

CONSENT AGENDA
ITEM NO. 22

**CITY OF SAN ANTONIO
CITY ATTORNEY'S OFFICE
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council
FROM: Martha G. Sepeda, Acting City Attorney
SUBJECT: \$80,960.00 Settlement of administrative appeal styled *City of San Antonio v Department of Labor*
DATE: September 22, 2005

SUMMARY AND RECOMMENDATION

An Ordinance approving settlement of the administrative appeal styled *City of San Antonio v Department of Labor*, Case No. 2004-WTW-00003 in the amount of \$80,960.00. Staff recommends approval of this ordinance.

BACKGROUND

In 1999, the City of San Antonio (CoSA) received a \$4.9 million Work to Welfare Grant from the U.S. Department of Labor (DoL). CoSA subsequently entered into a Delegate Agency contract with the University of Kansas (UK) to provide technical expertise for the program. This contract was terminated in July, 2001. During the grant period, the DoL audited the contract provisions to include, but not limited to, the amount of grant funds paid to UK. In March 2004, the DoL issued its final determination of the audit, disallowing \$143,653.00 of grant monies paid to UK and requesting reimbursement of those funds by CoSA. On appeal, DoL allowed \$62,693.00 of those funds to be allocated as stand in costs, seeking recovery of the \$80,960.00 balance. In settlement, DoL has agreed to waive any interest on the funds and to allow the funds to be paid out over a three year period.

FISCAL IMPACT


Upon approval of this ordinance, an initial payment will be paid in the amount of \$5,960.00. Three annual payments will be made thereafter in the amount of \$25,000.00 each and no interest will be assessed. A total amount of \$80,960.00 will be paid from Fund 75. This ordinance does not request funding for any contractual services requiring disclosure under the City Code of Ethics.


POLICY ANALYSIS

Staff recommends approval of this ordinance.

COORDINATION

This item was coordinated with the Budget and Management Department and Finance Department.


for Martha G. Sepeda
Acting City Attorney


J. Rolando Bono
City Manager