

ABOUT CPEHN'S AMERICAN RESCUE PLAN ACT (ARPA) STATE AND LOCAL FISCAL RECOVERY FUNDS (SLFRF) COUNTY SCORECARDS

(MAY 2022)

BACKGROUND

WHY IS CPEHN ANALYZING THE AMERICAN RESCUE PLAN ACT (ARPA) STATE AND LOCAL FISCAL RECOVERY FUNDS (SLFRF)?

The American Rescue Plan Act (H.R. 1319), signed into law on March 11, 2021 by President Joe Biden, was a \$1.9 trillion coronavirus relief package and the 6th pandemic response measure the U.S. Congress has passed since the onset of the COVID-19 public health emergency. As part of ARPA, [the Coronavirus State and Local Fiscal Recovery Funds \(SLFRF\) Program](#) delivers \$350 billion unprecedented, flexible aid to state, local, and Tribal governments across the country to directly support their response to and recovery from the COVID-19 pandemic. **These funds were allocated at a critical time when federal, state and local governments had been pushed to [confront exacerbated health and social inequities during the pandemic, as well as addressing institutionalized racism such as by \[declaring racism as a public health crisis\]\(#\), following the police killing of George Floyd in 2020 and a national uprising to support Black lives and address police violence.](#)**

To issue guidance and compliance requirements for state and local governments receiving these dollars, the U.S. Department of the Treasury which administers the SLFRF program, published several regulations for SLFRF including an [Interim Final Rule](#) and a [Final Rule](#). **Through both Rules, the Treasury encourages state and local governments to target relief efforts in line with the White House Executive Order 139854 "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government" by "promoting and**

streamlining the provision of assistance to individuals and communities in greatest need, particularly communities that have been historically disadvantaged or underserved and have experienced disproportionate impacts of the COVID-19 crisis." The Treasury's Interim Final Rule also states that SLFRF should "lay the foundation for a strong, equitable economic recovery, not only by providing immediate economic stabilization for households and businesses, but also by addressing the systemic public health and economic challenges that may have contributed to more severe impacts of the pandemic among low-income communities and people of color."

The SLFRF program presents enormous opportunities for state and local governments to center public health and racial equity, for example by providing health and socio-economic relief for their low-income frontline workers, communities of color, and unhoused residents, by funding public health workforce and infrastructure, and focusing on amending relationships and trust between institutions and communities since the COVID-19 crisis.

However, high risks persist in how state and local governments may mismanage, misuse and abuse these funds, as evidence shows in the management and usage of existing federal COVID-19 relief funds including the Coronavirus Relief Fund (CRF) as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. In 2021, the California state auditor found [significant mismanagement of CRF by various California state agencies](#) that led to insufficiency in COVID-19 response and potential fraud. Across the nation, multiple state and local governments have funneled their CARES Act, FEMA, and other federal COVID-19 relief funds to police and jails through salary

increases, overtime coverage, “hero bonuses,” and purchasing new equipment and vehicles at local law enforcement agencies. And instead of investing in public health, [some jurisdictions used federal COVID-19 funds towards carceral and punitive COVID-19 responses, including creating specialized COVID-19 police units.](#) These policing-based pandemic responses are ineffective in reaching communities in need and could further criminalize Black, Indigenous and People of Color and migrant communities and perpetuate the [prison industrial complex.](#)

WHY IS CPEHN INVESTIGATING COUNTY-LEVEL ARPA SLFRF SPENDING?

California’s counties and cities are receiving a total of \$16 billion relief funds from the SLFRF Program (in addition to \$27 billion that California’s state government is receiving separately). These funds come with few “strings” attached. In the Final Rule, the Treasury encourages local governments to prioritize fund uses in various categories, including:

1. Responding to the public health and negative economic impacts of the pandemic;
2. Providing premium pay to essential workers;
3. Providing government services to the extent of revenue loss due to the pandemic; and
4. Making necessary investments in water, sewer, and broadband infrastructure.

The only prohibited use for these funds for counties and cities is making a deposit into any pension fund. Meanwhile, local governments received their first tranche, namely the first half of the allocation in May 2021 and would receive the rest and second tranche around May 2022. They have until December 2024 to obligate these funds and December 2026 to spend the funds. All this means that counties are granted significant flexibility and discretion over the specific programs they invest their SLFRF for, but also over the timing of allocation and expenses. Counties can leverage these funds to either meet urgent needs on the ground, such as bolstering COVID-19 testing, or springboard structural improvements,

such as building up local health departments, investing in public housing, and implementing pilot programs such as universal basic income and community-based crisis response as alternatives to policing. It is critical for counties to balance and prioritize the use of their SLFRF allocation according to local communities’ needs and wants.

