD	*$11.8*	*$0.0*	*$0.0*	*$0.0*	*0.0%*	*0.0%*	*0.0%*
	TPA	**$40.9**	**$1.3**	**$38.6**	**$39.9**	**3.3%**	**94.2%**	**97.5%**
	Total	**$100.0**	**$6.7**	**$38.6**	**$45.3**	**6.7%**	**38.6%**	**45.3%**
Year 1 & 2	ARPA	$88.7	$17.6	$57.5	$75.1	19.9%	64.8%	84.7%
	County	$160.5	$48.1	$4.3	$52.5	30.0%	2.7%	32.7%
	TPA	$77.9	$10.5	$65.9	$76.4	13.5%	84.6%	98.1%
	JCIT Unall.	$61.6	$0.3	$0.0	$0.3	0.4%	0.0%	0.4%
	Total	**$388.7**	**$76.6**	**$127.7**	**$204.3**	**19.7%**	**32.9%**	**52.6%**

CFCI Spending Process - TPA, County Department, and ARPA

Your Board approved the ARPA Tranche 1 Spending Plan on July 27, 2021, and the CFCI Year 1 Spending Plan on August 10, 2021. In summer 2021, the CEO Alternatives to Incarceration (ATI) office, which managed CFCI at the time, developed the two major processes to be used by the TPA and by County departments to manage and distribute CFCI funding. CFCI oversight transitioned to JCOD when the department was created in November 2022. At the same time, the CEO's Policy and Implementation Alignment Branch, working closely with the County's Anti-Racism, Diversity and Inclusion (ARDI) initiative, County Counsel, and others, developed a separate process to manage ARPA funding.

The County's spending processes reflect the County's efforts to balance the need for timely provision of critical resources to our communities and to develop the processes needed for compliance, administrative oversight, equity and population impact planning tools, program metrics and outputs and other items.

This work helped to ensure that funds support targeted, high-need communities, while reflecting appropriate due diligence. Summary details of the three processes are below:

CFCI and ARPA Spending Process – Highlights

	Process Item	County Dept	TPA	ARPA
A	Spending and Administration Process Begins:	Upon Board approval of CFCI spending plan.	Upon Board approval of CFCI spending plan.	Upon Board approval of ARPA spending plan.
B	Project Design Required?	Yes, CFCI-specific project design questionnaire process.	Yes, simplified project design process.	Yes, using ARPA project design and approval process
C	Approval Provided by?	JCOD	JCOD	CEO, County Counsel, ARDI
D	Project Plan / Scope:	Yes, required.	Yes, required.	Yes, required.
E	Target Outcomes:	Yes, required.	Yes, required.	Yes, required.
F	Equity Analysis:	Yes, required.	Yes, required.	Yes, required.
G	Solicitation to Identify TPA:	N/A.	Yes, required in Year One.	N/A.
H	New Accounting Structure:	Yes, needed.	Yes, needed.	No.

CFCI TPA, County Department and ARPA Spend-Down Process – Full Detail

County Department	Third-Party Administrator	American Rescue Plan Act
1. The Board of Supervisors approves the CFCI spending plan, which includes the CFCI funding allocations for the County department and the TPA, which is managed by JCOD. 2. JCOD and CEO contact the County department to inform them of the CFCI funding allocation details. JCOD also provides project design questionnaire to the County department. 3. CEO works with the Auditor-Controller to create new CFCI Level 2 budget units in eCAPS for each County department receiving CFCI funding. 4. County department completes the project design questionnaire and submits it to JCOD. Project design questionnaire: • *Project Overview* • *Customers & Stakeholders* • *Project Plan/Scope* • *Target Outcomes* • *Equity*	1. The Board of Supervisors approves the CFCI spending plan, which includes the CFCI funding allocations for the County department and the TPA, which is managed by JCOD. 2. JCOD provides list of CFCI programs that were included in the CFCI spending plan to the TPA. (**CFCI spending plans for Year 2 and Year 3 both required contract amendments to add the respective programs to the contract.)* 3. TPA meets with designated departmental subject matter experts for each focus area (solicitation category), to receive appropriate guidance before launching the solicitation for each category, including engaging with community stakeholders and identifying vendors already doing similar work that should be included in distribution of the solicitation.	1. Board approves ARPA spending plan, for Tranche 1 (July 27, 2021) or Tranche 2 (September 13, 2022). Tranche 1 included approx. $87.7m for projects included in the CFCI Year 1 spending plan but funded by federal ARPA revenue or ARPA-enabled funding. 2. Departments begin working with CEO ARDI to secure approval of project design, including equity and impact analysis, develop project indicators and metrics, identify target populations, and develop goals and objectives and an evaluation plan. 3. Departments work with their respective County Counsels to: - Secure approval for the project to proceed, that services meet ARPA eligibility criteria and that the solicitation plan, if applicable, is acceptable. - Complete Contractor vs. Subrecipient analysis to determine whether the contract is with a

