

AGENDA ITEM NO. 19

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
DEPARTMENT OF COMMUNITY INITIATIVES**

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives

THROUGH: Terry M. Brechtel, City Manager

COPIES: Frances A. Gonzalez, Assistant to the City Manager; City Attorney's Office; Finance Department; Department of Asset Management; File

SUBJECT: Ordinance Authorizing the Continuation of the Head Start Program

DATE: January 23, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance ratifies the submission of a continuation grant application in the amount of \$44,229,262 to the U.S. Department of Health and Human Services (HHS) for operation of the Head Start-Early Child Care Program, for the period February 1, 2003 to January 31, 2004. It further authorizes the acceptance of this grant, when awarded, which will provide for a wide range of education and social services to 6,789 pre-school children and their families. This ordinance establishes a budget and authorizes a personnel complement in connection with the 2003 Head Start - Early Child Care program. This action also authorizes the execution of a contract with Parent/Child, Incorporated (PCI) in the amount of \$43,866,430 to operate the Head Start program, contingent on award of the grant.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

The City of San Antonio is the Head Start grantee for San Antonio and Bexar County, and contracts with Parent/Child, Incorporated (PCI), to administer the program. Since 1978, PCI has operated the Head Start program providing health, education, literacy, mental health and disabilities services at the centers and nutrition services at specific provider sites. The Head Start program also provides parent involvement activities at home and at the centers. Currently, Head Start services are available at 82 child development centers throughout San Antonio and Bexar County to children between three and five years of age.

On November 18, 2002, a grant application was submitted to HHS for continued implementation of the Head Start program. This ordinance ratifies submission of that application. Official award notification is expected to be received by January 31, 2003, thus ensuring no disruption of service or operation of the program. This continuation application is in its twenty-fifth year. The requested funding level will allow for enrollment of 6,789 children. PCI has continued to successfully expand Head Start services through partnerships with entities such as the Family Service Association to

provide parenting classes and the City's Health Department to provide medical services. Currently, PCI is actively involved as a partner in the development of the Single Portal of Entry model, which focuses on providing families with increased accessibility and information on the three largest publicly funded early childhood care and education programs: Public Pre-Kindergarten, Child Care Delivery System (CCDS), and Head Start.

In previous years, the City used Local Initiatives Federal Match Quality funds to support Head Start centers in the national accreditation process. This accreditation by the National Association for the Education of Young Children (NAEYC) evaluates quality issues, including the educational level of providers and directors, curriculum utilized in the program, and group size ratios. Currently, six centers are NAEYC accredited and six additional centers are under review and in the process of gaining their national accreditation. It is anticipated the additional centers will gain their designation by the end of 2003, bringing the total to 12 Head Start centers with NAEYC national accreditation.

As outlined in the original awarded contract with the U.S. Department of Health and Human Services (HHS), the City received notification of the contract renewal as the Head Start grantee with PCI as the delegate agency. Per federal requirements, the City will continue to contract with PCI to operate the Head Start program and will execute a contract in the amount of \$43,866,430 for the operation of the 2003 Head Start program. PCI will provide the grant's required 20% in-kind match.

This ordinance will also amend the Head Start personnel complement by deleting a vacant Accountant I position and a vacant Assistant Multi-Service Center Manager position, which are no longer necessary for the administration of the program. Two part time positions, a Sr. Management Analyst and a Special Projects Officer, will be added to assist in the submission of related grant renewal materials and monitoring of PCI as the Head Start delegate agency.

The Head Start program utilizes a number of accountability and data collection measures to comply with program and reporting requirements as outlined by HHS. The following table illustrates the monthly average number of children in early childhood education programs through various funding sources.

Fiscal Year	Actual 00/01	Actual 01/02	Adopted 02/03
Head Start	5,567	5,586	6,789
CCDS	10,020	8,662	8,609
Youth Opportunity	117	224	243
Local Initiatives	498	620	428
Total	16,202	15,092	16,069

POLICY ANALYSIS

This ordinance is a continuation of existing City policy to utilize grant funds to provide needed human services to the local community including providing families with comprehensive, high-quality services for children through its subcontract of the Head Start Program to PCI. This ordinance supports the City's human development initiative by providing quality early childhood

care and education and allowing families to participate in job training activities, ultimately resulting in self sufficiency.

FISCAL IMPACT

This ordinance authorizes the acceptance of a grant of \$44,229,262 from the Department of Health and Human Services. The ordinance also authorizes the negotiation and execution of a contract in the amount of \$43,866,430 with Parent/Child, Incorporate (PCI) to operate the Head Start program. This grant requires an in-kind match of \$11,057,316.00 that will be provided by Parent/Child, Incorporated bringing the total Head Start program budget to \$55,286,578.00. This action requires no General Fund commitment.

Head Start Budget - Funding Distribution

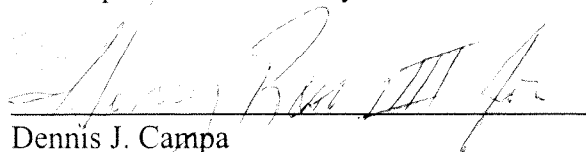
COSA: Head Start - Administration	\$ 362,832
PCI: Head Start (PA 22) – Part & Full Day	43,269,365
PCI: Head Start (PA 22) - Transition	141,100
PCI: Head Start (PA 20) – Training & Technical Assistance	455,965
PCI: In-Kind	11,057,316
Total Head Start Program Budget	\$ 55,286,578

COORDINATION

The Department of Community Initiatives has coordinated activities with Parent/Child, Inc. Board of Directors, City Attorney's Office, and the Finance Department.

