



November 16, 2020

Honorable Holly Mitchell, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review
Committee

Honorable Phil Ting, Chair
Assembly Budget Committee

Honorable Anthony Portantino, Chair
Senate Appropriations Committee

Honorable Lorena Gonzalez, Chair
Assembly Appropriations Committee

Section 11.90—Shift Allocations to Support the State’s COVID-19 Response from the General Fund to the Coronavirus Relief Fund

Pursuant to the provisions of Control Section (CS) 11.90, 2020 Budget Act, the following report is respectfully submitted.

Subdivision (c) of CS 11.90 authorizes the Director of Finance to allocate federal funds from the Coronavirus Relief Fund (CRF) in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) to offset or reduce General Fund appropriations made in the 2019–20 and 2020–21 fiscal years to support the COVID-19 response between March 1, 2020 and December 30, 2020.

As outlined in our September 23, 2020 notification and our November Update on disaster response costs, Finance has reviewed additional information and identified additional eligible expenditures to be paid with the CRF in lieu of General Fund. Attachment A summarizes the newly identified expenditures through September 30, 2020, consistent with the framework of CS 11.90.

Attachment B provides an update to previously reported estimates for several projects with actuals for the two federal reporting cycles. Together, these projects total nearly \$1.9 billion, and meet the criteria outlined by the U.S. Treasury for use of these funds. Finance continues to work with departments to refine these estimates in preparation for the consolidated federal report covering expenditures from March 1, 2020 and September 30, 2020. This report is due on December 15, 2020, and will also include expenditures through September 30 for various direct appropriations including Homekey, food and diaper supplies, child care for essential workers, K-14 learning loss mitigation, and city and county expenditures.

As outlined in the prior notification, offsets will continue to be processed in installments based on actual expenditures. This approach will allow Finance to continue to monitor expenditures and prioritize use of the CRF, in lieu of General Fund, to prevent CRF from being unspent and returned to the U.S. Treasury. Finance continues to work with departments to review additional COVID-19 costs that may be paid with CRF in preparation for the next federal report covering expenditures from March 1, 2020 and December 31, 2020. This report is due on January 11, 2021. Finance will submit subsequent reports to the Joint Legislative Budget Committee as additional expenditure data becomes available.

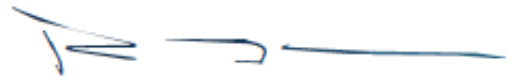
Pursuant to the provisions of CS 11.90 (e), Finance recommends reallocation of funds totaling \$599,786 to the Department of Public Health for two cities that adopted resolutions inconsistent with subdivision (f) of this Control Section. These funds would be provided to the Department of Public Health to support additional testing in Atwater and Coalinga for COVID-19 so that the use of these funds has tangible benefits for residents of these cities. Tests will be offered to individuals at high-risk for COVID-19 infection in vulnerable communities in the cities of Atwater and Coalinga using resources under a Department of Public Health contract with Logistics Health, Inc. (OptumServe). A traveling team, able to complete 165 tests a day, will be sent to each city. The cities will also be able to share a mobile bus able to complete 528 tests a day. Testing is targeted to begin the week of November 23, 2020 and end December 30, 2020.

If you have any questions or need additional information regarding this matter, please call Kristin Shelton, Chief, Research and Analysis Unit, at (916) 322-2263.

KEELY MARTIN BOSLER

Director

By:

A handwritten signature in blue ink, appearing to read 'RICHARD GILLIHAN', with a long horizontal line extending to the right.

