



Chapter 23

Fiscal Administration

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Version History

Version #	Date	Notes
0.1	5/11/2023	First Draft submitted to technical SME
0.2	6/21/2023	First Draft submitted to CPR Team
0.3	7/6/2023	Final Draft revised per review by CPR Team

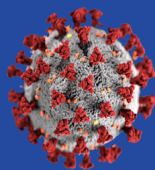
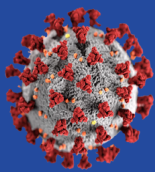


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23 Fiscal Administration

Public Health Emergency Preparedness and Response Capabilities: Community Recovery; Emergency Operations Coordination.

Related CDPH AAR Chapters: Contracting and Procurement.

In this chapter, some abbreviations may be used interchangeably with their respective full spellings for ease of reading.

Chapter Summary

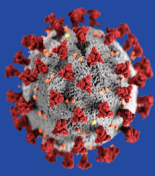
Overview

This section provides a high-level overview of milestones and activities related to this chapter.

On March 4, 2020, Governor Newsom declared a state of emergency due to the COVID-19 pandemic. This emergency declaration authorized the administration to use various emergency powers to respond to the pandemic, including emergency spending authorities. Since the California Department of Public Health (CDPH) played a key leadership role in the State's overall emergency response, it received more state and federal emergency funding than any other State department. Through FY 22/23, CDPH estimates that it has managed approximately \$11.7 billion in state and federal funds associated with the COVID-19 state of emergency through direct expenditures and flow-through funding to the local health jurisdictions (LHJs).

CDPH had no playbook on how to address the fiscal management complexities of the magnitude of the COVID-19 response. CDPH immediately recognized that its existing financial management organizational structure and associated processes were insufficient to support the administration of COVID-19 emergency funding. CDPH established fiscal teams to determine the scope of the department's financial administration responsibilities for managing state and federal funds, distributing and allocating federal funded grants for State operations and to the LHJs, and cost recovery through the Federal Emergency Management Agency (FEMA).

These fiscal teams created and implemented new policies and procedures to manage the immense amount of state and federal funds CDPH would receive for the public health response. As the State and federal government appropriated additional funds with different requirements for usage, CDPH had



to revise its fiscal management procedures accordingly. Thus, throughout the pandemic, as the state and federal requirements evolved, CDPH adapted its organizational structure and continually refined its processes to successfully carry out its fiscal administration responsibilities.

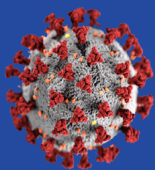
CDPH worked collaboratively and established frequent communications with the California Health and Human Services Agency (Cal HHS), the California Department of Finance (DOF) and other State departments, to understand and adhere to the State's requirements for securing, allocating, and managing state funds under the State's emergency spending authorities. This close collaboration with DOF, California Department of General Services (DGS), the California State Controller's Office (SCO) and the California Office of Emergency Services (Cal OES) enabled CDPH to successfully secure state funding for COVID-19 activities and expedite processing of contracts, invoices, payments, and federal reimbursement of eligible costs.

In 2020 and 2021, Congress passed numerous legislation which provided federal funding to states and local entities. Some of the funding was allocated directly to the State and the remaining funds flowed to CDPH and LHJs through federal funded grants administered by the Centers for Disease Control and Prevention (CDC). Each COVID-19 funding stream had to be tracked and managed separately. Furthermore, the federal funds had unique requirements relative to allowable use, reporting, or period of availability, which required careful tracking and monitoring.

Figure 1 – State and Federal Funding Sources

Funding Source	Number of Sources	Total
State	22	\$ 7,519,640,000
Federal	25	\$ 4,223,583,479
Combined Total	47	\$ 11,743,223,479

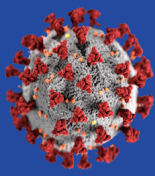
CDPH had never tracked and monitored expenditures at this scale before. The fiscal teams had to develop methods to monitor state and federal appropriations, expenditures, and fund sources to ensure there were sufficient funds to pay for the COVID-19 response activities. However, the State's financial information system, FI\$Cal, was not designed to support CDPH's fiscal management needs. For most fiscal administration activities, the fiscal teams created and maintained spreadsheets to support their work. Consequently, the



overall financial status could only be determined from the spreadsheets because CDPH lacked the administrative systems to effectively portray the overall financial picture of COVID-19 expenditures in relationship to the various state and federal funding sources.

In January 2023, CDPH began planning for the end of the emergency that the Governor would declare on February 28, 2023. CDPH leadership needed information about funding needs and funding availability to inform decisions on which response activities would cease, remain in the CDPH Medical and Health Coordination Center (MHCC), transfer to other partner organizations, or transition to a designated CDPH program. CDPH's Center for Preparedness and Response (CPR) led the demobilization planning process, which included creating a method to collect financial and programmatic information from the COVID-19 response teams in a standardized format. This information was used by CDPH to prioritize activities, develop the budget for unspent funds in the 2022-23 fiscal year, and estimate the budget for the 2023-24 fiscal year.

For further discussion of procurement, contract management, contract staffing reimbursements, and insurance reimbursements refer to the Contracts Administration chapter of this report.



Timeline and Key Milestones

2020	
Spring 2020	<ul style="list-style-type: none"> ▶ March 4: Governor declares state of emergency ▶ March: CDC begins using existing Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) Cooperative Agreement to fund COVID-19 public health efforts ▶ March 5: Crisis Response Cooperative Agreement Grant funded through March 2023 ▶ March 6: Federal Coronavirus Preparedness and Response Supplemental Appropriations Act (HR 6074) enacted ▶ March 13: President declares national emergency ▶ March 18: Federal Families First Coronavirus Response Act (HR 6201) enacted ▶ March 22: President approves a major disaster declaration for California ▶ March 25: Governor transfers \$1.3 billion to the State's Disaster Response Emergency Operations Account (DREOA), a subaccount of the Special Fund for Economic Uncertainties (SFEU) ▶ March 27: Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (HR 748) enacted, which establishes the Coronavirus Relief Fund ▶ April 23: CDC ELC CARES Cooperative Agreement Grant funded through December 2022 ▶ April 24: Federal Paycheck Protection Program and Health Care Enhancement Act (HR 266) enacted ▶ May 18: CDC ELC Enhancing Detection Grant funded through July 2024 ▶ May 21: Governor transfers \$1.8 billion to DREOA
Summer 2020	<ul style="list-style-type: none"> ▶ July 1: California 2020-21 State Budget enacted; included funds set aside in reserve for SFEU ▶ July 1: First round of CDC Immunization and Vaccines for Children Grants funded through June 2024 ▶ August: CDPH forms the COVID-19 Fiscal Task Force
Fall 2020	<ul style="list-style-type: none"> ▶ September: CDPH begins developing estimates for the FY 2021-22 Governor's Budget ▶ November 23: Governor transfers \$1.5 billion to DREOA



Winter 2020/2021	<ul style="list-style-type: none"> ▶ December: California Department of Finance launches web portal for State departments to track Federal stimulus awards, encumbrances, and expenditures ▶ December: Federal Coronavirus Response and Relief Act (HR 133) enacted ▶ December: Federal Consolidated Appropriations Act of 2021 enacted ▶ December 16: Second round of CDC Immunization and Vaccines for Children Grants funded through June 2022 ▶ January 15: Third round of CDC Immunization and Vaccine for Children Grants funded through June 2024 ▶ February 24: Governor transfers \$2 billion to DREOA <p>February: CDPH begins developing estimates for the May Revision of the State 2021-22 budget</p>
2021	
Spring 2021	<ul style="list-style-type: none"> ▶ March 11: Federal American Rescue Plan Act (ARP Act) enacted ▶ May: Governor issues May Revisions of the State 2021-22 budget
Summer 2021	<ul style="list-style-type: none"> ▶ June 1: Fourth round of CDC Immunization and Vaccines for Children grants funded through June 2024 ▶ June 23: Governor transfers \$1.1 billion to DREOA ▶ July 1: CDC Workforce Development Grant funded through June 2023 ▶ July: State 2021-22 Budget Act enacted ▶ August: CDPH begins developing estimates for the Governor's 2022-23 State Budget
2022	
Winter 2021/2022	<ul style="list-style-type: none"> ▶ February: CDPH begins developing estimates for the May Revision of the State 2022-23 budget
Spring 2022	<ul style="list-style-type: none"> ▶ May: Governor issues May Revisions of the State 2022-23 budget
Summer 2022	<ul style="list-style-type: none"> ▶ July: State 2022-23 Budget Act enacted ▶ August: CDPH begins developing estimates for the Governor's 2023-24 State Budget
2023	
Winter 2022/2023	<ul style="list-style-type: none"> ▶ February 28: Governor ends state of emergency in California
Spring 2023	<ul style="list-style-type: none"> ▶ May 11: President ends the federal public health emergency declaration



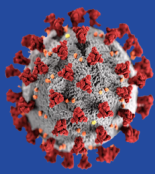
Main Strengths and Successes

This section describes the Main Strengths and Successes, including findings and corrective actions, related to fiscal administration. Further elaboration and a more detailed discussion of these strengths and successes can be found in the Analysis of Activities section.

1. CDPH proactively adapted its fiscal organizational structure and created and refined fiscal processes to successfully manage its evolving COVID-19 fiscal administration responsibilities.

CDPH had never faced an emergency with the funding needs of the COVID-19 emergency's magnitude. CDPH leadership recognized that the existing fiscal organizational structure and associated processes would be insufficient to support the administration of COVID-19 emergency funding, which "were beyond anything we had in place," according to one SME. Upon the Governor's emergency declaration, CDPH leadership immediately assembled a cross-functional fiscal administration team, comprised of staff from accounting, budgets, procurement, and contract management, as well as the MHCC Finance team and the CDPH Emergency Preparedness Office, which later became the Center for Preparedness and Response (CPR) in February 2023, to determine how to manage the immense amount of state and federal funds the department would receive for the public health response. The team quickly developed and implemented new procedures to carry out its fiscal administration responsibilities, which included fiscal management of CDPH's state operations, as well as distributing funding to the LHJs.

