

**CITY OF SAN ANTONIO
DEPARTMENT OF COMMUNITY INITIATIVES
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

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

SUBJECT: Revising the Head Start Program governance structure, amending the Head Start Program budget, and amending the Parent/Child, Inc. delegate agency contract

DATE: June 2, 2005

SUMMARY AND RECOMMENDATION

- A. This ordinance abolishes the Head Start Commission and establishes a new City of San Antonio Head Start Policy Commission.
- B. This ordinance authorizes acceptance of a Head Start supplemental award in the amount of \$35,000 from the Department of Health and Human Services amends the delegate's contract and Head Start program budget.

Staff recommends approval of these ordinances.

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 operate the program. Since 1978, PCI has operated the Head Start program, providing health, education, literacy, parental involvement activities, mental health and disabilities services at the centers as well as nutrition services at specific provider sites. The Head Start program also provides parent involvement activities at homes 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.

The Head Start Commission was established in response to a finding identified during the 2004 monitoring visit by the U.S. Department of Health and Human Services – Administration for Children and Families (HHS-ACF). Although a Policy Council existed at the delegate agency level, ACF also identified the requirement for a Head Start Policy Council to exist at the grantee level. Ordinance No. 99349, passed and approved on June 10, 2004, established a dual level of governance at the grantee level consisting of the City of San Antonio Head Start Commission, which was given the authority to determine the makeup of the Policy Council. Through Ordinance No. 99788, passed and approved on September 23, 2004, City Council appointed the Head Start Commission members.

This ordinance rescinds a portion of Ordinance No. 99349 and all of Ordinance No. 99788 and creates a 23-member City of San Antonio Head Start Policy Commission. In accordance with Federal requirements that 51% of the Policy Council be comprised of Head Start parents, membership will include 12 Head Start parents and 11 members appointed by City Council, one by the Mayor and each Council District. The Economic and Human Development Committee recommended this action on May 19, 2005.

On April 20, 2005, HHS-ACF awarded Head Start supplemental funds in the amount of \$35,000. This award is a one-time supplement that will be used to purchase child restraints/auto safety seats (\$15,000) and classroom computers (\$20,000). This ordinance authorizes acceptance of the award and amends the Head Start program budget and the related delegate agency contract.

On March 2, 2005, HHS-ACF issued a Program Instruction capping compensation for staff paid from Head Start funds at \$162,100 per year, including benefits. This requirement impacted the salaries of PCI's Chief Executive Officer and Chief Financial Officer, which have been adjusted to comply with this mandate. Attachment A reflects the salary adjustments for these two executives.

On May 31, 2005, PCI's Chief Executive Officer (CEO) Mrs. Blanche Russ Glover retired after providing over 30 years of service to children and families in the City of San Antonio and Bexar County. She received compensation and a severance package totaling \$159,501 for the period of February 1, 2005 through May 31, 2005. The severance package is within federal guidelines and was approved by HHS-ACF on April 5, 2005. When the new CEO is hired, their salary will not exceed the HHS-ACF Employee Compensation Cap of \$162,100, including benefits.

POLICY ANALYSIS

This ordinance continues existing City policy of providing high quality early care and education to San Antonio children. This ordinance streamlines the grantee level governance structure to provide oversight of the Head Start Program. The primary role of the Head Start Policy Council will be to provide opportunities for Head Start parents and interested residents to be involved in program decision-making. Other responsibilities will include ensuring completion of the self-assessment, planning, and application process.

FISCAL IMPACT

There is no fiscal impact from Ordinance A.

Ordinance B adds \$35,000 to the Head Start Program budget and amends the PCI delegate agency budget to reflect these additional funds and executive compensation adjustments for the Chief Executive Officer and the Chief Financial Officer.

This action requires no General Fund commitment.

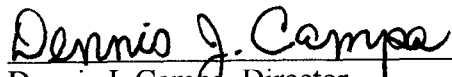
COORDINATION


The Department of Community Initiatives coordinated with the City's Attorney's Office, Economic and Human Development Committee, Parent/Child, Inc., Head Start Commission, Head Start Policy Council, and the City Clerk's Office.


SUPPLEMENTARY COMMENTS

A copy of the Contract Discretionary Disclosure Form is attached.

