

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

AGENDA ITEM NO.

**43**

**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 City Manager; City Attorney's Office; Finance Department; Office of Management and Budget; File

**SUBJECT:** Ordinance Ratifying the Submission of a Continuation Grant Application for the Head Start Program, Authorizing Acceptance of the Grant and Execution of a Contract and Authorizing a Budget and Personnel Complement

**DATE:** January 12, 2004

**SUMMARY AND RECOMMENDATIONS**

This ordinance ratifies the submission of a continuation grant application in the amount of \$45,104,728 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, 2004 to January 31, 2005. It further authorizes the acceptance of the grant, when awarded and approves a budget and personnel complement. This action also authorizes the negotiation and execution of a contract with Parent/Child, Incorporated (PCI) in the amount of \$44,741,896 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 current Head Start Program 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 childcare related services including health, education, literacy mental health and disabilities services at all centers and nutrition services at various specified centers. The Head Start program also provides parent involvement activities at parents' homes and at the centers. Currently, Head Start services are available at 84 child development centers throughout San Antonio and Bexar County to children between three and five years of age. The City is contracted to serve 6,789 children during the current program year.

On November 3, 2003, a grant application was submitted to HHS for continued implementation of the Head Start program. This ordinance ratifies submission of that application. The Head Start program is in its twenty-sixth year in San Antonio and the authorized funding level will allow for an enrollment of 6,789 children in the Head Start fiscal year 2004 beginning February 1, 2004. As outlined in the grant application with the U.S. Department of Health and Human Services (HHS),

the City has received notification of its selection as the Head Start grantee for 2004, with PCI as the delegate agency. Official award notification is expected to be received by January 31, 2004, thus ensuring no disruption of service or operation of the program. Following federal guidelines the City will continue to contract with PCI to operate the Head Start program and will negotiate and execute a contract in the amount of \$44,741,896 for the operation of the 2004 Head Start program. PCI will provide the grant's required 20% in-kind match from various sources.

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 DCI's development of the Single Portal of Entry service model, which focuses on providing families with increased accessibility and information about the three largest publicly funded early childhood care and education programs: Public Pre-Kindergarten, Child Care Delivery System (CCDS), and Head Start. Additionally, PCI coordinates with several school districts to provide extended services to Public Pre-K students. In 2004, two Head Start centers will participate in FACES (Family and Child Experiences Survey) to study the established link between the characteristics of Head Start programs and parent and children program outcomes by assessing children and families across three different time periods.

### **POLICY ANALYSIS**

A meeting was held in December 2003 with the Regional Director of HHS, Administration for Children and Families (ACF), to clarify the procurement of a delegate for the Head Start program. Federal regulations do not require competitive procurement of a delegate unless the current contractor is not meeting performance requirements or if a written request to become a Head Start delegate is received. In March of 2003, an on-site review by ACF indicated that PCI exceeded all regulatory requirements and is in 100% compliance. Additionally, no written requests to become a delegate provider have been received from any agency or organization.

This ordinance is a continuation of existing City policy to utilize grants and the General Fund to support the City's Human Development core issue of Family Strengthening by providing needed childcare services to the local community. This action also supports the core issue of Early Childcare and Education and goal of building a high quality early childhood education system as outlined in the Early Care and Education Strategic Plan.

The Department of Community Initiatives (DCI) will continue to administer the Head Start program and to monitor all performance measures and contract compliance. Additionally, DCI's Quality Assurance section will perform quarterly reviews. This action continues existing City policy to perform all fiduciary responsibilities necessary and required by the grant funder.

### **FISCAL IMPACT**

This ordinance authorizes the acceptance of a grant of \$45,104,728 from the Department of Health and Human Services. The ordinance also authorizes the negotiation and execution of a contract in the amount of \$44,741,896 with Parent/Child, Incorporated (PCI) to operate the Head Start program, with the balance of the grant retained by DCI for administration of the program as grantee. The grant requires an in-kind match of \$11,276,181 that will be provided by Parent/Child, Incorporated, bringing the total Head Start program budget to \$56,380,909.

This action requires no additional General Fund commitment.

**Head Start Budget - Funding Distribution**

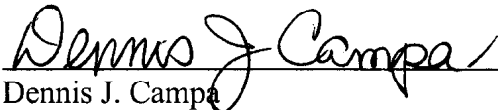
COSA: Head Start - Administration	\$ 362,832
PCI: Head Start (PA 22) – Part & Full Day	44,144.831
PCI: Head Start (PA 22) - Transition	141,100
PCI: Head Start (PA 20) – Training & Technical Assistance	455,965
PCI: In-Kind	11,276,181
<b>Total Head Start Program Budget</b>	<b>\$ 56,380,909</b>

**COORDINATION**

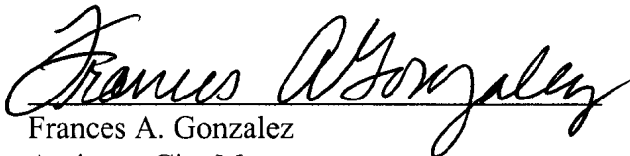
The Department of Community Initiatives has coordinated activities with Parent/Child, Inc. Board of Directors, City Attorney's Office, and the Finance Department.

