

1 [Settlement Agreement Regarding SACPA Audit.]

2

3 **Resolution approving the Health Department's entering into a Settlement Agreement**
4 **with the State of California resolving the State's claim for reimbursement by the City**
5 **and County of funds provided by the State to the County under the SACPA program for**
6 **fiscal year July 1, 2001 through June 30, 2002.**

7

8 WHEREAS, the voters approved Proposition 36, the Substance Abuse and Crime
9 Prevention Act of 2000 (SACPA), in November 2000. SACPA added new sections to the
10 Penal Code and the Health and Safety Code. SACPA was intended to divert nonviolent
11 defendants, probationers, and parolees charged with simple drug possession or drug use
12 offenses from incarceration into community-based substance abuse treatment programs.
13 Pursuant to Health and Safety Code section 11999.5, \$60,000,000 was allocated from the
14 state's general fund to the Substance Abuse Treatment Trust Fund for the 2000-01 fiscal
15 year, and \$120,000,000 a year was appropriated for the ensuing five years. Pursuant to
16 section 11999.6, the funds were distributed by the Secretary of the Health and Human
17 Services Agency through the California Department of Alcohol and Drug Programs ("ADP") to
18 counties to cover the costs of placing persons in and providing drug treatment program; and,

19 WHEREAS, for fiscal year 2001-2002, ADP distributed \$4,576,807 to the County to
20 provide SACPA related services; and,

21 WHEREAS, on November 12, 2004, ADP issued Final Audit Report SACPA No. 1/02-
22 38 based on a fiscal review of the compliance requirements by the County of SACPA for fiscal
23 year July 1, 2001 through June 30, 2002. In Final Audit Report SACPA No. 1/02-38, ADP
24 recommended that the County return \$1,944,479 for disallowed SACPA expenditures; and,

25

1 WHEREAS, on January 11, 2005, the County sent ADP a Notice of Defense objecting
2 to Findings 3A, 3B, 3C, 3D, and 4 and arguing that ADP should allow the \$1,944,479 in
3 SACPA expenditures; and,

4 WHEREAS, the City Attorney of the City and County of San Francisco has
5 recommended that San Francisco enter into an agreement by which the City would settle this
6 matter by reimbursing the State \$1,088,685 and retaining \$855,794; and,

7 WHEREAS, on February 7, 2006, the Health Commission recommended approval of
8 the Settlement Agreement; and,

9 WHEREAS, a copy of the proposed Settlement Agreement is on file with the Clerk of
10 the Board of Supervisors in File No. 060290 which is hereby declared to be a part of this
11 resolution as if set forth fully herein; now, therefore, be it

12 RESOLVED, That the entry by San Francisco into the proposed Settlement Agreement
13 with the California Department of Alcohol and Drug Programs is hereby approved.

14
15 APPROVED:

16 DENNIS J. HERRERA
17 City Attorney

18 By: 

19 ALEETA VAN RUNKLE
20 Deputy City Attorney

RECOMMENDED:

San Francisco Health Department

By: 

MITCHELL KATZ, M.D.
Director of Health

21 FUNDS CERTIFIED:

22 By: 

23 EDWARD HARRINGTON
24 Controller

APPROVED:

By: 

MICHELE M. SEATON
Executive Secretary to the Health
Commission



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 060290

Date Passed:

Resolution approving the Health Department's entering into a Settlement Agreement with the State of California resolving the State's claim for reimbursement by the City and County of funds provided by the State to the County under the SACPA program for fiscal year July 1, 2001 through June 30, 2002.

April 4, 2006 Board of Supervisors — ADOPTED

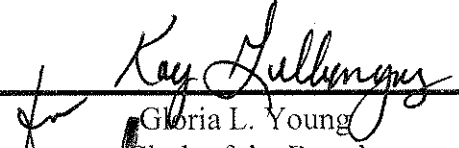
Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

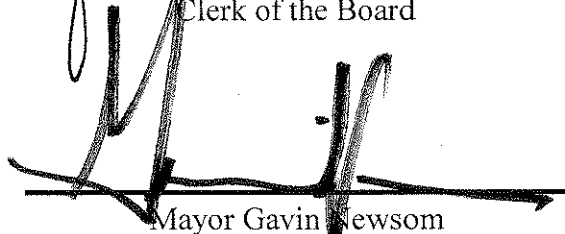
File No. 060290

I hereby certify that the foregoing Resolution was ADOPTED on April 4, 2006 by the Board of Supervisors of the City and County of San Francisco.

4.6.06

Date Approved


Gloria L. Young
Clerk of the Board


Mayor Gavin Newsom