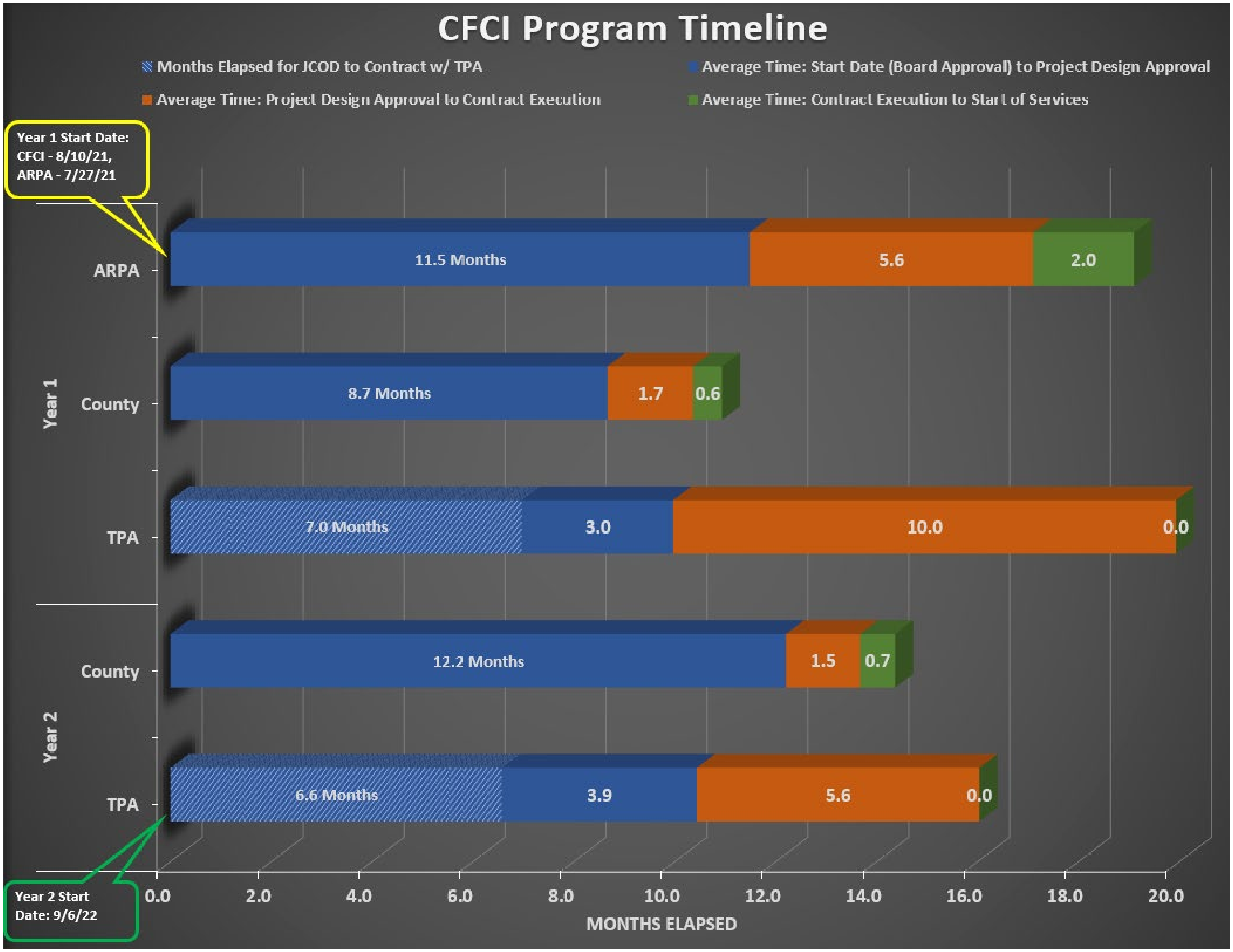
CFCI TPA, County Department and ARPA Spend-Down Process – Full Detail