**SUPPLEMENTARY COMMENTS**

The required Discretionary Contracts Disclosure form is included.

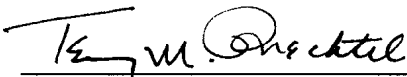


Dennis J. Campa  
Director, Department of Community Initiatives



Frances A. Gonzalez  
Assistant City Manager

Approved:



Terry M. Brechtel  
City Manager

# HEAD START - EARLY CHILD CARE PROGRAM 2003

Attachment II

02/01/04- 01/31/05

26-xxxxxx

## INDEX

NO.	REVENUES	BUDGET
xxxxxx	HHS-Office of Human Development Grant	45,104,728
xxxxxx	Space & Vol Serv--In Kind	11,276,181
	<b>Total Revenues</b>	<b>56,380,909</b>

## EXPENDITURES

Obj Code

### 38-02-02 Head Start- Early Child Care Prog-Admin

### BUDGET

xxxxxx	Salaries	01-010	232,236
xxxxxx	Language Skill Pay	01-019	-
xxxxxx	FICA	01-030	17,083
xxxxxx	TMRS	01-040	24,496
xxxxxx	Flex Benefits	01-050	17,164
xxxxxx	Life Insurance	01-051	510
xxxxxx	Workers Comp	01-060	4,325
xxxxxx	Pers Leave Buyback	01-072	1,000
xxxxxx	Communications	02-110	5,400
xxxxxx	Comm-Pagers	02-112	-
xxxxxx	Mail & Parcel Post	02-113	25
xxxxxx	Rental of Facilities	02-116	3,000
xxxxxx	Rental of Equipment	02-119	-
xxxxxx	Inter-Fund Rent of City Motor Pool	02-120	100
xxxxxx	Travel-Official	02-124	4,000
xxxxxx	Education	02-128	3,000
xxxxxx	Car Allowance	02-130	100
xxxxxx	Maint & Rep - Bldgs & Imp	02-139	-
xxxxxx	Maint & Rep - Mach & Equip	02-142	100
xxxxxx	Maint & Rep - Comm	02-144	2,500
xxxxxx	Fees to Contractors	02-160	6,000
xxxxxx	ADP	02-172	2,250
xxxxxx	Binding, Printing & Reproduction	02-181	1,000
xxxxxx	Office Supplies	03-210	2,500
xxxxxx	Chemicals, Medical & Drugs	03-228	400
xxxxxx	Tools, Apparatus, Access	03-232	100
xxxxxx	Maint Rep Mat - Bldgs & Imp	03-240	-
xxxxxx	Maint Rep Mat - Auto	03-241	43
xxxxxx	Maint Rep Mat - Mach & Equip	03-242	500
xxxxxx	Computer Software	03-243	7,500
xxxxxx	Computer Equipment	05-360	17,500
xxxxxx	Mach & Equip - Other	05-373	4,125
xxxxxx	Furniture & Fixtures	05-375	5,875

### Total 38-02-02

362,832

### 38-02-04 Head Start- Early Child Care Program-Operator

xxxxxx	PCI: Head Start (PA22) - Part & Full Day	02-163	44,144,831
xxxxxx	PCI: Head Start (PA22) - Transition	02-163	141,100
xxxxxx	PCI: Head Start (PA20) - T&TA	02-163	455,965
xxxxxx	PCI: In-Kind	82-692	11,276,181

### Total 38-02-04

56,018,077

## TOTAL EXPENDITURES

56,380,909

FUND ONLY INDEX NO. : xxxxxx

**2004 HEAD START - EARLY CHILD CARE PROGRAM****02/01/04 - 01/31/05****26-022XXX****Personnel Complement**

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

# 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:

Mrs. Blanche A. Russ-Glover

(2) the identity of any **business entity**<sup>1</sup> 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

<sup>1</sup> 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 question<sup>2</sup> 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.

<b>Signature:</b> 	<b>Title:</b> Chief Executive Officer  <b>Company:</b> Parent/Child Incorporated	<b>Date:</b> 1/22/04

<sup>2</sup> 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.

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

Mrs. Lupe V. Gonzales

(2) the identity of any **business entity**<sup>1</sup> 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

<sup>1</sup> 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

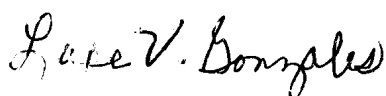
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<b>Signature:</b> 	<b>Title:</b> Board President  <b>Company:</b> Parent/Child Incorporated	<b>Date:</b> 1/22/04

<sup>2</sup> 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.