

MICHAEL N. FEUER CITY ATTORNEY

To: The Honorable Eric Garcetti Mayor of Los Angeles City Hall Los Angeles, CA 90012 Attention: Cary Gross

Honorable City Council City of Los Angeles City Hall Los Angeles, CA 90012 Attention: Holly Wolcott

From: Leela Kapur, Chief of State

Date: November 7, 2018

Re: FY 2018-19 Disbursement from California Attorney General Privacy and Technology Fund

Transmitted herewith for Mayor and City Council consideration is grant funding totaling \$15,481 awarded by the California Department of Justice through its Attorney General's Privacy and Piracy Fund. This award will provide funding from October 1, 2018 through September 30, 2019 for training and travel to enhance local intellectual property efforts.

The City Attorney's Office enforces all manners of consumer protection laws, including laws relating to privacy, and is particularly well positioned to address intellectual property crimes. Grant funding will enhance current enforcement efforts through comprehensive technical training on the use of digital resources to conduct data breach, privacy, and counterfeit investigations. This training will build upon the skills and expertise necessary to run complex privacy and intellectual property investigations utilizing digital resources and related evidentiary techniques. In addition, grant funding will cover new computer equipment to expand online investigative work, conduct research, and vertically prosecute privacy and intellectual property matters. This includes conducting invisible investigations and searching the "dark web" (nexus for criminal activity and cyber crime). The City Attorney's Office will also integrate protocols already established at federal agencies, which utilize similar infrastructure and resources to support its investigations.

There is no general fund impact to accept this grant award.

cc: Richard Llewellyn, CAO Sharon Lee, CAO



# City of Los Angeles Grant Award Notification and Acceptance

| Recipient Department        |                         |         |                             |         |              |  |
|-----------------------------|-------------------------|---------|-----------------------------|---------|--------------|--|
| This Grant Award is: [] New | [] Continuation/Renewal |         | [] Supplemental             | []Subal | location     |  |
| Grants Coordinator:         | Janette Flintoft        | E-Mail: | janette.flintoft@lacity.org | Phone:  | 310-570-0686 |  |
| Project Manager:            | Christina Tusan         | E-Mail: | christina.tusan@lacity.org  | Phone:  | 213-473-6908 |  |
| Department/Bureau/Agency:   | City Attorney           |         |                             | Date:   | 11/7/2018    |  |

| <b>Grant Informatio</b>              | n                                       | And Constanting           | - 1  | Constant and the            | An of contraction of the |  |  |
|--------------------------------------|---|---------------------------|--|-----------------------------|--------------------------|--|--|
| Name of Grantor:                     |   |                           | Pass Through Age   | Pass Through Agency:        |                          |  |  |
| CA Attorney General                  | × · · · · · · · · · · · · · · · · · · · |                           | <ul> <li>International Control of Contro</li></ul> |                             |                          |  |  |
| Grant Program Title:                 |   |                           | Notification of Awa  | Notification of Award Date: |                          |  |  |
| FY 2018-19 Privacy a                 | nd Piracy Fund                          |                           | 10/11/2018   | 10/11/2018                  |                          |  |  |
| Funding Source (Public / Grant Type: |   | e:                        | Funds Disburseme   | ent:                        | Agency's Grant ID:       |  |  |
| Other                                | Competiti                               | Competitive/Discretionary |  |                             | CFDA#:                   |  |  |
|                                      |   |                           |  |                             | Other ID#:               |  |  |
|                                      |   |                           |  |                             | eCivis ID#: LAC0039      |  |  |
| Match Requirement: None              |   | Amount:                   | \$0.00   | %Match 0                    |                          |  |  |
| Match Type:                          |   |                           | Identify Source of   | Identify Source of Match:   |                          |  |  |
| Fiscal Information:                  | Awarded Funds:                          | Match/In-Kind             | Funds: Additio   | nal/Leverage Funds:         | Total Project Budget:    |  |  |
|                                      | \$15,481.00                             | \$0.00                    |  |                             | \$15,481.00              |  |  |