County Department	Third-Party Administrator	American Rescue Plan Act
• *Project Team* 5. JCOD reviews the project design questionnaire and works with the County department to make revisions, as necessary. 6. JCOD approves Questionnaire and authorizes County department to begin providing services. 7. County department solicits, issues work order or uses an existing contract to identify project vendor(s). 8. Services launched by the County department and its vendor(s). 9. County department posts CFCI expenses directly into CFCI Level 2 budget unit. Department reports expenses for Budget Status Reports to JCOD, which has overall financial reporting responsibility for CFCI.	4. TPA drafts the solicitation documents and meets with JCOD to receive authorization to proceed. 5. TPA releases the solicitation, conducts substantial outreach, and provides technical assistance to the applicants. 6. TPA receives proposals and hires Community Reviewers for each of the solicitation categories. Community Reviewers rate the proposals. 7. JCOD and the TPA make tentative awards to selected vendors, negotiate with selected vendors, and conduct due diligence. 8. TPA signs contracts with selected vendors, sends declination letters to others, and vendors invoice the TPA for their first quarter of advance funding. Funding is disbursed to vendors immediately upon contract execution. 9. Vendors launch services.	contractor or subrecipient by utilizing a checklist provided by Auditor-Controller. Different spending deadlines and solicitations rules may apply to contractors versus subrecipients. 4. Departments work with the CEO Budget and Operations Management Division to secure approval to move forward and to obtain an Appropriation Adjustment. 5. Departments work with County ARPA Team to secure final approval to launch program. If project is funded by ARPA federal revenue and services are provided through a contracted services model: 6a. If the recipient of the ARPA funds is determined to be a subrecipient (pass through entity): Departments may be able to contract directly with a subrecipient, without conducting a solicitation. However, the subrecipient, as a pass-through entity, will then be required to conduct solicitations to provide the funds to any project vendors/contractors or recipients.

CFCI TPA, County Department and ARPA Spend-Down Process – Full Detail

County Department	Third-Party Administrator	American Rescue Plan Act
		6b. If the recipient is determined to be a contractor, the Department will be required to conduct a competitive solicitation, using the ARPA streamlined solicitation (if desired), to identify and contract with selected vendors/contractors. If project is funded by ARPA-enabled net county cost: 6c. Departments may be able to use existing contracts if within the scope of work that was solicited by the Department, a sole source agreement to the extent allowed under Board policies or would otherwise need to conduct a competitive solicitation to identify and contract with selected vendors/contractors. If project services are provided using existing County staff: 6d. Departments can begin deploying staff, as authorized in the approved project design and implementation plan, to begin administering programs.

Length of time from point of allocation (i.e., Board approval) until CFCI funding is programmed



The average total time elapsed, in months, from the date the spending plan for each project was approved by the Board to the date that services began, is shown in the chart above. ARPA projects were approved in the ARPA Tranche 1 spending plan on July 27, 2021, CFCI Year 1 projects were approved in the CFCI Year 1 spending plan on August 10, 2021, and CFCI Year 2 projects were approved in the CFCI Year Two spending plan on September 6, 2022.