Attachments: Attachment A: Executive Compensation Adjustment


Dennis J. Campa, Director
Department of Community Initiatives


Frances A. Gonzalez
Assistant City Manager


J. Rolando Bono
Interim City Manager

	<u>PARENT/CHILD COMPENSATION</u>	<u>HEAD START COMPENSATION</u>
Chief Executive Officer		
<u>78.125% Head Start</u>		
2004 Compensation	\$240,494	\$187,886
Reduction	(24,120)	(18,844)
2005 Compensation	\$216,374	\$169,042
Reduction	(56,874)	(44,432)
2005 Revised Compensation	\$159,501	\$124,610
Chief Financial Officer		
<u>90.625% Head Start</u>		
2004 Compensation	\$188,307	\$170,654
Reduction	(20,935)	(18,972)
2005 Compensation	\$167,373	\$151,681
Reduction	(5,279)	(4,784)
2005 Revised Compensation	\$162,094	\$146,898

AN ORDINANCE

ABOLISHING THE HEAD START COMMISSION BY REPEALING ORDINANCE NO. 99349, SECTION 1 AND ORDINANCE NO. 99788 EFFECTIVE JUNE 12, 2005; AMENDING ORDINANCE NO. 99349, SECTION 2 TO AUTHORIZE THE SELECTION AND APPOINTMENT OF MEMBERS FOR THE HEAD START POLICY COUNCIL.

* * * * *

WHEREAS, Ordinance No. 100361, passed and approved on January 27, 2005, authorized the acceptance of a continuation grant from the U.S. Department of Health and Human Services (HHS) for the Head Start – Early Child Care program in the amount of \$45,833,107 for a twelve month period beginning February 1, 2005; and

WHEREAS, these grant funds provide a wide range of education and social services to impoverished pre-school children and their families including educational, health, mental health and disability services provided at 87 child development centers throughout San Antonio and Bexar County to children ranging from three to five years of age; and

WHEREAS, on June 10, 2004, pursuant to Ordinance No. 99349, the City Council established the Head Start Commission: and

WHEREAS, on June 10, 2004, pursuant to Ordinance No. 99349 the City Council established the Head Start Policy Council and authorized the Head Start Commission to determine the seating of the Policy Council; and

WHEREAS, on September 23, 2004, pursuant to Ordinance No. 99788 the City Council appointed members to the Head Start Commission: and

WHEREAS, the City has determined that there is a duplicity of the governance function of the Head Start program by having both the Head Start Commission and the Head Start Policy Council; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO

Section 1. Ordinance No. 99349, Section 1, is repealed and the Head Start Commission is abolished effective June 12, 2005.

Section 2. Ordinance No. 99349, Section 2, is amended, effective June 12, 2005, to read: “The Head Start Policy Council for the Head Start program for San Antonio and Bexar County, is established. The Head Start Policy Council shall be seated as determined by City Council in accordance with federal regulation.”

Section 3. Ordinance No. 99788 is repealed effective June 12, 2005.

Section 4. This ordinance shall become effective on and after June 12, 2005.

PASSED AND APPROVED this _____ day of _____, 2005.

MAYOR

ATTEST: _____
City Clerk

APPROVED AS TO FORM: _____
City Attorney

AN ORDINANCE

AUTHORIZING THE ACCEPTANCE OF A GRANT FROM THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – ADMINISTRATION FOR CHILDREN AND FAMILIES IN THE AMOUNT OF \$35,000.00 FOR THE PURCHASE OF CHILD RESTRAINTS/AUTO SAFETY SEATS AND CLASSROOM COMPUTERS FOR THE HEAD START PROGRAM AND REVISING THE HEAD START PROGRAM BUDGET IN CONNECTION THEREWITH; AND AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE DELEGATE AGENCY CONTRACT WITH PARENT/CHILD, INCORPORATED (PCI) REVISING THE PCI HEAD START PROGRAM BUDGET.

* * * * *

WHEREAS, Ordinance No. 100361, passed and approved on January 27, 2005, authorized the acceptance of a continuation grant from the U.S. Department of Health and Human Services – Administration for Children and Families (HHS-ACF) for the Head Start – Early Child Care program in the amount of \$45,833,107 for a twelve month period beginning February 1, 2005; and

WHEREAS, these grant funds provide a wide range of education and social services to impoverished pre-school children and their families including educational, health, mental health and disability services provided at 87 child development centers throughout San Antonio and Bexar County to children ranging from three to five years of age; and

WHEREAS, HHS-ACF has awarded additional Financial Assistance in the amount of \$35,000.00 for the purchase of child restraints and classroom computers for the Head Start program; and

WHEREAS, On March 2, 2005, the HHS-ACF issued a Program Instruction requiring Head Start program executive compensation to be no more than \$162,100.00 per year which now requires a revision to the Head Start program budget; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO

Section 1. The Interim City Manager, or his designee, or the Director of the Department of Community Initiatives is authorized to accept an award of \$35,000.00 from the U.S. Department of Health and Human Service – Administration of Children and Families, for the purchase of child restraints and classroom computers for the Head Start program. A copy of the grant award is attached hereto and incorporated herein for all purposes as Attachment I.

