



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

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ASSISTANT AUDITOR-CONTROLLERS

**MAJIDA ADNAN  
RACHELLE ANEMA  
ROBERT G. CAMPBELL**

December 27, 2024

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

FROM: Oscar Valdez  
Auditor-Controller

SUBJECT: **AUDIT OF THE HOMELESS AND HOUSING MEASURE H SPECIAL REVENUE  
FUND FOR THE YEAR ENDED JUNE 30, 2024**

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, 2024. We contracted with an independent Certified Public Accountant 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 and indicated that of the two prior-year findings, one was resolved and the other is still pending corrective action. Additional details regarding the prior-year findings are in the attached report.

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) is also attached.

If you have any questions please call me, or your staff may contact Jeffrey Ho at [jeho@auditor.lacounty.gov](mailto:jeho@auditor.lacounty.gov).

OV:CY:RGC:JH:la

Attachments

c: Fesia A. Davenport, Chief Executive Officer  
Edward Yen, Executive Officer, Board of Supervisors  
Audit Committee  
Countywide Communications



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December 16, 2024

Ms. Fesia A. Davenport  
Chief Executive Officer  
County of Los Angeles  
Los Angeles, California

We have audited the 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, 2024, and have issued our report thereon dated December 16, 2024. Professional standards require that we advise you of the following matters relating to our audit:

**Our Responsibility in Relation to the Schedule of Measure H Revenues and Expenditures and Changes in Fund Balance Audit Under Generally Accepted Auditing Standards and *Government Auditing Standards***

Our responsibility, as described by professional standards, is to form and express an opinion about whether the Schedule that has been prepared by management is presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the Schedule does not relieve you or the management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the Schedule is free of material misstatement. An audit of the Schedule includes consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal controls over financial reporting. Accordingly, as part of our audit, we considered the internal controls of the County solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to management.

**Compliance with All Ethics Requirements Regarding Independence**

The engagement team and our firm have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant policies adopted by the County is included in Note 2 to the Schedule. There have been no changes in significant accounting policies or their applications during the fiscal year ended June 30, 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions, and; (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the Schedule prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the Schedule and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such significant accounting estimates were identified.

### *Disclosures to the Schedule*

Certain disclosures involve significant judgment and are particularly sensitive because of their significance to users of the Schedule. There were no disclosures that we consider to be particularly sensitive or involve significant judgment.

## **Significant Difficulties Encountered During the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the Schedule as a whole and each applicable opinion unit.

In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the County's Schedule taken as a whole.

There were no uncorrected misstatements identified as a result of our audit procedures.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing

matter, which could be significant to the County's Schedule or the auditor's report. No such disagreements arose during the course of the audit.

**Circumstances that Affect the Form and Content of the Auditor's Report**

For the purpose of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. Our Auditor's report contains an Emphasis of Matter regards to the Schedule of the Measure H Special Revenue Fund is intended to present the revenues and expenditures attributable to the Measure H Fund, They do not purport to, and do not, present fairly the financial position of the County of Los Angeles as of June 30, 2024, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Representations Requested from Management**

We have requested certain representations from management, which are included in the management representation letter dated December 16, 2024.

**Management Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

**Other Significant Findings or Issues**

In the normal course of our professional association with the County, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the County's auditors.

This information is intended solely for the use of the management of the County and the County Board of Supervisors, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*BCA Watson Rice, LLP*  
Torrance, CA

# Attachment I

# COUNTY OF LOS ANGELES

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Independent Auditor's Report  
On Schedule of Revenues and Expenditures and  
Changes in Fund Balance  
For  
Homeless and Housing Measure H  
Special Revenue Fund

For the Fiscal Year Ended June 30, 2024



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**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
For the Fiscal Year Ended June 30, 2024

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## **Independent Auditor's Report**

Ms. Fesia A. Davenport  
Chief Executive Officer  
County of Los Angeles  
Los Angeles, California

### **Report on the Audit of the Schedule of Revenues, Expenditures, and Changes in Fund Balance**

#### ***Opinion***

We have audited the accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balance (the Schedule) of the County of Los Angeles (the County) Homeless and Housing Measure H Special Revenue Fund (Measure H) for the fiscal year ended June 30, 2024, and the related notes to the Schedule, which collectively comprise County's Schedule as listed in the table of contents.

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, 2024, in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the County and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Emphasis of Matter***

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 Measure H Fund. They do not purport to, and do not, present fairly the financial position of the County, as of June 30, 2024, 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. Our report is not modified with respect to this matter.



### ***Responsibility of Management for the Schedule***

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 and for 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 Responsibilities for the Audit of the Schedule***

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic Schedule. Such information is the responsibility of management and, although not a part of the basic Schedule, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic 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 basic Schedule, and other knowledge we obtained during our audit of the basic 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2024, 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, grant agreements, and other matters. The purpose of that report is solely 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 effectiveness of the County's 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.

Handwritten signature in black ink that reads "BCA Watson Rice, LLP". The signature is written in a cursive, flowing style.

Torrance, CA  
December 16, 2024

**County of Los Angeles**  
**Homeless and Housing Measure H Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Fiscal Year Ended June 30, 2024**

**Revenues:**

Voter Approved Special Taxes	\$	538,241,566
Interest Earnings		21,577,237
Miscellaneous Revenue		32,882
<b>Total Revenues</b>		<b>559,851,685</b>

**Expenditures**

**Strategies**

**A: Prevent Homelessness**

	<i>Strategy/Pillar by Department/ Agency:</i>	<i>Total by Strategy/Pillar</i>	<i>Total by Objective</i>
A1: Homeless Prevention Program for Families			
Los Angeles Homeless Services Authority	\$ 979,099		
Total A1: Homeless Prevention Program for Families		\$ 979,099	
A5: Homeless Prevention Program for Individuals			
Los Angeles Homeless Services Authority	945,000		
Chief Executive Office - payable	5,473		
Chief Executive Office - paid with FY 2022 encumbrance	72,686		
Chief Executive Office - paid with FY 2023 encumbrance	102,828		
Chief Executive Office	29,989		
Total A5: Homeless Prevention Program for Individuals		1,155,976	
<b>Total A: Prevent Homelessness</b>			\$ 2,135,075

**B: Subsidize Housing**

B3: Partner with Cities to Expand Rapid Re-Housing			
Chief Executive Office - paid with FY 2022 encumbrance	140,321		
Chief Executive Office - paid with FY 2023 encumbrance	195,941		
Chief Executive Office	174,919		
Los Angeles Homeless Services Authority	4,834,082		
Total B3: Partner with Cities to Expand Rapid Re-Housing		5,345,263	
B4: Facilitate Utilization of Federal Housing Subsidies			
Los Angeles County Development Authority	172,074		
Total B4: Facilitate Utilization of Federal Housing Subsidies		172,074	
B7: Interim/ Bridge Housing for Those Exiting Institutions			
Los Angeles Homeless Services Authority	492,000		
Total B7: Interim/ Bridge Housing for Those Exiting Institutions		492,000	
<b>Total B: Subsidize Housing</b>			6,009,337

Notes to the Schedule of Revenues, 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, Expenditures, and Changes in Fund Balance (Continued)**  
**For the Fiscal Year Ended June 30, 2024**

<b>Expenditures</b>	<i>Strategy/Pillar by Department/ Agency:</i>	<i>Total by Strategy/Pillar</i>	<i>Total by Objective</i>
<b>C: Increase Income</b>			
C4: Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness			
Department of Public Social Services	293,036		
Total C4: Establish a Countywide SSI Advocacy Program	293,036	\$ 293,036	
C7: Subsidized Employment for Homeless Adults			
Department of Workforce Development, Aging, and Community Services - paid with FY 2023 encumbrance	671,157		
Total C7: Subsidized Employment for Homeless Adults	671,157	671,157	
<b>Total C: Increase Income</b>			\$ 964,193
<b>E: Create a Coordinated System</b>			
E6: Countywide Outreach System			
Department of Fire	104,803		
Los Angeles Homeless Services Authority	487,126		
Chief Executive Office - paid with FY 2023 encumbrance	696,540		
Total E6: Countywide Outreach System	1,288,469	1,288,469	
E7: Strengthen the Coordinated Entry System			
Los Angeles Homeless Services Authority	1,516,000		
Chief Executive Office - payable	(35,493)		
Chief Executive Office - paid with FY 2022 encumbrance	329,741		
Chief Executive Office - paid with FY 2023 encumbrance	3,368,194		
Chief Executive Office	3,431,678		
Total E7: Strengthen the Coordinated Entry System	8,610,120	8,610,120	
E8: Enhance the Emergency Shelter System			
Department of Health Services	3,238,814		
Los Angeles Homeless Services Authority	6,569,775		
Chief Executive Office - paid with FY 2022 encumbrance	511,892		
Chief Executive Office - paid with FY 2023 encumbrance	548,953		
Chief Executive Office	221,984		
Total E8: Enhance the Emergency Shelter System	11,091,418	\$ 11,091,418	
E14: Enhanced Services for Transition Age Youth			
Los Angeles Homeless Services Authority	1,663,650		
Total E14: Enhanced Services for Transition Age Youth	1,663,650	1,663,650	
<b>Total E: Create a Coordinated System</b>			\$ 22,653,657

Notes to the Schedule of Revenues, 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, Expenditures, and Changes in Fund Balance (Continued)  
For the Fiscal Year Ended June 30, 2024

	<i>Strategy/Pillar by Department/ Agency:</i>	<i>Total by Strategy/Pillar</i>	<i>Total by Objective</i>
<b>Expenditures</b>			
<b>Pillars</b>			
<b>Coordinate:</b>			
Coordinated Entry System			
Los Angeles Homeless Services Authority	12,200,667		
<b>Total Coordinate</b>		12,200,667	12,200,667
 <b>Homeless Prevention:</b>			
Targeted Prevention			
Department of Children and Family Services	714,277		
Department of Health Services	115,886		
Los Angeles Homeless Services Authority	18,354,251		
<b>Total Targeted Prevention</b>		19,184,414	
 Problem Solving			
Los Angeles Homeless Services Authority	428,645		
<b>Total Problem Solving</b>		428,645	
<b>Total Homeless Prevention</b>			\$ 19,613,059
 <b>Connect:</b>			
Pathway RV Encampment			
Chief Executive Office - Capital Projects	338,924		
Chief Executive Office	157,957		
Department of Public Health	23,140		
Department of Public Works	393,026		
Department of Arts & Culture	6,591		
Department of Fire	248,894		
Sheriff's Department	643,556		
<b>Total Pathway RV Encampment</b>		1,812,088	
 Coordinated Outreach			
Los Angeles Homeless Services Authority	9,535,840		
Department of Health Services	26,627,293		
Department of Public Health	974,944		
<b>Total Coordinated Outreach</b>		37,138,077	

Notes to the Schedule of Revenues, 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, Expenditures, and Changes in Fund Balance (Continued)  
For the Fiscal Year Ended June 30, 2024