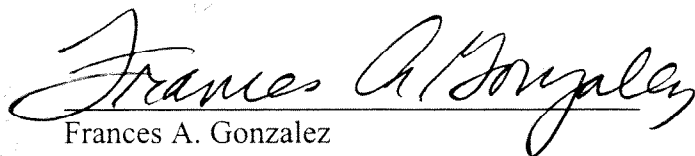
SUPPLEMENTARY COMMENTS

The required Discretionary Contracts Disclosure form is included.



Dennis J. Campa


Director, Department of Community Initiatives



Frances A. Gonzalez

Assistant to the City Manager

Approved:



Terry M. Brechtel

City Manager

City of San Antonio
Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

** This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

Mr. George L. Finch

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Parent/Child Incorporated

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

Not Applicable

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

Not Applicable

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Not Applicable


Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current or former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to; contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
Not Applicable		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: 	Title: Board President Company: Parent/Child Incorporated	Date: 1/15/03

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio

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(1) the identity of any individual who would be a party to the discretionary contract:

Mrs. Blanche A. Russ-Glover

(2) the identity of any business entity¹ that would be a party to the discretionary contract:

Parent/Child Incorporated

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

Not Applicable

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

Not Applicable

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Not Applicable

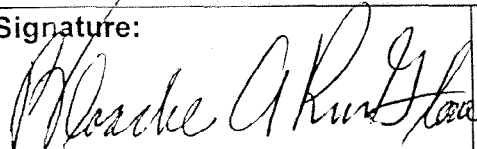
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To Whom Made:	Amount:	Date of Contribution:
Not Applicable		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: 	Title: Chief Executive Officer Company: Parent/Child Incorporated	Date: 1/17/03

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

HEAD START - EARLY CHILD CARE PROGRAM 2003

Attachment II

02/01/03- 01/31/04

26-022XXX

INDEX NO.	REVENUES		BUDGET
	HHS-Office of Human Development Grant		44,229,262
	Space & Vol Serv--In Kind		11,057,316
	Total Revenues		55,286,578
	EXPENDITURES	Obj Code	
	38-02-02 Head Start- Early Child Care Prog-Admin		BUDGET
	Salaries	01-010	232,236
	Language Skill Pay	01-019	-
	FICA	01-030	17,083
	TMRS	01-040	24,496
	Flex Benefits	01-050	17,164
	Life Insurance	01-051	510
	Workers Comp	01-060	4,325
	Pers Leave Buyback	01-072	1,000
	Communications	02-110	5,400
	Comm-Pagers	02-112	-
	Mail & Parcel Post	02-113	25
	Rental of Facilities	02-116	3,000
	Rental of Equipment	02-119	-
	Inter-Fund Rent of City Motor Pool	02-120	100
	Travel-Official	02-124	4,000
	Education	02-128	3,000
	Car Allowance	02-130	100
	Maint & Rep - Bldgs & Imp	02-139	-
	Maint & Rep - Mach & Equip	02-142	100
	Maint & Rep - Comm	02-144	2,500
	Fees to Contractors	02-160	6,000
	ADP	02-172	2,250
	Binding, Printing & Reproduction	02-181	1,000
	Office Supplies	03-210	2,500
	Chemicals, Medical & Drugs	03-228	400
	Tools, Apparatus, Access	03-232	100
	Maint Rep Mat - Bldgs & Imp	03-240	-
	Maint Rep Mat - Auto	03-241	43
	Maint Rep Mat - Mach & Equip	03-242	500
	Computer Software	03-243	7,500
	Computer Equipment	05-360	17,500
	Mach & Equip - Other	05-373	4,125
	Furniture & Fixtures	05-375	5,875
	Total 38-02-02		362,832
	38-02-04 Head Start- Early Child Care Program-Operator		
	PCI: Head Start (PA22) - Part & Full Day	02-163	43,269,365
	PCI: Head Start (PA22) - Transition	02-163	141,100
	PCI: Head Start (PA20) - T&TA	02-163	455,965
	PCI: In-Kind	82-692	11,057,316
	Total 38-02-04		54,923,746
	TOTAL EXPENDITURES		55,286,578

FUND ONLY INDEX NO. :

2003 HEAD START - EARLY CHILD CARE PROGRAM

02/01/03 - 01/31/04

26-022XXX

Personnel Complement

	<u>No. of</u> <u>Positions</u>	<u>Positions</u>	<u>Job Class No.</u>
38-02-02			
	1	Senior Management Analyst	0999
	1	Special Projects Officer	0865
	1	Asst Multi-Service Center Manager	0988
	1	Management Analyst	0046
	1	Fiscal Operations Manager	0850
	1	Administrative Assistant I	0040
	1	Accountant II	0874
	1	Accountant I	0873
	1	Administrative Aide	0067
	1	Sr Office Assistant	0009
	2	Sr Project Management Specialist	0912
	1	Financial Accountant	0927
	<hr/> 13		
Deleted Positions			
	1	Asst Multi-Service Center Manager	0988
	1	Accountant I	0873
	<hr/> 2	Total Deleted Positions	
Added Positions			
	1	Special Projects Officer (PT)	0865
	1	Senior Management Analyst (PT)	0999
	<hr/> 2	Total Added Positions	