



June 9, 2021

Mr. Joe Nicchitta
Chief Operating Officer
County of Los Angeles, Chief Executive Office
500 West Temple Street
County CEO Office, Room 358
Los Angeles CA 90012

Dear Joe,

We were pleased to see the Measure J *Re-Imagine LA* Advisory Committee finalize its FY 2021-2022 spending plan during its committee meeting last week. It is another step in a long road toward equity that many nonprofits, philanthropic organizations and community members look to move ahead in partnership with the County of Los Angeles.

As we mentioned in our May 19 letter to Board of Supervisors Chair Solis and County CEO Fesia Davenport, the coalition of community-based and philanthropic organizations we represent has come together to help ensure that Measure J funding can efficiently and equitably be distributed to those organizations led-by and serving our most marginalized community members. That letter, also attached, lays out a series of recommendations that largely amplify the priorities laid out by other groups similarly working towards streamlining County contracting to support a wider range of nonprofit organizations.

We believe third-party intermediary organizations are the most effective way to mitigate many of the burdens nonprofit organizations face, from onerous liability insurance requirements to inability to launch programs without startup funding. We understand that the recommendations laid out are, in some cases, a departure from traditional County contracting practices. This is why **we are requesting the opportunity to work closely with you and the staff of the County CEO office to co-create the implementation plan and operational structure for a Measure J intermediary function for the 2021-2022 fiscal year.**

We have been encouraged by the creativity and flexibility that the County has demonstrated over the course of the COVID-19 pandemic. The County, in partnership with nonprofit organizations, local businesses, faith-based groups and so many others quickly put programs and resources into action with a speed that would have been unimaginable before. We hope these lessons centered on meeting community needs with quick action, flexibility and adaptability can be further applied as the lofty goals of Measure J are put to implementation.

The organizations we represent have extensive experience working with many different departments within the County and have helped connect hundreds of nonprofit organizations with County funding who otherwise may not have had the resources to navigate complex funding parameters. We believe an intermediary process



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that is co-created by the County CEO office, organizations that have previously served an intermediary role, nonprofit organizations that have historically been excluded from County contracts, and community members most impacted by the services provided by those nonprofits can together design a process that is efficient, impactful, and equitable. We are eager to work with you on creating a focused delegation of County staff, philanthropic partners, nonprofit practitioners, and community members to begin putting a plan like this into action. We look forward to a meeting with you as soon as schedules permit.

Sincerely,

Fred Ali, Committee for Greater LA, in coalition with:

Manal J. Aboelata, Prevention Institute
Ivette Alé, Dignity and Power Now
Regina Birdsell, Center for Nonprofit Management
Russia Chavis, Community Health Councils
Efrain Escobedo, California Community Foundation
Wilma Franco, SELA Collaborative
Karen Freeman, Southern California Grantmakers
Shane Goldsmith, Liberty Hill Foundation
Eunisses Hernandez, La Defensa
Phyllis Owens, Community Partners
Lupe Solorio, Community Partners
Michael Russo, Advancement Project California
Bamby Salcedo, The Translatin@ Coalition
Miguel Santana, Weingart Foundation
Martine Singer, Children's Institute
Derek Steele, Social Justice Learning Institute
Benjamin Torres, CDTech
Diana Zúñiga, Reimagine LA Coalition Member



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May 18, 2021

The Honorable Hilda L. Solis
Chair, Los Angeles County Board of Supervisors
500 W Temple Street
Board Executive Office, Room 383
Los Angeles CA 90012

Ms. Fesia Davenport
Chief Executive Officer
County of Los Angeles
500 West Temple Street
County CEO Office, Room 358
Los Angeles CA 90012

Dear Board of Supervisors Chair Solis and Ms. Davenport:

We are a cross-sectoral group of community-based organizations and philanthropic institutions from across the County of Los Angeles committed to realizing the equity goals laid out in the Measure J initiative. Our coalition has formed quickly over the last few weeks, pulled together under the auspices of the Committee for Greater LA with community members and CBO representatives. We join this effort from existing working groups and collaboratives: The Reimagine LA Coalition, The Los Angeles County Economic Resiliency Task Force Work Group on Foundation and Nonprofits, and the Ready to Rise philanthropic and nonprofit partners. **We are united by our commitment to see an equitable administration of Measure J funds that is led by a diverse group of third-party contract intermediaries to help ensure that these locally controlled funds are administered efficiently, equitably, and in a way that improves on outdated county contracting practices, and that reduces the burden on nonprofit organizations tasked with doing day-to-day community-centered work the voters supported.**

We have been encouraged by the creativity and flexibility that the County has demonstrated over the course of the COVID-19 pandemic. The County, in partnership with nonprofit organizations, local businesses, faith-based groups and so many others quickly put programs and resources into action with a speed that would have been unimaginable before. We hope these lessons centered on meeting community needs with quick action, flexibility and adaptability can be further applied as the lofty goals of Measure J are put to implementation.