<b>Expenditures</b>	<i>Strategy/Pillar by Department/ Agency:</i>	<i>Total by Strategy/Pillar</i>	<i>Total by Objective</i>
<b>Connect:</b>			
Jail In-Reach			
Department of Health Services	1,751,340		
Sheriff's Department	467,752		
Total Jail In-Reach		2,219,092	
Navigation			
Los Angeles Homeless Services Authority	12,020,777		
Total Navigation		12,020,777	
<b>Total Connect</b>			\$ 53,190,034
<b>House:</b>			
Interim Housing			
Chief Executive Office	1,728,025		
Department of Health Services	41,425,500		
Department of Mental Health	170,124		
Department of Public Health	11,012,071		
Los Angeles Homeless Services Authority	68,401,305		
Total Interim Housing		122,737,025	
Time-Limited Subsidies			
Department of Public Social Services	4,820,000		
Los Angeles Homeless Services Authority	54,602,959		
Total Time-Limited Subsidies		59,422,959	
Permanent Supportive Housing			
Department of Health Services	63,784,822		
Department of Mental Health	6,649,906		
Department of Public Health	1,951,152		
Chief Executive Office - Affordable Housing	5,426,603		
Total Permanent Supportive Housing		77,812,483	
Housing Acquisition			
Los Angeles Homeless Services Authority	11,195,057		
Los Angeles County Development Authority	13,336,919		
Total Housing Acquisition		24,531,976	
Transitional Housing for Special Populations			
Los Angeles Homeless Services Authority	7,980,038		
Total Transitional Housing for Special Populations		7,980,038	
<b>Total House</b>			\$ 292,484,481

Notes to the Schedule of Revenues, 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, Expenditures, and Changes in Fund Balance (Continued)  
For the Fiscal Year Ended June 30, 2024

<b>Expenditures</b>	<i>Strategy/Pillar by Department/ Agency:</i>	<i>Total by Strategy/Pillar</i>	<i>Total by Objective</i>
<b>Stabilize:</b>			
Employment & Income Support			
Department of Economic Opportunity	5,385,695		
Los Angeles Homeless Services Authority	2,225,960		
Total Employment & Income Support		7,611,655	
Benefits Advocacy			
Department of Mental Health	753,680		
Department of Public Social Services	4,306,750		
Total Benefits Advocacy		5,060,430	
Legal & Financial Services			
Los Angeles Homeless Services Authority	3,573,000		
Total Legal & Financial Services		3,573,000	
Critical Documents & Background Clearing			
Department of Public Defender	2,717,931		
Total Critical Documents & Background Clearing		2,717,931	
<b>Total Stabilize</b>			\$ 18,963,016
<b>Local Jurisdiction:</b>			
Cities & COGs			
Chief Executive Office	4,737,449		
Total Local Jurisdiction		4,737,449	
Pathway Local Jurisdictions			
Chief Executive Office	11,458,433		
Department of Health Services	3,773,069		
Los Angeles Homeless Services Authority	3,888,493		
Total Pathway Local Jurisdictions		19,119,995	
Permanent/Interim Housing			
Department of Health Services	100,132		
Los Angeles Homeless Services Authority	251,681		
Total Permanent/Interim Housing		351,813	
<b>Total Local Jurisdiction</b>			\$ 24,209,257

Notes to the Schedule of Revenues, 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, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

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	<i>Strategy/Pillar by Department/ Agency:</i>	<i>Total by Strategy/Pillar</i>	<i>Total by Objective</i>
<b>Expenditures</b>			
<b>Administrative:</b>			
Chief Executive Office	10,745,312		
Homeless Initiative Administration	546,000		
<b>Total Administrative:</b>		11,291,312	11,291,312
<b>Grand Expenditures</b>			463,714,088
<b>Excess Revenues over Expenditures</b>			96,137,597
<b>Net Change in Fund Balance</b>			96,137,597
<b>Fund Balance, July 1, 2023</b>			439,494,495
<b>Fund Balance, June 30, 2024</b>			\$ 535,632,092

Notes to the Schedule of Revenues, 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, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

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The Notes to the Schedule of Revenues, 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, Expenditures, and Changes in Fund Balance.

## **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 referred to 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 established to account for the proceeds of a voter-approved quarter-cent countywide sales tax. This sales tax became effective in March 2017, with the California Board of Equalization beginning collections from businesses and consumers in October 2017.

Revenues generated from the Measure H tax are required to be expended by the County in accordance with an expenditure plan approved by the Board of Supervisors prior to June 30th of each fiscal year. Prior to fiscal year (FY) 2023-24, the Board of Supervisors approved an expenditure plan that allocated funding to 47 Homeless Initiative strategies aimed at addressing the homelessness crisis in Los Angeles County.

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.

**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.

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

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**1. Organization (Continued)**

**Homeless and Housing Measure H Special Revenue Fund (Continued)**

**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 a 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.

In April 2022, the Chief Executive Office Homeless Initiative reassessed the Homeless Initiative strategies and proposed a new framework for the Homeless Initiative strategies. In FY 2023-24, the Board of Supervisors approved an expenditure plan that funded five new frameworks of pillars to combat the homeless crisis in Los Angeles County. While funding allocations have shifted to the new framework, certain expenditures continued to be incurred under the previous strategy allocations during the transition period.

The New Framework is divided into five categories of actions: (1) Coordinate, (2) Prevent, (3) Connect, (4) House, and (5) Stabilize. The New Framework was implemented by three key system partners: the Homeless Rehousing System, Mainstream Government Systems, and Participation of Cities. Within the Homeless Rehousing System, the pillars focus on the core system components of prevention, outreach, interim housing, permanent housing, and supportive services with focused efforts to serve persistently underserved people experiencing homelessness (PEH) to reduce the number of people falling into this category. Within the Mainstream Government Systems, pillars seek to establish a true no wrong-door approach that advances equity, prioritizes at-risk households, and effectively prevents homelessness, especially first-time homelessness. With Participation of Cities, the pillars focus on encampment resolution and co-investment in permanent and interim housing. The New Framework focuses on program pillars that prioritize specific needs of the homelessness delivery system and shift how funding is tracked from the previous strategy-based design.

The funding was allocated to the following fourteen County departments and outside agencies as follows: the Chief Executive Office (CEO) (which includes CEO–Administration, CEO–Capital Projects, CEO– Homeless Initiative), the Department of Arts and Culture (DAC), the Department of Children and Family Services (DCFS), the Department of Economic Opportunity (DEO), 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), the Department of Public Works (DPW), the Los Angeles Fire Department (LAFD), the Los Angeles County Sheriff’s Department (LASD), Public Defender (PD), the Los Angeles County Development Authority (LACDA), and the Los Angeles Homeless Services Authority (LAHSA).

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

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**1. Organization (Continued)**

**Homeless and Housing Measure H Special Revenue Fund (Continued)**

These categories of actions are divided into the following five pillars:

**Coordinate** - The County's Coordinated Entry System (CES), managed by LAHSA, is the network that aligns homeless services to ensure that resources are efficiently and equitably distributed countywide to support PEH. CES serves as the organizational backbone of homeless services and helps service providers work in a similar manner to make the experience of connecting PEH to solutions as quickly as possible.

**Prevent** - Homeless Prevention services help rent-burdened, low-income families and individuals to resolve crises that could cause the loss of their homes. Homeless prevention services include short-term rental subsidies, housing conflict resolution, mediation with landlords and/or property managers, legal defense against eviction, and problem-solving. Problem-solving is a person-centered, short-term housing intervention that seeks to assist households in maintaining their current housing or identifying an immediate and safe housing alternative within their own social network. This pillar uses exploratory conversation, mediation, empowerment methods, and financial assistance to help resolve the person's crises or quickly connect them to existing emergency or crisis housing services.

**Connect** - Street-Based Outreach involves experienced teams building trusting relationships with unsheltered people and connecting them to housing, health and mental health care, substance use disorder treatment, and other services – a process that can vary in length and is customized to meet an individual's unique needs. The County deploys different teams to conduct street-based outreach, including DHS Housing for Health's Multidisciplinary Teams (MDT), which serve clients with more complex health and/or behavioral health needs, and DMH Homeless Outreach and Mobile Engagement (HOME) specialist teams that serve clients with serious mental illness. LAHSA's CES Teams and Homeless Engagement Teams (HET) make initial contact and maintain ongoing engagement with people living on the streets, while LASD and LAHSA's Homeless Outreach Services Teams (LASD HOST and LAHSA HOST) handle outreach at larger encampments and hard-to-reach areas.

**House** - Interim Housing provides safe temporary accommodation for people who otherwise have nowhere to stay. Types of interim housing include but are not limited to: emergency shelter; stabilization housing for individuals with complex health and or/behavioral health conditions; bridge housing; bridge housing for people exiting institutions such as jails, hospitals, or foster care; and recovery bridge housing for people undergoing outpatient treatment for substance use disorder. The County also provides recuperative care facilities for people recovering from an acute illness or injury. Additionally, it provides Enriched Residential Care facilities also known as Board and Care, that provide 24/7 care and supervision in licensed residential facilities that can be either interim or permanent housing. Systemwide, 157,141 people experiencing homelessness have used interim housing since Measure H-funding began in July 2017. Of those placements, 82,966 people used interim housing completely or partially funded by Measure H. During the full FY 2023-24, 35,973 people utilized interim housing. This includes 15,097 people newly placed in interim housing funded with Measure H.

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

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**1. Organization (Continued)**

**Homeless and Housing Measure H Special Revenue Fund (Continued)**

Permanent Housing lifts people out of homelessness by offering either short- or long-term rental subsidies in combination with varied levels of supportive services. One type of permanent housing is Permanent Supportive Housing (PSH), which provides long-term rental subsidies and supportive services to individuals who have experienced chronic homelessness and have disabilities, chronic medical conditions, and/or behavioral health conditions. Since July 1, 2017, the County's homeless services system has placed 119,433 people in permanent housing, with 44,129 of the placements supported by Measure H funding. In the full FY 2023-24, a total of 26,972 people were placed in permanent housing through the County's homeless services system, including 9,285 Measure H-funded placements. This includes all types of permanent housing, such as the TLS program (formally known as the Rapid Rehousing program) and PSH.

**Stabilize** - Most families and individuals experiencing homelessness need some level of case management and supportive services to secure and maintain permanent housing, though their needs vary greatly depending on individual circumstances. The availability of appropriate case management and supportive services is key to enabling homeless families and individuals to take advantage of rental subsidies, increase their income, and access/utilize public services and benefits. Severely disabled homeless individuals can increase their income through federal disability benefits, while many homeless adults can do so by securing employment.

**2. Summary of Significant Accounting Policies**

The Schedule of Revenues, 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 a 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, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

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**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.

**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.

**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, 2024, the Homeless and Housing Measure H Special Revenue Fund had investment earnings of \$21,577,237 due to favorable market conditions during FY 2023-24.

The County issues a publicly available annual comprehensive financial report that includes complete disclosures related to the entire cash and investment pool. The report may be obtained at the County's website <https://auditor.lacounty.gov/annual-comprehensive-financial-report/>.

**Schedule of Revenues, Expenditures, and Changes in Fund Balance for the 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 the 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, 2024, are included in the County's Audited Annual Comprehensive Financial Report.

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

**3. Los Angeles Homeless Services Authority (LAHSA)**

For the fiscal year ended June 30, 2024, the County recorded \$222,145,405 for LAHSA’s Measure H expenditures to prevent and combat homelessness projects under various homeless initiative strategies and pillars as listed in the table below. However, LAHSA’s actual Measure H expenditures were \$237,673,053 for the fiscal year ended June 30, 2024. The \$15,527,648 difference represents LAHSA’s late 4<sup>th</sup> quarter claims/billings not reimbursed in FY 2023-24 by the County since it was submitted beyond the County’s processing cut-off date for expenditures reimbursements/payments.

