



July 12, 2022

Mayor Darrell Steinberg
Vice Mayor Angelique Ashby
Mayor Pro Tem Eric Guerra
City Council Member Sean Loloee
City Council Member Jeff Harris
City Council Member Katie Valenzuela
City Council Member Schenirer
City Council Member Rick Jennings, II
City Council Member Mai Vang
cc Office of the City Manager

Sent via Email

Re: Sacramento 2022 Youth and Community PopUps Program

Dear Mayor and City Councilmembers:

On July 1, 2022, Assistant City Managers Michael Jasso and Mario Lara met The Center at Sierra Health Foundation's Community Economic Development Managing Director, Richard Dana, to inform him that The Center would no longer administer the Youth and Community PopUps program, effective June 30, 2022. This news came just as community-based partners were preparing for a busy holiday weekend with multiple PopUp events. Their planning was based on the City Council's \$1.3 million reinvestment in the program, which was included in the approval of the City budget at the June 14, 2022 Council meeting. As a result, partners were forced to cancel PopUps events, leaving impacted youth with little understanding of what had changed so suddenly. This news came as a concerning surprise, as [the City Council has proudly lifted up PopUps as a shining success for Sacramento.](#)

It is important to note that City of Sacramento funding for the PopUps program began in March 2019 in response to youth violence at Arden Fair Mall during the 2018 holiday season. At that time, Sierra Health Foundation provided grants to 14 community-based organizations to organize youth activities in neighborhoods with few opportunities for youth. The success was quickly noticed, and Mayor Steinberg and the entire City Council chose to expand funding with support from corporate sponsors.

To abruptly pause the successful PopUps program is a sign that the City of Sacramento is not paying attention to success. This decision instead undermines the community organizations that have spent years building this program as a true collaborative meeting the needs of youth that have been impacted by community violence, poverty and the pandemic.

The reason given for the funding change was that there are questions from the City Manager's office about whether submitted PopUps partner data is "real," if events have occurred at all, and if partners have been paid. As the administrative entity for this much-needed and effective program, we are compelled to respond to these false accusations that challenge the credibility and commitment of 22 community-based providers that extended the services they provide to some of the neediest youth in Sacramento through the PopUps program. Their work is being questioned and summarily judged without sufficient inquiry and knowledge. It is harmful to those the program serves to take such an approach during a period in which the same youth and families that have benefitted from the program are confronting challenges deepened by the global health crisis and its economic and social impacts. To that end, we are responding at length to these uninformed and inaccurate allegations.

PopUps Partner Data is Real

Each month, PopUps partners are required to submit data through an online portal created by and managed by the Evaluation and Learning team at The Center. Partners report on the number of people served by age, race/ethnicity and gender preference. Information also includes the number of events, activities and referrals for specific support services (i.e., gang involvement, domestic violence, drug use, food insecurity and more).

January 2022 through June 2022 data shows that 14,773 participants attended 599 events. For quality assurance, The Center at Sierra Health Foundation also tracks organizational data and reviews for accuracy. The following chart shows the number of organizations that have submitted data during this contract period:

Jan.	Feb.	March Quarterly	April*	May*	June Quarterly*
23	23	24	18	16	17

* Two organizations were no longer with the PopUps program in April, May and June

Additionally, the information is used when reviewing invoices for payment.

This information is also matched to the PopUp partners scheduled activities, which is reported by the partner organizations. Each partner is required to conduct two PopUps per month, but often do extra events. A sample for the month of May is below. Blanks indicate that the partner organization did not report any events. Additionally, the information is used when reviewing invoices for payment.

Organization	May 2 - 8	May 9 - 15	May 16 - 22	May 23 - 29
Boys & Girls Club		X		X
Brother to Brother				
Greater Sacramento Urban League	X	X	X	X
Hmong Youth and Parents United		X		X
Impact SAC Liberty Towers		X		
Improve Your Tomorrow	X		X	
Iu Mien Community Services		X		X
La Familia Counseling Center		X	X	X
Latino Leadership Council	X	X	X	X
Mutual Assistance Network	X			X
ReIMAGINE Mack Road Foundation		X	X	
Roberts Family Development Center	X	X	X	X
Rose Family Creative Empowerment Center			X	X
Sacramento LGBT Community Center	X	X	X	X
Self Awareness & Recovery	X		X	
Sojourner Truth Museum	X		X	
Sol Collective		X	X	X
South Sacramento Christian Center		X		X
Space of Grace Youth Academy- DOZ		X		X
Stanford Settlement	X		X	
Voice of the Youth				

