

**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; Finance Department; Office of Management and Budget; City Attorney's Office; Councilmember David Carpenter, District 10; File

SUBJECT: AUTHORIZING ALLOCATION AND EXPENDITURE OF HUMAN DEVELOPMENT SERVICES FUNDS FROM COUNCIL DISTRICT 10 AND EXECUTION OF A CONTRACT WITH THE SAN ANTONIO EDUCATION PARTNERSHP

DATE: March 27, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the allocation and expenditure of Human Development Services Funds from Council District 10 in the amount of \$40,000 for scholarships for students attending Douglas Mac Arthur, James Madison, Ronald Reagan, and Theodore Roosevelt High Schools and authorizes the execution of a contract with the San Antonio Education Partnership.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

Ordinance No. 96958, passed and approved on December 19, 2002, adopted the FY 2003 Human Development Services guidelines, which provided eligibility criteria and specific description on the types of programs and organizations that may receive HDSF. The guidelines also clarified procedures for contracting with organizations receiving HDSF, and determined City Council approval must be obtained to execute contracts in excess of \$25,000. A copy of the adopted guidelines is provided as Attachment A. Councilmember Carpenter has expressed his intent to provide Human Development Services Funds to the San Antonio Education Partnership in the amount of \$40,000 for scholarships for students attending Douglas Mac Arthur, James Madison, Ronald Reagan, and Theodore Roosevelt High Schools and therefore requires City Council approval.

The Human Development Services Fund allocation from Council District 10 will support 16 scholarships in the amount of \$2,500 each in four high schools in the Northeast Independent School District. The high schools include Douglas Mac Arthur, James Madison, Ronald Reagan, and Theodore Roosevelt. Although these are not SAEP high schools, SAEP will assist in the selection process of scholarship recipients by being a member of the selection team and by ensuring that scholarship guidelines are being met. Once recipients have been selected, SAEP will manage and administer the award of the scholarships.

In September 2003, the San Antonio Education Partnership (SAEP) entered its 15th year as a high school intervention program providing services that improve school attendance, enhance academic performance, promote high school graduation, increase college enrollment, and strengthen better job opportunities. A large majority of the students at the 15-targeted high schools are at-risk of attrition prior to high school graduation. All students enrolled in the schools are encouraged to participate. SAEP places Advisors at each high school, which provide support and motivation for students and incentives that include awarding four-year scholarships to local colleges and universities. In exchange, students commit to earning at least a "B" grade average by graduation with a 95% attendance rate each year in grades 9-12.

Student Participation By Council Districts as of January 31, 2003

Council Districts	1	2	3	4	5	6	7	8	9	10	*ND
Participants	3,151	1,947	3,079	4,113	3,134	1,181	1,422	241	520	53	1,650

*ND-Students reporting no district

Total number of currently participating students 20,491

Through December 2002, SAEP has documented that between the first Partnership Class of 1989 and the Class of 1996, 1,330 scholarship recipients have earned college degrees; 966 scholarship recipients have earned at least a Bachelors Degree; and another 366 recipients earned Associate Degrees or completed certificate programs.

In FY 2002, SAEP assisted in disbursing \$25,000 from the Human Development Services Fund from Council Districts 9 and 10 for a total of 13 college scholarships. Also during FY 2002, Council District 8 invested \$40,000 from the Human Development Services Fund in college scholarships to the University of Texas at San Antonio.

POLICY ANALYSIS

This allocation and expenditure of Human Development Services Funds is consistent with the adopted guidelines. In addition to supporting senior initiatives, HDSF may be used to support other human development service-related purposes including early childhood education, child care, youth development services, scholarship programs and training programs.

FISCAL IMPACT


This ordinance authorizes the expense of Human Development Services Fund and has no additional General Fund impact.

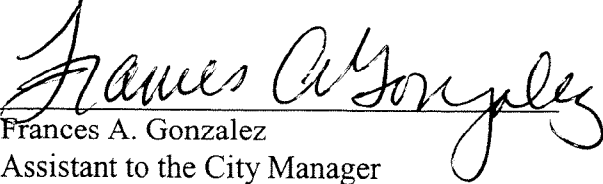
COORDINATION

The Department of Community Initiatives has coordinated activities with Councilmember Carpenter, District 10, San Antonio Education Partnership, City Attorney's Office, Office of Management and Budget, and the Finance Department.

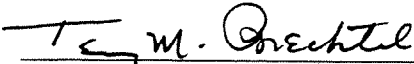
SUPPLEMENTARY COMMENTS

A 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

FY2003 Human Development Services Fund Guidelines**I. Background**

The City Council Human Development Services Fund (HDSF) was originally established in FY2002 which included \$700,000.00. Funds previously budgeted in the Department of Community Initiatives (DCI) for City Council district senior services programs and One-Time Council Projects were consolidated into one category to form the HDSF.