Strategy/Pillar	Program	Measure H Expenses Disbursed/Paid by County	Measure H Expenses Incurred by LAHSA	Difference Over/(Under) Paid by County
Prevent	Targeted Prevention	\$ 18,354,251	\$ 19,437,623	\$ (1,083,372)
Prevent	Problem Solving	428,645	648,092	(219,447)
Coordinate	Coordinated Entry System	12,200,667	12,962,470	(761,803)
Stabilize	Legal & Financial Services	3,573,000	3,595,045	(22,045)
Stabilize	Employment & Income Support	2,225,960	2,240,204	(14,244)
Connect	Coordinated Outreach	9,535,840	10,203,917	(668,077)
Connect	Navigation	12,020,777	12,844,411	(823,634)
Connect	Pathway/RV	-	-	-
House	Interim Housing	68,401,305	73,109,992	(4,708,687)
House	Time-Limited Subsidies	54,602,959	58,641,698	(4,038,739)
House	Transitional Housing for Special Populations	7,980,038	7,581,296	398,742
House	Housing Acquisition	11,195,057	11,777,379	(582,322)
Local Jurisdiction	Permanent/Interim Housing	251,681	251,681	-
Local Jurisdiction	Pathway	3,888,493	6,522,363	(2,633,870)
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)	4,834,082	5,204,232	(370,150)
A1	Homeless Prevention Program for Families (Carryover)	979,099	979,099	-
A5	Homeless Prevention Program for Individuals (Carryover)	945,000	945,000	-
B7	Interim/ Bridge Housing for Those Exiting Institutions (Carryover)	492,000	492,000	-
E6	Countywide Outreach System (Carryover)	487,126	487,126	-
E7	Strengthen the Coordinated Entry System (Carryover)	1,516,000	1,516,000	-
E8	Enhance the Emergency Shelter System (Carryover)	6,569,775	6,569,775	-
E14	Enhanced Services for Transition Age Youth (Carryover)	1,663,650	1,663,650	-
Total Measure H Expenses		<u>\$ 222,145,405</u>	<u>\$ 237,673,053</u>	<u>\$ (15,527,648)</u>

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

**4. Measure H Expenditures Paid/Disbursed to County Departments and Outside Agencies**

Measure H expenditures paid/disbursed to County Departments and Outside Agencies for the fiscal year ended June 30, 2024, were as follows:

Strategy/Pillar	Program	Measure H Actual Expenditures
<b>Chief Executive Office</b>		
Admin	Administrative	\$ 11,291,312
Connect	Pathway/RV	496,881
House	Interim Housing	1,728,025
House	Homekey Round 3	5,426,603
Local Jurisdiction	Cities & COGs	4,737,449
Local Jurisdiction	Pathway	11,458,433
A5	Homeless Prevention Program for Individuals (Carryover)	29,989
A5	Homeless Prevention Program for Individuals (Carryover) - Paid with FY 2022 Encumbrance	72,686
A5	Homeless Prevention Program for Individuals (Carryover) - Paid with FY 2023 Encumbrance	102,828
A5	Homeless Prevention Program for Individuals (Carryover) - Payable	5,473
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)	174,919
B3	Encumbrance	140,321
B3	Encumbrance	195,941
E6	Countywide Outreach System (Carryover) - Paid with FY 2023 Encumbrance	696,540
E7	Strengthen the Coordinated Entry System (Carryover)	3,431,678
E7	Strengthen the Coordinated Entry System (Carryover) - Paid with FY 2022 Encumbrance	329,741
E7	Strengthen the Coordinated Entry System (Carryover) - Paid with FY 2023 Encumbrance	3,368,194
E7	Strengthen the Coordinated Entry System (Carryover) - Payable	(35,493)
E8	Enhance the Emergency Shelter System (Carryover)	221,984
E8	Enhance the Emergency Shelter System (Carryover) - Paid with FY 2022 Encumbrance	511,892
E8	Enhance the Emergency Shelter System (Carryover) - Paid with FY 2023 Encumbrance	548,953
<b>Total</b>		<b><u>44,934,349</u></b>
<b>Department of Arts and Culture</b>		
Connect	Pathway/RV	6,591
<b>Total</b>		<b><u>6,591</u></b>
<b>Department of Child and Family Services</b>		
Prevent	Targeted Prevention	714,277
<b>Total</b>		<b><u>714,277</u></b>
<b>Department of Economic Opportunity</b>		
Stabilize	Employment Income & Support	5,385,695
C7	Subsidized Employment for Homeless Adults (Carryover) - Paid with 2023 Encumbrance	671,157
<b>Total</b>		<b><u>6,056,852</u></b>
<b>Department of Fire</b>		
Connect	Pathway/RV	248,894
E6	Countywide Outreach System (Carryover)	104,803
<b>Total</b>		<b><u>353,697</u></b>

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

**4. Measure H Expenditures Paid/Disbursed to County Departments and Outside Agencies  
(Continued)**

Strategy/Pillar	Program	Measure H Actual Expenditures
<b>Department of Health Services</b>		
Connect	Coordinated Outreach	26,627,293
Connect	Jail In-Reach	1,751,340
House	Interim Housing	41,425,500
House	Permanent Supportive Housing	63,784,822
Local Jurisdiction	Skid Row Action Plan	100,132
Local Jurisdiction	Pathway Local Jurisdiction	3,773,069
Prevent	Reduce PEH Mortality	115,886
E8	Enhance the Emergency Shelter System (Carryover)	3,238,814
	<b>Total</b>	<b>140,816,856</b>
<b>Department of Mental Health</b>		
House	Interim Housing	170,124
House	Permanent Supportive Housing	6,649,906
Stabilize	Benefits Advocacy	753,680
	<b>Total</b>	<b>7,573,710</b>
<b>Department of Public Health</b>		
Connect	Pathway/RV	23,140
Connect	Coordinated Outreach	974,944
House	Interim Housing	11,012,071
House	Permanent Supportive Housing	1,951,152
	<b>Total</b>	<b>13,961,307</b>
<b>Department of Public Social Services</b>		
House	Time-Limited Subsidies	4,820,000
Stabilize	Benefits Advocacy	4,306,750
C4	Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness (Carryover)	293,036
	<b>Total</b>	<b>9,419,786</b>
<b>Department of Public Works</b>		
Connect	Pathway/RV	393,026
	<b>Total</b>	<b>393,026</b>
<b>Sheriff's Department</b>		
Connect	Jail In-Reach	467,752
Connect	Pathway/RV	643,556
	<b>Total</b>	<b>1,111,308</b>



**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

**4. Measure H Expenditures Paid/Disbursed to County Departments and Outside Agencies  
(Continued)**

Strategy/Pillar	Program	Measure H Actual Expenditures
<b>Los Angeles County Development Authority</b>		
House	Housing Acquisition	13,508,993
	<b>Total</b>	<b>13,508,993</b>
<b>Los Angeles Homeless Services Authority</b>		
Prevent	Targeted Prevention	18,354,251
Prevent	Problem Solving	428,645
Coordinate	Coordinated Entry System	12,200,667
Stabilize	Legal & Financial Services	3,573,000
Stabilize	Employment & Income Support	2,225,960
Connect	Coordinated Outreach	9,535,840
Connect	Navigation	12,020,777
House	Interim Housing	68,401,305
House	Time-Limited Subsidies	54,602,959
House	Transitional Housing for Special Populations	7,980,038
House	Housing Acquisition	11,195,057
Local Jurisdiction	Permanent/Interim Housing	251,681
Local Jurisdiction	Pathway	3,888,493
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)	4,834,082
A1	Homeless Prevention Program for Families (Carryover)	979,099
A5	Homeless Prevention Program for Individuals (Carryover)	945,000
B7	Interim/ Bridge Housing for Those Exiting Institutions (Carryover)	492,000
E6	Countywide Outreach System (Carryover)	487,126
E7	Strengthen the Coordinated Entry System (Carryover)	1,516,000
E8	Enhance the Emergency Shelter System (Carryover)	6,569,775
E14	Enhanced Services for Transition Age Youth (Carryover)	1,663,650
	<b>Total</b>	<b>222,145,405</b>
<b>Public Defender</b>		
Stabilize	Critical Documents & Background Clearing	2,717,931
	<b>Total</b>	<b>2,717,931</b>
	<b>Grand Total</b>	<b>\$ 463,714,088</b>

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

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**5. Subsequent Events**

L.A. Alliance for Human Rights, et al. v. City of Los Angeles, et al.

On September 28, 2023, a federal court approved Los Angeles County's settlement with Plaintiff LA Alliance for Human Rights and six individual plaintiffs that committed additional resources for people experiencing homelessness. The settlement commits the County to \$1.24 billion worth of resources and services over the next four years and includes 3,000 mental health and substance use disorder beds, 450 new subsidies for enriched residential care for adult residential facilities, and residential care facilities for the elderly beds (also known as board and care beds) serving the most vulnerable, an increase from 27.5 to 44 the number of specialized outreach teams in the City of Los Angeles, and provide a comprehensive suite of supportive services to the more than 13,000 permanent supportive housing and interim housing beds financed by the City of Los Angeles as part of the City's settlement with the plaintiffs. A federal monitor will assist the court in overseeing the County's settlement. On September 29, 2023, the court dismissed the plaintiffs' claims against the County. The settlement agreement is effective September 29, 2023, the date of the dismissal Order, and terminates on June 30, 2027. In October 2024, the County agreed to provide information and data regarding its services and health and mental health programs being provided to the City's three homelessness programs: (1) Roadmap-Freeway Agreement; (2) City-Plaintiffs' LA Alliance Program; and (3) Inside Safe Program as part of an independent audit of the City and pay \$180,000 in costs related to this scope of work. In November 2024, the Court requested an expanded audit scope of County services, including contract document review, site visits, and stakeholder interviews, with an additional \$440,000 cost. The County is still considering this request.

Measure A - Homeless Services and Affordable Housing Ordinance

On November 5, 2024, the voters of Los Angeles County successfully passed Measure A - Homeless Services and Affordable Housing Ordinance. This measure authorizes the implementation of a permanent one-half cent sales tax to reduce and prevent homelessness, as well as to provide mental health and addiction treatment, and affordable housing. Additionally, this measure repeals the one-quarter cent sales tax enacted by Measure H in 2017, which would have otherwise expired in 2027. This will impact the special revenue fund Homeless and Housing Measure H and the Measure H collections which end on March 31, 2025. Measure A is projected to generate approximately \$1.076 billion annually, effective on April 1, 2025.

In preparing the Schedule, the County has evaluated events and transactions for potential recognition or disclosure through December 16, 2024, the date the Schedule was available to be issued. No subsequent events occurred that require additional recognition or disclosure in the Schedule other than those described above.