| Category             | Awarded     | Match  | Additional | Explanation                                   |
|----------------------|-------------|--------|------------|---|
| Materials/Supplies   |             |        |            |   |
| Supples              | \$1,700.00  | \$0.00 |            | Dell 7050 Developer Personal Computer         |
| Supplies             | \$475.00    | \$0.00 |            | External hard drives (x 5 at \$175 each)      |
| Supplies             | \$450.00    | \$0.00 |            | \$475 Desktop monitors (x2 at \$225 each)     |
| Supplies             | \$1,600.00  | \$0.00 |            | HP Heavy Duty Color network printer           |
| Supplies             | \$800.00    | \$0.00 |            | Replacement color printer tone                |
| Supplies             | \$2,500.00  | \$0.00 |            | Virtual Private Network (VPN) Associated      |
| Contractual Services |             |        |            |   |
| Training             | \$6,500.00  | \$0.00 |            | One-day, instructor-led technical training on |
| Training             | \$600.00    | \$0.00 |            | Instructor air fare (x1 round-trip ticket for |
| Training             | \$160.00    | \$0.00 |            | Per diem (x1 full day and 2 travel days for   |
| Training             | \$350.00    | \$0.00 |            | Ground transportation and parking             |
| Training             | \$346.00    | \$0.00 |            | Hotel (x 2 nights for one person, plus taxes) |
| Total                | \$15.481.00 | \$0.00 |            |   |

| Appro   | ved Project                                    | 1.1                                   |                    |                                     |
|---|--|---------------------------------------|--------------------|-------------------------------------|
| Descriptive Title of Funded Project: FY 2018/19 Priva |  | FY 2018/19 Priva                      | cy and Piracy Fund |                                     |
| Perform   | ance Period Start/E                            | nd Dates (Mor                         | nth/Day/Year):     | Citywide: Yes                       |
| Start:  | 10/01/2018                                     | End:                                  | 09/30/2019         | Affected Council District(s): All   |
|   |  | · · · · · · · · · · · · · · · · · · · |                    | Affected Congressional District(s): |
| Purpose   | 9:   |                                       |                    |                                     |
| Identify  | Internal Partners (Ci                          | ty Dept/Burea                         | u/Agency): LAPD    |                                     |
| A   | an na sana an |                                       |                    |                                     |
| Identify  | External Partners:                             |                                       |                    |                                     |
| 1.              | 1 / 1 /  |                                       |                    |                                     |

Summary

Please provide a project summary including goals, objectives (metrics), specific outcomes, and briefly describe the activities that will be used to achieve these goals. You may attach an additional sheet of paper if necessary.

Dedicated technology to support undercover investigations related to privacy, piracy, and intellectual property enforcement, in addition to training on digital investigations.

### Recommendations

Please provide a complete list of necessary actions for implementation, including acceptance of the award by the City. Controller instructions for fund and accounts set-up, coordination of project activities (such as contract and position authorities).

1. APPROVE the FY 18-19 Privacy and Piracy Recipient award and authorize the City Attorney or his designee to execute the agreement between the City and State of California, Attorney General's Office Recipient, subject to City Attorney review and approval as to form.

- 2. AUTHORIZE the City Attorney or designee to accept the grant award in the amount of \$15,481 for funding the FY 18-19 Privacy and Piracy Award. 3. AUTHORIZE the Controller to:
  - a. Establish a receivable for this program in the amount of \$15,481 from the State of California, Attorney General's Office;
- b. Establish a new appropriation account within Fund No. 368 as follows: Account No. 12R930 FY 18-19 AG Privacy and Piracy Grant program in the amount of \$15,481

4. AUTHORIZE the City Attorney or designee to prepare Controller instructions for any necessary technical adjustments, subject to the approval of the City Administrative Officer; and AUTHORIZE the Controller to implement the instructions.

### Fiscal Impact Statement

Please describe how the acceptance of this grant will impact the General Fund. Provide details on any additional funding that may be required to implement the project/program funded by this grant.

There is no general fund impact to accept this grant award.

# Acceptance Packet The above named Department has received an award for the Grant Program identified above, accepts full responsibility for the coordination and management of all Grant funds awarded to the City, and will adhere to any policies, procedures and compliance requirements set forth by the Grantor and its related agencies or agents, as well as those of the City, and its financial and administrative departments. The following items comprise the Acceptance Packet and are attached for review by the CAO Grants Oversight Unit: x Grant Award Notification and Acceptance x Copy of Award Notice [] Grant Project Cost Breakdown (Excel Document) x Copy of Grant Agreement (if applicable) [] Detail of Positions and Salary Costs (Excel Document) [] Additional Documents (if applicable) Department Head Name: Department Head Signature: Date:

| For CAO Use Only   |                                       |
|--|---------------------------------------|
| The Office of the City Administrative Officer, Grants Oversight Unit has reviewed the information as requested, ar<br>Packet is: | id has determined that the Acceptance |
| [] Complete The Acceptance Packet has been forwarded to appropriate CAO analyst  |                                       |
| [] Returned to Department (Additional information/documentation has been requested.  |                                       |
| [ ] Flagged (See comments below.)  |                                       |
| Comments:  |                                       |
|  |                                       |
| CAO Grants Oversight Unit Signature:   | Date:                                 |