The City's Decision to Support PopUps with ARPA Funds Significantly Increased Compliance Requirements

For the January through June 2022 contract year, the City of Sacramento shifted its support from general funds to federal American Rescue Plan Act (ARPA) funds, which have significantly higher compliance requirements than the general fund support that was used during prior periods. These requirements have proven challenging, particularly for smaller nonprofits, who do not have the administrative and financial capacity to meet them. Additional requirements include:

- A pre-award fiscal assessment
- Reimbursement of funds, instead of funds provided in advance of services
- Strict insurance requirements
- Back-up documentation for all expenses, including a random selection of receipts and payroll records

Additionally, the partners must submit the invoices monthly so they can be compared to the program service, ensuring payments align with services provided. The process demands intense oversight to ensure that the PopUps partners are in financial compliance, and by extension The Center and the City of Sacramento, should a federal audit be issued. This has included monthly collaboration technical assistance meetings, many one-on-one sessions and growth within each partner organization. The chart below shows the PopUps partner invoice payments by month.

Subrecipient	January	February	March	April	May
Boys and Girls Clubs	under review				
Brother 2 Brother	invoice paid	invoice paid	invoice paid	invoice paid	rejected
Church of the Nazarene	invoice paid	invoice paid	invoice paid	invoice paid	rejected
Daughters of Zion Enterpryz	under review	under review	under review	under review	under review
Greater Sacramento Urban League	rejected	rejected	rejected	under review	under review
Hmong Youth and Parents United	invoice paid	invoice paid	under review	under review	
Improve Your Tomorrow	under review	under review	rejected	under review	under review
Iu Mien Community Services	rejected				
La Familia Counseling Center, Inc.	invoice paid	invoice paid	invoice paid	invoice paid	rejected
Latino Leadership Council	invoice paid	invoice paid	invoice paid	invoice paid	invoice paid
Mutual Assistance Network	invoice paid	invoice paid	invoice paid	invoice paid	invoice paid
Sojourner Truth Museum	invoice paid	invoice paid	invoice paid		
Reimagine Mack Road Foundation	invoice paid	invoice paid	invoice paid	invoice paid	invoice paid
Roberts Family Development Center	invoice paid	rejected	rejected		
Rose Family	under review	under review	under review	under review	
Sacramento LGBT Community Center	invoice paid	invoice paid	invoice paid	invoice paid	invoice paid
Self Awareness and Recovery	invoice paid	invoice paid	invoice paid	invoice paid	invoice paid
South Sacramento Christian Center	invoice paid	invoice paid	invoice paid	invoice paid	under review
Stanford Settlement, Inc.	invoice paid	invoice paid	invoice paid	under review	under review
The Freedom Bound Center	invoice paid	invoice paid	invoice paid	invoice paid	invoice paid
Voice Of Youth, Inc.	rejected	rejected	rejected		
Youth Forward (Mental Health Training)	invoice paid	invoice paid	invoice paid	invoice paid	invoice paid

*Blanks are present where the organizations did not submit an invoice and rejected indicates that backup documentation was missing.

The City's New Invoicing Portal Was Not Available to The Center Until Late April

Federal ARPA funds have been a learning process for everyone. While the City was launching a new portal for reporting and invoicing, community partners were required to understand the nuances of federal requirements to meet any potential future audit. On the City's part, the new portal became active for the PopUps program in late April, four months after the program was

launched. Final access to the portal was not granted until April 22. The Center submitted a program report on April 22 which is still “pending approval” and held the financial invoices to ensure compliance.

In early July, The Center submitted the first invoice (\$370,616.93) for reimbursement. This represents paid invoices to community partners that could be fully justified using federal compliance requirements. This means that prior to that invoice, The Center was fully covering the cost of the program and ensuring that all required financial documents were in place. To date, we have paid \$324,000 in our own funds to support continuous PopUps while we wait for payment from the City. Given the ramifications of failing a federal audit, this appeared to be the best way to protect the interests of community partners, The Center and the City.

During this period, the extraordinary PopUps partners continued operation, submitting data, running events and working closely with youth across Sacramento.

The Youth and Community PopUps partnership is a major success and should be celebrated by city leadership, not shut down because of unfounded speculation. It is imperative that the City Council act now to reinstate the program for Sacramento’s youth.

In community,

A handwritten signature in black ink, appearing to read "Chet P. Hewitt". The signature is fluid and cursive, with the first name "Chet" being more prominent.

Chet P. Hewitt
President and CEO
Sierra Health Foundation and The Center