**REQUIRED SUPPLEMENTARY INFORMATION**

**County of Los Angeles**  
**Homeless and Housing Measure H Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**on a Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2024**

	Budget	Actual	Variance
<b>Revenues</b>			
Voter Approved Special Taxes	\$ 534,784,000	\$ 538,241,566	\$ 3,457,566
Interest Earnings	-	18,993,237	18,993,237
Miscellaneous	-	32,882	32,882
<b>Total Revenues</b>	<u>534,784,000</u>	<u>557,267,685</u>	<u>22,483,685</u>
<b>Expenditures</b>			
<b>A: Prevent Homelessness</b>			
A1: Homeless Prevention Program for Families			
Los Angeles Homeless Services Authority	979,099	979,099	-
Total A1: Homeless Prevention Program for Families	<u>979,099</u>	<u>979,099</u>	<u>-</u>
A5: Homeless Prevention Program for Individuals			
Los Angeles Homeless Services Authority	945,000	945,000	-
Chief Executive Office	422,203	210,976	211,227
Total A5: Homeless Prevention Program for Individuals	<u>1,367,203</u>	<u>1,155,976</u>	<u>211,227</u>
<b>Total A: Prevent Homelessness</b>	<u>2,346,302</u>	<u>2,135,075</u>	<u>211,227</u>
<b>B: Subsidize Housing</b>			
B3: Partner with Cities to Expand Rapid Re-Housing			
Los Angeles Homeless Services Authority	5,447,000	4,834,082	612,918
Chief Executive Office	739,944	511,181	228,763
Total B3: Partner with Cities to Expand Rapid Re-Housing	<u>6,186,944</u>	<u>5,345,263</u>	<u>841,681</u>
B4: Facilitate Utilization of Federal Housing Subsidies			
Los Angeles County Development Authority	433,000	172,074	260,926
Total B4: Facilitate Utilization of Federal Housing Subsidies	<u>433,000</u>	<u>172,074</u>	<u>260,926</u>
B7: Interim/ Bridge Housing for Those Exiting Institutions			
Los Angeles Homeless Services Authority	492,000	492,000	-
Total B7: Interim/ Bridge Housing for Those Exiting Institutions	<u>492,000</u>	<u>492,000</u>	<u>-</u>
<b>Total B: Subsidize Housing</b>	<u>7,111,944</u>	<u>6,009,337</u>	<u>1,102,607</u>
<b>C: Increase Income</b>			
C4: Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness			
Department of Public Social Services	365,000	293,036	71,964
Total C4: Establish a Countywide SSI Advocacy Program	<u>365,000</u>	<u>293,036</u>	<u>71,964</u>
C7: Subsidized Employment for Homeless Adults			
Department of Economic Opportunity	-	671,157	(671,157)
Total C7: Subsidized Employment for Homeless Adults	<u>-</u>	<u>671,157</u>	<u>(671,157)</u>
<b>Total C: Increase Income</b>	<u>365,000</u>	<u>964,193</u>	<u>(599,193)</u>
<b>E: Create a Coordinated System</b>			
E6: Countywide Outreach System			
Los Angeles Homeless Services Authority	487,126	487,126	-
Department of Fire	111,000	104,803	6,197
Chief Executive Office	428,000	696,540	(268,540)
Total E6: Countywide Outreach System	<u>1,026,126</u>	<u>1,288,469</u>	<u>(262,343)</u>
E7: Strengthen the Coordinated Entry System			
Los Angeles Homeless Services Authority	1,516,000	1,516,000	-
Chief Executive Office	14,953,853	7,094,120	7,859,733
Total E7: Strengthen the Coordinated Entry System	<u>16,469,853</u>	<u>8,610,120</u>	<u>7,859,733</u>

See accompanying notes to the required supplementary information.

**County of Los Angeles**  
**Homeless and Housing Measure H Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**on a Budgetary Basis (Continued)**  
**For the Fiscal Year Ended June 30, 2024**

Expenditures	Budget	Actual	Variance
<b>E: Create a Coordinated System (Continued)</b>			
E8: Enhance the Emergency Shelter System			
Department of Health Services	5,583,000	3,238,814	2,344,186
Los Angeles Homeless Services Authority	6,569,775	6,569,775	-
Chief Executive Office	1,912,000	1,282,829	629,171
Total E8: Enhance the Emergency Shelter System	<u>14,064,775</u>	<u>11,091,418</u>	<u>2,973,357</u>
E14: Enhanced Services for Transition Age Youth			
Los Angeles Homeless Services Authority	1,673,000	1,663,650	9,350
Total E14: Enhanced Services for Transition Age Youth	<u>1,673,000</u>	<u>1,663,650</u>	<u>9,350</u>
<b>Total E: Create a Coordinated System</b>	<u>33,233,754</u>	<u>22,653,657</u>	<u>10,580,097</u>
<b>Coordinate</b>			
Coordinated Entry System			
Los Angeles Homeless Services Authority	14,083,000	12,200,667	1,882,333
<b>Total Coordinate</b>	<u>14,083,000</u>	<u>12,200,667</u>	<u>1,882,333</u>
<b>Homeless Prevention</b>			
Targeted Prevention			
Department of Children and Family Services	800,000	714,277	85,723
Department of Health Services	1,200,000	115,886	1,084,114
Department of Public Health	500,000	-	500,000
Los Angeles Homeless Services Authority	19,534,000	18,354,251	1,179,749
Total Targeted Prevention	<u>22,034,000</u>	<u>19,184,414</u>	<u>2,849,586</u>
Problem Solving			
Los Angeles Homeless Services Authority	598,000	428,645	169,355
Total Problem Solving	<u>598,000</u>	<u>428,645</u>	<u>169,355</u>
<b>Total Homeless Prevention</b>	<u>22,632,000</u>	<u>19,613,059</u>	<u>3,018,941</u>
<b>Connect</b>			
Pathway RV Encampment			
Chief Executive Office - Capital Projects	650,000	338,924	311,076
Chief Executive Office	2,402,000	157,957	2,244,043
Department of Public Health	312,000	23,140	288,860
Department of Public Works	4,813,000	393,026	4,419,974
Department of Arts & Culture	312,000	6,591	305,409
Los Angeles Homeless Services Authority	2,673,000	-	2,673,000
Department of Fire	290,000	248,894	41,106
Sheriff's Department	1,562,000	643,556	918,444
Total Pathway RV Encampment	<u>13,014,000</u>	<u>1,812,088</u>	<u>11,201,912</u>
Coordinated Outreach			
Los Angeles Homeless Services Authority	11,637,000	9,535,840	2,101,160
Department of Health Services	37,681,000	26,627,293	11,053,707
Department of Public Health	975,000	974,944	56
Total Coordinated Outreach	<u>50,293,000</u>	<u>37,138,077</u>	<u>13,154,923</u>
Jail In-Reach			
Department of Health Services	2,086,000	1,751,340	334,660
Sheriff's Department	521,000	467,752	53,248
Total Jail In-Reach	<u>2,607,000</u>	<u>2,219,092</u>	<u>387,908</u>
Navigation			
Los Angeles Homeless Services Authority	17,265,880	12,020,777	5,245,103
Total Navigation	<u>17,265,880</u>	<u>12,020,777</u>	<u>5,245,103</u>
<b>Total Connect</b>	<u>83,179,880</u>	<u>53,190,034</u>	<u>29,989,846</u>

See accompanying notes to the required supplementary information.

**County of Los Angeles**  
**Homeless and Housing Measure H Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**on a Budgetary Basis (Continued)**  
**For the Fiscal Year Ended June 30, 2024**

<b>Expenditures</b>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>House</b>			
Interim Housing			
Chief Executive Office	9,147,354	1,728,025	7,419,329
Department of Health Services	57,329,212	41,425,500	15,903,712
Department of Mental Health	226,000	170,124	55,876
Department of Public Health	11,110,000	11,012,071	97,929
Los Angeles Homeless Services Authority	75,323,303	68,401,305	6,921,998
Total Interim Housing	<u>153,135,869</u>	<u>122,737,025</u>	<u>30,398,844</u>
Time-Limited Subsidies			
Department of Public Social Services	4,820,000	4,820,000	-
Los Angeles Homeless Services Authority	60,401,600	54,602,959	5,798,641
Total Time-Limited Subsidies	<u>65,221,600</u>	<u>59,422,959</u>	<u>5,798,641</u>
Permanent Supportive Housing			
Department of Health Services	98,181,000	63,784,822	34,396,178
Department of Mental Health	15,838,000	6,649,906	9,188,094
Department of Public Health	3,053,000	1,951,152	1,101,848
Chief Executive Office - Affordable Housing	15,000,000	5,426,603	9,573,397
Total Permanent Supportive Housing	<u>132,072,000</u>	<u>77,812,483</u>	<u>54,259,517</u>
Housing Acquisition			
Los Angeles Homeless Services Authority	13,559,000	11,195,057	2,363,943
Los Angeles County Development Authority	13,852,000	13,336,919	515,081
Total Housing Acquisition	<u>27,411,000</u>	<u>24,531,976</u>	<u>2,879,024</u>
Transitional Housing for Special Populations			
Los Angeles Homeless Services Authority	9,674,143	7,980,038	1,694,105
Total Transitional Housing for Special Populations	<u>9,674,143</u>	<u>7,980,038</u>	<u>1,694,105</u>
<b>Total House</b>	<u>387,514,612</u>	<u>292,484,481</u>	<u>95,030,131</u>
<b>Stabilize</b>			
Employment & Income Support			
Department of Economic Opportunity	7,121,000	5,385,695	1,735,305
Los Angeles Homeless Services Authority	2,537,862	2,225,960	311,902
Total Employment & Income Support	<u>9,658,862</u>	<u>7,611,655</u>	<u>2,047,207</u>
Benefits Advocacy			
Department of Mental Health	1,513,000	753,680	759,320
Department of Public Social Services	5,001,000	4,306,750	694,250
Total Benefits Advocacy	<u>6,514,000</u>	<u>5,060,430</u>	<u>1,453,570</u>
Legal & Financial Services			
Los Angeles Homeless Services Authority	3,573,000	3,573,000	-
Total Legal & Financial Services	<u>3,573,000</u>	<u>3,573,000</u>	<u>-</u>
Critical Documents & Background Clearing			
Department of Public Defender	3,265,000	2,717,931	547,069
Total Critical Documents & Background Clearing	<u>3,265,000</u>	<u>2,717,931</u>	<u>547,069</u>
<b>Total Stabilize</b>	<u>23,010,862</u>	<u>18,963,016</u>	<u>4,047,846</u>

See accompanying notes to the required supplementary information.

**County of Los Angeles**  
**Homeless and Housing Measure H Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**on a Budgetary Basis (Continued)**  
**For the Fiscal Year Ended June 30, 2024**

	Budget	Actual	Variance
<b>Expenditures</b>			
<b>Local Jurisdiction</b>			
Cities & COGs			
Chief Executive Office	15,500,000	4,737,449	10,762,551
Chief Executive Office - CoCs	6,440,000		6,440,000
Total Cities & COGs	<u>21,940,000</u>	<u>4,737,449</u>	<u>17,202,551</u>
Pathway Local Jurisdictions			
Chief Executive Office	21,146,306	11,458,433	9,687,873
Department of Health Services	3,948,000	3,773,069	174,931
Los Angeles Homeless Services Authority	19,628,694	3,888,493	15,740,201
Total Pathway Local Jurisdictions	<u>44,723,000</u>	<u>19,119,995</u>	<u>25,603,005</u>
Permanent/Interim Housing			
Chief Executive Office	5,000,000		5,000,000
Department of Health Services	13,349,186	100,132	13,249,054
Los Angeles Homeless Services Authority	321,460	251,681	69,779
Total Permanent/Interim Housing	<u>18,670,646</u>	<u>351,813</u>	<u>18,318,833</u>
<b>Total Local Jurisdiction</b>	<u>85,333,646</u>	<u>24,209,257</u>	<u>61,124,389</u>
<b>Administrative</b>			
Chief Executive Office	17,465,000	10,745,312	6,719,688
Homeless Initiative Administration	546,000	546,000	-
<b>Total Administrative</b>	<u>18,011,000</u>	<u>11,291,312</u>	<u>6,719,688</u>
<b>Contingency</b>			
Appropriated for Contingency	193,649,000	-	-
<b>Total Contingency</b>	<u>193,649,000</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>870,471,000</u>	<u>463,714,088</u>	<u>213,107,912</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(335,687,000)	93,553,597	(190,624,227)
<b>Less: Contractual Obligations/Changes in Fund Balance</b>			
Commitments Outstanding as of Fiscal Year End	-	374,821,000	374,821,000
Changes in Fund Balance	-	(645,834,597)	(645,834,597)
Total Net Change in Contractual Obligations	<u>-</u>	<u>(271,013,597)</u>	<u>(271,013,597)</u>
<b>Net Change in Fund Balance</b>	(335,687,000)	(177,460,000)	(158,227,000)
<b>Fund Balance, July 1, 2023</b>	<u>335,687,000</u>	<u>335,687,000</u>	<u>-</u>
<b>Fund Balance, June 30, 2024</b>	<u>\$ -</u>	<u>\$ 158,227,000</u>	<u>\$ (158,227,000)</u>

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, 2024

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**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's 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, 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, 2024:

Fund Balance - budgetary basis	\$ 158,227,000
Encumbrances and other reserves	<u>374,821,000</u>
Subtotal	533,048,000
Adjustments:	
Change in revenue accruals	<u>2,584,000</u>
Fund Balance - US GAAP basis	<u><u>\$ 535,632,000</u></u>



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



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**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, Expenditures, and Changes in Fund Balance of the  
Homeless and Housing Measure H Special Revenue Fund  
Performed in Accordance with *Government Auditing Standards***

Ms. Fesia A. Davenport  
Chief Executive Officer  
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, Expenditures, and Changes in Fund Balance (the Schedule) for the Homeless and Housing Measure H Special Revenue Fund (Measure H) of the County of Los Angeles (the County) for the fiscal year ended June 30, 2024, and the related notes to the Schedule, which collectively comprised the County's Schedule, and have issued our report thereon dated December 16, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the Schedule, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on 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 are 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 16, 2024



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**Independent Auditor’s Report on Compliance with Requirements  
Applicable to 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. Fesia A. Davenport  
Chief Executive Officer  
County of Los Angeles  
Los Angeles, California

**Report on Compliance**

***Opinion***

We have audited the County of Los Angeles’ (the County) compliance with *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) applicable to the Homeless and Housing Measure H (Measure H) revenues, expenditures, and changes in the fund balance for the fiscal year ended June 30, 2024.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that are applicable to the Measure H revenues and expenditures for the fiscal year ended June 30, 2024.