II. Overview

The FY 2003 Adopted Budget continues the HDSF. Each City Council District received \$120,000.00 for FY 2003 plus all prior year(s) outstanding balances remaining in the HDSF account for each City Council District. Attachment "A" details the carry forward amount for FY 2002 HDSF for each City Council District. During FY 2003, Council Members will be provided balance updates on a monthly basis.

III. Public Purpose

1. All projects and services funded from HDSF must advance a municipal public purpose set forth herein, and be open to members of the public who meet eligibility requirements for the projects or services.
2. A primary objective of City to service providers is to provide funds allowing a supported service provider to leverage additional funding from other sources to accomplish the service provider's objectives consistent with the City Council's budget priorities.
3. Proposed services should be targeted at a clearly defined population and/or geographic area(s) and should address quantifiable participant outcomes compatible with priorities defined by the City Council.
4. City Council finds that a public purpose of the City is served by the disbursement of HDSF funds for the following expenditures:
 - A. Community recreation expenditures that include: program operations, sports and recreation events and equipment, office equipment, telecommunications and supplies supporting sports/recreation programs, kitchen equipment for the Comprehensive Nutrition Program sites, photo equipment and supplies for sports/recreations programs, vehicles, auto insurance and equipment supporting sports/recreation programs, award ceremonies and recognitions.
 - B. Education and training expenditures that include: educational events, educational equipment and supplies, vehicles and auto insurance supporting educational programs, program operations, scholarships for higher education to non-profit organizations and governmental entities, including promotion of high school completion and drop out prevention strategies for the youth of San Antonio, child care for parents attending training and child care quality improvement initiatives, after school programs, the City's

Summer Challenge Program, and sponsoring citizens of San Antonio to attend youth and leadership development conferences as representatives of the City of San Antonio.

- C. Neighborhood revitalization expenditures that include: graffiti abatement and neighborhood cleanup on public property or as part of official City program, and efforts that strengthen neighborhood involvement.
- D. Health and safety expenditures that include: emergency assistance for needy or in times of crisis, public health projects including sewer connection projects that are designated as a significant public health risk by the San Antonio Metropolitan Health District.
- E. Welfare expenditures that include: expenditures for direct childcare programs meeting the specific criteria set forth for match guidelines in the Childcare Development Block Grant at 45 CFR 98, 99 and Volunteer Income Tax Assistance (VITA) open and free to the public whereby an agency assists citizens in preparing and filing their income taxes and introduces and connects them to other financial security initiatives.

The municipal public purpose that is served by the award of such expenditures is to: 1) support community recreation to youth, elderly, low income and disabled persons, 2) provide education and training for the community 3) provide neighborhood revitalization for the community 4) promote the professional needs of the City, 5) prepare the workforce for productive employment 6) prevent homelessness 7) promote family, social and economic stability or 8) promote the health, safety and welfare of the community.

IV. Implementing Actions

1. For projects to be implemented by City staff through a City of San Antonio Department, direct expenditures will be made out of the appropriate City Council District's allocation.
2. For projects involving an outside service provider or organization, prior to the allocation of City funds, the service provider or organization will be required to execute a contract with the City, utilizing a form approved by the City Attorney, establishing the terms and conditions for expenditure of the funds.
3. The Director of the Department of Community Initiatives, or his designee, is authorized to expend monies from HDSF in accordance with these Guidelines and with the project selections made by each Council Member so long as the project amount is \$10,000.00 or less. The City Manager or her designee is authorized to expend monies from HDSF in accordance with these Guidelines and with the project selections made by each Council Member so long as the project amount is greater than \$10,000.00 and \$25,000.00 or less. Any contract/allocation proposed for the service provider in excess of \$25,000.00 must first be approved by City Council before award of the funds, execution of the contract or commencement of services.
4. Service Providers using HDSF for one-time events and/or purchases will be required to provide receipts or invoices to DCI staff prior to disbursement of funds. Delegate Agency contracts will operate on a cost reimbursement basis.

5. Service Providers must be in existence for one year or more to receive HDSF in excess of \$10,000.00 for the period October 1, 2002 through September 30, 2003. The service provider must have been in operation and providing the services for which funding is requested for a minimum of one year on the first day of January prior to the fiscal year which assistance from the City is requested (i.e. January 1, 2002 for FY 2003). HDSF allocated to service providers operating for less than one year cannot total more than 50% of the service providers total budget.
6. Each calendar quarter during the City's fiscal year, DCI shall report to the City Council and the City Managers Office all HDSF expenditures that have been made during that calendar quarter.