As the number of State funding sources expanded through Disaster Relief Emergency Operations Account (DREOA) requests, CDPH leadership established the COVID-19 Fiscal Task Force in spring 2021 to oversee fiscal management of State funds and refine processes to handle the increasing volume of work. CDPH designated highly experienced task force members, with deep fiscal management expertise, to integrate processes and to address issues that overlapped across fiscal functions. An equally important task was securing funding for and overseeing the expenditures authorized for the various Governor's COVID-19 Task forces. Recognizing that fiscal monitoring,



reporting, and cost recovery would extend beyond the end of the emergency, in April 2022 CDPH transitioned the fiscal responsibilities from the COVID-19 Fiscal Task Force to CPR Emergency Funding Branch. Thus, as the fiscal management activities evolved, CDPH adapted its organizational structure and continually refined its processes to successfully carry out its fiscal administration responsibilities.

Finding/Corrective Action: CDPH established processes, procedures, and the organizational structure to successfully conduct its fiscal administration responsibilities, creating a model that can be replicated in the future. (ID: Fiscal 1)

2. CDPH established effective communications and collaborative relationships with partner agencies to successfully secure funding and recover costs for COVID-19 activities.

The California Legislature appropriated emergency funds for the COVID-19 response through different mechanisms than the typical budget processes used to fund ongoing state operations. Consequently, CDPH had to prepare and submit special authorization requests to use these emergency funds, for which the documentation requirements changed each fiscal year of the response. To better understand these evolving requirements, CDPH's COVID-19 Fiscal Task Force communicated frequently with Cal HHS and met with DOF daily starting in August 2020 through spring 2021 and biweekly thereafter. This ongoing communication was critical to understanding DOF's requirements for a successful funding request submission. DOF also assisted CDPH with its estimating processes, which the CDPH team adopted to successfully forecast and secure state funding and intends to utilize for future emergency response activities.

The CDPH FEMA reimbursement team also developed a strong relationship with Cal OES to facilitate the cost recovery process. As FEMA's grantee to the State of California, Cal OES is the official contact between FEMA and CDPH to provide technical support and assistance throughout the application and reimbursement process. The team established daily meetings with Cal OES and as a result, the team submitted successful project applications that were approved by FEMA



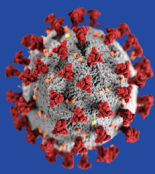
and enabled CDPH to meet FEMA's cost recovery documentation requirements.

Finding/Corrective Action: CDPH has the opportunity to continue the communication and collaboration with partner agencies to identify opportunities to improve its ongoing fiscal management activities. (ID: Fiscal 2)

3. CDPH leveraged existing structures, created new processes, established a dedicated team, and provided assistance for LHJs to successfully obtain and utilize federal funded grants to address their local needs.

Over the course of the pandemic, CDPH received approximately \$3.1 billion in federal grants, of which over \$2.3 billion was distributed to LHJs. Prior to COVID-19, CDPH did not have efficient and expeditious processes to distribute this amount of funding to the LHJs. When the first federal grant was awarded in March 2020, CDPH quickly developed protocols for LHJs to request, utilize, and report on the federal funded grants. With limited staffing to manage these large grants, initially CDPH was slow to review and approve LHJs' workplans and spend plans or their quarterly progress reports. However, when CDPH was awarded its largest federal funded grant of almost \$1.8 billion in January 2021, CDPH recognized the need to dedicate staff to manage LHJ grant funding and established a team, comprised of 15 limited-term positions, within CPR Emergency Funding Branch. By April 2021, this new team caught up with the backlog of its reviews of LHJs' workplans and spend plans and progress reports. Furthermore, the team established productive communications with the LHJs to better understand local needs, provide assistance on workplan development, and to keep LHJs informed on funding decisions.

Finding/Corrective Action: CDPH can leverage the federal funded grant management team structure, processes, and communication channels it created for future pandemics. (ID: Fiscal 3)



Main Challenges and Lessons Learned

This section describes the Main Challenges and Lessons Learned, including findings and corrective actions, related to fiscal administration. Further elaboration and a more detailed discussion of these challenges and lessons learned can be found in the Analysis of Activities section.

4. CDPH lacked sufficient staff resources with fiscal expertise to support its fiscal administration responsibilities.

Upon the Governor's emergency declaration, CDPH created a small cross-functional team with representatives from the Administration Division and CPR. This accounting and budgeting team became overwhelmed with their ongoing work and new COVID-19-related responsibilities. CDPH redirected staff from other units, to rotate through in three-month increments, to support the team, but many of the rotating staff lacked fiscal management experience, and the team had limited capacity to provide training.

At the same time, the CDC recognized that states and LHJs were struggling to find staffing resources to meet the COVID-19 public health challenge. Consequently, CDC provided supplemental funding to enhance workforce capacity under the Crisis Response Cooperative Agreement, known as the COVID-19 Public Health Workforce Development (WFD) Supplemental Funding grant. When CDC awarded WFD grant funds in July 2021 it specifically allowed states and local jurisdictions to use the funds to hire temporary administrative staff. This provided CDPH the opportunity to utilize funds from the state operations portion of the WFD grant to fund limited-term positions throughout the department, including staff dedicated to fiscal administration.

However, CDPH struggled to fill these limited-term positions. CDPH found it difficult to find qualified candidates who were willing to accept a limited-term position that did not offer a career path in state service. In the FY 2022-23 State budget, CDPH received approval to convert some limited-term positions into permanent positions, which made it easier for CDPH to hire qualified staff with financial management expertise.

Finding/Corrective Action: CDPH has the opportunity to review the fiscal staffing resources that were needed to support the COVID-19 response to forecast future needs. Recognizing the important function fiscal management plays in the emergency response, CDPH can then plan for



and secure funding for the staffing resources needed to support its fiscal administrative activities. (ID: Fiscal 4)

5. CDPH often needed to process invoices for COVID-19 goods and services before a specific funding source was identified. This increased the amount of backend work required to ensure accurate COVID-19 cost reporting and tracking.

Due to the urgent need to contract for pandemic services and supplies, CDPH often negotiated and executed contracts with vendors before identifying a specific funding source to encumber. Consequently, in some instances CDPH had to identify an interim funding source to pay vendor invoices while simultaneously obtaining authorization for the permanent funding source. To address this CDPH used “parking” fund codes to temporarily charge expenditures until the most appropriate funding source was ultimately identified. This created an extra workload for fiscal administrative staff, who had to reverse charges on thousands of transactions from the temporary funding source and then charge the approved funding source once established.

Finding/Corrective Action: CDPH has the opportunity to streamline the coding structure to avoid future use of “parking” codes and to simplify expenditure tracking and reporting. (ID: Fiscal 5)

6. FI\$Cal did not fully support CDPH’s financial administration needs, which caused staff to create spreadsheets to manage most of their work.

The State’s financial information system, FI\$Cal, did not adequately support CDPH’s fiscal management needs. SMEs reported that FI\$Cal was “clunky” to use, its reports were difficult to understand, and the coding structure used for cost reporting was very complex. Instead of using FI\$Cal reports, for most fiscal administration activities the fiscal teams created spreadsheets to conduct their work, which SMEs reported “were also difficult to manage.” For example, since FI\$Cal does not provide grants management functionality, CDPH had to utilize spreadsheets to administer the more than \$8 billion it received in State and federal funds. Furthermore, because CDPH temporarily parked expenditures in interim funding source codes, CDPH could not rely on FI\$Cal for accurate cost reports by the expenditures’ true funding source. Rather, CDPH maintained and depended on a comprehensive



spreadsheet, known as the “COVID-19 Cost Tracker” to track information on expenditures across the department. Similarly, the FEMA reimbursement team maintained a master contract list on a spreadsheet in order to monitor contract expenditures against the contract’s true funding source for cost recovery purposes. Consequently, CDPH did not have a single source of information that conveyed its overall COVID-19 financial status.

Finding/Corrective Action: CDPH should consider making investments in administrative systems to improve efficiency to better support its fiscal and grant administration. (ID: Fiscal 6)

7. During planning for COVID-19 response demobilization, it was difficult to reconcile financial information, which exposed the disconnection between fiscal management and operational response activities.

To plan for demobilization of COVID-19 response activities, CDPH leadership had to consider funding availability and anticipated funding needs to decide whether to continue, scale down, or cease certain activities. As staff started to gather budget and programmatic information needed for CDPH leadership to make demobilization decisions, they identified gaps in information and data inconsistencies. These gaps and inconsistencies were the result of the unique COVID-19 fiscal management practices that had been established. Typically, in normal operating conditions, CDPH program staff manage contracts and expenditures, but this practice was not followed for the COVID-19 emergency response. Rather, emergency contracts were managed centrally by the MHCC. As a result, many response teams lacked a clear understanding of how much they were spending, the purpose of the expenditures, or the correct funding sources for expenditures, which ultimately led to the inconsistencies and gaps discovered during demobilization planning. Recognizing that fiscal management is conducted differently for an emergency response, several SMEs suggested that CDPH establish standardized fiscal processes, including templates for data collection, which can be implemented in an emergency.

Finding/Corrective Action: CDPH can plan for and anticipate demobilization challenges, including developing templates and data



collection processes, to account for the unique fiscal management strategies associated with emergency responses. (ID: Fiscal 7)

8. CDPH lacked consistent and coordinated fiscal planning and management across the various COVID-19 task forces.

During the pandemic, the Governor's COVID-19 task forces made policy and operational decisions needed to address the emergency response. Implementing the operational decisions required substantial fiscal planning and management to estimate funding needs, identify a funding source, and request funding approval. In addition, given that many of the task forces were comprised of leaders and members from different State departments, CDPH assumed the responsibility of not only managing its own funding sources, but the funding for other departments as well. However, fiscal planning was not conducted consistently across the task forces. Often the task forces made decisions without fully considering the fiscal implications or engaging with CDPH's fiscal administration team. In those cases, the fiscal administration team had to coordinate with the task force, the degree to which varied depending on how the task force was managed and whether it had a designated fiscal liaison. It was particularly challenging to coordinate with task forces that lacked a fiscal liaison, since the team then had to identify, engage, and inform the decision-maker(s) on the budget and fiscal implications. Several SMEs suggested that for future emergencies, CDPH should assign a fiscal liaison to each task force, "that reports to a central administrative hub" to ensure fiscal planning and management is conducted consistently and integrated into the task forces' decisions. In addition, they recommended that each task force include administrative staff that can manage the budgeting, accounting, and contract management aspects of the task force's responsibilities, utilizing the standardized fiscal management processes and templates described in the previous finding.