***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the County’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Measure H revenues and expenditures.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance with Measure H revenues and expenditures based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of the Measure H revenues and expenditures as a whole.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing other procedures as necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Measure H revenues and expenditures, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant deficiencies, and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 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 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 "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over

compliance may exist that have not been identified. Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 compliance requirements of Measure H revenues and expenditures. Accordingly, this report is not suitable for any other purpose.

*BCA Watson Rice, LLP*

Torrance, California

December 16, 2024

**County of Los Angeles**  
Homeless and Housing Measure H Special Revenue Fund  
Current Year Audit Findings  
For the Fiscal Year Ended June 30, 2024

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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

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Finding FY 2023-01

Community Career Development, a subcontractor with the Department of Economic Opportunity (DEO), was unable to provide supporting documentation for any of its claimed Measure H expenditures totaling \$78,789.

Criteria

Measure H, Ordinance 2017-001, Chapter 4.73.030 to the Los Angeles County Code – Transaction and Use Tax to Prevent and Combat Homelessness, provides that the revenues generated by the retail transactions and use tax will be expended by the County pursuant to an expenditure plan approved by the Board of Supervisors prior to June 30th of each year.

Condition

The subcontractor, Community Career Development (CCD), engaged by the DEO for the Subsidized Employment for Homeless Adults – a strategy/expenditure plan approved by the County Board of Supervisor, failed to produce supporting documentation for two selected expenditure transactions amounting to \$17,979. Additionally, upon further inquiry, the DEO disclosed that CCD was unable to provide documentation for all claimed expenditures totaling \$78,789 for the fiscal year 2022-2024. Consequently, the DEO took the necessary action to terminate its subcontracting agreement with CCD, effective June 30, 2024.

Cause

The subcontractor (CCD) lacked adequate internal controls to maintain supporting documentation of claimed Measure H expenditures. The subsequent termination of the subcontracting agreement by the DEO resulted in CCD becoming uncooperative and unresponsive to DEO's requests for the required supporting documentation, thereby further hindering the expenditure verification process.

Effect

We are unable to substantiate the validity of the \$78,789 reimbursed to CCD for the fiscal year ended June 30, 2023, as authorized Measure H expenditures.

Questioned Costs

\$78,789 of subcontractor claimed costs pertaining to the DEO's Subsidized Employment for Homeless Adults strategy.

Recommendation

We recommend that DEO seek reimbursement from CCD for the \$78,789 of unsupported costs. Furthermore, DEO should improve its oversight measures to ensure that all reimbursement claims from subcontractors are accompanied by valid and authorized supporting documentation before approval and disbursement of Measure H funds.

Views of the Responsible Officials

The DEO agrees with the auditor's finding.

Planned Corrective Action

DEO's agreement with subrecipient Community Career Development (CCD) Inc., lapsed June 30, 2024, and was not renewed. On October 19, 2024, DEO placed CCD in the County's Contractor Alert Reporting Database (CARD), which notifies all Los Angeles County departments of poorly performing contractors.



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

---

Planned Corrective Action (continued)

DEO will strengthen the procedures to ensure that all reimbursement claims are accompanied by valid and authorized supporting documentation before issuance of any funds, including Measure H.

Person in-charge:

Administrative Deputy, Department of Economic Development

Date to implement:

Implementation target date: June 28, 2024

Current Year Management Response

DEO acknowledges that the recommendations and planned corrective actions outlined in the FY 2022-23 Measure H Audit Report have not been implemented as scheduled. The delay in implementing the action plan, originally slated for October 2024, was due to transitions in key personnel, including the Administrative Deputy and Departmental Finance Officer, as well as, contract transitions following the public workforce system procurement, which relates to this workforce development and job center specific finding. The department is now fully staffed, responsibilities have been reassigned, and the action plan has been updated. to ensure timely implementation moving forward.

Current Status as of June 30, 2024

The planned corrective action has not yet been implemented.

DEO has submitted the following revised plan and timeline as follows:

- Develop a mandatory expenditure summary document to be included with the monthly invoice submissions by subrecipients. The planned implementation date for the internal DEO development is January 31, 2025.
- Issue a Directive to Measure H subrecipients with the requirement for backup expenditure documentation with monthly invoices, which details the specific information and supporting documents required. The planned implementation date for subrecipient compliance with the new procedure is February 28, 2025.
- Develop a pilot quality assurance procedure for reviewing Measure H invoices to ensure compliance with the new requirement. The planned implementation date will accompany the external rollout and is February 28, 2025.
- Provide a training session to subrecipient agencies on the new requirement for including backup documentation with monthly invoices. The planned implementation date is March 20, 2025.

The target date for full implementation is March 20, 2025.

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

---

Finding FY 2023-02

St. Anne’s Maternity Home, a subcontractor for the Los Angeles Homeless Service Authority (LAHSA) erroneously recorded \$9,350 of a non-Measure H expenditure as a Measure H claimed expenditure.

Criteria

Measure H, Ordinance 2017-001, Chapter 4.73.030 to the Los Angeles County Code – Transaction and Use Tax to Prevent and Combat Homelessness, provides that the revenues generated by the retail transactions and use tax will be expended by the County pursuant to an expenditure plan approved by the Board of Supervisors prior to June 30th of each year.

Condition

In our expenditure testing, we selected a transaction from LAHSA’s subcontractor, St. Anne’s Maternity Home, from the May-June 2023 general ledger totaling \$9,350. Upon reviewing the supporting documentation for this transaction before submission to the auditors, St. Anne’s Maternity Home discovered that the selected transaction was not a Measure H related expenditure, but it was erroneously charged to the Measure H Enhanced Services for Transition Age Youth strategy.

Cause

The subcontractor’s lack of management oversight and review resulted in the miscoding of this transaction going undetected.

Effect

The reported LAHSA’s expenditures for the Enhanced Services for Transition Age Youth strategy for the fiscal year ended June 30, 2023, were overreported by \$9,350.

Questioned Costs

\$9,350

Recommendation

We recommend that LAHSA seek reimbursement from the subcontractor for the erroneously claimed expenditures of \$9,350. Moving forward, LAHSA should improve its subcontractor monitoring to ensure that expenditures claimed from subcontractors are accurately supported and are valid Measure H strategies expenditures.

Views of the Responsible Officials

LAHSA agrees with the finding and recommendation as noted in the report. LAHSA has since confirmed receipt of the reimbursed check for the total amount of \$43,865.99. The check includes the \$9,350.00 amount identified by Measure H, plus an additional \$34,515.99 in miscoded spending not related to Measure H funds that the agency discovered as part of this audit outside of the sample selection.

Planned Corrective Action

To reduce this finding from recurring, LAHSA has revisited our current protocols to ensure expenditure claims by service providers accurately support and validate Measure H pillar expenditures. In addition, LAHSA will deduct the \$9,350 from the next expenditures claim/invoice to the County

Person in-charge:

Accounting Department

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

---

Date to implement:

No later than December 15, 2024.

Current Year Management Response

LAHSA implemented additional protocols to ensure expenditure claims by service providers are accurately supported and validated to the Measure H pillar and program expenditures. LAHSA also provided technical assistance to all service providers which included training and instructions for validating costs and coding to the Measure H pillars and programs. LAHSA will continue providing future capacity-building training opportunities for all service providers.

Current Status as of June 30, 2024

Implemented.

During FY 2023-24, LAHSA Grants Management and Compliance (GMC) department hosted a total of 10 capacity-building training sessions. These monthly training sessions were designed to address common service provider needs, including technical support, invoice submission, efficient management of LAHSA's annual allocation, and other operational requirements.

# Attachment II

# **COUNTY OF LOS ANGELES**

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## **Independent Accountant's Report On Applying Agreed-Upon Procedures**

### **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, 2024



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## **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

Ms. Fesia A. Davenport  
Chief Executive Officer  
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 fourteen (14) 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, 2024. The fourteen County Departments and outside agencies are as follows: the Chief Executive Office (CEO) (which includes CEO–Administration, CEO–Capital Projects, CEO–Homeless Initiative), the Department of Arts and Culture (DAC), the Department of Children and Family Services (DCFS), the Department of Economic Opportunity (DEO), 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), the Department of Public Works (DPW), Public Defender (PD), the Los Angeles County Fire Department (LAFD), the Los Angeles Sheriff's Department (LASD), the Los Angeles Community Development Authority (LACDA), and the Los Angeles Homeless Services Authority (LAHSA). The management of the fourteen 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 requirements of the Measure H Ordinance for the fiscal year ended June 30, 2024. 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 and associated findings 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.