# State of California DEPARTMENT OF JUSTICE

RONALD REAGAN BUILDING 300 SOUTH SPRING STREET, SUITE 1702 LOS ANGELES, CALIFORNIA 90013

> Public: (213) 269-6000 Telephone: (213) 269-6369 Facsimile: (213) 897-4951 E-Mail: lisa.kim@doj.ca.gov

October 11, 2018

Janette Flintoft Los Angeles City Attorney's Office Consumer and Workplace Protection Unit 200 N. Main St., 5<sup>th</sup> Floor Los Angeles, CA 90012

RE: 2018-2019 Privacy and Piracy Fund Award

Dear Ms. Flintoft:

Please find enclosed a check in the amount of \$15,481.00, the approved award from the Attorney General's Privacy and Piracy Fund (the "Fund") for the FY 2018-2019 distribution cycle.

As a reminder, grants are subject to the terms and conditions described in the Fund's instructions, the application form, and the award letter. They include the following:

- a) Upon receipt of grant funds, grantees will have one year to spend the award.
- b) Grantees must **submit a report within 60 days** of the earlier of (a) the end of the grant term or (b) completing the project for which the disbursement was awarded. These reports shall specify how disbursement funds were used and, if applicable, a description of the project's outcome.
- c) Grant funds may only be utilized for the purposes set forth in the award letter, and the award is subject to all conditions described in the award letter.
- d) If circumstances arise that would warrant a modification of the terms of a grant, or the purposes for which grant funds can be used, grantees may apply to the Committee at any time for such a modification, which may be granted in the Committee's discretion.
- e) The grantee will comply with the Judgment and each and every order of the Court in connection with the Privacy and Piracy Fund and the disbursement received.

Janette Flintoft October 11, 2018 Page 2

- f) The grantee will vigilantly safeguard the monies disbursed and maintain financial controls sufficient to protect such monies and ensure that the use of monies fully comports with the grantee's application for the disbursement, and provide detailed written description of such financial controls upon request by the Committee.
- g) The funding requested will not be used to pay for regular staff of the agency or entity applying for this project.
- h) The person submitting the application represents that his/her office is authorized to accept funds under applicable state and local laws and that the budget of the applicant's office/unit will not be reduced by the receipt of disbursement funds. Disbursement funds shall be used to augment but not supplant the budget of the disbursement recipient.
- i) Except as otherwise expressly agreed by the Attorney General's Office in writing, the funds will only be used for the purposes identified in the award letter.
- j) If the project is for the purpose of investigation or litigation, any civil settlement the grantee enters will provide for full reimbursement of the amount of the disbursement to the Privacy and Piracy Fund.
- k) In the event the grantee is the prevailing party after trial, the grantee will use its best efforts to reimburse the Privacy and Piracy Fund in full from any monetary recovery ordered by trial and appellate courts and paid by the defendant(s).
- 1) The grantee will notify the Committee in writing of investigation or litigation results, including any settlement, judgment or other resolution, within 60 days of such settlement, judgment or other resolution.
- m) The grantee will cooperate with the Committee and its agents in providing all information and documents concerning the use of funds as the Committee reasonably requests and will maintain sufficient records for auditing purposes to substantiate any expenditure. In the event of a multi-agency project, the initial disbursement applicant shall be solely responsible for complying with this paragraph, except as otherwise expressly agreed by the Committee in writing.
- n) Approval of this application does not constitute Committee or California Attorney General endorsement of the applicant's project.
- o) Except as otherwise expressly agreed by the Committee in writing, upon request, or upon conclusion of the grant term, the grantee must return all unused or improperly used grant funds to the California Attorney General's Office, with the notation "Privacy and Piracy Fund Reimbursement."

