July 21, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

RESPONSE TO CHIEF EXECUTIVE OFFICER’S JULY 6, 2022
PUBLIC SAFETY REALIGNMENT: FISCAL YEAR 2021-22
THIRD QUARTER REPORT ON BUDGET

In pursuance of improved public transparency and government accountability, adherence to similar past calls for action, and to more accurately inform the public, the Los Angeles County Sheriff’s Department (Department) respectfully urges the County of Los Angeles (County) to begin reporting on the entirety of the County’s investment and use of Public Safety Realignment (PSR) funds. Rather than continue to report on the investment and use of PSR funds in only three of the County’s PSR subaccounts, the Chief Executive Officer’s (CEO) quarterly PSR report should begin reporting on each of the County’s 11 PSR subaccounts. As previously highlighted by the California State Auditor (State Auditor), the County’s 11 PSR subaccounts are as follows:

- Behavioral Health
- Community Corrections
- Community Corrections Performance Incentive
- District Attorney and Public Defender
- Enhancing Law Enforcement Activities
- Juvenile Justice
- Local Innovation
- Mental Health
- Protective Services
- Recidivism Reduction
- Trial Court Security
By reimagining the extent of the CEO's quarterly PSR reporting County residents and all interested stakeholders, including public safety advocates, will be thoroughly informed of the full extent of the County's investment and use of PSR funds. Additionally, the enhanced/improved quarterly reporting will more accurately demonstrate the Department's true overall share of the total amount of PSR funding allocated to the County, which will then be understood by all as not equating to a majority of the County's PSR funds, as your Board's narrative purports.

As a matter of historical background, on October 8, 2013, your Board directed the CEO to initiate quarterly budget reports for the PSR Act (Assembly Bill [AB] 109). The October 8, 2013, motion specifically noted, "There is insufficient accountability for, and transparency with the AB 109 budget and programming process." The motion's preamble went on to say, "As the County of Los Angeles (County) continues to implement the provisions of AB 109, it is important that the Board of Supervisors (Board) consider the efficacy of the programs and services that are delivered by the various County departments and community-based organizations. This consideration requires ongoing evaluation of the programs to determine how outcomes compare to the achievement of stated objectives. Ongoing evaluation of programs and outcomes will allow the Board to make more informed appropriation decisions and allocate funds based on the demonstrated efficacy of programs."

As your Board may further recall in March 2021, the State Auditor released their audit report entitled, Public Safety Realignment: Weak State and County Oversight Does Not Ensure That Funds Are Spent Effectively Report 2020-102 (ca.gov). As directed by the Joint Legislative Audit Committee (JLAC), the State Auditor reviewed the activities of Alameda, Fresno, and Los Angeles counties, as well as the Board of State and Community Corrections. The JLAC's directive was in response to an audit request from California State Assemblymember Sydney Kamlager. At the time of Assemblymember Kamlager's audit request, Supervisor Hilda Solis sent a letter of support for the audit. In Supervisor Solis' February 26, 2020, letter of support, she incorrectly noted that in Fiscal Year (FY) 2018-19, the County received nearly $450 million (in Realignment funding), of which nearly 50 percent went to the Department. Supervisor Solis' letter went on to say, "we look forward to any findings that will continue to improve accountability and transparency of our Sheriff's Department. We also look forward to recommendations for best practices to improve the County's so-called "return on investment" when it comes to different available approaches to improving public safety and the health of our communities."

Unfortunately, as a result of the CEO's quarterly PSR report currently only partially disclosing the County's investment and use of PSR funding, your Board, elected leadership throughout the State, and the general public, have for years now all been led to believe that the Department receives a majority of the County's PSR funding. The
fact of the matter is that while the Department receives a majority of the PSR funding deposited to the County's Community Corrections Subaccount (the primary purpose of which is to house inmates, as noted by the State Auditor in their March 2021 audit report), the Department does not receive a majority of the County's total PSR funding.

When considering the cumulative totality of the PSR funding deposited to each of the County's 11 PSR subaccounts, it must be understood that the Department's share of the County's total PSR funding is significantly lower than Supervisor Solis' previously cited approximate 50 percent or the 45 percent, which was cited by the CEO during her October 5, 2021, presentation of the FY 2021-22 Supplemental Changes Budget.