### **Findings**

#### **CEO**

CEO's Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (21.77%) and non-payroll expenditures (78.23%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for each pillar and program and performed detailed testing of all employees charged to the program, representing 4.33% of total payroll expenditures. In addition, we selected 29 transactions for non-payroll/program expenditures, representing 43.25% of total non-payroll expenditures. **No exceptions noted.**

### DAC

DAC's Measure H expenditures for the year ended June 30, 2024, consist of subcontractor expenditures only (100%). Based on the AICPA Sampling Guidelines, our sample size was 20 subcontractor transactions for non-payroll/program expenditures. However, DAC only had a total of two subcontractor transactions. We selected both of these transactions, representing 100% of the total subcontractor expenditures. **No exceptions noted.**

### DCFS

DCFS' Measure H expenditures for the year ended June 30, 2024, consist of DCFS subcontractor expenditures only (100%). Based on the AICPA Sampling Guidelines, we selected a sample size of 22 subcontractor transactions for non-payroll/program expenditures, representing 29.63% of the total subcontractor expenditures. **No exceptions noted.**

### DEO

DEO Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (11.76%) and subcontractor expenditures (88.24%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures and performed detailed testing of all employees who charged payroll to the program, representing 5.19% of total payroll expenditures. In addition, we judgmentally selected 60 subcontractor expense reports for non-payroll/program expenditures, representing 47.52% of the total subcontractor expenditures. From these expense reports, we selected 60 individual transactions to verify the adequacy of backup supporting documents, representing 22.43% of the total subcontractor expenses. **No exceptions noted.**

### DHS

DHS' Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (11.45%) and non-payroll expenditures (88.55%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for each pillar and program and performed detailed testing of a sample of employees charged to the program, representing 5.26% of total payroll expenditures. In addition, we judgmentally selected 40 subcontractor expense reports for non-payroll/program expenditures, representing 41.56% of the total subcontractor expenditures. From these expense reports, we selected 40 individual transactions to verify the adequacy of backup supporting documents, representing 9.94% of the total subcontractor expenses. **No exceptions noted.**

### DMH

DMH's Measure H expenditures for the year ended June 30, 2024 consist of payroll expenditures (29.26%) and non-payroll subcontractor expenditures (70.74%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months consisting of four pay periods for payroll expenditures and performed detailed testing of 17 employees who charged their payroll expenditures to the program, representing 15.93% of total payroll expenditures. In addition, we reviewed 20 non-payroll subcontractor claimed expenditures, representing 52.38% of total subcontractor expenditures. **No exceptions noted.**

### DPH

DPH's Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (15.07%) and non-payroll expenditures (84.93%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures for each pillar and program and performed detailed testing of all employees charged to the program during these two months, representing 12.97% of total payroll expenditures. In addition, we selected 20 transactions for non-payroll contractor expenditures, representing 14.63% of total non-payroll contractor expenditures. **No exceptions noted.**

### **DPSS**

DPSS' Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (14.18%) and subcontractor expenditures (85.82%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures and performed detailed testing of all employees who charged payroll expenditures to the program during these two months, which represents 14.03% of total payroll expenditures. In addition, we randomly selected 10 subcontractor expense reports for non-payroll/program expenditures, representing 26.74% of the total subcontractor expenditures. 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. We also randomly selected 12 non-payroll recipient expenditures, representing 0.12% of total non-payroll recipient expenditures. From each subcontractor claim/invoice, we selected one transaction to verify the adequacy of supporting backup documentation. The non-payroll recipient expenditures consist of payments for rental subsidies and move-in costs provided for various clients. **No exceptions noted.**

### **DPW**

DPW's Measure H expenditures for the year ended June 30, 2024, consist of DPW subcontractor expenditures only (100%). Based on the AICPA Sampling Guidelines, we selected a sample size of 20 subcontractor transactions for non-payroll/program expenditures, representing 92.66% of the total subcontractor expenditures. **No exceptions noted.**

### **PD**

PD's Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (64.77%) and non-payroll subcontractor expenditures (35.23%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures and performed detailed testing of all employees who charged payroll to the program during these two months, representing 20.49% of total payroll expenditures. In addition, we randomly selected 20 non-payroll/subcontractor transactions/expenditures, representing 59.74% of the total non-payroll/subcontractor expenditures. **No exceptions noted.**

### **LACDA**

LACDA's expenditures for the year ended June 30, 2024, consist of payroll expenditures (6.19%) and non-payroll expenditures (93.81%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures and performed detailed testing of all employees charged to the program, representing 5.94% of total payroll expenditures. In addition, we selected 25 transactions for non-payroll expenditures, representing 7.0% of total non-payroll expenditures. **No exceptions noted.**

### **LAFD**

LAFD's Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (81.75%) and non-payroll/program expenditures (18.25%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months for payroll expenditures and performed detailed testing of all employees charged to the program, representing 17.87% of total payroll expenditures. In addition, our sample size for non-payroll/program expenditures were 20 subcontractor transactions; however, LAFD only had a total of two non-payroll/program transactions. We selected both of these transactions, representing 100% of the total non-payroll/program expenditures. **No exceptions noted.**

### **LASD**

LASD's Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (42.09%) and non-payroll/program expenditures (57.91%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months consisting of four pay periods for payroll and performed



detailed testing of all employees charged to the program, representing 16.76% of total payroll expenditures. In addition, we selected 20 transactions for non-payroll expenditures, representing 65.09% of total non-payroll expenditures. **No exceptions noted.**

### **LAHSA**

LAHSA's Measure H expenditures for the year ended June 30, 2024, consist of payroll expenditures (12.59%) and non-payroll/subcontractor expenditures (87.41%). Based on the AICPA Sampling Guidelines, we selected a sample size of two months of payroll expenditures for each strategy and performed detailed testing on a total of 20 randomly selected employees, representing 0.24% of total payroll expenditures. In addition, we selected 90 expenditure reports for non-payroll/subcontractor expenditures, representing 9.66% of total non-payroll/subcontractor expenditures. From the selected expenditures reports, we further selected 90 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 the budget of the specific pillars and programs. **No exceptions noted.**

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.

### **Findings**

#### **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 noted.**

For the 29 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 noted.**

#### **DAC**

For the two 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 noted.**

#### **DCFS**

For the 22 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 noted.**

#### **DEO**

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 noted.**

For the 60 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 noted.**

#### **DHS**

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 noted.**

For the 40 subcontractor transactions 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 noted.**

#### **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 noted.**

For the 20 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 noted.**

#### **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 noted.**

For the 20 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 noted.**

#### **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 noted.**

For the 10 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 noted.**

For the 12 non-payroll recipient expenditures, 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 noted.**

### DPW

For the 20 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 noted.**

### 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 noted.**

For the 20 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 noted.**

### LACDA

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 payroll register. We also confirmed that timesheets were signed by the employee and approved by the supervisor. **No exceptions noted.**

For the 25 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 noted.**

### LAFD

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 noted.**

For the 2 non-payroll/program 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 noted.**

### 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 noted.**

For the 20 non-payroll/program 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 noted.**

### LAHSA

For the two months of payroll expenditures and the 20 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 noted.**

For the 90 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 noted.**

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

**Findings**

**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 noted.**

For the 29 transactions of non-payroll expenditures selected, we confirmed **with no exceptions** that the non-payroll expenditures were specific to the cost of Administration and of the following Measure H pillars and programs:

Strategy/Pillar	Program
Admin	Measure H Administration
Admin	Measure H Administration (CEO Carryover)
Admin	Measure H One-Time Investments
Local Jurisdiction	Cities & COGs
Local Jurisdiction	CoCs
Local Jurisdiction	Pathway
Local Jurisdiction	Pathway/City of LA
Local Jurisdiction	City/COG Interim Housing
Connect	Pathway/RV
Connect	Pathway/RV (CEO Capital Projects)
House	Interim Housing
House	Homekey Round 3 (CEO AM)
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)
E7	Strengthen the Coordinated Entry System (Carryover)
E8	Enhance the Emergency Shelter System (Carryover)
E6	Countywide Outreach System (Carryover)

**DAC**

For the two subcontractor expenditures selected, we confirmed **with no exceptions** that these expenditures/expenditures were specific to the Connect – Pathway/RV pillar and program.

**DCFS**

For the 22 transactions of subcontractor expenditures selected, we confirmed **with no exceptions** that the subcontractor expenditures were specific to the Prevent – Targeted Prevention pillar and program.

**DEO**

For the two months of payroll expenditures and the 60 subcontractor expenditures selected, we confirmed **with no exceptions** that these expenditures were specific to the Stabilize – Employment & Income Support pillar and program.

**DHS**

For the two months selected of payroll expenditures and the 40 subcontractor expenditures selected, we confirmed **with no exceptions** that the expenditures were specific to the following Measure H pillars and programs:

Strategy/Pillar	Program
Connect	Coordinated Outreach
Connect	Jail In-Reach
House	Interim Housing
House	Permanent Supportive Housing
Local Jurisdiction	Permanent/Interim Housing
Local Jurisdiction	Pathway Local Jurisdictions
Prevent	Reduce PEH Mortality
E8	Enhance the Emergency Shelter System (Carryover)

**DMH**

For the two months of payroll expenditures selected and 20 subcontractor expenditures/claims selected, we confirmed **with no exceptions** that the payroll expenditures and subcontractor expenditures were specific to the following Measure H pillars and programs:

- Stabilize – Benefits Advocacy
- House – Interim Housing
- House – Permanent Supportive Housing

**DPH**

For the two months of payroll expenditures and 20 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 pillars and programs:

Strategy/Pillar	Program
Connect	Coordinated Outreach
Connect	Pathway/RV
Prevent	Targeted Prevention
House	Interim Housing
House	Permanent Supportive Housing

**DPSS**

For the two months of payroll expenditures, 10 transactions of subcontractor expenditures, and 12 non-payroll recipient expenditures selected, we confirmed **with no exceptions** that payroll expenditures, subcontractor expenditures, and non-payroll recipient expenditures were specific to the following Measure H pillars and programs:

- Stabilize – Benefits Advocacy
- House – Time-Limited Subsidies
- Strategy C4 – Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness (Carryover)

### **DPW**

For the 20 transactions of subcontractor expenditures selected, we confirmed **with no exceptions** that the subcontractor expenditures were specific to the Connect – Pathway/RV pillar and program.

### **PD**

For the two months of payroll expenditures and 20 non-payroll/subcontractor expenditures selected, we confirmed that these expenditures were specific to the Stabilize – Critical Documents & Background Clearing pillar and program. **No exceptions noted.**

### **LACDA**

For the two months of payroll expenditures and 25 transactions of non-payroll expenditures selected, we confirmed **with no exceptions** that payroll expenditures and non-payroll expenditures were specific to the following Measure H pillar and program:

- House – Housing Acquisition

### **LAFD**

For the two months of payroll expenditures selected and 2 non-payroll/program expenditures selected, we confirmed **with no exceptions** that the payroll expenditures and non-payroll/program expenditures were specific to the following Measure H pillars and programs:

- Connect – Pathway/RV
- Strategy E6 – Countywide Outreach System (Carryover)

### **LASD**

For the two months of payroll expenditures selected and 20 non-payroll/program expenditures selected, we confirmed **with no exceptions** that the payroll expenditures and non-payroll/program expenditures were specific to the following Measure H pillars and programs:

- Connect – Jail In-Reach
- Connect – Pathway/RV

### **LAHSA**

For the two months of payroll expenditures, 20 selected employees, and 90 non-payroll/subcontractor expenditures, we confirmed **with no exceptions** that these expenditures were specific to the following Measure H pillars and programs:

Strategy/Pillar	Program
Prevent	Targeted Prevention
Prevent	Problem Solving
Coordinate	Coordinated Entry System
Stabilize	Legal & Financial Services
Stabilize	Employment & Income Support
Connect	Coordinated Outreach
Connect	Navigation
Connect	Pathway/RV
House	Interim Housing
House	Time-Limited Subsidies
House	Transitional Housing for Special Populations
House	Housing Acquisition
Local Jurisdiction	Permanent/Interim Housing
Local Jurisdiction	Pathway
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)
A1	Homeless Prevention Program for Families (Carryover)
A5	Homeless Prevention Program for Individuals (Carryover)
B7	Interim/ Bridge Housing for Those Exiting Institutions (Carryover)
E6	Countywide Outreach System (Carryover)
E7	Strengthen the Coordinated Entry System (Carryover)
E8	Enhance the Emergency Shelter System (Carryover)
E14	Enhanced Services for Transition Age Youth (Carryover)

- c. Internal controls over financial reporting and compliance with provisions of laws, regulations, contracts, or grant agreements.