Finding/Corrective Action: For future pandemics, CDPH should designate a fiscal liaison within each task force to strengthen fiscal planning and management consistently across all workstreams. The fiscal liaison would report to either the CDPH Administration Division or the CDPH emergency preparedness function, depending on the need, and also coordinate closely with the CDPH emergency procurement official(s). (ID: Fiscal 8)



9. The CDPH fiscal team lacked a formalized communication channel with the State Operations Center (SOC) contracting team, which hindered CDPH's ability to identify public health projects and contract costs eligible for federal reimbursement.

In order to claim FEMA reimbursement CDPH has to identify, track, and document public health projects and costs directly attributed to the declared disaster that occurred during prescribed start and end dates. However, the CDPH fiscal team was not aware of every COVID-19 public health contract, especially purchases made by the SOC, which initially served as the centralized hub of California's pandemic response. This posed a risk that these eligible costs would not be included in CDPH's project applications for reimbursement by FEMA. To address this, the CDPH FEMA reimbursement team proactively reached out to the contracting analysts at the SOC to identify and gather information on their public health related contracts. This extra effort could have been avoided if CDPH fiscal representatives were made aware of public health projects so that the team could more effectively administer all fiscal aspects of projects and associated contracts from inception through cost recovery.

Finding/Corrective Action: CDPH has the opportunity to formalize communications between the SOC and CDPH fiscal staff to ensure all declared emergency contract information and associated activities are appropriately documented and readily accessible to the fiscal team.
(ID: Fiscal 9)

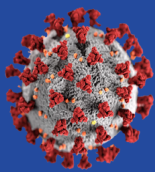
10. CDPH developed internal processes to adhere to FEMA's reimbursement requirements but could have established department-wide protocols for the COVID-19 Task forces and CDPH programs to consistently document activities and costs.

CDPH had limited experience with federal cost recovery prior to the pandemic, since historically it only submitted one or two project applications a year totaling under \$1M. With the COVID-19 emergency activation, FEMA changed its reimbursement processes in several ways, including initiating a streamlined application, starting reimbursement activities right away instead of waiting to the end of the emergency, and requiring that documentation be submitted on an ongoing basis. To handle the anticipated volume of work, CDPH established a small team



of five to work with Cal OES and FEMA to understand the requirements for cost recovery, develop internal processes, and comply with documentation requirements. Since the team was not fully formed until December 2020, it was not able to proactively develop department-wide guidance on FEMA documentation requirements. This meant the various COVID-19 Task forces and CDPH programs were not fully aware of the protocols to document activities and associated costs to justify eligibility for FEMA reimbursement. Consequently, documentation was submitted to the FEMA reimbursement team at different levels of detail, often with missing information. This created additional work for the FEMA reimbursement team to clarify and/or obtain justification of costs on specific contracts and invoices with the pertinent COVID-19 Task Force or CDPH program.

Finding/Corrective Action: CDPH has the opportunity to document its internal FEMA reimbursement processes and develop a playbook with department-wide protocols to ensure information is captured and documented at a sufficient level of detail to meet FEMA's requirements.
(ID: Fiscal 10)



Analysis of Activities

This section elaborates and provides more detail on the findings, corrective actions, and lessons learned that are presented in the Main Strengths and Successes and the Main Challenges and Lessons Learned sections.

For further discussion on procurements, contract management, staffing contracts reimbursements, and insurance reimbursements refer to the Contracting and Procurement chapter in this AAR.

COVID-19 Fiscal Administration of State Funds

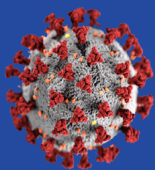
CDPH Established a Team to Manage the Fiscal Administration Complexities of the Emergency Response

- On March 4, 2020, Governor Newsom declared a state of emergency for California due to the COVID-19 pandemic. This emergency declaration authorized the administration to use various emergency powers to respond to the pandemic, including emergency spending authorities. Given the urgency of providing State and local entities financial support, State law provides the Governor flexibility to spend funds for an emergency response without going through the State's annual appropriation processes.
- CDPH did not have adequate processes in place to address the fiscal management complexities of the magnitude of the COVID-19 response. Upon the Governor's emergency declaration, CDPH leadership quickly assembled a cross-functional team comprised of staff from the CDPH Financial Management Branch and the Emergency Preparedness Office. One of the team's first tasks was to determine its emergency fiscal administration responsibilities and the applicable state and federal fiscal policies. This team also quickly developed procedures to estimate, request, encumber, allocate, monitor, and report on the use of State emergency funds.
- The workload soon became overwhelming, particularly for the employees from the Financial Management Branch who also had to conduct their ongoing work in addition to the COVID-19 response activities. The budgets and accounting staff struggled to meet their existing non-COVID-19 responsibilities while taking on the expanded COVID-19 workload, according to one leader. In particular, the analysts who possessed deep



fiscal knowledge were especially burdened with additional work as they were continually lending their expertise on COVID-19 fiscal issues.

- In addition to defining its own role and responsibilities, the CDPH fiscal administration team coordinated with internal and external stakeholders to determine their roles in identifying the source, availability, and authorization needed to use State emergency funds. The various Governor's CDPH COVID-19 Task forces (e.g., Testing Task Force, Vaccine Task Force, and others) and CDPH programs helped to identify the activities and funding amounts needed for the emergency response. Externally, CDPH worked closely with DOF and Cal HHS to identify the availability of funding and the procedures to request funding. DOF also determined the authority and mechanisms available for funding requests.
- The fiscal administration team found it difficult to identify the emergency response activities the CDPH programs and the various Governor's COVID-19 Task forces were implementing and the estimated amount needed to fund those activities. A complicating factor for the team was not having a clear understanding of the right points of contact within the various COVID-19 Task forces. One SME acknowledged that "we never knew who to contact, who was making decisions, or who was involved." Similarly, the task forces members were not aware of who to contact within the fiscal administration team to address their questions on financial, grants, or contract matters.
- The differences among the various COVID-19 Task forces also posed a challenge for the fiscal administration team. These were Governor's (not CDPH's) Task forces and were comprised of many different members from other State departments. Each task force was structured differently; some had designated fiscal liaisons, while others did not. The fiscal administration team had to vary its level of coordination, depending on how the task force was structured and who was involved. It was particularly challenging to coordinate with the task forces that did not have a fiscal liaison.
- During the first year of the pandemic, the fiscal administration team was "constantly playing catch up" to understand the ongoing activities, particularly what contracts were already in place, in process, or needed in the future, according to one SME. Then, the team was continually "chasing the money" to find the appropriate funding source and request funding approval.

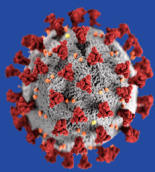


- Because the fiscal administration team focused on tracking activities, contracts, and funding sources, the team had limited time to conduct oversight. Furthermore, coordination across fiscal functions suffered as team members tended to address issues in a siloed fashion, from either an accounting, budgeting, procurement, or contract management perspective, according to their assigned roles prior to COVID-19. Consequently, CDPH leadership recognized that there needed to be better coordination “to connect the dots,” and address the overlapping issues among the different functions of fiscal administration, according to several SMEs. Subsequently, in August 2020, CDPH established the CDPH COVID-19 Fiscal Task Force with staff dedicated solely to COVID-19 fiscal management.
- Once the COVID-19 Fiscal Task Force was established, the fiscal management activities began to “run more smoothly,” according to several SMEs. The SMEs attributed this success to the experienced people who were designated to serve on the COVID-19 Fiscal Task Force and who understood “the bigger picture.” The Fiscal Task Force members redefined the processes and trained staff to analyze the fiscal information and report on it accurately. Furthermore, the COVID-19 Fiscal Task Force members performed multiple roles, such as participating in requests for information from DOF and completing fiscal reports, which helped streamline processes and address issues that overlapped fiscal functions.
- To more proactively identify State funding sources, in August 2020, the team began meeting daily with their CDPH counterparts in the Administration Division's Accounting and Program Services Branches to share information on new activities and to determine how they would be funded. The team also began meeting daily with DOF to identify funding source opportunities. These daily meetings facilitated the team's ability to expedite funding requests.
- By spring 2022 CDPH recognized the need to further consolidate tracking and oversight for COVID-19 expenditures. Subsequently, in May 2022 CDPH transitioned the COVID-19 Fiscal Task Force to the Emergency Funding Coordination Branch within the Emergency Preparedness Office.

CDPH Prepared and Submitted Requests to Use COVID-19 State Funds



- In mid-March 2020, the California Legislature augmented the State's FY 2019-20 budget with a \$1 billion appropriation pursuant to Control Section 36.1 (CS 36.1) of the 2019-20 Budget Act. This gave broad spending authority "for any purpose" related to the Governor's declaration of the COVID-19 emergency.
- State departments submitted requests to receive funding authorized by CS 36.1. To develop its request, CDPH coordinated with the various COVID-19 Task forces and CDPH programs to identify the funding needs and worked with Cal HHS and DOF to align CDPH's planned activities with the Governor's direction for the COVID-19 response. CDPH provided DOF with a detailed request that included a description of activities, cost estimates, and the vendors that would be deployed for the initial COVID-19 response efforts. DOF then submitted an executive order to SCO to increase CDPH's appropriation by the requested amounts, \$31 million in March 2020 and \$27 million in May 2020.
- Starting in June 2020, the State used its budget reserve to appropriate additional State funds for the emergency response. California maintains a discretionary budget reserve in the State's General fund, called the Special Fund for Economic Uncertainties (SFEU). The Disaster Relief Emergency Operations Account (DREOA) is a subaccount of the SFEU from which funds are allocated to State departments after a declared state of emergency. DOF utilized DREOA as the primary mechanism to allocate state funds for COVID-19 related activities through FY 2020-21.
- The process for compiling and submitting DREOA requests was similar to the CS 36.1 process, however the requests were organized by the category or functional area (e.g., testing, vaccines, staffing, etc.). It took significant effort by the fiscal administration team to coordinate internally with the various COVID-19 Task forces and CDPH programs to identify their needs for funding and to collaborate with DOF and Cal HHS to determine funding sources. Through the team's efforts, CDPH received fourteen DREOA appropriations in FYs 2019-20 and 2020-21 totaling \$1.3 billion.
- In many cases, DREOA requests were submitted for expenditures that had already been incurred as the response activities were outpacing the DREOA funding approvals. This required the team to simultaneously find an interim funding source, otherwise referred to as a parking code, to pay invoices while it concurrently identified, requested, and obtained DREOA



authorization for the emergency funding source that would ultimately be used for a specific contract.

