



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

PALOMA AGUIRRE
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

MONICA MONTGOMERY STEPPE
Fourth District

JIM DESMOND
Fifth District

DATE: January 28, 2026

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TO: Board of Supervisors

SUBJECT

DISTRICT ATTORNEY – AUTHORITY TO CONTINUE TO ADMINISTER THE COMMUNITY GRANT PROGRAM AND DEDICATE CRIMINAL FINES TO SERVICES FOR K-12 YOUTH (DISTRICTS: ALL)

OVERVIEW

The District Attorney's Office continues to support the development of strong, sustainable partnerships with community-based organizations. Through these collaborations, the Office advances crime prevention and early intervention strategies, reduces recidivism, and promotes community wellness while maintaining public safety for all residents.

On September 23, 2014 (8), the Board of Supervisors (Board) authorized the District Attorney's Office to administer the State of California's Community Recidivism Reduction Grant program (CRRG), through the District Attorney Community Crime Reduction Grant Program, focused on reducing crime and recidivism through community-based service providers.

Then, on August 17, 2021 (5), the Board authorized creation of an interest-bearing trust fund to receive fines imposed by the court associated with the prosecution of a charter school fraud case, one of the largest education fraud cases in the nation. Defendants were ordered to pay over \$200 million, of which \$37 million in criminal fines were retained locally and deposited with the County to support community programs that benefit K–12 youth. On November 16, 2021 (1), the Board authorized continuation and expansion of the District Attorney's Community Grant Program (CGP), previously titled the Community Crime Reduction Grant Program. This expansion incorporated the newly established Charter School Fraud trust fund as a funding source and expanded the scope of the CGP for K-12 community grants supporting education, prevention, and equity to community-based organizations serving children and families across the region.

To guide the use of the court-ordered Charter School Fraud funds, a stakeholder workgroup was convened with representation from the District Attorney's Office, Behavioral Health Services (BHS), the Department of Child and Family Well-Being (CFWB), and the Office of Equity and Racial Justice (OERJ) to ensure alignment with the Court's intent that funds support community serving programs that benefit K–12 youth.

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Since the CGP's inception, partnerships with over 300 service providers have been established. Additionally, since the creation of the Charter School Fraud trust fund, there have been 47 grants awarded totaling \$6.4 million to community serving programs that benefit the K-12 population with consideration of opportunities for a longer-term regional strategy. The San Diego County Office of Education (SDCOE) has proposed a seven-year, countywide plan to strengthen and expand access to mental health, safety and wellness, and equity supports for K–12 students and families through sustainable, regionally responsive approaches. The stakeholder workgroup reviewed the SDCOE proposal and has recommended its approval, finding it consistent with the Court's intent and supportive of a coordinated, regional use of the trust fund.

If approved, today's actions would authorize the District Attorney to continue administering the CGP and increase the maximum individual grant award to \$750,000 annually to organizations providing crime prevention and intervention services. Approval would also authorize the District Attorney to award a \$25 million grant to the SDCOE, and to administer the SDCOE program funding, at the direction of the District Attorney or her designee(s), by County staff over a seven-year grant period beginning in Fiscal Year 2026-27 and ending in Fiscal Year 2032-33. The allocation of grant funds to SDCOE will be disbursed in annual installments and will be contingent upon achievement of negotiated milestones and performance outcomes, with annual progress reports required to support each payment. In addition, approval would authorize execution of all required grant-related documents in the current and subsequent years, and allocation of funds to support the educational needs of K-12 youth across the region.