Section 2. The revised budget for Fund 26, Internal Order 138000000305 and 138000000309, SAP GL Accounts 5202025 and 6602025, entitled, "2005 Head Start Early Child Care Program", attached hereto and incorporated herein for all purposes as Attachment II, is approved.

Section 3. The Interim City Manager, or his designee, or the Director of the Department of Community Initiatives is authorized to execute an amendment to the delegate agency contract with Parent/Child Incorporated (PCI) to revise the agency's budget to reflect the acceptance of the grant referenced in Section 1 of this ordinance and to revise the amounts for personnel and related expenses of PCI to comply with federal requirements concerning executive compensation. A copy of the delegate agency contract amendment, in substantially final form, is attached hereto and incorporated herein for all purposes as Attachment III.

Section 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the Interim City Manager, or the Interim City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Cost Centers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

Section 4. This ordinance shall become effective on and after June 12, 2005.

PASSED AND APPROVED this _____ day of _____, 2005.

MAYOR

ATTEST: _____
City Clerk

APPROVED AS TO FORM: _____
City Attorney

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
FINANCIAL ASSISTANCE AWARD**

1. RECIPIENT

SAI NUMBER:
TX981130001018
PMS DOCUMENT NUMBER:
06CH010727

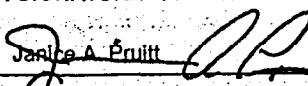
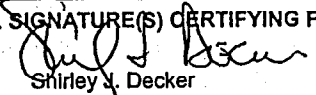
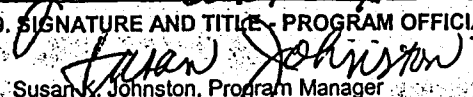
1. AWARDING OFFICE: Region VI Office for Children and Families		2. ASSISTANCE TYPE: Discretionary Grant	3. AWARD NO.: 06CH0107/27	4. AMEND. NO.: 1
5. TYPE OF AWARD: SERVICE		6. TYPE OF ACTION: Supplement	7. AWARD AUTHORITY: 42 USC 9801 ET SEQ.	
8. BUDGET PERIOD: 02/01/2005 THRU 01/31/2006		9. PROJECT PERIOD: INDEFINITE		10. CAT NO.: 93600 ...
11. RECIPIENT ORGANIZATION: CITY OF SAN ANTONIO 115 Plaza de Armas #210 SAN ANTONIO TX 78205 Dennis J. Campa, Director of Community Initiatives - City of San Antonio			12. PROJECT / PROGRAM TITLE: FULL YEAR HEAD START CENTER BASED AND T/TA	
13. COUNTY: BEXAR	14. CONGR. DIST: 20	15. PRINCIPAL INVESTIGATOR OR PROGRAM DIRECTOR: Blanche A Russ-Glover , Executive Director		
16. APPROVED BUDGET:		17. AWARD COMPUTATION:		
Personnel..... \$ 0		A. NON-FEDERAL SHARE..... \$ 11,467,027 20.00 %		
Fringe Benefits..... \$ 0		B. FEDERAL SHARE..... \$ 45,868,107 80.00 %		
Travel..... \$ 0				
Equipment..... \$ 0		18. FEDERAL SHARE COMPUTATION:		
Supplies..... \$ 0		A. TOTAL FEDERAL SHARE..... \$ 45,868,107		
Contractual..... \$ 45,398,107		B. UNOBLIGATED BALANCE FEDERAL SHARE..... \$		
Facilities/Construction..... \$ 0		C. FED. SHARE AWARDED THIS BUDGET PERIOD.. \$ 45,868,107		
Other..... \$ 0		19. AMOUNT AWARDED THIS ACTION:		\$ 35,000
Direct Costs..... \$ 45,398,107		20. FEDERAL \$ AWARDED THIS PROJECT PERIOD:		\$
Indirect Costs..... \$ 470,000		21. AUTHORIZED TREATMENT OF PROGRAM INCOME:		
At % of \$		DEDUCTIVE		
In Kind Contributions..... \$ 0		22. APPLICANT EIN: 1-746002070-A1	23. PAYEE EIN: 1-746002070-A1	24. OBJECT CLASS: 41.51
Total Approved Budget(**).. \$ 45,868,107				

25. FINANCIAL INFORMATION:

ORGN	DOCUMENT NO.	APPROPRIATION	CAN NO.	NEW AMT.	UNOBLIG.	NONFED %
R06	06CH010727	75-5-1536	2005 G064122	\$35,000		

26. REMARKS:

Client Population: 6789.
Number of Delegates: 1.
Paid by DHHS Payment Management System (PMS), see attached for payment information.
(**) Reflects only federal share of approved budget.
This action awards a one-time supplement in the amount of \$35,000 for the delegate agency, Parent Child, Inc., for the following purposes: \$15,000 for child restraints and \$20,000 for classroom computers.