### **Findings**

#### **CEO**

For the two months of payroll expenditures and 29 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 2023-24. **No exceptions noted.**

#### **DAC**

For the two 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 2023-24. **No exceptions noted.**

#### **DCFS**

For the 22 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 2023-24. **No exceptions noted.**

**DEO**

For the two months of payroll expenditures and 60 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 2023-24. **No exceptions noted.**

**DHS**

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 2023-24. **No exceptions noted.**

For the 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 2023-24. **No exceptions noted.**

**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 2023-24. **No exceptions noted.**

For the 20 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 2023-24. **No exceptions noted.**

**DPH**

For the two months of payroll expenditures and 20 non-payroll recipient expenditures transactions 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 2023-24. **No exceptions noted.**

**DPSS**

For the two months of payroll expenditures, 10 transactions of subcontractor expenditures, and 12 non-payroll subrecipient 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 2023-24. **No exceptions noted.**

**DPW**

For the 20 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 2023-24. **No exceptions noted.**

**PD**

For the two months of payroll expenditures and 20 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 2023-24. **No exceptions noted.**



**LACDA**

For the two months of payroll expenditures and 25 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 2023-24. **No exceptions noted.**

**LAFD**

For the two months of payroll expenditures and 2 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 2023-24. **No exceptions noted.**

**LASD**

For the two months of payroll expenditures selected and 20 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 2023-24. **No exceptions noted.**

**LAHSA**

For the two months and 20 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 2023-24. **No exceptions noted.**

For the 90 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 2023-24. **No exceptions noted.**

- 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).

**Findings**

We found that all fourteen County Departments and outside Agencies complied with the 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.

**Findings**

**CEO**

CEO was allocated \$111,752,660 of Measure H funds to be used for the following strategies/pillars and programs:

Strategy/Pillar	Program	Measure H Allocation
Admin	Measure H Administration	\$ 16,442,000
Admin	Measure H Administration (CEO Carryover)	546,000
Admin	Measure H One-Time Investments	1,023,000
Local Jurisdiction	Cities & COGs	15,500,000
Local Jurisdiction	CoCs	6,440,000
Local Jurisdiction	Pathway	19,286,306
Local Jurisdiction	Pathway/City of LA	1,860,000
Local Jurisdiction	City/COG Interim Housing	5,000,000
Connect	Pathway/RV	2,402,000
Connect	Pathway/RV (CEO Capital Projects)	650,000
House	Interim Housing	9,147,354
House	Homekey Round 3 (CEO AM)	15,000,000
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)	739,944
E7	Strengthen the Coordinated Entry System (Carryover)	14,953,853
E8	Enhance the Emergency Shelter System (Carryover)	1,912,000
A5	Homeless Prevention Program for Individuals (Carryover)	422,203
E6	Countywide Outreach System (Carryover)	428,000
Total Measure H Allocations		\$ 111,752,660

Under the Administrative pillar, CEO provides administrative services for the appropriate oversight of the Measure H funding and programming.

Under the Local Jurisdiction pillar, CEO provides funding to local jurisdictions for Measure H programming.

Under the Connect pillar, CEO provides a pathway to housing stability through various support services.

Under the House pillar, CEO provides permanent and bridge housing solutions for individuals experiencing homelessness.

Under Strategy B3, CEO 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 E7, CEO provides regional coordination services through contracts with Continuums of Care (CoCs) in Long Beach, Pasadena, and Glendale.

Under Strategy E8, CEO provides emergency shelter services through contracts with Continuums of Care (CoCs) in Long Beach, Pasadena, and Glendale.

Under Strategy A5, CEO provides screening and 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 E6, CEO provides outreach services through contracts with Continuums of Care (CoCs) in Long Beach, Pasadena, and Glendale.

CEO’s Measure H expenditures in FY 2023-24 totaled \$44,934,349, of which \$5,937,076 was paid from the prior year’s carry-over encumbrance and \$38,997,273 from the current year’s allocation. These amounts were specific to the allocated pillars and programs. The expenses paid in FY 2023-24 are listed below. **No exceptions noted.**

Strategy/Pillar	Program	Measure H Expenses
Admin	Measure H Administration	\$ 10,558,681
Admin	Measure H Administration (CEO Carryover)	546,000
Admin	Measure H One-Time Investments	186,631
Local Jurisdiction	Cities & COGs	4,737,449
Local Jurisdiction	CoCs	-
Local Jurisdiction	Pathway	10,392,014
Local Jurisdiction	Pathway/City of LA	1,066,419
Local Jurisdiction	City/COG Interim Housing	-
Connect	Pathway/RV	157,957
Connect	Pathway/RV (CEO Capital Projects)	338,924
House	Interim Housing	1,728,025
House	Homekey Round 3 (CEO AM)	5,426,603
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)	174,919
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover) - Paid with FY 2022 Encumbrance	140,321
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover) - Paid with FY 2023 Encumbrance	195,941
E7	Strengthen the Coordinated Entry System (Carryover)	3,431,678
E7	Strengthen the Coordinated Entry System (Carryover) - Paid with FY 2022 Encumbrance	329,741
E7	Strengthen the Coordinated Entry System (Carryover) - Paid with FY 2023 Encumbrance	3,368,194
E7	Strengthen the Coordinated Entry System (Carryover) - Payable	(35,493)
E8	Carryover	221,984
E8	Enhance the Emergency Shelter System (Carryover) - Paid with FY 2022 Encumbrance	511,892
E8	Enhance the Emergency Shelter System (Carryover) - Paid with FY 2023 Encumbrance	548,953
A5	Homeless Prevention Program for Individuals (Carryover)	29,989
A5	Homeless Prevention Program for Individuals (Carryover) - Paid with FY 2022 Encumbrance	72,686
A5	Homeless Prevention Program for Individuals (Carryover) - Paid with FY 2023 Encumbrance	102,828
A5	Homeless Prevention Program for Individuals (Carryover) - Payable	5,473
E6	Countywide Outreach System (Carryover) - Paid with FY 2023 Encumbrance	696,540
Total Measure H Expenses		\$ 44,934,349

**DAC**

DAC was allocated \$312,000 of Measure H funds to be used for the Connect – Pathway/RV pillar and program based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2023-24.

Under the Connect pillar, DAC provides a pathway to housing stability through various support services.

DAC’s Measure H expenditures in FY 2023-24 totaled \$6,591 used for the Connect – Pathway/RV pillar and program. **No exceptions noted.**

**DCFS**

DCFS was allocated \$800,000 of Measure H funds to be used for the Prevent – Targeted Prevention pillar and program based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2023-24.

Under the Prevent pillar, DCFS provides financial assistance and services aimed at preventing eviction and ensuring housing stability.

DCFS’ Measure H expenditures in FY 2023-24 totaled \$714,277 used for the Prevent – Targeted Prevention pillar and program. **No exceptions noted.**

**DEO**

DEO was allocated \$7,121,000 of Measure H funds to be used for the Stabilize – Employment & Income Support pillar and program based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2023-24.

Under the Stabilize pillar, DEO 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 pillar 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.

DEO’s Measure H expenditures in FY 2023-24 totaled \$6,056,852, of which \$671,157 was paid from the prior year's carry-over encumbrance and \$5,385,695 from the current year's allocation. These expenditures were specific to the Stabilize – Employment & Income Support pillar and program. **No exceptions noted.**

**DHS**

DHS was allocated \$219,357,398 of Measure H funds to be used for the following eight strategies/pillars and programs:

Strategy/Pillar	Program	Measure H Allocation
Connect	Coordinated Outreach	\$ 37,681,000
Connect	Jail In-Reach	2,086,000
House	Interim Housing	57,329,212
House	Permanent Supportive Housing	98,181,000
Local Jurisdiction	Permanent/Interim Housing	13,349,186
Local Jurisdiction	Pathway Local Jurisdictions	3,948,000
Prevent	Reduce PEH Mortality	1,200,000
E8	Enhance the Emergency Shelter System (Carryover)	5,583,000
Total Measure H Allocations		<u>\$ 219,357,398</u>

Under the Connect pillar, DHS provides a pathway to housing stability through various support services as well as services inside jails to reduce recidivism and increase rates of permanent housing among homeless people exiting institutions.

Under the House pillar, DHS provides permanent and bridge housing solutions for individuals experiencing homelessness.

Under the Local Jurisdiction pillar, DHS provides funding to local jurisdictions for Measure H programming.

Under the Prevent pillar, DHS provides financial assistance and services to prevent and reduce mortality rates among the homeless population.

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 2023-24 totaled \$140,816,856 and were specific to the eight strategies/pillars and programs listed below. **No exceptions noted.**

Strategy/Pillar	Program	Measure H Expenditures
Connect	Coordinated Outreach	\$ 26,627,293
Connect	Jail In-Reach	1,751,340
House	Interim Housing	41,425,500
House	Permanent Supportive Housing	63,784,822
Local Jurisdiction	Permanent/Interim Housing	100,132
Local Jurisdiction	Pathway Local Jurisdictions	3,773,069
Prevent	Reduce PEH Mortality	115,886
E8	Enhance the Emergency Shelter System (Carryover)	3,238,814
Total Measure H Expenses		<u>\$ 140,816,856</u>

**DMH**

DMH was allocated \$17,577,000 of Measure H funds to be used for the following three pillars and programs:

Strategy/Pillar	Program	Measure H Allocation
Stabilize	Benefits Advocacy	\$ 1,513,000
House	Interim Housing	226,000
House	Permanent Supportive Housing	15,838,000
Total Measure H Allocations		<u>\$ 17,577,000</u>

Under the Stabilize pillar, 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 the House pillar, DMH focuses on providing permanent and bridge housing solutions for individuals experiencing homelessness. These services include interim housing programs and local rent subsidies focusing on 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 2023-24 totaled \$7,573,710 and were specific to the three pillars and programs listed below. **No exceptions noted.**

Strategy/Pillar	Program	Measure H Allocation
Stabilize	Benefits Advocacy	\$ 753,680
House	Interim Housing	170,124
House	Permanent Supportive Housing	6,649,906
	Total Measure H Expenses	<u>\$ 7,573,710</u>

**DPH**

DPH was allocated \$15,950,000 of Measure H funds to be used for the following five pillars and programs:

Strategy/Pillar	Program	Measure H Allocations
Connect	Coordinated Outreach	\$ 975,000
Connect	Pathway/RV	312,000
Prevent	Targeted Prevention	500,000
House	Interim Housing	11,110,000
House	Permanent Supportive Housing	3,053,000
	Total Measure H Expenses	<u>\$ 15,950,000</u>

Under the Connect pillar, 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 the House pillar, DPH Substance Abuse Prevention and Control Recovery Bridge Housing serves individuals who are homeless at treatment discharge and who choose abstinence-based housing for up to 90 days and 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.

DPH's Measure H expenditures in FY 2023-24 totaled \$13,961,307 and were specific to the five pillars and programs listed below. **No exceptions noted.**

Strategy/Pillar	Program	Measure H Expenses
Connect	Coordinated Outreach	\$ 974,944
Connect	Pathway/RV	23,140
Prevent	Targeted Prevention	-
House	Interim Housing	11,012,071
House	Permanent Supportive Housing	1,951,152
	Total Measure H Expenses	<u>\$ 13,961,307</u>

**DPSS**

DPSS was allocated \$10,186,000 of Measure H funds to be used for the following three strategies/pillars and programs:

<b>Strategy/Pillar</b>	<b>Program</b>	<b>Measure H Allocation</b>
Stabilize	Benefits Advocacy	\$ 5,001,000
House	Time-Limited Subsidies	4,820,000
C4	Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness (Carryover)	365,000
Total Measure H Allocations		<u>\$ 10,186,000</u>

Under the Stabilize pillar, DPSS employs subcontractors of the Department of Health Services for the implementation of the Benefit Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness

Under the House pillar, DPSS maximizes both the number of disabled homeless individuals applying for SSI who are placed in subsidized housing and the recovery of those rental subsidy costs through Interim Assistance Reimbursement for individuals approved for SSI.