CDPH Developed New Processes to Prepare COVID-19 Budget Estimates for FY 2021-22

- CDPH received its last DREOA funding appropriation in June 2021, at which time the State transitioned from the DREOA request process to detailed budget estimates to make COVID-19 appropriations. For the first half of FY 2021-22, the California Legislature appropriated COVID-19 funds from the State's General Fund. Additional funds were subsequently provided in the second half of the fiscal year through a Supplemental Appropriation Bill (SAB) and a newly created emergency special fund, known as the California Emergency Relief Fund, managed by Cal OES.
- CDPH spent significant effort to identify and justify its COVID-19 funding needs for the FY 2021-22. DOF required State departments to submit budget estimates with detailed COVID-19 response documentation outlining the request and why the funding was necessary. Per the State budget cycle, CDPH developed detailed estimates and justification twice that year to inform the Governor's Budget, initially released in January, and again for the May Revision.
- For on-going operations, staff within the CDPH programs create budget estimates for their units, while the Administration Division provides technical assistance to the programs. However, since the CDPH program staff did not have capacity to develop the COVID-19 budget estimates, CDPH tasked a small team of 4 staff from the Administration Division's Financial Management Branch to develop the detailed documentation. This small team had to quickly develop processes to coordinate with CDPH programs at the same time they compiled the data. One SME recalled the effort as "quite ambitious" because the team had never previously prepared estimates and only "had days to put processes in place." These COVID-19 budget estimates were critical to the development of subsequent Budget Change Proposals (BCPs) and Fact Sheets that were submitted as part of the budget package to the Legislature.
- In October 2021, CDPH began the estimating process to request COVID--19 funding for the second half of fiscal year 2021-22. Meanwhile, the team also developed CDPH's estimate for FY 2022-23 COVID-19



funding needs. To prepare the estimates, the team needed to examine the current year's funding and determine the additional funding required for the second 6 months of the current fiscal year as well as determine the magnitude of needs for the entire 2022-23 fiscal year. This required the team to coordinate internally with CDPH programs and externally with Cal HHS and the other State departments within Cal HHS. According to one SME, this "was a huge workload" and "very time consuming."

- While predicting costs for an emergency of COVID-19's magnitude is difficult, developing the estimate for the second half of fiscal year 2021-22 proved especially challenging due to the emergence of COVID-19 variants and the unknown potential surge in cases. At the time the team was developing its estimate, the State was experiencing a large surge of the COVID-19 Omicron variant, months after a late-summer surge. CDPH initially requested \$1.2 billion for FY 2021-22, but in January 2022, it collaborated with DOF to increase the total request to \$1.6 billion to manage the surge from Omicron and other variants.
- In February 2022, CDPH began another estimate process to revise the previous funding request in the Governor's Budget for the May Revision for FY 2022-23. After many discussions with DOF, CDPH requested and received \$1.8 billion to support the Governor Office's [SMARTER Plan](#). These funds were utilized for testing, medical surge staffing, vaccinations, therapeutics, surveillance, and operations support.
- For FY 2023-24, CDPH worked with DOF to eliminate the COVID-19 estimating process altogether. For 2023-24, funding requests were submitted through the annual BCP and Fact Sheet process instead. SMEs reported that eliminating the need for estimates significantly reduced their workload.

COVID-19 Cost Reporting

CDPH Utilized Temporary Codes to Categorize COVID-19 Costs While Seeking Funding Approval

- To ensure State departments identified and reported COVID-19 activity costs accurately, in June 2020 DOF ([BL 20-12](#)) issued high-level guidance on how to properly classify and charge transactions. This required CDPH to develop a coding structure to attribute COVID-19 activity charges to the appropriate funding source. Furthermore, all transactions had to be



flagged as related to COVID-19 in FI\$Cal, the State's financial information system.

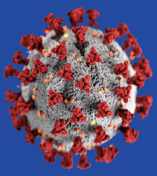
- When the pandemic began, FI\$Cal was a relatively new system and CDPH staff were still learning how to use it. CDPH staff found the coding structure in FI\$CAL complex and the system “clunky” to use, according to several SMEs. As the number of COVID-19 emergency funding sources increased, the coding structure expanded and became more complicated, making it more difficult for staff to categorize expenditures and appropriations. Eventually, CDPH staff reported they were using hundreds of unique codes to track expenditures.
- Even though there was a coding structure in place, transactions could not be charged to a code until the activity associated with the expenditure had an approved funding source. To address the urgent need to procure goods and services, many contracts were initiated before a funding request for the activity could be prepared and approved. However, this created a problem for the fiscal administration team because CDPH needed to pay incoming invoices in accordance with the payment due date terms of the contract, but did not yet have the authority to pay from an approved funding source. To work around this problem, CDPH decided to use “parking” codes against which to temporarily charge the transactions.
- Using the “parking” codes created a significant workload for the fiscal administration team. Once the funding source was approved, the expenditure transaction had to be transferred from where it was temporarily “parked” and charged to the approved funding source. Normally, CDPH program staff who managed the contracts and approved the invoices would have reversed the charges. However, since CDPH program staff were engaged in the front-line emergency response, they did not have capacity to correct the huge volume of transactions. Rather, CDPH's Accounting staff moved the transactions en masse to the new codes, which created “turmoil,” according to one SME. The fiscal administration team then had to reconcile transactions to ensure charges were attributed to the proper code as well as ensure there were no charges remaining in the “parking” code. In addition, the team had to inform the CDPH program staff who were approving charges on particular contracts when to stop using the “parking” code and start using the approved funding source code.



- The use of “parking” codes primarily occurred during the first two years of the pandemic when CDPH was continually requesting funding approvals through the CS 36.1 and DREOA processes after contracts had already been initiated. The fiscal administration team knew that using “parking” codes was not an ideal solution, but acknowledged “it was the only option we could think of to enable us to pay invoices” by the contractual payment due date, recalled one SME. Starting with FY 2021-22, when CDPH received established funding approvals through the estimation and BCP processes, “parking” codes were no longer needed.

CDPH Monitored and Reported on COVID-19 Expenditures by State and Federal Funding Sources

- CDPH had never tracked and monitored expenditures for an emergency of COVID-19’s magnitude. Initially, the fiscal administration team did not recognize “how large of a reporting need there would be,” recalled one SME. The fiscal administration team had to quickly determine how to monitor appropriations, expenditures, and fund sources to ensure there were enough funds to pay for COVID-19 response activities. Significant effort was placed on monitoring and reporting to “make sure the Department stayed whole” in terms of cash flow, according to several SMEs.
- Starting in March 2020, CDPH was required to report COVID-19 expenditures to DOF on a daily basis. CDPH’s Centers and Offices entered the information into an Excel spreadsheet, which tracked costs at a relatively high level and included the activity, its estimated total cost, the fund source, and whether the costs could be absorbed within normal departmental operations. This reporting was not used to request funding; rather, it represented the accumulating costs for COVID-19 response activities, including contracts and State staff.
- When federal funds started to flow to the states, funding and allocations needed to be tracked at a more granular level than the DOF’s initial reporting process. In 2020, Congress passed 5 separate pieces of COVID-19 legislation to provide additional federal funding to states and local entities. Some of the funding provided through the legislation was allocated directly to the State and the remaining funds flowed to CDPH and LHJs through CDC-administered federal funded grants, which is described in detail later in this chapter. This supplemental funding, which



was used for activities and staffing, had to be tracked separately from CDPH's base program funds. Furthermore, the federal funds had unique requirements relative to allowable uses, matching funds, reporting, or period of availability, which required careful tracking and monitoring. Consequently, the fiscal administration team had to thoroughly examine expenditures against funding sources to ensure activities and staff were not double counted on multiple grants.

- In August 2020, DOF ([BL 20-32](#)) revised its reporting instructions due to the increasing complexity of tracking costs across state and federal funding sources and issued a new cost reporting template. This updated Excel-based reporting template was more detailed than the previous template, and it required CDPH to report on a monthly basis on its State General Fund allocation and anticipated federal funding from the federal stimulus legislation, FEMA reimbursements, and other federal sources. DOF's cost reporting spreadsheet became known internally within CDPH as the "COVID-19 Cost Tracker" and served as the definitive source of CDPH's COVID-19 cost information.
- Initially, the Budgets section within the Administration Divisions' Financial Management Branch collected the information from the CDPH programs to update and maintain the COVID-19 Cost Tracker. However, this responsibility transitioned to CPR when it established the Emergency Funding Coordination Branch in May 2022.
- In December 2020, DOF launched the [COVID-19 Federal Tracking Portal](#) for State departments to track awards, encumbrances, and actual expenditures of federal funds. This required CDPH staff to update expenditures and obligations for awards received from the stimulus bills enacted in March and April 2020, as well as create records for tracking new stimulus awards funded by the federal Coronavirus Response and Relief Supplemental Appropriations Act, enacted in December 2020. State departments reported monthly on federal funding until March 2022, at which time the frequency was reduced to quarterly reporting. Even though the DOF portal became the primary tool to report on federal funds, CDPH still maintained the COVID-19 Cost Tracker spreadsheet to track and monitor use of all state and federal appropriations.
- Of the five federal stimulus bills enacted in 2020 that provided federal funds to California, DOF administered one fund differently. The Coronavirus Relief Fund (CRF), which was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, was used by DOF to



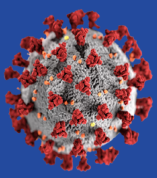
backfill the State's General Fund DREOA appropriations. Since DOF managed these funds directly and distributed funding to specific items, the CDPH fiscal administration team had to monitor this funding stream carefully to distinguish how DOF attributed the CRF funding source to specific expenditures. In some cases, CDPH was already pursuing reimbursement claims for the same expenditures through the FEMA Public Assistance reimbursement program. Consequently, the fiscal administration team had to coordinate with the FEMA reimbursement team to identify cost items that CDPH was claiming for reimbursement. Once the cost items were identified, the fiscal administration team then had to retroactively reverse the CRF allocation back to the original DREOA fund source so that the expenditure could be ultimately reimbursed through FEMA, which is described in the next section.

