

**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 TO: Frances A. Gonzalez, Assistant to the City Manager; City Attorney's Office; Finance Department; File

SUBJECT: Contract modifications with Alamo Workforce Development, Inc. in connection with the Alamo Child Care Delivery System (CCDS) Program

DATE: August 7, 2003

SUMMARY AND RECOMMENDATION

This ordinance acknowledges a unilateral modification to the Alamo Area Child Care Delivery System contract with Alamo Workforce Development, Inc., which deobligates direct child care funds in the amount of \$2,074 earmarked for the Food Stamp Employment & Training (FSE&T) program. Additionally, this ordinance authorizes the execution of modifications to the Child Care Local Match Contribution Agreements with Alamo Workforce Development, Inc. (AWD) which extends the contract through December 31, 2003. The modification also pledges certification of additional local expenditures in the amount of \$68,100 to use as match to generate additional federal funds in connection with the Alamo Child Care Delivery System (CCDS) Program. Further, this ordinance authorizes the certification of these expenditures and the acceptance of additional federal funds in the amount of \$102,107 for the provision of child care services and operations. This ordinance also adopts a revised CCDS program budget reflecting the above actions.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

The City of San Antonio, Department of Community Initiatives' (DCI) Children's Resources Division (CRD) is contracted by the Alamo Workforce Development, Inc. to operate the Alamo Child Care Delivery System (CCDS) Program, which provides child care subsidies to qualified families residing in the AWD Area and provides overall management and oversight of the direct child care delivery system. CCDS represents multiple level partnerships. Family Service Association and the City of San Antonio coordinate Quality Improvement Activities that include training and enhancements through the provision of equipment and materials. The City and the

Alamo Area Development Corporation provide child care and vendor management services for urban and rural areas, respectively. This partnership results in an enhanced service delivery system by maximizing capacity through the division of responsibilities and provision of service by utilizing the expertise and resources of the two partners.

The Texas Workforce Commission (TWC) administers statewide allocations and expenditures regarding workforce development initiatives and services including the Food Stamp Employment & Training (FSE&T) program. FSE&T is a program managed by the local workforce centers, which submits referrals to CCDS requesting direct child care services for the program's participants. Due to minimal referrals from the workforce centers, TWC has deobligated child care funds from AWD in the amount of \$2,074 earmarked for supportive services to the FSE&T program. In response to the TWC action, AWD has decreased the CCDS program budget from the 2002-2003 program year. No adverse impact is anticipated in providing services or meeting performance standards.

AWD has reviewed their current year child care appropriations to identify any remaining funds for reallocation prior to their expiration. As a result, the City will receive \$102,107 in additional federal funds for certifying \$68,100 in local expenditures. These local expenditures are comprised of General Fund delegate agency, After School Challenge, and CDBG/public service. The additional federal funds will support approximately 30 children currently on the program's wait list. The extension of the contract will allow for the carry forward of funds into the new program's fiscal year to provide for continuity of care, as well as allow for the closeout of contracts previously awarded through these agreements in conjunction with the City's fiscal year. This additional funding must be utilized by December 31, 2003. There is no change in the program's personnel complement.

POLICY ANALYSIS

Pursuant to Ordinance No. 94646, passed and approved on September 27, 2001, City Council authorized the continued operation of the Alamo CCDS Program from September 1, 2001 to August 31, 2003. Ordinance No. 96565, passed and approved on October 10, 2002, executed the Child Care Local Match Contribution Agreements with AWD in connection with the CCDS program.

The Texas Legislative Budget Board sets accountability measures for programs administered through the Texas Workforce Commission and the Local Workforce Development Boards. Attachment A reflects accountability measures and standards assigned to the Alamo CCDS program.

This ordinance continues existing City policy to administer the CCDS Program through funding from AWD and TWC and the policy of coordinating with the Local Workforce Development Board to identify and offer local services and funding in support of human development initiatives. This action supports the goal of building a high quality early childhood education system as outlined in the Early Care and Education Strategic Plan.

