AGENDA ITEM SUBMITTAL FORM
BOARD OF SUPERVISORS
CLERK OF THE BOARD
44 N. San Joaquin Street, Suite #627
Stockton, California 95202

SUBMIT ONE COPY OF THIS FORM WITH EACH BOARD AGENDA ITEM.

At the time of submitting your agenda item documents, please provide ONE ORIGINAL & 7 COPIES OF THE BOARD LETTER AND ANY ACCOMPANYING DOCUMENTS (Resolutions, Board Orders, Contracts, etc.) for distribution after Board Approval.

If more than one original is required, you must provide the appropriate number of originals to be executed by the Board of Supervisors.

DATE: February 25, 2014
DEPARTMENT: Human Services Agency
CONTACT & PHONE #: Joseph Chelli 468-1650

AGENDA ITEM TITLE: APPROVAL OF THE TRANSFER OF $400,000 FROM THE HUMAN SERVICES AGENCY ADMINISTRATION BUDGET TO THE HEAD START PROGRAM BUDGET

PROPOSED AGENDA PLACEMENT DATE: March 11, 2014
PROPOSED CALENDAR: Discussion – H&HS

DISTRIBUTION: (MAILING ADDRESSES MUST BE PROVIDED IF NOT A COUNTY DEPARTMENT)

TO: 
Clerk of the Board
Monica Nino, County Administrator
Gilberto Gutierrez, Deputy County Counsel
Jay Wilverding, Auditor-Controller
Joseph E. Chelli, Director HSA
Michael Miller, Deputy Director HSA
Adolfo Munoz, Grantee Director

DOCUMENT 
Board Order, Appropriation
Board Order, Appropriation
Board Order
Board Order, Appropriation
Board Order, Appropriation
Board Order
Board Order

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Special instructions to the Clerk of the Board:

AGENDA ITEMS MUST BE REVIEWED AND SIGNED OFF BY THE DEPARTMENT HEAD, COUNTY ADMINISTRATOR AND COUNTY COUNSEL.

Department Head 
Signature: 
Date: 3/4/14

County Administrator 3/5/2014 8:19:06 AM
County Counsel 3/5/2014 8:21:09 AM
COB 3/5/2014 10:19:27 AM

KATIE PATTERSON
GILBERTO GUTIERREZ
March 4, 2014

Dear Board Members:

RECOMMENDATION:

It is recommended that the Board of Supervisors:

1. Approve the transfer of $400,000 from the Human Services Agency (HSA) Administration budget to the Head Start Program budget, in order to stabilize Head Start Child Development Council (HSCDC); and

2. Approve the Request for Adjustment Additional Appropriations/Estimated Revenue or Transfer of Funds form to transfer $400,000 from the HSA Administration budget to the Head Start Program budget.

REASON FOR RECOMMENDATION:

As your Board knows, HSA has been working with the Federal Head Start Regional Office to resolve several issues with HSCDC. The most important issue at this time is to stabilize HSCDC financial position so that services to the 2,907 children are not disrupted. On January 28, 2014, we shared with your Board an estimate of HSCDC’s needed financial support in the amount of $500,000. When this estimate was presented to your Board, the year-end operating loss for HSCDC had not been finalized for the contract year ending January 31, 2014. Since that time, independent consultants working with HSCDC staff have prepared an unaudited, but balanced financial report for HSCDC. This report showed a net agency-wide operating loss of approximately $900,000.
Based on HSCDC Board of Directors’ request, the County now has its management team in place at HSCDC. In addition, the HSCDC Board of Directors has eliminated programs that created the operating losses and is back to operating basic Head Start and Early Head Start Programs as a Delegate Agency for the County. Services to children in the Head Start Program have not been disrupted. It is anticipated the transfer of an additional $400,000 will stabilize the financial position of HSCDC.

Other options considered, but not recommended are:

- Have the County take over operations of the Head Start Program.
- Temporarily halt operations of the Head Start Program until a new delegate or delegates are secured through a procurement process.
- Terminate Head Start Program services to children and their families in San Joaquin County by relinquishing the Head Start grant.

**FISCAL IMPACT:**

**Total Cost**
The cost associated with this action is $400,000.

**Net County Cost**
There is no additional net County cost in the transfer of funds. However, the recommendation to transfer an additional $400,000 from HSA’s Administration budget to the Head Start Program budget represents funds that are available due to program savings that could otherwise be returned to the County General Fund. If approved, this will bring the total General Fund support to the Head Start Program to $900,000.

**ACTION TO BE TAKEN FOLLOWING APPROVAL:**
Following approval, HSA will continue the effort to stabilize the financial position of HSCDC and work to ensure services are not disrupted.

Sincerely,

Joseph E. Chelli, Director
Human Services Agency

c: Monica Nino, County Administrator
   Gilberto Gutierrez, Deputy County Counsel
   Jay Wilverding, Auditor-Controller
   Michael Miller, Deputy Director Employment and Youth Services
   Adolfo Munoz, Head Start Grantee Director

Board of Supervisors Meeting – March 11, 2014

Our Mission is to lead in the creation and delivery of services that improve the quality of life for our community.
COUNTY OF SAN JOAQUIN
REQUEST FOR ADJUSTMENT, ADDITIONAL APPROPRIATIONS / EST. REV. OR TRANSFER OF FUNDS

FISCAL YEAR: [YYYY]

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ESTIMATED REVENUE:

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Funds (Cash):

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REASON FOR REQUEST:

General Fund support to stabilize Head Start Program: 1) decrease HSA Child Care account by $400,000; 2) increase Operating Transfer by $400,000 from General Fund to Head Start Fund; 3) increase Head Start CDC Subgrantee - County account by $400,000.

REQUESTED BY: [Signature]

3/4/2014

DEPARTMENT HEAD

APPROVED:

DATE

COUNTY ADMINISTRATOR

BOARD OF SUPERVISORS

I HEREBY CERTIFY that the above order was passed and adopted on _____________ by the following vote of the Board of Supervisors, to wit:

MOTION: ____________________________

AYES: ____________________________

NOES: ____________________________

ABSENT: ____________________________

BY: ____________________________

DEPUTY CLERK
MOTION:

APPROVAL OF THE TRANSFER OF $400,000 FROM THE HUMAN SERVICES AGENCY ADMINISTRATION BUDGET TO THE HEAD START PROGRAM BUDGET

THIS BOARD OF SUPERVISORS DOES HEREBY:

1. Approve the transfer of $400,000 from the Human Services Agency (HSA) Administration budget to the Head Start Program budget, in order to stabilize Head Start Child Development Council (HSCDC); and

2. Approve the Request for Adjustment Additional Appropriations/Estimated Revenue or Transfer of Funds form to transfer $400,000 from the HSA Administration budget to the Head Start Program budget.

I HEREBY CERTIFY that the above order was passed and adopted on __________ by the following vote of the Board of Supervisors, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

MIMI DUZENSKI
Clerk of the Board of Supervisors
County of San Joaquin
State of California