On the other hand, local budget processes, particularly at county and city levels are often complicated and inaccessible processes for community residents to engage with. In the absence of authentic community engagement, these critical financial decisions including those for the SLFRF program remain in the hands of a few local authorities and elected officials (for example, the county board of supervisors and city councils). While the US Treasury calls for the local implementation of SLFRF to [“reflect the importance of public input, transparency, and accountability”](#) and encourages local jurisdictions to engage with directly impacted communities in their decision making around SLFRF, counties vary largely in how they are using the funds or making decisions. Additionally, to provide oversight, the US Treasury has issued [requirements](#) for most local jurisdictions to submit annual plans (known as “recovery plan performance reports” or “recovery plans”) as well as quarterly financial reports (known as “project and expenditure reports”) following the receipt of their SLFRF. However, these reporting requirements are minimal and do not guarantee that each county will follow the principles of equity as laid out by the Treasury while implementing their SLFRF. The accountability of these public dollars remains a question.

WHY IS CPEHN DEVELOPING “SCORECARDS” FOR COUNTIES?

CPEHN and its community partners have been monitoring and advocating on the equitable use of federal COVID-19 relief since 2020. **In California, many local jurisdictions have mismanaged, misused and/or abused federal COVID-19 relief funds,** including [Sacramento County which initially allocated more than 70% of its total Coronavirus Relief Fund \(CRF\)](#)

[amounts to sheriff and probation](#). Recent public records and news reporting indicated that many California localities have again allocated significant amounts of ARPA funds towards law enforcement, including the Cities of [Long Beach](#), [Fresno](#), [Los Angeles](#), [Merced](#), [Stockton](#) and [San Francisco](#). Public scrutiny from community-based organizations and community advocates is critical in holding local governments accountable in implementing federal COVID-19 funds.

Through the use of “scorecards” (a common tool to create simple and easily understandable performance evaluation), CPEHN hopes to review and grade counties on their spending processes and decisions around implementing their SLFRF. For community organizations and members, we hope these scorecards can help break down the complicated and inaccessible county budget information around SLFRF, and help those engaged in local advocacy to further hold their elected officials accountable. For county governments and elected officials, we hope to elevate the efforts and practices that are worth applauding and continuing, and also point out inequities, gaps, and limitations in their SLFRF implementation. The ultimate goal is to facilitate so that counties can improve in their ongoing SLFRF decisions and better serve their communities most in need.

METHODS

HOW DID CPEHN COME UP WITH THE SCORES AND GRADES?

CPEHN developed a 100-point scoring system consisting of 51 questions to evaluate counties' decisions and processes between March 2021 and February 2022 (namely, the “investigation period”) to implement their American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF).

These questions aim to assess four areas of a county's performance:

- Projects the county has allocated or spent funds towards (i.e. uses of funds)

- How the county is promoting racial equity through the uses of funds (i.e. promoting racial equity)
- How the county is engaging their communities in the decision making (i.e. community engagement)
- Transparency, accountability and accessibility reflected in the county' processes.

The 51 yes-or-no questions are listed below.

With this scoring system, CPEHN analyzed a total of 11 counties in California, each receiving more than \$100 million through SLFRF program. We researched and analyzed the available digital compliance reports counties submitted to the US Treasury, including the 2021 annual recovery plan performance reports and the interim reports submitted at the end of August 2021, and the most recent quarterly project and expenditure reports submitted at the end of January 2022. We also researched and analyzed additional publicly available information related to the county's ARPA SLFRF implementation, including public meeting records, budget documents, and any ARPA webpages and information that the county shared online. Although not incorporated as part of the scoring or grading, CPEHN sought feedback from a list of local community partner organizations to understand their on-the-ground experience interacting with their counties on ARPA decisions. Prior to the publication of these scorecards, CPEHN shared the analyses with all 11 county administrative offices to provide an opportunity for response.

After scoring the counties in the four areas, CPEHN derived letter grades for these counties using standard normal distributions. The goal is to offer comparative analyses across 11 counties. For each area, the majority of counties (68%) will receive a letter B (above average) or C grade (below average). Please note as time goes on and that counties move along with their SLFRF implementation, a future analysis of additional efforts and/or additional counties may change these grades, as they are specific to the time period and counties we selected.