27. SIGNATURE - ACF GRANTS OFFICER  Janice A. Pruitt		DATE: 4/20/05	28. SIGNATURE(S) CERTIFYING FUND AVAILABILITY  Shirley A. Decker
29. SIGNATURE AND TITLE - PROGRAM OFFICIAL(S)  Susan Johnston, Program Manager		DATE: 4/20/2005	

2005 Head Start Early Child Care Program

February 1, 2005 - January 31, 2006

	BUDGET	Revision #1 +/-	REVISED BUDGET
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REVENUES:

4501100 HHS - ACF Head Start	45,833,107	35,000	45,868,107
6500000 In-Kind: Vol Serv & Direct Service	11,458,277	8,750	11,467,027
TOTAL REVENUES	57,291,384	43,750	57,335,134

APPROPRIATIONS:**138000000305 Head Start Program**

5202025 Fees to Other Contractors - PCI Full & Part Day	44,766,042	35,000	44,801,042
Total 138000000305	44,766,042	35,000	44,801,042

138000000306 Head Start Administration

5101010 Reg Salaries & Wages	270,546	-	270,546
5101030 Higher Class. Salary	-	-	-
5101050 Language Skill Pay	600	-	600
5103005 FICA	20,743	-	20,743
5105010 TMRS	33,758	-	33,758
5104030 Flex Benefits	36,423	-	36,423
5103010 Life Insurance	407	-	407
5405020 Worker's Disability Comp.	4,325	-	4,325
5403010 Communications : Telephones	7,500	-	7,500
5403030 Rental of Pagers	1,440	-	1,440
5205010 Mail & Parcel Post	1,000	-	1,000
5206010 Rental of Facilities	500	-	500
5205020 Rental of Equipment	7,000	-	7,000
5208020 Inter-Fund Rent of City Motor Pool	100	-	100
5207010 Travel - Official	10,000	-	10,000
5203090 Travel - Other	3,000	-	3,000
5103065 Education	5,000	-	5,000
5204080 Maint & Rep. Mach & Equip	2,000	-	2,000
5201040 Fees to Prof. Contractors	15,000	-	15,000
5203040 Advertising & Publications	2,000	-	2,000
5203050 Membership Dues & Lic.	1,200	-	1,200
5203060 Binding Printing & Repro.	10,000	-	10,000
5203070 Subscriptions to Publications	2,000	-	2,000
5202025 Other Contractual Services	300	-	300
5302010 Office Supplies	10,000	-	10,000
5304010 Food	1,000	-	1,000
5304050 Tools, Apparatus & Accessories	500	-	500
5301030 Maint & Rep. Material - Mach & Equip	200	-	200
5304075 Computer Software	4,000	-	4,000
5304080 Other Commodities	359	-	359
5501000 Cap <5K - Computer Equipment	11,100	-	11,100
5501065 Cap <5K - Furniture & Fixtures	8,000	-	8,000
Total 138000000306	470,000	-	470,000

2005 Head Start Early Child Care Program

February 1, 2005 - January 31, 2006

	BUDGET	Revision #1 +/-	REVISED BUDGET
138000000307 Head Start Transition			
5202025 Fees to Other Contractors - PCI Transition Services	141,100	-	141,100
Total 138000000307	141,100	-	141,100
138000000308 Head Start T&TA			
5202025 Fees to Other Contractors - PCI T&TA	455,965	-	455,965
Total 138000000308	455,965	-	455,965
138000000309 Head Start In-Kind			
6602025 In-Kind: Vol Serv & Direct Service	11,458,277	8,750	11,467,027
Total 138000000309	11,458,277	8,750	11,467,027
TOTAL APPROPRIATIONS	57,291,384	43,750	57,335,134

City of San Antonio
Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

ATTACHMENT
25

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:

Blanche A. Russ Glover

and /or

(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;

N/a

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;

N/a

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.

N/a

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 individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

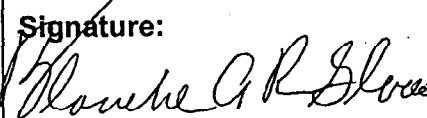
By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
N/a	N/a		

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 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

N/a

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, whichever occurs first.

Signature: 	Title: <i>CEO</i>	Date: <i>3/10/05</i>
Company: <i>Parent/Child Inc.</i>		

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.