We urge the County to accept the recommendations that have been made by numerous groups to utilize third-party intermediaries to contract Measure J funding to the maximum extent possible. It is our hope



that this process will allow a unique opportunity to pilot many of the contracting and reimbursement reforms that have been recommended by others and lead to an equitable distribution of funding across the county to community-based organizations, helping to ensure that communities and individuals most commonly shut out of these types of programs are able to access essential services as part of our economic recovery in the aftermath of the pandemic.

Drawing heavily upon previous recommendations issued by the groups mentioned above, we want to amplify a specific set of critical priorities that are essential to a Measure J implementation program that is actually able to reach the communities and individuals Los Angeles County voters intended it to serve. These priorities have all been highlighted by at least one of the previously issued recommendations, and in some cases by all three:

Grant Model of funding: We encourage the County to move away from the cost-reimbursement model towards a grant model of funding for nonprofit organizations where all costs including overhead and administrative costs, be fully funded. In the interim, startup funding and payments at regular intervals should be made available for each nonprofit contract at a predetermined minimum rate.

Capacity-Building support: We encourage the County to prioritize funding that maintains and builds nonprofit capacity including:

- Provisions for negotiated direct and indirect admin cost recovery;
- Multi-year funding that allows for consistent budgeting and organizational planning
- Full-cost funding for all contracted services and administrative requirements, including expenses associated with evaluation and reporting.

Simplified Contracting: We recommend the County quickly implement a streamlined application process and contract management that is right-sized to contract amount, in partnership with third-party administrators, that includes the following:

- Automated budget modifications.
- A simplified process for bringing on subcontractors
- Limiting the use of background checks to only specific personnel in specific situations to help ensure equitable hiring practices among contracted organizations.
- Technology enhancements that streamline contracting processes and applications.

Specific technology enhancements include:

- Including “Save and finish” functionality for electronic submissions
- Standardized and simplified billing and budgeting including automated budget modifications online



- Ability to monitor/measure progress of pending contract amendments online
- Centralized document repository for organization documentation
- Development of one-stop shops: for new grant-opportunities, resources tailored for Trans-led and serving orgs, and for BIPOC-led and serving organizations.

Right-sized Insurance Requirements: For small, grassroots organizations, multi-million dollar liability insurance requirements can create an insurmountable barrier to entry before even beginning to engage with programs like Measure J. We encourage the County to adopt minimum liability insurance requirements that are right-sized to the size of the contract, the needs of the organization and the scope of the work being carried out.

Nonprofit Table and Intermediary Collaborative: We recommend the County create a participatory, inclusive process specifically for implementation of Measure J funds by facilitating direct nonprofit participation with the County CEO office in ongoing contracting reform efforts implemented through Measure J. Additionally, we encourage the County to support and maintain an Intermediary Collaborative group that works to establish baseline expectations and updated practices for equitable County contracting of Measure J funds. Most critically, we encourage the County to ensure that individuals most impacted by our systems of policing and mass incarceration are included and their voices amplified in both of these participatory bodies.

Equity Policy: We recommend the County adopt a written policy that requires equitable distribution for both County and Third-party administrators, including provisions for annual auditing of the program by an independent entity. This policy would be aligned with the motion that the Board of Supervisors unanimously passed on April 20, 2021 to direct County investments to expanding equity and economic recovery.

We understand that the priorities laid out above are ambitious and they will require an involved, participatory implementation process, but the generations of disinvestment that have wrought so much harm to our communities cannot be undone by conducting business as usual. **We are committed to collaborating with County leadership to co-design a path forward that is maximally inclusive of nonprofit organizations, community members, and the voices of those most impacted by our unjust systems of policing and mass incarceration.** We laud your commitment to transformative systems change. Our coalition stands ready to work collaboratively to make the bold vision of Measure J a reality in Los Angeles County.



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Fred Ali, Committee for Greater LA, in coalition with:

Ivette Alé, Dignity and Power Now
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Diana Colin, California Community Foundation
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Karen Freeman, Southern California Grantmakers
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