- In addition to the five federal COVID-19 relief bills enacted in 2020, California also received additional federal funds through the American Rescue Plan Act of 2021, which established the State Fiscal Recovery Fund. Since this money funded projects rather than activities, the reporting requirements were different than for the other federal stimulus funds, because the reports required additional information on outcomes and performance indicators. This necessitated DOF to create a separate [State Fiscal Recovery Fund](#) portal for State departments to enter their project expenditures as well as the project outcomes. The fiscal administration team started submitting quarterly reports through the portal in March 2021. This reporting will continue on costs incurred through December 2024 and liquidated by December 2026.
- In general, CDPH staff spent considerable time compiling information and responding to the different state and federal reporting requirements. In addition to tracking and monitoring fiscal information, the fiscal administration team often responded to budget information requests from Cal HHS, DOF, and CDPH leadership. Sometimes the CDPH programs were tasked with these drills, but often needed the fiscal administration team's support to develop the response.

FEMA Reimbursements

President's Emergency Declaration Allowed California to Apply for Federal Reimbursement

- On March 13, 2020, the President declared the COVID-19 pandemic of sufficient severity and magnitude to warrant an emergency declaration



pursuant to the [Robert T. Stafford Disaster Relief and Emergency Assistance Act](#) (Stafford Act). This declaration allowed California to apply for federal assistance to reimburse the State for expenditures on eligible activities deployed to address the COVID-19 response. In accordance with the Stafford Act, eligible emergency activities could be reimbursed through FEMA's Public Assistance Program, which is a reimbursement program that provides federal funding to help states, local governments, and eligible non-profits respond to and recover from disasters.

- Through the FEMA Public Assistance Program, states and local entities typically receive reimbursement of 75% for eligible emergency response costs. However, for the COVID-19 response, the President signed [an executive order](#) on March 1, 2022 to maximize assistance to states and local entities. The order provided 100% federal reimbursement for eligible activities performed from January 20, 2020 through July 1, 2022. For eligible work performed after July 1, 2022, the federal cost share decreased to 90%.
- In anticipation of the volume and magnitude of requests from states and local entities for assistance, FEMA simplified the Public Assistance application and funding process to allow applicants to receive eligible funding more quickly. Applicants were required to create an account in the [FEMA grants portal](#), submit the request for assistance, develop a scope of project work and cost estimate, and participate in compliance and eligibility reviews.
- For FEMA Public Assistance project applications submitted by California departments and local agencies, FEMA designated Cal OES as the State's grantee. FEMA obligates funds to the grantee, Cal OES, and then Cal OES distributes funds for approved project applications to State and local recipients. The Cal OES Recovery Section assigned a Program Specialist to serve as the official contact between CDPH and FEMA to provide technical support and assistance throughout the application and reimbursement process. Cal OES also served in an oversight capacity to monitor projects, conduct inspections, review submissions, conduct audits, ensure compliance with federal regulations, and close out projects.

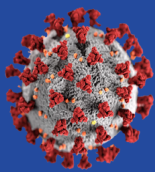
CDPH Established the FEMA Reimbursement Team

- Prior to COVID-19, the CDPH Medical and Health Coordination Center (MHCC) Finance Section administered the FEMA reimbursement process. A part-time analyst handled the \$1M for a couple of FEMA project



applications CDPH submitted each year. Just prior to the pandemic, CDPH leadership transitioned responsibility for FEMA reimbursements from the MHCC to CPR Fiscal and Grants Management Unit (FGMU). CPR was already administering federal funded grants and the intent of the transition was to consolidate the management of all federal funds, including the FEMA Public Assistance Program reimbursements, within one office. As a result, the FGMU within CPR took responsibility for FEMA reimbursements.

- When the FEMA work transitioned from the MHCC to CPR, CPR hired a part-time analyst to design and implement CDPH's internal processes for requesting and administering FEMA reimbursements. Since Cal OES serves as FEMA's grantee, the analyst coordinated with the Cal OES Recovery Section for technical assistance and received training to understand the application requirements for FEMA's Public Assistance Program. The analyst then developed new internal processes to adhere to FEMA's policies and guidance, the requirements for submitting FEMA's streamlined project applications, and the procedures for working with Cal OES to submit and receive approval on COVID-19 cost recovery requests.
- Typically, cost-recovery work is initiated towards the end of a disaster's recovery operations. However, just three months into the COVID-19 response activation, CDPH learned that FEMA would immediately start reimbursement activities. This required CDPH to begin compiling and submitting project applications for cost recovery, which quickly overwhelmed the sole part-time analyst. CDPH leadership recognized more staff resources would be needed and obtained authority for two additional full-time positions.
- In December 2020, the FEMA reimbursement team's workload further increased when FEMA included the COVID-19 response in its Validate as You Go (VAYGo) program. VAYGo was originally implemented in fiscal year 2019 for several hurricane disaster declarations to expedite the FEMA Public Assistance payment review process. By expanding VAYGo to the COVID-19 response, FEMA required CDPH to submit documentation for reimbursement right away, instead of waiting until the project closeout phase. To address this increase in workload, CDPH brought in three additional contractor resources to supplement the team's existing staff.
- The expanded team of 5 trained on the specific FEMA and Cal OES requirements for reimbursement. According to one SME, the team



“experienced growing pains,” as they tried to quickly understand and implement the processes that the part-time analyst had initially built out. The team learned early on that it was not possible for one team member to be proficient in all the necessary steps on a project from application to closeout. To work more efficiently, the team designated leads over different process steps, which enabled team members to contribute more effectively in their area of expertise across all the projects.

- A few months into the pandemic, the FEMA reimbursements team built a master contracts list in an Excel spreadsheet to track all contracts. The master list was an important tool in supporting reimbursement work, and the team used it to examine contract information, determine FEMA eligibility, and create project cost summaries. While information had to be input manually, the team included filters and minor calculations into the spreadsheet to semi-automate and improve consistency in their work.

FEMA Reimbursement Team Identified Projects and Submitted Applications

- Each project application involved a significant amount of effort to identify and piece together the relevant contracts that comprised a project. This required the FEMA reimbursement team to retrospectively identify eligible contracts that could potentially be packaged together to form a project. The FEMA reimbursement team examined the master contract list to identify eligible contracts, review its details, and then contact the appropriate CDPH SME to determine the purpose of the contract expenditures and how much had been spent to date.
- It was sometimes difficult to locate the SMEs who possessed the background knowledge about a particular contract. It was important to talk to the right SME so they could provide information on the rationale for the contract, the activities being conducted, the volume of work, and how the activities potentially contributed to the overall project. The team found it challenging to identify who had made the original contracting decision or who was managing particular contracts. In these cases, the team coordinated with the SOC or CDPH CPR leadership for assistance in identifying SMEs. This delayed the team's ability to compile project costs.
- Although the master contract list was an important tool for the FEMA reimbursements team, the list did not contain every contract, especially purchases made by the SOC. Even though there were CPR contract



analysts working at the SOC, they were serving in a logistics capacity, rather than in a fiscal capacity. This meant there was no formal communications back to the CDPH budgets, accounting, and program support staff or the COVID-19 Fiscal Task Force about decisions being made on new SOC contracts. This posed a potential risk that these unidentified contracts would not be included in project applications and subsequent reimbursement. Consequently, the FEMA reimbursement team reached out directly to the contracting analysts at the SOC to obtain information on SOC contracts.

- When the FEMA reimbursements team learned about new SOC contracts that were not on the master contracts list, they communicated the information to the fiscal administration team to alert them to secure funding. These newly identified contracts needed an approved funding source (as described earlier in the COVID-19 Cost Reporting Section) to pay incoming invoices. SMEs from both teams reflected that there needed to be better communication and coordination between the SOC and CDPH. They recommended that finance representatives “be brought into the conversation early at the conception of a project” so that the team can more effectively administer all fiscal aspects of projects and associated contracts, from project initiation to cost recovery.
- After the team identified the contracts that would comprise a project, they prepared extensive documentation to submit the project application to FEMA. According to one SME, a successful application “tells a story” of the activities being done to support the objectives of the project. For example, in the project application that CDPH submitted to seek reimbursement for alternative care sites (ACS) and expansion of existing medical facilities, the detailed project scope described the overall project’s objective to expand hospital bed capacity in anticipation of a surge in COVID-19 cases. In order to accomplish this objective, the application portrayed how three new ACS sites provided care to mildly ill COVID-19 patients and how medical staff contracts improved existing medical facilities’ capacity to treat the most critical COVID-19 patients. The application then identified how each of the 20 associated contracts provided different services that supported the project’s overall objective. This project application successfully conveyed the story of how the project expanded hospital bed capacity, which resulted in a \$123 million FEMA reimbursement claim.



- Additionally, for each project the FEMA reimbursement team prepared descriptions of the activities, including when, where, and who completed the activities. The team also prepared activity cost summaries, including costs associated with contracts, labor, equipment, supplies, materials, and other cost types. Then, through the VAYGo process the team submitted documentation for the activities as they were completed, including invoices, payment authorizations, and costs claimed. The team submitted all of this information through the [FEMA grants portal](#).
- The FEMA reimbursements team met with the Cal OES Program Specialist on a daily basis for technical assistance on developing project applications, cost eligibility, and supporting documentation submissions. Once the application was submitted through the portal, FEMA communicated with Cal OES and CDPH through the portal on its requests for information, also known as RFIs, and to issue project approvals.
- As of April 2023, CDPH submitted 27 project applications claiming a little over \$3 billion in FEMA reimbursements. At that time, the team was in the process of gathering project cost information in anticipation of submitting another 13 project applications to FEMA prior to the submission deadline, 30 days after the declaration of the end of the federal emergency.

FEMA Reimbursement Team Responded to FEMA Requests for Additional Information

- Often, after CDPH submitted the project application, FEMA issued an RFI for additional details about the project. This was a new requirement in the cost recovery process. These requests could come in at any point in the process and varied in complexity. Some RFIs were relatively straightforward, such as inquiring why an invoice was submitted that was outside the contract effective dates. Other RFIs requested more detailed information that the FEMA reimbursement team had not previously tracked or compiled, and sometimes resulted in reaching out to programs and taskforces.
- Responding to the more complex RFIs required considerable effort. The FEMA reimbursement team coordinated with the pertinent COVID-19 Task Force, CDPH program and/or vendor(s) to seek and gather the information needed for the RFI response. For example, to illustrate a more complex request, FEMA wanted to know how many medical staff that had been staged on standby were eventually deployed. To respond, the team worked with the CDPH program and the contractor to enumerate



the number of staged staff that were ultimately deployed. One SME noted that responding to these complex RFIs was sometimes like “rebuilding a house after the fire burned it down, but first you had to figure out where the people were standing when the fire started.”