List of 11 counties CPEHN analyzed and the amount of their SLFRF allocation

Local jurisdiction	Total SLFRF allocation
Los Angeles County	\$648,431,468
San Diego County	\$624,817,342
San Francisco City and County	\$616,840,943
Orange County	\$423,455,955
San Bernardino County	\$301,469,072
Sacramento County	\$301,469,072
Fresno County	\$194,063,657
Kern County	\$174,853,685
Ventura County	\$164,326,748
San Joaquin County	\$148,038,314
Stanislaus County	\$106,959,250

CPEHN’s ARPA Equity Metric

Uses of Funds (questions 1-22)	
1	Is any funding being spent to support COVID-19 testing?
2	Is any funding being spent to support COVID-19 vaccination?
3	Is any funding being spent to support COVID-19 contact tracing?
4	Is any funding being spent to support other COVID-19 public health responses, including providing Personal Protective Equipment and strengthening health communications and education?
5	Is any funding being invested in mental health, behavioral health and substance use programs?
6	Is any funding being invested in food assistance programs, such as meals for residents?
7	Is any funding being invested in housing assistance programs, such as providing rent, mortgage and utility relief, and building social housing units etc?
8	Is any funding being invested in assistance to the unhoused population, such as providing shelter and housing vouchers etc?
9	Is any funding being provided as direct financial aid for impacted communities, including cash assistance, universal basic income, and “premium pay” particularly for low-income, non-governmental frontline workers?

10	Is any funding being invested to improve access to broadband and digital devices, such as providing universal broadband across the jurisdiction?
11	Is any funding being invested to improve public transportation, green spaces and other public spaces?
12	Is any funding being invested to strengthen other social programs and services not already mentioned above, such as child care, paid sick leave, support for teachers and students, legal assistance for migrants and violence survivors, reintegration services for justice involved people, etc
13	Is any funding being allocated as grants and awards for community-based organizations and community clinics?
14	Is any funding being invested to train, hire or fund community health workers, promotoras, and community health navigators?
15	Is any funding being invested to provide hero or premium pay for local public health and social services department staff?
16	Is any funding being invested to strengthen local health and social services departments through training, workforce expansion, and technology improvement, etc?
17	Is any funding being invested in addressing institutionalized racism, such as conducting examinations for institutional policies, programs and practices with an antiracism lens and creating racial equity action plans for governments?
18	Is any funding being invested to hire equity positions within the jurisdiction, such as a chief equity officer at a local health department or a county administrative branch?
19	Is any funding being invested in structural improvements including strengthening local demographic data collection and disaggregation for race/ethnicity, language, and sexual orientation and gender identity data, and strengthening multilingual access to public information and programs?
20	Is any funding being invested in strengthening non-punitive, community-based prevention and intervention, including community-based mental health and crisis response programs as alternatives to policing?
21	[Negative Points] Is any funding being spent to provide payroll support or “premium pay” for sheriff, probation, and police departments, prisons and jails, criminal courts, immigration enforcement, and other criminal-legal and carceral institutions?
22	[Negative Points] Is any funding being allocated to expand criminal-legal and carceral institutions, such as creating new departments, hiring additional positions, and purchasing new equipment and vehicles within sheriff, probation, and police departments, and building new prisons and jails, etc?
Promoting Racial Equity (questions 23-34)	
23	Has the jurisdiction acknowledged the inequitable impacts that Black and African American, Latino/a/x, Asian American, Pacific Islander, and indigenous communities and other people of color experienced during the COVID-19 pandemic?
24	Has the jurisdiction tracked or identified any health and social disparity data for historically underserved, marginalized, or adversely affected groups including for people of color?
25	Has the jurisdiction explicitly articulated a vision or mission to reduce racial disparities in the uses of funds?

