

**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH**

**F A C T   S H E E T**

**APPROVAL TO AMEND THE STATE OF CALIFORNIA – DEPARTMENT OF  
REHABILITATION COOPERATIVE AGREEMENT  
FOR FISCAL YEAR 2008-09  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval to amend the existing Cooperative Agreement with the State of California - Department of Rehabilitation which will enable six Legal Entity contract providers to expand their vocational/employment services.

**REQUEST**

Approve and authorize the Director of Mental Health, or his designee, to sign and execute four original copies of Amendment No. 2 (Amendment) to the Cooperative Agreement Number 26350 (Cooperative Agreement), between the State of California - Department of Rehabilitation (State DOR) and the Los Angeles County Department of Mental Health (DMH) for Fiscal Year (FY) 2008-09. This Amendment will enable six legal entity (LE) contract providers to expand their vocational/employment services to DMH clients. This expansion is achieved by increasing County match contribution in the amount of \$134,074 to access additional Federal funding.

**PURPOSE/JUSTIFICATION**

The Cooperative Agreement with State DOR provides funding for vocational/employment services to DMH clients. These services include vocational assessments, funds for transportation, clothing and uniforms, job-related tools and equipment, training, job placement and other supportive services that assist clients to maintain employment.

The Cooperative Agreement is funded by County General Funds (CGF), Mental Health Services Act (MHSA) funds, and non-cash match of DMH certified time commitments. These funds are then used to match Federal funds that are administered through State DOR. As a result of a State DOR internal mid-fiscal year budget shift, additional Federal dollars have become available for the Cooperative Agreement. To access the additional Federal dollars, additional County match funds are needed. This Amendment, utilizing Board delegated authority, will provide the additional County match by reducing the CGF and/or MHSA funds from the Maximum Contract Amounts (MCA) of five LE provider agreements. The result will be an increase in the total

Cooperative Agreement funds that can be used to expand vocational/employment services to DMH clients for FY 2008-09.

## **BACKGROUND**

DMH has participated in a Cooperative Agreement with State DOR since 1991 to provide vocational/employment services for individuals who have a mental illness. These services include vocational assessments provided by LE contract providers and assistance with obtaining employment and support to maintain employment. During FY 2007-08, approximately 2,400 clients were served through the Cooperative Agreement Program. Approximately 717 additional clients will be provided services through this Amendment.

During the past year, DMH has worked with State DOR to strengthen the employment services offered to DMH clients. With the additional focus on career goals, strengths, and abilities, clients are more prepared to meet State DOR eligibility requirements for employment-related services. These services include funds for transportation, clothing and uniforms, job-related tools and equipment, training, and other services that enable clients to obtain and maintain employment.

DMH is required under the Cooperative Agreement to contribute matching funds in order for State DOR to access Federal vocational rehabilitation monies. DMH can meet its match requirement through either cash match and/or non-cash match of certified time. The monetary value of certified time is based on staff salaries for time spent to administer the Agreement and provide liaison services. DMH's contribution for FY 2008-09 is a combination of funds from the decrease of LE providers' MCA and non-cash/certified time commitments.

In response to the State DOR internal mid-fiscal year budget shift, five of DMH's LE providers have agreed to decrease their MCA and correspondingly increase their CGF and MHSA contribution to the State DOR, which uses such funds and the related Federal match to fund the Case Service Contract between these LE providers and State DOR. The Case Service Contracts are agreements between the State DOR and the LE providers that enable the providers to be reimbursed through the State DOR. The sixth LE provider's matching contribution was not included in the FY 2008-09 contract supersession, thus it was held in DMH's FY 2008-09 Budget and earmarked for the sixth contract provider to be used for this purpose.

This Amendment shall revise the total amount of DMH's contribution. The revised contribution is a combination of an increase of \$134,074 in CGF and MHSA funds and

the previously budgeted LE contribution of \$594,481 and \$64,422 for a subtotal of \$792,977. This combined with certified time commitments of \$226,462 yields a DMH contribution total amount of \$1,019,440, which is included in DMH's FY 2008-09 Budget. The total revised budget for the FY 2008-09 Cooperative Agreement is \$4,628,745, which is comprised of \$3,609,306 of leveraged Federal funds and DMH's contribution of \$1,019,439.

The Amendment expressly provides that the County has no obligation to pay for expenditures beyond the contract amount. This is a cost reimbursement contract whereby State DOR pays LE contract providers directly. The LE contract providers submit invoices to State DOR reflecting actual costs for providing services. The Amendment specifies the services to be provided and the funding amounts to be reimbursed for the services.

Board approval of the proposed action will allow DMH to amend the Cooperative Agreement with the State of California Department of Rehabilitation to increase the matching funds needed to provide vocational/employment services to additional clients. These services will result in more clients receiving the necessary support to obtain and maintain employment which is critical to their recovery and independence.

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