- In early 2021, FEMA began issuing RFIs on every project and the team became “slammed” with work, according to one SME. As a result of responding to these RFIs, the team learned more about the kind of information FEMA required and started to catalog items that needed to be tracked. For example, for vaccine and testing projects, FEMA requested more information about the population served and the project’s impact on equity. Consequently, the FEMA reimbursement team took these lessons learned and started to include more detailed information in the project applications. As one SME noted, when “we provided this detailed documentation early, we knew it wouldn’t come back to us as an RFI.”

FEMA Reimbursement Team Submitted Documentation and Prepared to Close Out Projects

- Due to FEMA’s expansion of VAYGo, the fiscal administration team prepared and submitted documentation for activities as they were completed, including invoices, payment authorizations, and costs claimed. Cal OES reviewed the documentation to confirm it matched the project worksheet as well as determined the reasonableness of the costs.
- Sometimes Cal OES or FEMA would question the reasonableness or accuracy of the costs, which would require CDPH to perform more complex cost calculations. For example, one project to supply test kits did not clearly portray the unit price of a test kit. When FEMA questioned the costs for this project, the FEMA reimbursement team developed a formula to determine the overall unit price, which included variables such as the cost of the test kit itself, transportation costs, and the costs to administer the test. The total cost was then allocated to the total number of test kits to determine a more accurate unit price.
- FEMA reimbursement team members reported they had “many conversations with Cal OES and FEMA” about the level of detail needed to support a project. In general, very granular details were required. As the team prepared to close out a project, often FEMA required



information that was not collected in the initial contract and the team had difficulty in obtaining the requested information. For example, in closing out the project for test kits, FEMA requested more information on the population that had received the test kits. However, since collecting this data had not been required in the vendor's contract, the vendor had difficulty providing this data. For future cost reimbursement purposes, one SME recommended that vendors should be required to supply CDPH with key demographic, volume, and other data pertinent to the activities in the contract.

For further discussion of contract development, refer to the Contracting and Procurement chapter in this AAR.

Federal Funded Grants Management

CDPH Developed a Process to Distribute Initial Federal Grants to Local Health Jurisdictions

- In addition to receiving federal funds for State-administered programs, one of CDPH's primary roles was to distribute federal funds to LHJs. As mentioned earlier, federal funds were made available to states and local entities through five separate pieces of COVID-19-related legislation Congress passed in 2020. This legislation included: the Coronavirus Preparedness and Response Supplemental Appropriations (CPRSA) Act; the Families First Coronavirus Response (FFCR) Act; the Coronavirus Aid, Relief, and Economic Security (CARES) Act; the Paycheck Protection Program and Health Care Enhancement (PPHCE) Act; and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Subsequent legislation, the American Rescue Plan Act (ARPA), was passed in 2021, which provided additional emergency funding to state and local governments. Approximately \$3 billion from all of this legislation flowed through CDC-administered grants to CDPH and to the LHJs.
- CDPH was awarded its first COVID-19 federal funded grant for \$59 million through the CDC Public Health Crisis Response Cooperative Agreement on March 16, 2020. The grant awards could be used for COVID-19-related public health expenses such as surveillance, epidemiology, laboratory capacity, infection control, mitigation, communications, and other preparedness and response activities. CDPH CPR had to quickly gather the information from CDPH programs and LHJs to compile a budget and



workplan needed to meet the grant requirements. According to one SME this “took a lot of coordination” to engage the CDPH programs and the LHJs to identify their funding needs and propose how they would use the grant funding.

- To efficiently identify CDPH programs’ needs and distribute the \$17 million portion of the grant that funded CDPH’s state operations, CPR adopted the existing process used throughout the department for another cooperative agreement, the CDC Public Health Emergency Preparedness (PHEP) Cooperative Agreement. CPR contacted the programs that had previously received PHEP funding and a few additional programs with anticipated funding needs and asked them to submit proposals for how they would use the Crisis Response Cooperative Agreement funding.
- For the remaining \$42 million portion of the grant designated for the LHJs, CPR developed a new process to rapidly provide funding. CDPH asked each LHJ to submit its own workplan and spending plan for the funding they were requesting. Then, CPR reviewed the plans to ensure the requests fit within the CDC-specified scope of the grant. Funds were then distributed to the LHJs through direct allocation letters. CDPH was able to utilize the direct allocation method due to the Governor’s emergency declaration, which granted CDPH emergency contracting authority. This allowed CDPH to bypass the traditional contracting methods (e.g., grant agreements or subvention contracts), which would have prolonged the process by requiring more detailed information, documentation, and extensive review. Furthermore, with direct allocation, the LHJs did not need to seek approval from its County Board of Supervisors to finalize the agreement.
- Once grant funds were distributed to the LHJs, they submitted invoices for reimbursement. However, the LHJs were experiencing “lots of turnover” and had limited resources to submit their invoices in a timely manner, according to one SME. The LHJs “seemed to scramble” to submit invoices, which caused delays in payment.

CDPH Contracted with Heluna Health as its Bona Fide ELC Grant Agent and Established a Dedicated ELC Team

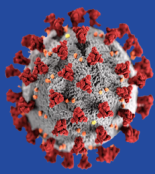
- The Epidemiology and Laboratory Capacity (ELC) cooperative agreement is the CDC’s national funding strategy to support state, local, and territorial capacities for emerging infectious disease control. This



agreement provides financial support and technical assistance to state health departments to detect, prevent, and respond to emerging infectious diseases. CDC used the ELC Cooperative Agreement to quickly distribute federal funds appropriated through the CARES and PPPHCE Acts to existing grantees to support state and local public health efforts.

- CDC allows ELC Cooperative Agreement grant recipients to use an administrative partner, known as a bona fide agent, to apply for and manage grants on behalf of the State. Several years prior to the pandemic, CDPH designated Heluna Health (Heluna) as the State's bona fide agent to receive funds. For non-COVID-19 ELC grants, Heluna handles the administrative aspects of the grant, including accounting, reporting, and hiring personnel, while CDPH directs how the grant funds will be used.
- In May 2020, the CDC awarded California an ELC Enhancing Detection Grant for \$499 million to primarily enhance laboratory, monitoring, and other workforce capacity. Additional goals included expanding the State's ability to test individuals for COVID-19, conduct contact tracing, and conduct epidemiological studies.
- Because Heluna was CDPH's agent to administer funds awarded through the ELC Cooperative Agreement, CDC officially awarded the grant to Heluna. However, CDPH wanted a larger role in administering the new grant funds, including overseeing the LHJs' COVID-19 activity implementation as well as reporting to various stakeholders. Consequently, CDPH entered into a contract with Heluna (separate from the existing bona fide agreement) to allow CDPH to administer approximately \$450 million, leaving the remainder of the grant of approximately \$50 million to Heluna to administer. Heluna submitted a budget and workplan that reflected this arrangement.
- Of the \$450 million that CDPH administered, approximately 35% was used for CDPH state operations and the remaining 65% (about \$286 million) was distributed to 58 LHJs.¹ In summer 2020, CDPH advanced 25% of the local allocations to the LHJs. In exchange, each LHJ was required to submit a spending plan and a workplan that described how the LHJ intended to use the funds to achieve the grant objectives. The LHJs then claimed the

¹ For the other 3 LHJs, CDC allocated grant funds directly to Los Angeles County, which then made sub-awards to the cities of Long Beach and Pasadena.



remaining 75% of their allocation on a reimbursement basis. In addition, the LHJs were required to submit quarterly reports on expenditures to date and progress toward meeting the objectives.

- CDPH had to quickly stand-up a team to manage the ELC funding within the department which included distribution of funding at the state and local level. It was decided that CPR would manage the contract between CDPH and Heluna, as well as budget management, and distribution of funding. CPR worked in partnership with the Division of Communicable Disease Control within the Center for Infectious Diseases to manage the funding. While CDPH had required the LHJs to submit their workplans by August 31, 2020, due to staffing shortages CDPH did not complete its review and approval of the plans until eight months later, when CDPH established a dedicated team to administer federal funded ELC grants (as described in the next section). By early February 2021 CDPH had implemented processes to collect and review these submittals.

CDPH Establishes Dedicated Team to Administer Federal Funded ELC Grants

- In January 2021, the CDC awarded additional supplemental grant funding for the ELC Enhancing Detection Expansion (Expansion) grant. California received nearly \$1.7 billion, of which \$1.3 billion was distributed to LHJs. With this influx of new funding, CDPH recognized a dedicated team was needed to manage ELC funding at the local level.
- Prior to the pandemic, the Center for Infectious Diseases (CID) managed grants funded under the CDC's ELC Cooperative Agreement. However, for these new COVID-19-related ELC federal grants, the CID did not have the resources to perform this work. Consequently, CDPH established a dedicated ELC team under the leadership of CPR, to review and approve LHJ workplans and spending plans, quarterly reports, and invoices.
- However, due to the unique restrictions associated with ELC grants, CDPH had difficulty hiring staff to form this dedicated team. The ELC Cooperative Agreement allows recipients to use 7% of the grant award for administrative costs and to only hire administrative staff in temporary positions. Additionally, the State cannot hire contractors for selected fiscal management roles. Consequently, CDPH had to fill the ELC federal grant management roles with limited-term positions. This proved challenging because it was difficult to find candidates with the appropriate fiscal

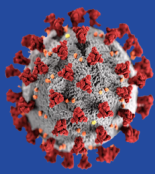


management expertise and who were willing to accept a limited-term position.

- At the local level, LHJs were facing similar staffing challenges. CDC recognized that states and LHJs were struggling to put staffing resources in place to meet the COVID-19 public health challenge. Consequently, CDC provided supplemental funding for enhancing workforce capacity under the Crisis Response Cooperative Agreement, known as the COVID--19 Public Health Workforce Development (WFD) Supplemental Funding grant. With this supplemental funding, California received an additional \$173 million, of which \$66 million was used for CDPH state operations and nearly \$107 million was distributed in grants to the LHJs.
- When CDC awarded WFD grant funds in July 2021, it specifically allowed states and local jurisdictions to use the funds to hire staff for administrative purposes. This gave CDPH the opportunity to utilize funds from the CDPH state operations portion of the WFD grant to fund limited-term positions throughout the department. This included limited-term positions for the dedicated ELC team. In May 2022, the ELC team, comprised of 15 limited-term positions that are funded through at least June 2024, transitioned to the newly created CPR Emergency Funding Coordination Branch.
- In addition to managing funding at the local level, the team developed the process and workplan template for managing the CDPH state operations portion of federal funded grants. This includes instructing CDPH programs on how to develop proposals, how to prepare the workplan, and how the programs will report on their progress and expenditures. The workplan model that the team developed for the WFD grant was so thorough that it has been used as a model by other California State departments. One external stakeholder called CDPH's WFD workplan "the gold standard" for the Crisis Response Cooperative Agreement.