**RECOMMENDATION(S)
DISTRICT ATTORNEY**

1. Authorize the District Attorney's Office to continue administering the Community Grant Program and to award up to \$5 million annually in grants to organizations providing crime prevention and intervention services that support public safety strategies, with maximum individual grant awards of up to \$750,000, based on funding availability.
2. Authorize the District Attorney, or her designee(s), to review and execute all required grants and grant related documents for the Community Grant Program in the current fiscal year and in subsequent fiscal years provided funds are budgeted in future Operational Plans including any extensions, amendments and/or revisions thereof.
3. Authorize the allocation of \$25,000,000 to the San Diego County Office of Education (SDCOE) to implement its proposed seven-year countywide K–12 plan funded by fines imposed by the Court related to the Charter School Fraud case. The allocation will be disbursed from the Charter School Fraud trust fund in annual installments over a seven-year term, contingent upon achievement of agreed-upon milestones and performance outcomes.
4. Authorize the District Attorney, or her designee(s), to negotiate and, upon successful negotiations, execute an agreement or agreements with SDCOE to implement its proposed seven-year countywide plan to support K-12 youth.

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EQUITY IMPACT STATEMENT

The District Attorney's Office is committed to public safety and equitable access to information and services for all San Diego communities. Today's action reflects the desire to support partnerships that are dedicated to delivering culturally competent and trauma informed services. The District Attorney's Community Grant Program helps build the business and service capacity of local non-profit, grassroots community organizations that serve the area. Additionally, allocation of funds to the needs of K-12 youth through an equity focused lens will serve to center support for the most marginalized communities, including youth in juvenile court and community schools, unhoused youth, low-income families, and underserved rural districts.

SUSTAINABILITY IMPACT STATEMENT

Today's actions align with the County of San Diego's Sustainability Goal #2 to provide just and equitable access to services and resources in support of sustainable communities and focus investment in vulnerable and chronically underserved populations. The recommendations promote economic growth through investments which support building resilience and strengthening community engagement among vulnerable populations through collaborative partnerships. The recommendations also allocate resources to support sustainable and regionally responsive structures that prioritize the most marginalized students.

FISCAL IMPACT

Recommendations 1 & 2: Continue Administration of District Attorney's Office Community Grant Program

Funds for this request are included in the Fiscal Years 2025–26 Operational Plan for the District Attorney's Office. If approved, this request will result in anticipated costs and revenue of \$5 million for the Community Grant Program. The funding source is Local Revenue Fund 2011, Community Corrections Subaccount. Subsequent year appropriation requests will be included in future year Operational Plans for the District Attorney's Office. There will be no change in net General Fund cost and no additional staff years.

Recommendations 3 & 4: Negotiate Agreement to Implement SDCOE Proposal

The grant award would allocate \$25 million to SDCOE to implement its proposed countywide, seven-year plan supporting K-12 programs and services consistent with the Court's intent. The funding source is criminal fines imposed by the Court related to the Charter School Fraud case earmarked for services in support of K-12 youth. The \$25 million allocation will be disbursed from the Charter School Fraud trust fund over a 7-year period beginning in Fiscal Year 2026-27 and ending in Fiscal Year 2032-33, contingent upon achievement of agreed-upon milestones and performance outcomes. Each annual payment will require submission of a progress report demonstrating compliance with the negotiated terms. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

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ADVISORY BOARD STATEMENT

N/A

BACKGROUND

District Attorney's Community Grant Program

On September 23, 2014 (8) the Board of Supervisors (Board) authorized acceptance of funding from the Board of State and Community Corrections for the Community Recidivism Reduction Grant (CRRG) and delegated authority to the District Attorney (DA) to administer the grant program. On September 15, 2015 (4), the Board authorized acceptance of additional CRRG funding. These funds were intended for reducing crime and recidivism in Southeastern San Diego through services such as life skills development, mentoring and counseling, job training, cognitive-behavioral therapy, financial literacy, and wellness and nutrition programs. These grants also helped strengthen the capacity of small and emerging community-based organizations and local service providers partnering with the County of San Diego.

Building on these early efforts, the DA's Office established the Community Crime Reduction Grant Program (later renamed the Community Grant Program, or CGP), which provides microgrants and capacity-building funds to smaller community-based organizations to assist them with addressing specific community needs and increase equity and access to services. Since the program's inception in 2019, partnerships with over 300 service providers have been established.