- **Year 1 TPA programs** reflect an average timeline of 19.9 months, including 3.0 months for project design, 7.0 months to conduct two solicitations to identify the TPA (the first solicitation was canceled following unsuccessful negotiations, and a new solicitation was issued) and 10.0 months for the TPA to complete a seven-category solicitation to identify the 118 Year 1 TPA contracted agencies.
- Over these 19.9 months, the County established JCOD, onboarded the TPA, retained a consultant through an open and competitive solicitation to conduct intense community engagement. Simultaneously, JCOD and the TPA conducted subject matter expert interviews to refine the solicitation and inform targeted outreach efforts for Year 1 TPA grants. Following the solicitation, the TPA worked intensively to provide technical assistance to and procured insurance for bidders, when necessary. JCOD and the TPA also worked to develop metrics and outcome goals for each of the 118 contracted agencies.
- **ARPA programs** reflect an average timeline of 19.1 months, including 11.5 months to complete an ARPA-specific project design process, which was being developed concurrently with serial ARPA guidance issued by the federal government, and 5.6 months to complete solicitations, both of which were designed to meet federal ARPA and Board requirements on equitable implementation. ARPA, unlike Coronavirus Relief Funds, were designed as a bridge to ongoing recovery, hence the longer spending and implementation timeframe.
- **County programs** reflect a shorter timeline of 10.9 months in Year 1 because many projects used existing agreements or used CFCI funding for existing programs or program models.
- The timeline for **Year 2 programs** began when the Year 2 spending plan was adopted by your Board on September 6, 2022. Because County departments and the TPA were still soliciting for and implementing Year 1 programs at this time (the Year 1 TPA contracts were not executed until March 2023), Year 2 County managed programs had an average timeline of 14.4 months, with Year 2 TPA programs at 16.0 months, including 10.5 months to amend the TPA contract to include Year 2 funds and to develop the Year 2 RFP. Both steps were delayed due to the ongoing Year 1 solicitation and negotiations with the 118 contracted agencies.

Some projects launched prior to completing a program design or other steps in the CFCI implementation process. This is because some departments, particularly in Year 1, moved quickly to address the need for services, while concurrently working through the project design and other administrative processes. This means that the time required to complete project design can sometimes be longer than the total time elapsed between spending plan approval date and the start of services.

To improve and expedite the TPA process, JCOD and the TPA have lengthened the application window and are now requiring applicants to provide insurance information up front, to shorten the proposal review and negotiation process. Applicants must also submit proposed metrics and outcome goals during the application process, rather than during contract negotiation. This is projected to reduce the period from solicitation to contract execution and disbursement of funding by five months.

Number of CBOs applying to the TPA solicitation, how many funded, denial rate

The Year 1 TPA solicitation, released on June 7, 2022, included $18.5 million in annual funding, for 36 months. After offsetting 15% for administration, annual program funding totaled $15.725 million. 649 applications were received and 118 were funded, which reflects a denial rate of 82% and an acceptance rate of 18%. Details by Supervisorial District are below.

Year One TPA - Requests v. Awards				
	Requested	Awarded	Requested	Awarded
SD1	$24.7	$3.2	20.0%	21.0%
SD2	$44.4	$6.0	37.0%	38.0%
SD3	$19.0	$2.3	16.0%	14.0%
SD4	$12.1	$1.9	10.0%	12.0%
SD5	$21.2	$2.3	17.0%	15.0%
Grand Total:	**$121.3**	**$15.7**	**100.0%**	**100.0%**

Analysis on the JCOD Incubation Academy, including the process for capacity building, program requirements, and geographic data

The JCOD Incubation Academy was launched by the CEO-ATI office in September 2021, using $4.5 million in funding from the Obligated Fund Balance Committed for ATI account. Program funding also includes $4.2 million in CFCI Year 1 funds ($1.4 million per year for 36 months) and $5.0 million from the Probation Department.

In addition to the Incubation Academy, CFCI-funded nonprofits can also obtain compliance training and technical assistance training from the “Audit-Proofing Community-Based Organizations” program, funded at $250,000 per year for three years, that your Board approved in the Year 3 spending plan.

JCOD Incubation Academy Goals:

- Engage and enroll Los Angeles County grassroots nonprofit organizations, especially those with Black Indigenous People of Color (BIPOC), LGBTQIA+, or justice-involved leadership that have historically been performing wraparound reentry services but have faced challenges obtaining government contracts and funding.
- Build the capacity of these organizations through training, technical assistance, and peer advising so they become more competitive in obtaining government contracts and funding.
- Equip organizations with current best practices in nonprofit management and accessing public funds.
- Create a community of providers that grow their shared capacity and impact through collaboration, peer learning, and coalition-building.