Under Strategy C4, DPSS expands and integrates physical and mental health clinical services to support the 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 2023-24 totaled \$9,419,786 and were specific to the strategies/pillars and programs listed below. **No exceptions noted.**

<b>Strategy/Pillar</b>	<b>Program</b>	<b>Measure H Allocation</b>
Stabilize	Benefits Advocacy	\$ 4,306,750
House	Time-Limited Subsidies	4,820,000
C4	Establish a Countywide SSI Advocacy Program for People Experiencing Homelessness or at Risk of Homelessness (Carryover)	293,036
Total Measure H Expenses		<u>\$ 9,419,786</u>

**DPW**

DPW was allocated \$4,813,000 of Measure H funds to be used for the Connect – Pathway/RV pillar and program based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2023-24.

Under the Connect pillar, DPW provides comprehensive cleanup efforts after RVs are removed from encampment sites and assists in taking steps to prevent the reoccupation of cleared sites.

DPW’s Measure H expenditures in FY 2023-24 totaled \$393,026 used for the Connect – Pathway/RV pillar and program. **No exceptions noted.**

**PD**

PD was allocated \$3,265,000 of Measure H funds to be used for the Stabilize – Critical Documents & Background Clearing pillar and program based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2023-24.

Under the Stabilize pillar, 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 2023-24 totaled \$2,717,931 and were specific for the Stabilize – Critical Documents & Background Clearing pillar and program. **No exceptions noted.**

**LACDA**

LACDA was allocated \$14,285,000 of Measure H funds to be used for the House – Housing Acquisition pillar and program based on the Measure H Expenditure Plan approved by the Board of Supervisors in FY 2023-24.

Under the House pillar, LACDA conducts the development and preservation of homeless housing in areas of the County where there is an urgent need for housing.

LACDA’s Measure H expenditures in FY 2023-24 totaled \$13,508,993, of which \$172,074 was paid from the prior year's carry-over encumbrance and \$13,336,919 from the current year's allocation. These expenditures were specific to the House – Housing Acquisition pillar and program. **No exceptions noted.**

**LAFD**

LAFD was allocated \$401,000 of Measure H funds to be used for the following two strategies/pillars and programs:

<b>Strategy/Pillar</b>	<b>Program</b>	<b>Measure H Allocation</b>
Connect	Pathway/RV	\$ 290,000
E6	Countywide Outreach System (Carryover)	111,000
	Total Measure H Allocations	<u>\$ 401,000</u>

Under the Connect pillar, LAFD provides multi-agency collaborative efforts to ensure a coordinated approach to resolving encampments and supporting individuals transitioning into interim housing. The LAFD also provides emergency medical services and responds to any fire-related incidents that may occur during the removal or relocation of RVs.

Under Strategy E6, LAFD aims to improve outreach efforts to homeless individuals and families on the streets and in encampments in Los Angeles County.

LAFD’s Measure H expenditures in FY 2023-24 totaled \$353,697 and were specific to the pillars and programs listed below. **No exceptions noted.**



Strategy/Pillar	Program	Measure H Allocation
Connect	Pathway/RV	\$ 248,894
E6	Countywide Outreach System (Carryover)	104,803
	Total Measure H Expenses	<u>\$ 353,697</u>

**LASD**

LASD was allocated \$2,083,000 of Measure H funds to be used for the following two pillars and programs:

Strategy/Pillar	Program	Measure H Allocation
Connect	Jail In-Reach	\$ 521,000
Connect	Pathway/RV	1,562,000
	Total Measure H Allocations	<u>\$ 2,083,000</u>

Under the Connect pillar, LASD expands Jail In-Reach to make it available to all homeless people incarcerated in a Los Angeles County jail. LASD also contributes to the multi-agency collaborative effort to effectively address RV encampments and help homeless individuals transition into interim housing.

LASD’s Measure H expenditures in FY 2023-24 totaled \$1,111,308 and were specific to the pillars and programs listed below. **No exceptions noted.**

Strategy/Pillar	Program	Measure H Allocation
Connect	Jail In-Reach	\$ 467,752
Connect	Pathway/RV	643,556
	Total Measure H Expenses	<u>\$ 1,111,308</u>

**LAHSA**

LAHSA was allocated \$268,918,942 of Measure H funds to be used for the following strategies/pillars and programs:

<b>Strategy/Pillar</b>	<b>Program</b>	<b>Measure H Allocation</b>
Prevent	Targeted Prevention	\$ 19,534,000
Prevent	Problem Solving	598,000
Coordinate	Coordinated Entry System	14,083,000
Stabilize	Legal & Financial Services	3,573,000
Stabilize	Employment & Income Support	2,537,862
Connect	Coordinated Outreach	11,637,000
Connect	Navigation	17,265,880
Connect	Pathway/RV	2,673,000
House	Interim Housing	75,323,303
House	Time-Limited Subsidies	60,401,600
House	Transitional Housing for Special Populations	9,674,143
House	Housing Acquisition	13,559,000
Local Jurisdiction	Permanent/Interim Housing	321,460
Local Jurisdiction	Pathway	19,628,694
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)	5,447,000
A1	Homeless Prevention Program for Families (Carryover)	979,099
A5	Homeless Prevention Program for Individuals (Carryover)	945,000
B7	Interim/ Bridge Housing for Those Exiting Institutions (Carryover)	492,000
E6	Countywide Outreach System (Carryover)	487,126
E7	Strengthen the Coordinated Entry System (Carryover)	1,516,000
E8	Enhance the Emergency Shelter System (Carryover)	6,569,775
E14	Enhanced Services for Transition Age Youth (Carryover)	1,673,000
Total Measure H Allocations		\$ 268,918,942

Under the Prevent pillar, LAHSA provides preventative measures that aim to reduce the inflow of people into homelessness by assisting low-income families and individuals who are at risk of losing their homes.

Under the Coordinate pillar, LAHSA oversees the CES network that aligns homeless services across LA County to ensure resources are efficiently and equitably distributed.

Under the Stabilize pillar, LAHSA provides short-term rental and legal assistance to help people maintain their current housing or find new housing as well as coordinating with other agencies to connect homeless individuals with employment opportunities and job training programs.

Under the Connect pillar, LAHSA provides direct outreach to individuals experiencing homelessness throughout LA County as well as assisting participants to identify, apply for, and move into permanent housing.

Under the House pillar, LAHSA provides support to households experiencing homelessness by assisting them in accessing permanent housing quickly and for a limited time and provides funding, program design, outcomes assessment, and technical assistance to other agencies delivering the housing programs.

Under the Local Jurisdiction pillar, LAHSA provides funding to local jurisdictions for Measure H programming.

Under Strategy A1, funding is dedicated to shelter diversion services within the 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 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 allowing 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 to improve 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, launched and implemented Multidisciplinary Outreach teams to better assist unsheltered homeless individuals through expanded multidisciplinary outreach capacity, and supported and expanded 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 on service need and availability. LAHSA will expand regional coordination for each population system, create domestic violence liaisons, expand housing navigation, create housing location programs, create training academies and provisions of technical assistance to agencies, create a 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 \$222,145,405 to LAHSA in FY 2023-24, and LAHSA's Measure H expenditures in FY 2023-24 totaled \$237,673,053 and were specific to the strategies/pillars and programs listed below. **No exceptions noted.**

Strategy/Pillar	Program	Measure H Expenses Disbursed/Paid by County	Measure H Expenses Incurred by LAHSA	Difference Over/(Under) Paid by County
Prevent	Targeted Prevention	\$ 18,354,251	\$ 19,437,623	\$ (1,083,372)
Prevent	Problem Solving	428,645	648,092	(219,447)
Coordinate	Coordinated Entry System	12,200,667	12,962,470	(761,803)
Stabilize	Legal & Financial Services	3,573,000	3,595,045	(22,045)
Stabilize	Employment & Income Support	2,225,960	2,240,204	(14,244)
Connect	Coordinated Outreach	9,535,840	10,203,917	(668,077)
Connect	Navigation	12,020,777	12,844,411	(823,634)
Connect	Pathway/RV	-	-	-
House	Interim Housing	68,401,305	73,109,992	(4,708,687)
House	Time-Limited Subsidies	54,602,959	58,641,698	(4,038,739)
House	Transitional Housing for Special Populations	7,980,038	7,581,296	398,742
House	Housing Acquisition	11,195,057	11,777,379	(582,322)
Local Jurisdiction	Permanent/Interim Housing	251,681	251,681	-
Local Jurisdiction	Pathway	3,888,493	6,522,363	(2,633,870)
B3	Partner with Cities to Expand Rapid Re-Housing (Carryover)	4,834,082	5,204,232	(370,150)
A1	Homeless Prevention Program for Families (Carryover)	979,099	979,099	-
A5	Homeless Prevention Program for Individuals (Carryover)	945,000	945,000	-
B7	Interim/ Bridge Housing for Those Exiting Institutions (Carryover)	492,000	492,000	-
E6	Countywide Outreach System (Carryover)	487,126	487,126	-
E7	Strengthen the Coordinated Entry System (Carryover)	1,516,000	1,516,000	-
E8	Enhance the Emergency Shelter System (Carryover)	6,569,775	6,569,775	-
E14	Enhanced Services for Transition Age Youth (Carryover)	1,663,650	1,663,650	-
Total Measure H Expenses		\$ 222,145,405	\$ 237,673,053	\$ (15,527,648)

The \$15,527,648 difference represents fourth-quarter subcontractor expenditures, which were submitted late and were not included in the County's FY 2023-24 actual expenditures. These expenditures will be reported by the County as FY 2024-25 Measure H expenditures.

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

### **Findings**

#### **CEO**

Based on our procedures performed for the two months of payroll/administrative expenditures and 29 transactions of non-payroll/program expenditures selected, the service levels reported by the CEO were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

#### **DAC**

Based on our procedures performed for the two transactions of non-payroll/subcontractor expenditures, the service levels reported by DAC were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

#### **DCFS**

Based on our procedures performed for the 22 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 pillars and programs. **No exceptions noted.**

### **DEO**

Based on our procedures performed for the two months of payroll expenditures and the 60 transactions of subcontractor expenditures selected, the service levels reported by DEO were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

### **DHS**

Based on our procedures performed for the two months of payroll expenditures and 40 transactions of non-payroll/subcontractor expenditures selected, the service levels reported by DHS were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

### **DMH**

Based on our procedures performed for the two months of payroll expenditures and 20 subcontractor expenditures selected, the service levels reported by DMH were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

### **DPH**

Based on our procedures performed for the two months of payroll expenditures and 20 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 pillars and programs. **No exceptions noted.**

### **DPSS**

Based on our procedures performed for the two months of payroll expenditures, 10 transactions of subcontractor's cost, and 12 non-payroll subrecipient expenditures selected, the service levels reported by DPSS were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

### **DPW**

Based on our procedures performed for the 20 transactions of non-payroll/subcontractor expenditures selected, the service levels reported by DPW were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

### **PD**

Based on our procedures performed for the two months of payroll expenditures and 20 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 pillars and programs. **No exceptions noted.**

### **LACDA**

Based on our procedures performed for the two months of payroll expenditures and 25 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 pillars and programs. **No exceptions noted.**

### **LAFD**

Based on our procedures performed for the two months of payroll expenditures and 2 non-payroll expenditures selected, the service levels reported by DMH were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

**LASD**

Based on our procedures performed for the two months of payroll expenditures selected and 20 non-payroll/program expenditures selected, the service levels reported by LASD were accurate and the funds were used for the specific purpose of the Measure H pillars and programs. **No exceptions noted.**

**LAHSA**

Based on our procedures performed for the two months of payroll expenditures and 90 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 pillars and programs. **No exceptions noted.**

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 fourteen County Departments' and outside agencies' compliance with 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, 2024. 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 fourteen County Departments and outside agencies: CEO, DAC, DCFS, DEO, DHS, DMH, DPH, DPSS, DPW, PD, LACDA, LAFD, LASD, 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 16, 2024