RICHARD GILLIHAN

Chief Operating Officer

Attachment

cc: On following page

cc: Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Gabriel Petek, Legislative Analyst (3)
Joe Stephenshaw, Staff Director, Senate Budget and Fiscal Review Committee
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
Christopher W. Woods, Senate President pro Tempore's Office (2)
Christian Griffith, Chief Consultant, Assembly Budget Committee
Cyndi Hillery, Budget Director, Assembly Republican Caucus, Office of Policy and Budget
Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Alex Khan, Chief Consultant, Assembly Republican Leader's Office
Jason Sisney, Assembly Speaker's Office (2)
Mark McKenzie, Staff Director, Senate Appropriations Committee
Jay Dickenson, Chief Consultant, Assembly Appropriations Committee
Mark Ghilarducci, Director, Office of Emergency Services
Christina Curry, Chief Deputy Director, Office of Emergency Services
Tabitha Stout, Deputy Director of Finance and Administration, Office of Emergency Services
Ralph Diaz, Secretary, California Department of Corrections and Rehabilitation
Lourdes M. Castro Ramirez, Secretary, Business, Consumer Services, and Housing Administration
Jeffrey Macomber, Undersecretary, Administration, California Department of Corrections and Rehabilitation
Marko Mijic, Deputy Secretary of Program and Fiscal Affairs, California Health and Human Services Agency
Ali Sutton, Deputy Secretary for Homelessness, Business, Consumer Services, and Housing Administration
Tiffany Garcia, Deputy Secretary of Fiscal Policy and Administration
Sandy Uribe, Assistant Secretary, Legislative Affairs, California Department of Corrections and Rehabilitation
Julie Souliere, Assistant Secretary, California Health and Human Services Agency
Paula Villescaz, Assistant Secretary, California Health and Human Services Agency
Kim Johnson, Director, California Department of Social Services
Kathleen Howard, Executive Director, Board of State and Community Corrections
Sandra Shewry, Acting Director, California Department of Public Health
Erica S. Pan, Acting Director, California Department of Public Health
Jennifer Osborn, Director, Division of Administrative Services, California Department of Corrections and Rehabilitation
Jennifer Troia, Chief Deputy Director, California Department of Social Services
Brandon Nunes, Chief Deputy Director of Operations, California Department of Public Health
Karen Dickerson, Deputy Director, Administration Division, California Department of Social Services
Eric Swanson, Deputy Director, Office of Fiscal Services, California Department of Corrections and Rehabilitation
Sarah Larson, Associate Director, Budget Management Branch, California Department of Corrections and Rehabilitation
Salena Chow, Bureau Chief, California Department of Social Services
Lee Sutter, Accounting Administrator II, Board of State and Community Corrections

BU	Project Name (CRF Reporting)	Potential GF Offset
0690	Testing (Verily)	\$16,500,000
0690	Repatriated Americans	\$860,000
4265	Testing	\$60,600,000
4265	Various Medical and Testing Equipment	\$8,400,000
4265	Hospital and Medical Surge	\$14,500,000
4265	Contact Tracing - Training and Tracking	\$53,000,000
4440	Various Expenditures (Testing, and Other Staffing/Ops)	\$36,900,000
5180	California Food Assistance Program-Emergency Allotments	\$11,000,000
7760	Testing Facility Project Management	<u>\$4,800,000</u>
		\$206,560,000

Point-in-Time Expenditures

BU	Project Name (CRF Reporting)	Expenditures	Expenditures	Total
		Cycle 1	Cycle 2	Expenditures
		(Mar 1 - June 30)	(July 1 - Sept 30)	Cycles 1 & 2
0515	Homeless Shelter and Supportive Services (RoomKey)	\$59,397,766	\$0	\$59,397,766
4265	COVID-19 Call Center for Public Inquiries	\$9,918,486	\$0	\$9,918,486
5180	Adult Protective Services	\$647,856	\$0	\$647,856
5180	Food Bank Emergency Distributions	\$25,389,346	\$20,036,772	\$45,426,118
5180	Board and Care for Residence in Care Facility	\$21,242,489	\$0	\$21,242,489
5180	County Administration	\$13,703,816	\$18,564,961	\$32,268,777
5180	Homeless Housing (Trailers)	\$28,887,640	\$0	\$28,887,640
5180	Hotel/Motel Beds for People Experiencing Homelessness	\$16,932,376	\$356,750	\$17,289,126
5180	Assistance to Vulnerable and At-Risk Individuals	\$12,000,000	\$0	\$12,000,000
5180	Supportive Services (Child Welfare and Foster Care)	\$4,507,711	\$0	\$4,507,711
5180	Supportive Services to At-Risk Children and Foster Caregivers**	\$1,414,401	\$0	\$1,414,401
5180	Pandemic EBT	\$13,981,989	\$0	\$13,981,989
5180	Assistance Payments for Foster Youth	\$397,415	\$321,532	\$718,947
5225	Reimbursement to County Jails for Suspended Prison Intake	\$31,215,233	\$0	\$31,215,233
5227	Reimbursement to County Probation Departments for Supervision of Offenders Released from Prison Early	\$2,971,219	\$7,107,385	\$10,078,604
5225	COVID-19 Response in Prisons	\$121,775,262	\$124,952,171	\$246,727,433
9900	State Support for Local Contact Tracing	\$25,000,000	\$37,500,000	\$62,500,000
7760	Personal Protective Equipment/Equipment Contracts/Decontamination Purchases*	\$111,208,264	\$182,953,259	\$294,161,523
7760	Hotels for Health Care Workers	\$3,795,580	\$14,219,950	\$18,015,530
0690	Medical Surge*	\$2,146,930	\$6,830,331	\$8,977,261
0690	Personal Protective Equipment (BYD)	\$102,923,304	\$127,223,540	\$230,146,844
7760	Various SOC and Field Medical Stations (FMS)	\$38,839,403	\$36,059,545	\$74,898,948
0690	Great Plates Program	\$9,389,437	\$32,514,687	\$41,904,124
		\$657,685,923	\$608,640,883	\$1,266,326,806

* Attributed to CalOES (0690) in prior notice but contract held by DGS

** Title Used in Prior Notice: Children's Social Worker Outreach and Wellness Checks