To this point and contrary to the above-noted inaccurate citations regarding the Department's share of the County's PSR funding, per the State Auditor the County received a total of approximately $2.5 billion in PSR funding in FY 2019-20, $413.0 million of which was allocated to the County's Community Corrections Subaccount. When considering these figures, your Board can more clearly see that while the Department's share of allocated funds ($236.9 million) from the County's Community Corrections Subaccount ($530.7 million), as memorialized in the CEO's September 11, 2020, report to your Board (Attachment I), amounted to approximately 45 percent, the Department's $236.9 million equated to just nine (9) percent of the approximate $2.5 billion in total PSR funding that was allocated to the County in FY 2019-20. Even when considering the amount of Trial Court Security funds budgeted to the Department in FY 2019-20 ($160.1 million), the Department's share of the County's $2.5 billion in PSR funding in FY 2019-20 only represented 16 percent of the County's total PSR funding (nowhere near 45 or 50 percent).

As mentioned above, the amount of PSR funding deposited to the County's Community Corrections Subaccount in FY 2019-20 ($413 million) represented only 17 percent of the County's total PSR funding in FY 2019-20. Aside from this objective and independent assessment of the extent of the County's total PSR funding that's earmarked specifically for corrections/housing of inmates, below are a few more highlights that were noted by the State Auditor in their March 2021 audit report:

- Non-law enforcement departments in Alameda and Los Angeles County spent nearly 70 percent of the total PSR funds the counties received in FY 2019-20;

- None of the three counties' Partnership Committees oversee and make budget recommendations for all PSR funds;
• Each of the three counties reviewed has been the subject of lawsuits regarding improper inmate care, inadequate jail facilities, or insufficient staffing. As a result, it may be more prudent for counties to use their Community Corrections account to improve jail facilities and provide sufficient staffing to supervise inmates and probationers, which is the account’s primary purpose;

• Alameda and Los Angeles County reported only a fraction of the PSR funds they received in FY 2019-20. As a result, transparency about PSR funding is limited because the counties are not comprehensively reporting how they allocate or spend the majority of their PSR funds;

• The three counties we reviewed each have surpluses beyond a reasonable reserve amount in many of their PSR accounts;

• An accumulation of surpluses beyond a reasonable reserve amount demonstrates that the counties could more effectively use their funds to improve public safety;

• Los Angeles County has consistently exceeded its jail capacity. The State provides a portion of the funding in the Enhancing Law Enforcement Activities account for jail construction and operation. Los Angeles County could use these funds toward building a new facility to expand its jail capacity, which would help address its ongoing capacity issue; and

• To ensure that the counties report accurate and consistent information to the Corrections Board, beginning with their next annual reports, Alameda, Fresno, and Los Angeles should consistently report all law enforcement and non-law enforcement expenditures funded through the accounts that constitute PSR.

Considering past, present, and potential future litigation regarding the Department’s Custody operations, including capacity levels/issues and facility limitations and consistent with what the State Auditor indicated in their March 2021 audit report, the Department urges your Board to call for the CEO’s adherence to this request for more comprehensive quarterly reporting on the investment and use of the County’s total amount of PSR funding. Not only will the enhanced reporting be consistent with and in adherence to what your Board originally requested via the October 8, 2013, motion and allow your Board to make more informed appropriation decisions and allocate funds based on the demonstrated efficacy of the programs, but it will also be consistent with the State Auditor’s recommendation to more thoroughly report on the totality of the County’s PSR funds and improve transparency. To this point, your Board, members of the public, and interested public safety advocates will have a more informed and accurate understanding of the Department’s share of the County’s total PSR funding.
Should you have any questions, please contact Undersheriff Timothy K. Murakami at

Sincerely,

ALEX VILLANUEVA
SHERIFF
AV:TKM:CM:cm:rfm/my
(Administrative Services Division)

Attachments

c:  Board of Supervisors, Justice Deputies
    Celia Zavala, Executive Officer, Board of Supervisors
    Fesia Davenport, Chief Executive Officer
    Timothy K. Murakami, Undersheriff
    Bruce D. Chase, Assistant Sheriff
    Brendan J. Corbett, Assistant Sheriff
    Holly A. Francisco, Assistant Sheriff
    Georgina Glaviano, Constitutional Policing Advisor
    Conrad Meredith, Division Director, Administrative Services Division (ASD)
    Glen C. Joe, Assistant Division Director, ASD
    Richard F. Martinez, Assistant Division Director, ASD
(Outgoing Letters – Response to CEO 070622 Ltr FY 21-22 3rd Qtr Budget Report)