Program Design:

The JCOD Incubation Academy is a capacity-building program consisting of 15 weeks of virtual training sessions and a year of staffing, consultant, and financial support to train and provide technical assistance to new and existing CBOs, especially those that serve underrepresented communities and people who are justice-involved.

- **Core Curriculum** (13 modules, 15 weeks)
  - Theme 1: Fundraising and Communications
  - Theme 2: Nonprofit Management
  - Theme 3: The Reentry Landscape
  - Theme 4: Los Angeles County Contracts
- **Peer Advising**
  - The Incubation Academy matches each CBO to service providers in the reentry space for peer advising in a small group setting with fellow cohort members, as well as individual peer advising sessions.
- **Areas of Focus**
  - Administration and Financial Management
  - Budget Development
  - Data Gathering, Management and Data Storytelling
  - Employment and Human Resources
  - Fundraising and Resource Development
  - Grant Writing
  - Messaging, Marketing and Communication
  - Program Design and Development

- **Capacity Mapping**
  - A JCOD Incubation Academy consultant works with each CBO to complete a capacity-mapping plan for short-term and long-term strategies in financial management.

Program Requirements:

Organizational

- 501c3, nonprofit, and/or faith-based organization
- Grassroots and small CBO (<10 Full-time Equivalent (FTE), increased to <25 FTE in Cohort 4)
- Preference for organizations that have diverse leadership (BIPOC, LGBTQIA+, formerly incarcerated)

Priorities

- Highest-need areas using the Justice Equity Needs Index (JENI)
- Wide selection of services
- Geographic diversity
- Housing-focused

Scoring Matrix

- Serve Adults
- Provide most needed justice-related services
- Serving JENI Areas
- Housing-focused

CBO Demographics:

District	CBOs Applied	% of Total Applicants	CBOs Graduating	%
SD1	30	12.2%	11	12.6%
SD2	120	49.0%	46	52.9%
SD3	21	8.6%	6	6.9%
SD4	30	12.2%	9	10.3%
SD5	44	18.0%	15	17.2%
Grand Total:	**245**	**100.0%**	**87**	**100.0%**

* *Excludes 26 applicants who did not provide zip code information or provided zip codes outside of Los Angeles County, none of whom were accepted into the program.*

JENI Category – CBOs Graduating

Need Tier	Count	%
Highest	58	66.7%
High	11	12.6%
Moderate	9	10.3%
Low	7	8.0%
Lowest	2	2.3%
Grand Total:	**87**	**100.0%**

Full-Time Employees - CBOs Graduating

Category	Count	%
Ten or fewer	73	83.9%
More than ten	14	16.1%
Grand Total:	**87**	**100.0%**

Executive Director/CEO - CBOs Graduating

Race/Ethnicity	Count	%	
Black or African American	50	57.5%	
Hispanic/Latino	14	16.1%	
No data collected	9	10.3%	
White	7	8.0%	
Multi-Racial	3	3.4%	
Asian	1	1.1%	
Unknown	1	1.1%	
Other	1	1.1%	
Decline to answer	1	1.1%	
Grand Total:	**87**	**100.0%**	

Update on the November 3, 2015, Board Motion and working group with the Weingart Foundation on establishing countywide indirect cost rates for County contractors

On November 3, 2015, a motion by Supervisors Solis and Kuehl directed the Chief Executive Officer, Interim Director of the Internal Services Department and the Auditor-Controller (A-C) to report back to the Board within 120 days with recommendations on implementation of the US Office of Management Budget Uniform Guidance related to paying the reasonable indirect costs of nonprofit providers with federal funds in Los Angeles County, in consultation with County nonprofit and philanthropic leaders (including the Weingart Foundation).