CDPH Immunization Branch Oversaw the CDC Immunization and Vaccines for Children Federal Funded Grants

- In addition to ELC funds, separate funding structures were used to support California's COVID-19 vaccination program. Federal legislation (CARES, CRRSA and ARPA) provided funding for COVID-19 vaccine activities to support broad-based distribution, access, and vaccine coverage. The CDC distributed this funding to states and LHJs through the existing Immunization and Vaccines for Children Cooperative Agreement. CDPH



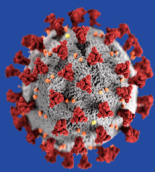
received \$791 million through four rounds of grants; half of this amount was distributed to CDPH for its state operations and the other half was distributed to LHJs.

- CDPH's Immunization Branch (IZB) administered these grant funds on behalf of the department. IZB submitted a grant request to the CDC for CDPH state operations and a blanket request on behalf of all LHJs. Upon award, IZB leadership determined the amount that was distributed to CDPH units for its state operations.
- For the first round of grant funding, each LHJ submitted a workplan to support the amount they were requesting. Then, IZB initiated a contract with each LHJ that documented the funded amount, grant stipulations, and reporting requirements. In addition, IZB maintains a master spreadsheet with award information. Invoices are also recorded on the spreadsheet.
- For each subsequent round of funding, IZB amended the LHJs' contracts with the updated funding amount and information based on the LHJ's updated workplan. In order to execute the amended contracts, the LHJs had to obtain their Board of Supervisors' approval. Since they were understaffed, LHJs were slow in returning signed contracts. This delayed payments on the LHJs submitted invoices, because CDPH could not pay the invoice until the contract amendment was fully executed.

Demobilization

CDPH Planned Demobilization of COVID-19 Activities Based on Funding Needs and Funding Availability

- In anticipation of the Governor's declaration to end the emergency in California, in January 2023 CDPH started planning to transition many COVID-19 response efforts into its programmatic organizational structure. To facilitate the transition, CPR helped set short-term plans to be accomplished by the end of February 2023, medium-term plans to implement by end of June 2023, and long-term plans for ongoing program needs for fiscal year 2023-24. This planning was informed by evolving changes in funding and priorities set by CDPH leadership. These priorities focused on promoting equity, serving vulnerable populations, and conducting the highest impact activities that would prevent the most morbidity and mortality.

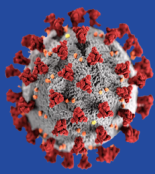


- Due to the magnitude of the response and the overlap with CDPH programmatic work, CDPH could not follow a traditional demobilization process, in which any ongoing emergency activities would be readily absorbed into existing operations. For demobilization of the COVID-19 response, one SME reported that “we were treading in unknown waters.” A complicating factor was that some response activities, such as testing and therapeutics, did not have “a natural fit” with an existing program. Even though most testing and therapeutics activities were being curtailed as a result of demobilization, CDPH leadership saw the value in continuing some elements of the work. This meant CDPH had to identify which existing CDPH programs could potentially absorb these activities. At the same time, independent of demobilization, CDPH Centers and Offices were reorganizing and creating new units as a normal course of business. This impacted the demobilization effort because CDPH leadership needed to consider how sections and branches that had supported the COVID-19 response would fit into the overall evolving CDPH programmatic structure.
- Consequently, CDPH devised a demobilization decision-making process to allow leadership to make informed decisions on whether to continue, transition, or cease activities across the COVID-19 response. This included identifying which response activities would remain in the MHCC, discontinue, transfer to other partner organizations, or transition to a designated CDPH program. For contractor and staff resources, a determination also had to be made whether to extend or discontinue contracts, return redirected State staff to their home program, or hire staff into a CDPH program.
- All of the demobilization decisions were dependent on funding needs and evolving funding availability. CPR designated two co-leads to gather the budget and programmatic information needed for CDPH leadership to start making demobilization decisions. It was important to gather this information in order for CDPH to develop its budget request for unspent funds in the 2022-23 fiscal year and the budget projection for the 2023-24 fiscal year. However, the co-leads quickly identified a gap in information because much of it was tracked in separate spreadsheets and in different places by CPR, the various COVID-19 Task forces, and CDPH programs.
- To compile this information, CPR developed a demobilization planning process to collect data from the COVID-19 response teams in a



standardized format. COVID-19 response team leads were asked to complete a “demobilization worksheet” to document their planned activities, degree of focus on equity and vulnerable populations, staffing and contractor needs, other expenditures, and demobilization recommendations to either continue, transition, or cease activities in their particular function.

- CPR found it challenging to engage the response teams in the demobilization planning and submission of the worksheets. The response teams appeared to resist the planning process because “it was not normally how they work” and “they did not understand the importance” of the request, according to two SMEs. Once CDPH leadership issued a directive to participate and the response teams understood that future funding depended on the information, they started to cooperate.
- Once the demobilization worksheets were submitted, however, CPR identified many inconsistencies between the data provided by the response teams and the data tracked by grant and contract managers. SMEs attributed the inconsistencies to a “disconnect between financial management and operational response.” Since contracts were managed centrally by CPR, the response teams did not have a clear understanding of how much they were spending and for what purposes. Often the response teams charged expenditures incorrectly to a different funding source than its approved funding source. When inconsistencies were found, the CPR then troubleshooted and corrected the inaccuracies to the extent possible.



Data and Technology

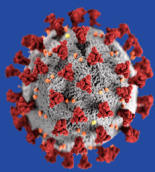
This section describes data and technology specific to this chapter.

- CDPH's Administration Division utilizes several systems to process financial information. The State's financial management system, FI\$Cal, is the primary system used for fiscal administration activities. While FI\$Cal houses CDPH's approved budget at a high-level by item of appropriation, CDPH tracks budget information at a more granular level in the CDPH Budget Utilization and Development System (BUDS). Both BUDS and FI\$Cal must reconcile to the approved budget. The FI\$Cal Online Reporting Environment (FORE) provides the dashboard for FI\$Cal transactions. Accounting staff post transactions in FI\$Cal and release financial data through the FORE dashboard after the monthly reconciliation is complete.
- In addition, these two technology systems, CDPH's Program Support Branch (PSB) manages contracts, purchases, and service orders in the Contracts and Purchasing System (CAPS). CDPH programs also use CAPS to process, review, and track progress for encumbrance requests, contracts, and purchase orders. Once PSB reviews and approves documents submitted by a CDPH program, the data is uploaded into FI\$Cal for approval. After approved in FI\$Cal, CDPH programs submit invoices to the Accounting Section for processing.
- These systems did not adequately support CDPH's COVID-19 fiscal management needs. Due to system limitations and CDPH's immediate need to use temporary codes for expenditure transactions, FI\$Cal reports did not accurately portray encumbrances and expenditures by their true funding source. Consequently, for most fiscal administration activities, staff relied on Excel spreadsheets. For cost reporting, CDPH used the "COVID-19 Cost Tracker" spreadsheet to monitor expenditures against their state and federal funding sources. Similarly, the FEMA reimbursement team maintained an Excel-based master contract list to monitor contract expenditures against the contract's true funding source for cost recovery purposes. Finally, CDPH used spreadsheets to allocate and monitor federal funded grants for CDPH state operations and distributions to LHJs. Consequently, because of the numerous spreadsheets that were used for different purposes, CDPH did not have a single source of information that conveyed "the big picture" of COVID-19 funding and spending, according to one SME.



- For further information on the limitations of FI\$Cal and how spreadsheets were used for COVID-19 cost reporting, FEMA reimbursement, and federal funded grants management, see the discussion in the Analysis of Activities of this chapter.

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Communications

This section describes communications specific to this chapter.

External

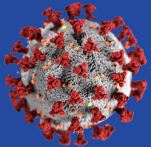
- CDPH's fiscal administration team, and subsequently the COVID-19 Fiscal Task Force, established frequent communications with Cal HHS and the State's control agencies (DOF, DGS, and SCO) to share information, identify funding opportunities, and expedite processing of funding requests, contracts, invoices, and payments. SMEs reported that this frequent communication was "critical" to carrying out CDPH's fiscal administration responsibilities.
- The COVID-19 Fiscal Task Force leaders also met with the State Procurement Officer weekly to share information, and to identify contracts in process and planned future contracts. This communication channel allowed the Task Force to "get ahead of the contracts" and start to identify potential funding sources for those contracts, according to one SME.
- The CDPH FEMA reimbursements team established a strong and effective relationship with Cal OES and met with the assigned Program Specialist daily for technical support and guidance. Team members attribute their success in obtaining FEMA approval on project applications to the collaborative working relationship they established with Cal OES.
- For additional information see the discussion in the Analysis of Activities of this chapter for external communications with FEMA, Cal HHS, DOF, and other State departments.

Internal

- In order to gather information and coordinate its work, CDPH's fiscal administration team, and subsequently the COVID-19 Fiscal Task Force, proactively communicated with the SOC, CDPH leadership, the CDPH Administration Division, CDPH programs, and the various COVID-19 Task forces on a regular basis. These communications were critical to the team's understanding of ongoing policy decisions, planned activities, funding needs, and spending status.
- For additional information see the discussion in the Analysis of Activities of this chapter for internal communications within CDPH.



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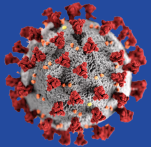
Workplan

This section is designed to be used as a workplan for future pandemics.

Definitions:

- **Phase:** The phase of the response in which the major tasks should be conducted (Planning; Initial start-up, Ongoing operations, or Close-out).
- **Major Tasks:** The tasks and activities that have to be conducted as part of the public health emergency response to a **respiratory** pandemic.
- **Success Criteria: Criteria** used to assess whether a task has been achieved successfully.
- **Considerations Based on COVID-19 Response:** Things to consider, including pitfalls, risks, and lessons learned, based on **the** COVID-19 response.
- **Finding ID:** The ID(s) **from** the related Finding/Corrective Action (where applicable).
- **Lead:** The lead **person(s)** responsible for task completion.