- p) If an application is for the production of any materials, the Applicant agrees to permit the California Attorney General's Office and other authorized prosecutors to use those materials, without restriction, for their intended purposes.
- q) Grantees shall maintain all records related to the use of grant funds for a period of five years from the date of the final expenditure or return of the grant funds. The Attorney General's Office shall be permitted to review all such documents upon request.
- r) All correspondence with the Committee shall be directed to:

Privacy and Piracy Fund Committee Attention: Betty Mason, AGPA Office of the Attorney General 300 S. Spring St., Suite 1702 Los Angeles, CA 90013 Betty.Mason@doj.ca.gov

Congratulations again on your office's award from the Privacy and Piracy Fund. We look forward to your reports regarding the award. If you have any questions, please feel free to contact me or Betty Mason (213-269-6331).

Sincerely,

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LISA B. KIM Deputy Attorney General Privacy Enforcement and Protection Unit

For XAVIER BECERRA Attorney General 1.1

| PRIVACY AND PIRACY<br>RECIPIENT AWARD<br>AND DISBURSEMENT<br>APPROVAL<br>JUS 8765 (REV. 4-07) | SEAL OF THE OF T | AWARD NUMBER       AM. NO.         18-01       ORIGINAL AMOUNT REQUESTED         \$15,481.00       Award Period         July 1, 2018 – June 30, 2019         APPROVED AWARD         \$15,481.00 |
|---|--|---|
| THIS AGREEMENT, made and entered into this  | day of October, 20_18  |   |

| TITLE OF OFFICER ACTING FOR STATE | AGENCY                |
|-----------------------------------|-----------------------|
| ATTORNEY GENERAL                  | DEPARTMENT OF JUSTICE |
|                                   | DEFARTMENT OF JUSTICE |

IMPLEMENTING/RECIPIENT AGENCY(S) / TASK FORCE NAME

## Los Angeles City Attorney's Office

The recipient signifies acceptance of this award and agrees to administer the project in accordance with the Final Judgment and Permanent Injunction ("Judgment") in the case of *People v. Hewlett-Packard Company*, Case No. 106CV-076081, and the application for distribution from the Privacy and Piracy Fund prepared and submitted by the Implementing/Recipient Agency ("authorized prosecutors" or "Recipient," as defined in the Judgment) and as approved by the Department of Justice.

Lisa B. Kim is designated as the Department of Justice Project Coordinator and X Leck Kepter is designated as the Recipient's Representative. The Department of Justice reserves the right to change the Project Coordinator at any given time without Agreement amendment.

| STATE OF CALIFORNIA   | Α                             | RECIPIENT/APPLICANT  |                                |  |
|---|-------------------------------|--|--------------------------------|--|
| DEPARTMENT OF JUSTICE   |                               | IMPLEMENTING/RECIPIENT AGENCY /TASK FORCE REPRESENTATIVE<br>LOS ANGELES CITY ATTORNEY'S OFFICE |                                |  |
| BY (AUTHORIZED SHOWATURE)   |                               | BY (AUTHORIZED SIGNATURE)  |                                |  |
| Lisa B. Kim   |                               | PRINTED NAME AND TITLE OF PERSON SIGNING<br>X<br>Lacka Kapw Chief of Staff                     |                                |  |
| Deputy Attorney General   |                               | ADDRESS<br>X 200 N. Main St. 8th Fl. LA CA 90012   |                                |  |
| (213) 269-6369  |                               | X 213 978-8100   |                                |  |
| E-MAIL<br>Lisa.Kim@doj.ca.gov                                       |                               | X leela. Kapure lacity. 05g  |                                |  |
| I hereby certify upon my own personal knowledge that bud            | acted funds are available for |  | V                              |  |
| Thereby certify upon my own personal morneage mai owa               |                               |  |                                |  |
| Signature of Accounting Officer                                     |                               | DATE   |                                |  |
|   |                               | nt of Justice  |                                |  |
|   |                               | Only   |                                |  |
| CURRENT YEAR  | Y                             | EAR 2  | YEAR 3                         |  |
| AMOUNT APPROVED FOR PAYMENT   | AMOUNT APPROVED FOR PAT       | MENT AMOUNT APPROVED FOR PAYMENT   |                                |  |
| \$15,481.00 \$  |                               |  | \$                             |  |
| PERIOD OF PAYMENT   |                               |  |                                |  |
| JULY 1, 2018 THROUGH JUNE 30, 2019 JULY 1, 20 THROUGH JUNE 30, 2019 |                               | OUGH JUNE 30, 20   | JULY 1, 20 THROUGH JUNE 30, 20 |  |