

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
SAN ANTONIO METROPOLITAN HEALTH DISTRICT**

TO: Mayor and City Council

FROM: Fernando A. Guerra, M.D., M.P.H., Director of Health

THROUGH: Terry M. Brechtel, City Manager

COPIES: Frances A. Gonzalez, Assistant to the City Manager; City Attorney's Office; Office of Management and Budget, Risk Management Division; Finance Department; Project; File

SUBJECT: ORDINANCE AUTHORIZING A CHANGE TO THE CONTRACT WITH THE TEXAS DEPARTMENT OF HEALTH FOR THE *PROJECT HEALTHY SCHOOLS* PROGRAM

DATE: August 7, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the City Manager to execute a change to the contract between the Texas Department of Health (TDH) and the San Antonio Metropolitan Health District (SAMHD) to reduce funds previously provided for the program entitled *Project Healthy Schools* by \$39,743.00. This ordinance will also revise the project budget.

Staff recommends approval.

BACKGROUND INFORMATION

In March of 2001, TDH published a Request for Proposals (RFP) for the Children and Public Health Fund Innovation Grants. The intent of this initiative was to improve public health outcomes at the community level using innovations that can be replicated in many places in Texas, and to bring about improvements in health status that are demonstrable or measurable.

On May 2, 2001 SAMHD submitted a proposal relating to the TDH priority initiative, school health, and was awarded funding in the amount of \$180,651.00. *Project Healthy Schools* was the only proposal funded specifically for school health, and one of only two projects that were awarded innovation grants from TDH Region 8 (28 counties surrounding San Antonio).

The Children and Public Health Fund Innovation Grants were initially two-year contracts with the possibility of being extended for two additional years. However, due to TDH State budget constraints the current grants are now being reduced by approximately 22% and no extensions will be offered. TDH has requested a change to the contract with SAMHD that will reduce the funds previously provided for the school health program by \$39,743.00. The loss of funding will

not affect the one staff position in the program. However it will reduce the number of health education lessons ultimately produced and disseminated.

POLICY ANALYSIS

In 1999, the 76th Legislature appropriated funds obtained from tobacco settlement to establish various permanent funds. One of these funds, the Permanent Fund for Children and Public Health was created for "certain public health purposes" and was appropriated \$100 million. The interest from this fund is available to TDH to accomplish several goals, including the development of a grant program to foster innovations in public health. These funds for "Innovation Grants" are the source of the money provided for the *Project Healthy Schools* Program. Due to very low interest rates over the past two years, there are insufficient funds to continue the grant program through the next budget cycle. In fact, the fund is so depleted that all current Innovation Grants are being reduced by 22%. Under the grant contract, TDH has the authority to request this cut and the SAMHD has been able to accommodate the reduced funding and still meet most of the original program goals.

FISCAL IMPACT

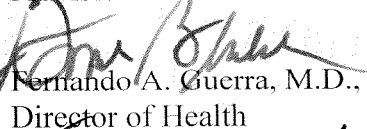
This ordinance will authorize the execution of a change to the TDH contract reducing the *Project Healthy Schools* budget by \$39,743.00 for the period September 1, 2001 through August 31, 2003. The new grant amount will be \$140,908.00. Acceptance of this contract change will place no demands on the City's General Fund.

COORDINATION

The City Attorney's Office and the Office of Management and Budget, Risk Management Division, have reviewed the contract with TDH. The Finance Department has approved the project budget.

SUPPLEMENTARY COMMENTS

Provisions of the Ethics Ordinance do not apply.


Fernando A. Guerra, M.D., M.P.H.
Director of Health


Frances A. Gonzalez
Assistant to the City Manager

APPROVED:


Terry M. Brechtel
City Manager