FISCAL IMPACT

This ordinance acknowledges the deobligation of \$2,074 from the FSE&T program under the 2002-2003 CCDS program. Further, this ordinance authorizes the pledge and certification of additional local expenditures in the amount of \$68,100 and the acceptance of \$102,107 in additional federal match funds from AWD. This action also adopts an eleventh budget revision to the CCDS 2002-2003 program year and requires no additional General Fund commitment. Attachment B reflects prior budget revisions during the contract period.

COORDINATION


DCI coordinated activities with the Alamo Workforce Development, Inc., City Attorney's Office, and the Finance Department.

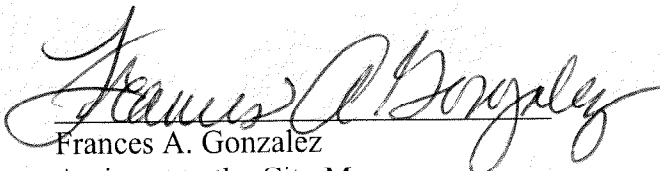
SUPPLEMENTARY COMMENTS

A request for proposal (RFP) for a contractor to operate the CCDS program for the period of September 1, 2003 to August 31, 2005 with the option to extend the contract for three one year periods was released April 20, 2003 by AWD. The Department of Community Initiatives, Children's Resources Division formally submitted its proposal to AWD on Friday, May 30, 2003. On June 30, 2003, the AWD Board voted unanimously to award the contract to the City's Department of Community Initiatives' Children's Resources Division and its partners Alamo Area Development Corporation and Family Services Association.


Provisions of the Ethics Ordinance do not apply.

- Policy Analysis - Attachment A
- Fiscal Impact - Attachment B


Dennis J. Campa, Director
Department of Community Initiatives


Frances A. Gonzalez
Assistant to the City Manager

Approved:


Terry M. Brechtel
City Manager

Attachment A**Policy Analysis****Child Care Delivery System Program 2002-2003**

Accountability Measures	FY 02/03 Target	FY 02/03 YTD*	% of Target
No. of Child Care Providers Trained	3,545	9,225	260.2%
Ratio of Texas Rising Star Vendors To Non-Texas Rising Star Vendors (145 Texas Rising Star Providers / 281 Non-Texas Rising Star Providers)	39%	51.41%	131.8%
Avg. No. Children Served Daily	8,618	8,848	102.6%

*As of May 2003

Fiscal Analysis

CCDS Program Year Budget 2002-2003

Budget Revision No.	Description	Budget Revision Amount	Revised Total Budget
Budget Established	Initial CCDS Award Amount Plus Federal Match Operations Carry Forward of \$651,000	--	\$ 31,819,089
1	General Fund Transfer plus Federal Match Quality Carry Forward of \$650,000	\$ 1,850,000	\$ 33,669,089
2	Delegate Agency Allocations	\$ 0	\$ 33,669,089
3	FY 2003 Child Care Local Initiatives (CCLI) Federal Match	\$ 530,309	\$ 34,199,398
4	FY 2003 CCLI Federal Match	\$ 664,478	\$ 34,863,876
5	FY 2003 CCLI Federal Match	\$ 61,475	\$ 34,925,351
6	Federal Match Carry Forward	\$ 7,140,971	\$ 42,066,322
7	WtW, PRS, and Incentive Award Funds	\$ 1,776,860*	\$ 43,843,182*
8	Early Care RFP D.A. Allocations	\$ 0	\$ 43,843,182*
9	Additional Funds	\$ 1,044,951	\$ 44,888,133*
10	Single Portal of Entry Allocations	\$ 0	\$ 44,888,133*
11	FSE&T deobligation/ Additional 2003 CCLI Federal Match	\$100,033	\$44,988,166*

*Includes an estimated \$1,637,778 of PRS funds based upon historical reimbursed child care services provided.