V. Project Selection Coordinating Actions

1. Awards to service providers and organizations will be coordinated and monitored by DCI with assistance provided by the Office of Management & Budget and the City Attorney's Office.
2. DCI will collect and maintain receipts and invoices for funds utilized for a one-time event or purchase. For on-going operating expenses, DCI will utilize the Delegate Agency monitoring process whereby service providers will be required to submit a statement of work and budget with DCI approval of these. DCI performs program or fiscal monitoring of all Delegate Agencies on a monthly basis.
3. Persons making requests of HDSF should complete a *City of San Antonio Request for Human Development Services Funds Form* (Attachment "B" and available for download on the City's website at www.sanantonio.gov/rfp) and submit this form to their Council District Office. City Council members may either provide a comprehensive list of projects to be funded with each district's Human Development Services Fund allocation or may inform staff of individual project selection throughout the fiscal year by forwarding the *City of San Antonio Request for Human Development Services Funds Form* and a memorandum from the Council Member authorizing the allocation to the Director of the Department of Community Initiatives authorizing the expenditure.

VI. Timeline for Contracts and Payment

- Week 1 DCI receives authorization from Council Member and determines whether the expenditure is allowable and the availability of funds.
- Week 2 City Attorney's Office drafts and approves contract. DCI staff enter the contract into ECMS database, contact agency and get contract signed by the service provider. (The service provider is required to sign a contract in a form prescribed by the City agreeing, among other things, to utilize the funds for the purpose stated in said contract and in compliance with these standards).
- Week 3 DCI staff reviews and City Attorney's Office approves the form of the contract.
- Week 4 DCI distributes copies of the contract and sends Request for Payment to Finance for one-time events and purchases. For service contracts, the Delegate Agency Contract

is on a cost-reimbursement basis, therefore, DCI will request an invoice from the service provider as back up documentation for the Request for Payment.

Finance Department prepares check and mails to the service provider.

Note: Cumulative purchases of any kind for the same program from any one service provider that exceeds \$25,000.00 will require Council action, which will add two more weeks to the timeline.

Timeline for internal City of San Antonio projects will be two weeks.

VII. Limitations

1. HDSF should be used to support a one-time program or service.
2. It is requested that Council Members make each allocation larger than \$500.00 due to the cost to the City of initiating a contractual relationship.
3. When a service provider requests funds to purchase equipment, the allocation shall cover the entire cost of the equipment.
4. When feasible, Council Members are encouraged to invest in services that have been competitively procured by the Department of Community Initiatives in its annual Delegate Agency Request for Proposal process.
5. If a Councilperson desires to seek HDSF funding from other Council Districts, for a particular project, he must submit a six signature memorandum for the matter to be placed on the City Council Agenda for consideration, and approval, whether or not the expenditure is collectively less than \$25,000.00.
6. Exceptions – HDSF may not be used for the following:
 - *Any sectarian or religious facility or activity*
 - *Services which are primarily commercial.*
 - *Programs devoted primarily to the political advocacy of special causes.*
 - *Permanent improvements to any non-city owned structure or property.*
 - *Expenditures for the primary benefit of an individual.*
 - *Services and/or product must not be subject to any proprietary interest.*
7. When disbursements are made to non-City of San Antonio departments and organizations, they should be made to a legal organization and not to an individual.
8. A Government entity may only request HDSF for projects for which it is not responsible to carry out under its own charter or mandates. HDSF should not be provided to other governmental entities for carrying out their functions except for joint projects where City programs are also involved. (Example: HDSF cannot be expended to purchase materials directly for a school district for student instruction during normal school hours).

VIII. Eligibility

The following eligibility criteria are applicable to all service providers that receive funding support from the HDSF:

The service provider must be a provider of services that principally address community needs of the people of the City of San Antonio.

1. Types of Entities

- A. Non-Profit Organizations must show proof of having filed as a not-for-profit corporation (tax exempt status as determined by the IRS under section 501(c)(3) of the Internal Revenue Code) or be an affiliate of a corporation having a not-for-profit charter elsewhere in Texas or in the United States. Additionally, the service provider must show proof of exemption from franchise taxes by the State Comptroller.
- B. Faith Based Organizations are any organizations that are religiously oriented, regardless of whether or not religious activities are their primary function. This can include houses of worship, congregations, private schools, hospitals, thrift stores, or any other organization whose mission is based on religious principles. All services, programs and events funded by HDSF and provided by faith-based organizations must be open to and used by the public.
- C. Neighborhood Association or other legally formed organization with its purpose defined as serving the community. The City may not contract with individuals for HDSF.
- D. Governmental Entity means a municipality, county, school district, or other political subdivision of the State of Texas.

Please contact Dennis Campa, Director of the Department of Community Initiatives, at 207-7209 or Louis A. Lendman, Director of Management & Budget, at 207-2049 should you have any questions regarding the Human Development Services Fund.

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 182

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:

Not Applicable

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

San Antonio Education Fund dba (doing business as) San Antonio Education Partnership

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 11 or Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Current board members include: City Council members Julian Castro (District 7), Bobby Perez (District 1), and Assistant to City Manager, Frances Gonzalez		
Signature:  Gilberto Raran	Title: Executive Director Company: San Antonio Education Partnership	Date: 3/12/03

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.