K-12 Expansion through the Charter School Fraud Trust Fund

On August 17, 2021 (5), the Board authorized creation of an interest-bearing trust fund to receive fines imposed in the *State v. A3 Charter Schools* case. This was one of the largest education fraud cases in the nation and recovered more than \$200 million in misused state education funds. Defendants were ordered to pay over \$37 million in criminal fines to be deposited with the County in 2022. These funds were to be dedicated to community programs and services to address educational needs and to support access to education for youth in kindergarten through 12th grade (K-12).

On November 16, 2021 (1), the Board authorized continuation of the DA's Community Grant Program (CGP) and expansion of its scope to administer K-12 community grants funded through the Charter School Fraud case. The expansion emphasized education, prevention, and equity, increasing maximum award levels to \$250,000 and extending eligibility to community-based organizations serving children and families across all five supervisorial districts.

To guide the use of the court-ordered funds, the DA's Office, in collaboration with BHS, CFWB, and the OERJ, convened a stakeholder workgroup to develop recommendations consistent with the Court's intent that funds be used for community-serving educational supportive purposes. The workgroup recommended an initial round of 47 K-12 community grants, totaling approximately \$6.4 million, which were awarded in 2022. These grants supported literacy development, youth leadership, tutoring, mentoring, and mental health and wellness programs while the workgroup continued to explore opportunities for a broader, regionally coordinated investment.

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San Diego County Office of Education Proposal and Next Steps

Building on the foundation established through those initial grant awards, the SDCOE developed the HeartSpire initiative. This is a seven-year, countywide plan to expand access to mental health, wellness, and equity supports for K-12 students and families through sustainable, regionally responsive structures. The initiative builds on existing frameworks such as Community Schools, leverages partnerships with Health and Human Services Agency, Live Well San Diego, and Managed Care Plans (MCPs), and includes a robust evaluation plan to track outcomes and ensure accountability during the grant period.

The stakeholder workgroup reviewed and has recommended approval of the HeartSpire proposal, which fulfills the Court's intent that the Charter School Fraud trust fund be used to support a regional, community-serving plan benefiting K–12 students and families. It is recommended that \$25 million of the fines imposed by the Court related to the Charter School Fraud case be allocated to establish a grant with SDCOE. The allocation will be disbursed from the Charter School Fraud trust fund in annual installments over a seven-year period and will be contingent upon achievement of negotiated milestones and performance outcomes. Each annual payment will require submission of a progress report demonstrating compliance with these terms. If approved, today's actions will authorize the District Attorney's Office to continue its successful Community Grant Program and award funds to SDCOE to advance long-term educational equity and wellness initiatives benefiting K–12 youth across all five supervisorial districts.

The San Diego County District Attorney's Office remains dedicated to building safe neighborhoods in partnership with the communities we serve. Through the Community Grant Program and collaborations with organizations like SDCOE, the DA's Office seeks to engage the San Diego County community to identify and implement new and innovative methods that address community safety and promote hope and resilience, regardless of zip code. If authorized, today's request includes authorization to continue to administer the CGP based on available funding, and to review and execute all required grant and grant related documents. Approval would also authorize the District Attorney to award a \$25 million grant to the SDCOE, and to administer the SDCOE program funding, at the direction of the District Attorney or her designee(s), by County staff over a seven-year grant period beginning in Fiscal Year 2026-27 and ending in Fiscal Year 2032-33. The allocation of grant funds to SDCOE will be disbursed in annual installments and will be contingent upon achievement of negotiated milestones and performance outcomes, with annual progress reports required to support each payment. In addition, approval would authorize execution of all required grant-related documents in the current and subsequent years, and allocation of funds to support the educational needs of K-12 youth across the region.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's actions support the County of San Diego's 2026-2031 Strategic Plan initiatives of Community (Quality of Life, Partnership), Equity (Health, Economic Opportunity), and Sustainability (Resiliency) by providing funding for community partnerships and mental health, equity, and wellness across schools.

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Respectfully submitted,



SUMMER S. STEPHAN
District Attorney

ATTACHMENT(S)
N/A