Phase	Major Tasks	Success Criteria	Considerations	Finding ID	Lead
Planning, Initial Start-up, Ongoing Operations	Establish dedicated team for fiscal administration of emergency funds	<ul style="list-style-type: none">• Dedicated team is comprised of fiscal management experts that oversee the fiscal administration of the emergency response	<ul style="list-style-type: none">• Ensure coordination and communications channels among the various programmatic task forces and workstreams to address the fiscal needs of the response	<ul style="list-style-type: none">• Fiscal 1, 3, 5, 7, 8, 9, 10	

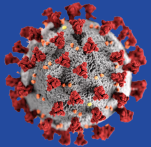


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Phase	Major Tasks	Success Criteria	Considerations	Finding ID	Lead
		<ul style="list-style-type: none">Fiscal planning and management occur consistently across all workstreams	<ul style="list-style-type: none">Document fiscal management processes and procedures and update, as needed, to address the evolving needs of the responseDesignate a fiscal liaison to each of the programmatic task forces and work groupsClarify the role and identify the decision-makers who are authorized to spend emergency funds		
Planning, Initial Start-Up, Ongoing Operations	Establish communication channels with the State's control agencies	<ul style="list-style-type: none">CDPH understands and adheres to the State's requirements pertaining to emergency spending authorities	<ul style="list-style-type: none">Ensure coordination and frequent communication occurs with Cal HHS, DOF, DGS, SCO, and Cal OES	<ul style="list-style-type: none">Fiscal 1, 2	

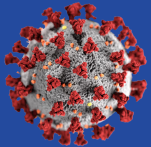


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Phase	Major Tasks	Success Criteria	Considerations	Finding ID	Lead
		<ul style="list-style-type: none">CDPH continues to improve its fiscal management processes	<ul style="list-style-type: none">Document requirements CDPH must adhere to under the State's emergency spending authorityUpdate internal fiscal management processes and procedures, as necessary, as State requirements evolve		
Initial Start-Up; Ongoing Operations	Establish communication channels with LHJs	<ul style="list-style-type: none">Information is disseminated quickly, accurately, and effectively to LHJsLHJs understand requirements for applying for and reporting on federal funded grants	<ul style="list-style-type: none">Ensure frequent communication cadences with LHJsEducate CDPH staff on LHJs' needs and perspectives to promote effective two-way communication	<ul style="list-style-type: none">Fiscal 3	

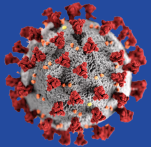


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Phase	Major Tasks	Success Criteria	Considerations	Finding ID	Lead
			<ul style="list-style-type: none">Streamline federal funded grant management processes for LHJs to apply and report on their grant funding		
Initial Start-Up; Ongoing Operations	Resource fiscal functions with qualified staff	<ul style="list-style-type: none">Fiscal team members are trained and ready to deploy in an emergency	<ul style="list-style-type: none">Identify and seek federal grants to expand workforce capacityWhen possible, establish permanent, rather than limited-term, positions to recruit experienced, qualified staffIf using redirected staff, seek resources with fiscal management expertise	<ul style="list-style-type: none">Fiscal 4	
Initial Start-Up; Ongoing Operations	Simplify the expenditure coding structure	<ul style="list-style-type: none">Expenditures are correctly attributed to the proper fund source	<ul style="list-style-type: none">Avoid use of “parking” codes to reduce the need	<ul style="list-style-type: none">Fiscal 5	

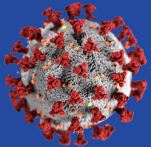


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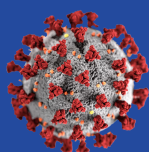
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Phase	Major Tasks	Success Criteria	Considerations	Finding ID	Lead
		<ul style="list-style-type: none">• Accurate cost reporting	<ul style="list-style-type: none">• to correct transactions• Keep chart of accounts and codes up to date		
Planning; Initial Start-Up; Ongoing Operations	Identify what systems needs to be built and/or augmented	<ul style="list-style-type: none">• Fiscal management systems are flexible, scalable and meet stakeholders' needs• CDPH leadership and policymakers can rely on the fiscal systems for accurate and timely information	<ul style="list-style-type: none">• Evaluate the need for new or improved fiscal management systems and begin planning early• Recognize that integration between internal systems and external systems (FI\$Cal) may require additional software applications• Identify inter-dependencies between systems and document potential impacts	<ul style="list-style-type: none">• Fiscal 6	
Planning; Initial Start-Up; Ongoing	Ensure all contract information is appropriately documented	<ul style="list-style-type: none">• Information is captured and available to support the FEMA project application	<ul style="list-style-type: none">• Create a process to identify and track all contracts that have been initiated, are in	<ul style="list-style-type: none">• Fiscal 7, 9, 10	

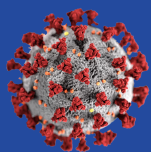


Phase	Major Tasks	Success Criteria	Considerations	Finding ID	Lead
Operations; Close-Out	and readily accessible to the fiscal team	and reimbursement claim	<p>process, and are planned</p> <ul style="list-style-type: none">• Ensure all entities that plan, negotiate, and enter into contracts (e.g., State Procurement Officer, SOC, task forces, CDPH programs) adhere to the process• Recognize and plan for the fact that fiscal management practices during emergencies may be unique (e.g., decentralized) and differ from normal fiscal operations• Apply fiscal lessons learned related to demobilization planning		

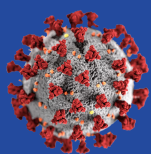


Appendix A: Funding Sources Detail

State Funding Source	Amount	Start Date	End Date
Control Section 36.00 (EO E19/20-129)	\$31,420,000	03/23/20	06/30/20
Control Section 36.00 (EO E19/20-167)	\$27,400,000	05/13/20	06/30/20
EO 21/22-175 (4265-001-0001 ENY 2019)	\$12,400,000	02/02/22	06/30/20
AB 86 4265-001-0001	\$5,000,000	04/05/21	06/30/23
AB 86 4265-111-0001	\$20,000,000	04/05/21	06/30/23
DREOA 1 (EO E19/20-190)	\$43,126,000	06/09/20	06/30/21
DREOA 2 (EO E20/21-53)	\$44,587,000	08/07/20	06/30/21
DREOA 3 (EO E20/21-104 & 105)	\$217,100,000	09/28/20	06/30/21
DREOA 4 (EO E20/21-154)	\$310,824,000	11/24/20	06/30/21
DREOA 5 (EO E20/21-195)	\$338,458,000	01/14/21	06/30/21
DREOA 6 (EO E20/21-198)	\$100,000,000	01/19/21	06/30/21
DREOA 7 (EO E20/21-232)	\$293,100,000	03/03/21	06/30/21
DREOA 8 (EO E20/21-225)	\$99,439,000	02/24/21	06/30/21
DREOA 9 (EO E20/21-263)	\$230,433,000	04/16/21	06/30/21
DREOA 10 (EO E20/21-275)	\$170,248,000	04/30/21	06/30/21
DREOA 11 (EO E20/21-274)	\$360,000,000	04/30/21	Continuing Appropriation
DREOA 12 (EO E20/21-289)	\$101,024,000	05/21/21	Continuing Appropriation
DREOA 13 (EO E20/21-335)	\$350,662,000	06/15/21	Continuing Appropriation
DREOA 14 (EO E20/21-340)	\$452,742,000	06/28/21	Continuing Appropriation
General Fund Budget Act Less EO E21/22-56 Control Section 11.91 Transfer (4265-021-0001)	\$904,931,000	07/01/21	06/30/22
CA Emergency Relief Fund 4265-021-3398	\$1,624,710,000	07/01/22	06/30/23
CA Emergency Relief Fund 4265-021-3398	\$1,782,036,000	07/01/22	06/30/23
\$7,519,640,000			



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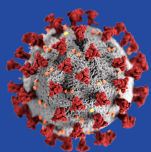


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Federal Funding Source	Amount	Start Date	End Date
Crisis CoAg Award #1 Complete	\$3,500,000.00	03/05/20	09/15/23
Crisis CoAg Award #2 Complete	\$37,706,710.00	03/05/20	09/15/23
Crisis CoAg Award #3 Complete	\$18,525,727.00	03/05/20	09/15/23
CDC-RFA-IP19-1901 Immunization and Vaccines for Children (Covid-19 R1)	\$28,111,333.00	07/01/20	06/30/25
CDC-RFA-IP19-1901 Immunization and Vaccines for Children (Covid-19 R2)	\$16,753,094.00	07/01/20	06/30/25
CDC-RFA-IP19-1901 Immunization and Vaccines for Children (Covid-19 R3)	\$313,732,865.00	07/01/20	06/30/25
CDC-RFA-IP19-1901 Immunization and Vaccines for Children (Covid-19 R4)	\$346,446,483.00	07/01/20	06/30/25
Crisis CoAg Workforce Development	\$173,376,888.00	07/01/21	06/30/24
NWSS Supplemental	\$6,672,000	08/01/23	07/31/27
Enhancing Detection	\$499,203,180	05/18/20	07/31/24
Expansion	\$1,696,424,899	01/15/21	07/31/24
Reopening Schools	\$887,715,802	04/01/21	07/31/23
AMD Sequencing Analytics	\$17,091,936	08/01/20	07/31/24
AMD Sequencing Analytics Supplemental 2	\$11,073,274	08/01/23	07/31/27
Strengthening PHL Preparedness	\$1,994,622	12/16/20	07/31/24
AMD PHL Construction	\$18,554,181	08/01/21	07/31/24
Data Modernization X3	\$4,930,000	08/01/21	07/31/24
Data Modernization Supplement	\$4,532,031	08/01/23	07/31/27
Detection & Mitigation of COVID in Confinement Facilities	\$66,150,000	08/01/21	07/31/24
Detection & Mitigation of COVID in Homeless Service Sites & Other Congregate Settings	\$4,497,600	08/01/21	07/31/24
Strengthening HAI & AR Program Capacity (SHARP)	\$22,307,758	08/01/21	07/31/24
SHARP Supplemental 2	\$14,003,472	08/01/23	07/31/27
Nursing Home & Long-term Care Facility Strike Teams - SNF	\$14,698,017	08/01/21	07/31/24



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Federal Funding Source	Amount	Start Date	End Date
Nursing Home & Long-term Care Facility Strike Teams - NH & LTC	\$14,644,107	08/01/21	07/31/24
Travelers Health Year 2	\$937,500	08/01/21	07/31/24
\$4,223,583,479			

Combined Total: \$11,743,223,479