On March 3, 2016, the CEO submitted the requested report. The A-C hosted multiple focus groups, conducted a survey of County vendors, hired a CPA firm to assist in the process and the working group conducted an exercise on negotiating indirect cost rates with a sample of CBOs. It is our understanding that although the tools and resources were made available by the County to the vendor community, including an indirect cost rate resource guide developed by the A-C, neither departments nor vendors implemented it on a countywide or uniform basis due to the work required to negotiate a single federally-approved indirect cost rate to be used on all federally-funded County contracts. This process would require substantial department and agency staff time to conduct an updated agency cost allocation to determine an agency's indirect costs, submit the indirect cost proposal to the appropriate federal agency and negotiate the final rate. Of the 49 respondents to the 2016 survey, 61 percent had contracts with maximum indirect rates of ten percent, which is equal to the de minimis rate contractors can already claim without any additional effort, which could make obtaining a uniform federally-approved rate superfluous. If a vendor's federally-approved rate is greater than the rate allowed by State or federal agency that is funding a particular contract, as well, the lower rate will apply.

Update on SB 519 (Atkins) related to in-custody deaths

SB 519 (Atkins), which was approved by the Governor on October 4, 2023, will create a position of Director of In-Custody Death Review (Director) within the Board of State and Community Corrections (BSCC) appointed by the Governor and confirmed by the Senate for a six-year term. This bill will expand the mission of the BSCC to include the promotion of legal and safe conditions for youth, inmates, and staff in local detention facilities. SB 519 defines a local detention facility as any city, county, city and county, or regional jail, camp, court holding facility, private detention facility, or other facility in which individuals are incarcerated.

Commencing July 1, 2024, the Director will: review investigations of any death incident where a person has died in the custody or supervision of the local detention facility, and may upon determination, conduct further review of a death incident. Upon further review of a death incident, the Director shall make recommendations to the sheriff or administrator of a local detention facility regarding the incident, including changes to policies and procedures, facility upgrades, staffing considerations, the delivery of medical and behavioral health services, and operational and capital funding requirements to address the Director's recommendations.

The bill will require the sheriff or administrator to, within 90 days, identify recommendations that will be implemented as well as a timeline for implementation and the anticipated cost. The sheriff or administrator will be required to identify the recommendations that cannot be implemented along with an explanation. Under this bill, the BSCC may call upon the sheriff or administrator to respond to the BSCC at regularly scheduled meetings to discuss the recommendations. SB 519 will also make the recommendations and responses related to an investigation available to the public and require the public reports to be posted on BSCC's website.

The Director and the sheriff or administrator may, in their discretion, redact disclosures or otherwise protect the names of individuals, specific locations, or other facts that, if not redacted, might hinder litigation related to the review, compromise the safety and security of staff, inmates, or members of the public, or where disclosure of the information is otherwise prohibited by law. Additionally, under this bill, any record relating to an investigation of a death incident maintained by a local detention facility shall not be confidential and shall be made available for public inspection pursuant to the California Public Records Act.

Finally, BSCC will be required to employ a sufficient number of licensed medical professionals and licensed behavioral health professionals to participate in the reviews and assist with establishing and implementing health and behavioral health standards for local detention facilities. The previous version of this bill would have: created an independent Office of the Local Detention Monitor (Monitor), responsible for oversight of conditions in local detention facilities. Authorized the Monitor to initiate an audit or review of policies, practices, and procedures at the request of the Governor, the Senate Committee on Rules, the Speaker of the Assembly, or a Board of Supervisors.

Update on JCOD and CFCI staffing and hiring

As administrator for CFCI, JCOD receives 1% of all CFCI funding for program oversight, operations, administrative support and Advisory Committee operations, plus indirect overhead revenue on funds that flow to the TPA and on CFCI programs that JCOD administers.

In FY 22-23, JCOD had 3.0 positions for CFCI programs and operations, and your Board approved 3.0 additional positions (for 6.0 total) in FY 23-24 Final Changes Budget. CFCI receives significant support from JCOD's Office of Administrative Services (OAS), which increased from 7.0 positions in FY 22-23 to 41.0 in the FY 23-24 Supplemental Changes Budget. Of these 41.0 positions, 11.0 are in Budget & Fiscal (2.0 positions in FY 22-23) and 8.0 are in Contracts & Grants (2.0 positions in FY 22-23), all of which specifically support JCOD needs, including CFCI.