26	Has the jurisdiction identified equity outcomes in the uses of funds, such as closing gaps, reaching universal levels, or disaggregating progress by race/ethnicity?
27	Has the jurisdiction treated the funds with urgency by having obligated funds for at least one program within the first 6 months of receiving funds (i.e. by December 2021)?
28	Has the jurisdiction used data and quantitative tools and/or other evidence to identify racial inequities, for example, using an area based social index such as the Healthy Places Index?
29	Has the jurisdiction actively promoted collaboration across its own governmental agencies and departments to achieve its equity goals or plans?
30	Has the jurisdiction dedicated the capacity and infrastructure to operationalize its equity plans and goals, such as involving an existing equity position or office in the implementation of funds?
31	Has the jurisdiction expanded the capacity and infrastructure to operationalize its equity plans and goals, such as hiring or creating new equity positions or offices, creating equity-focused workgroups for the implementation of funds?
32	Has the jurisdiction funded local community-based organizations and community defined practices that specifically serve Black and African American, Latino/a/x, Asian American, Pacific Islander, and indigenous communities and other people of color?
33	Has the jurisdiction identified any evaluation and performance measures for its equity goals and plans?
34	Has the jurisdiction strengthened accessibility to its programs and services, such as having culturally and linguistically appropriate information and outreach, collaborating with community-based organization, providing transportation assistance, etc?
Community Engagement (questions 35-41)	
35	Has the jurisdiction shared any information related to the use of funds (for example, background, goals, and timeline) with the public, including posting announcements and information online through its official listservs, social media accounts and websites?
36	Has the jurisdiction provided any education related to the use of funds (for example, background, goals, and timeline) for the public, including hosting educational public workshops and webinars?
37	Has the jurisdiction sought to collect public input and feedback on the use of funds, including using listening sessions, workshops and surveys?
38	Has the jurisdiction incorporated the public input and feedback it has received into the use of funds, such as prioritizing a category of fund allocation due to a survey result?
39	Has the jurisdiction proactively consulted existing governmental community-liaisons or staff on the use of funds, such as a county community relationship manager?
40	Has the jurisdiction proactively consulted community-based organizations who represent and serve communities of color and other disproportionately impacted communities on the use of funds, such as engaging with a local people's budget coalition?
41	Has the jurisdiction offered technical assistance (for example, trainings and workshops) to community-based organizations to apply for these funds, especially for smaller, grassroots organizations with limited financial and operational capacity?

Transparency, Accessibility and Accountability (questions 42-51)	
42	Is the jurisdiction's "2021 annual Recovery Plan Performance Report" posted on a public facing webpage and can be easily located by the general public through an online search engine?
43	Is the jurisdiction's "2021 Interim Report" posted on a public facing webpage and can be easily located by the general public through an online search engine?
44	Is the jurisdiction's "Quarterly Project and Expenditure Report" from January 2022 posted on a public facing webpage and can be easily located through an online search engine?
45	Has the jurisdiction set up a dedicated official, public-facing webpage to host ARPA compliance reports and relevant information for the public to review?
46	Has the jurisdiction listed any contact information (such as a phone number or an email address) where the ARPA compliance reports are also located, for the public to ask questions or get in touch?
47	Has the jurisdiction set up any grievance processes such as a public comment period or portal, so that the public can further engage with its ARPA spending decisions?
48	Did the jurisdiction post the first annual "Recovery Plan Performance Report" online via its public facing website in a timely manner (i.e. within a month after the report was due, or before October 31, 2021)?
49	Did the jurisdiction host any public information sharing sessions in a timely manner since receiving the first tranche of funds (i.e. within the first 9 months of receiving funds, or by February 2022)?
50	Has the jurisdiction referenced any information of the SLFRF program from the US Treasury (for example, linking the Treasury SLFRF website) in its compliance reports or on its public facing ARPA website, so that the public can review?
51	Has the jurisdiction explicitly referenced the guidelines and language in the US Treasury's regulations and other publications (for example, the Interim Final Rule and the Final Rule) in its compliance reports or websites?

GLOSSARY

- **American Rescue Plan Act (ARPA):** The American Rescue Plan Act of 2021 is a \$1.9 trillion stimulus package passed by the 117th United States Congress and signed into law by President Joe Biden on March 11, 2021 during the COVID-19 pandemic.
- **State and Local Fiscal Recovery Funds (SLFRF):** The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan, delivers \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency.
- **Coronavirus Aid, Relief, and Economic Security Act (CARES Act):** The Coronavirus Aid, Relief, and Economic Security Act or CARES Act is a \$2.2 trillion economic stimulus bill passed by the 116th U.S. Congress and signed into law by President Donald Trump on March 27, 2020 during the COVID-19 pandemic.

- **Coronavirus Relief Fund (CRF):** The Coronavirus Relief Fund as part of the CARES Act provides for \$150 billion payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak.
- **Tranche:** a portion of something, usually money.
- **Criminal legal systems:** these refer to U.S. government systems and institutions including policing, prosecution, courts, and corrections.
- **Prison industrial complex:** this term describes the overlapping interests of government and industry that use surveillance, policing, and imprisonment as solutions to economic, social and political problems. ([source: Critical Resistance](#))
- **Community-based crisis responses:** there are community-based responses or solutions to community emergency and crises that are free from the involvement of police. For example, check out Sacramento and Oakland's [Mental Health First](#) programs.

