



**Multnomah County
Agenda Placement Request
Budget Modification**
(Revised 9/23/13)

Contingency Request

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-5 DATE 3/31/16
MARINA BAKER, ASST BOARD CLERK

Board Clerk Use Only

Meeting Date: 3/31/16
Agenda Item #: R.5
Est. Start Time: 10:45 a.m. approx
Date Submitted: 3/7/16

Agenda Title: BUDGET MODIFICATION # DCHS-17-16: DCHS Contingency request of \$400,000 for transition funding in the SUN Service system

Requested Meeting Date: 3/31/16 Time Needed: 10 Minutes

Department: 25 - County Human Services Division: SUN Service System

Contact(s): Peggy Samolinski

Phone: 503-988-7453 Ext. _____ I/O Address 167/1/240

Presenter Name(s) & Title(s): Peggy Samolinski, Division Director - SUN Service System

General Information

1. What action are you requesting from the Board?

The Department of County Human Services is requesting approval of budget modification DCHS-17-16 for \$400,000 in contingency funds to support contractors who are transitioning contracts to deliver services in the SUN Service System as of July 1, 2016, based on the results of the SUN Service System Request for Proposals.

This request is for "transition funds" to cover May and June staffing costs. Funds are intended to be transitional and thus be separate and distinct from an organization's annual allocation.

The desired outcome is to ensure contract transition is smooth so that clients engaging in service are not negatively impacted. In particular, SUN Community School services delivered through the SUN Service System (SUNSS) are vital during the summer, and it is essential to not have a break in service. Therefore DCHS is proposing to fund select organizations before July 1, 2016, so that services will be available July 1, 2016.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The SUN Service System is undergoing a competitive RFP process to select contractors to deliver the array of social and support services available to the community. A significant shift in resources is occurring within the system (and thus across organizations) by moving from 33% of total System

funds dedicated to Culturally Specific services, to 60% of total System funds so allocated.

This funding shift, along with the results of a competitive RFP process, will result in a change in contractors. In addition, there will be a need for some contractors to increase staff in key program areas.

Given the vulnerable populations and services provided through SUNSS and the current changing environment, the priority is to ensure program participants and other partners are not disadvantaged in any way. A commitment to consistent service delivery along with the reality that SUN Community School services delivered through the SUNSS are essential during the summer is the rationale for proposing to fund organizations prior to July 1, 2016. Both the additional funding and the timing of the allocation will ensure a smooth student and community transition.

The contingency request is for funding to support organizations who will need to hire new supervisors and direct service staff so that they can hire and begin training, prior to July 1, 2016.

The Program Offer impacted is #25145 – SUN Community Schools.

3. Explain the fiscal impact (current year and ongoing).

The FY 2016 budget in Program Offer #25145A - SUN Community Schools will increase by \$400,000 in contractual expenditures. This is a one-time only request.

4. Explain any legal and/or policy issues involved.

N/A

5. Explain any citizen or other government participation.

N/A

Budget Modification

6. What revenue is being changed and why? If the revenue is from a federal source, please list the Catalog of Federal Assistance Number (CFDA).

Funds are being transferred from the General Fund contingency to the DCHS to support contractors who are transitioning to deliver services in the SUN Service System.

7. What budgets are increased/decreased?

General Fund Contingency is decreased by \$400,000 and is transferred to DCHS Program Offer #25145 - SUN Community Schools to support contractors who are transitioning to deliver services in the SUN Service System.

8. What do the changes accomplish?

This amount captures an estimate of the overall FTE change that is possible in SUN Community Schools and a limited number of other staff and program supervisors as a result of two factors: the change in contractors in some cases, and the overall shift in funding from Regional to Culturally Specific services, particularly SUN Community Schools.

This funding includes estimated pro-rated amounts for up to 8 week costs for 35 FTE direct service staff and 2 month costs for 4.5 FTE supervisors. Other M&S and related costs are built into the FTE staffing costs.

In order to minimize the amount of the contingency request, SUN Community School changes are

prioritized. Staff reviewed where there might be capacity in existing contractors who have proposed new service areas to use the existing agency infrastructure to hire new staff, and estimated where the latter does not exist.

9. Do any personnel actions result from this budget modification?

No personnel actions result from this budget modification.

10. If a grant, is 100% of the central and department indirect recovered? If not, please explain why.

N/A

11. Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?

This is intended to provide one-time-only funds for organizations who will be delivering services July 1, 2016, so that they are able to hire and begin training staff (supervisors and direct service staff), purchase essential supplies, and are prepared to deliver services on July 1st. Our intent is for two months of funding: May and June; supervisors in May (for 2 months) and direct staff for six weeks.

12. If a grant, what period does the grant cover? When the grant expires, what are funding plans? Are there any particular stipulations required by the grant (e.g. cash match, in kind match, reporting requirements, etc)?

N/A

For Contingency Requests Only:

13. Why was the expenditure not included in the annual budget process?

The cost for this was completely unknown at the time the FY16 annual budget was developed. We did not have a way to estimate the potential cost at that time.

14. What efforts have been made to identify funds from other sources within the department/agency to cover this expenditure?

There are no other funds available within DCHS or from an outside source to cover this transition funding.

15. Why are no other department/agency fund sources available?

All other funding sources are currently allocated to existing programs.

16. Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account. What are the plans for future ongoing funding?

No additional revenue will be recognized. This is a one-time only contingency request.

17. Has this request been made before? When? What was the outcome?

No

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense and Revenues Worksheet and/or a Budget Modification Personnel Worksheet

Required Signature

**Elected Official or
Dept. Director:** Liesl Wendt /s/

Date: 3/22/2016

Budget Analyst: Adam Brown /s/

Date: 3/22/2016

Department HR: _____

Date: _____

Countywide HR: _____

Date: _____

Exp/Rev/FTE - Budget Modification

Budget Year: 2016

Budget Modification: DCHS-17-16

Expenditures & Revenues

An increase in revenue is shown as a negative value and a decrease as a positive value for consistency with SAP.

| Line No. | Program Offer Number | Fund Code | Fund Center | Func. Area | Cost Object | Cost Element | Current Amount | Revised Amount | Change Increase/ (Decrease) | Subtotal |
|----------|--------------------------------------|-----------|-------------|------------|---------------|------------------------------|----------------|----------------|-----------------------------|-----------|
| 1 | 25145A-16 | 1000 | 22-20 | 0040 | SCPSP.SUN.CGF | 60160 - Pass-Thru & Pgm Supt | 5,588,981 | 5,988,981 | 400,000 | |
| | 1000 Total | | | | | | | | | 400,000 |
| | 22-20 Total | | | | | | | | | 400,000 |
| | Program Offer Number 25145A-16 Total | | | | | | | | | 400,000 |
| 2 | 95000-16 | 1000 | 19 | 0020 | 9500001000 | 60470 - Contingency | 9,724,818 | 9,324,818 | (400,000) | |
| | 1000 Total | | | | | | | | | (400,000) |
| | 19 Total | | | | | | | | | (400,000) |
| | Program Offer Number 95000-16 Total | | | | | | | | | (400,000) |



Department of County Management
MULTNOMAH COUNTY OREGON

Budget Office

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TO: Board of County Commissioners

FROM: Adam Brown, Senior Budget Analyst

DATE: March 8, 2016

SUBJECT: General Fund Contingency Request of \$400,000 for transition funding in the SUN service system.

The Department of County Human Services (DCHS) has requested \$400,000 of General Fund contingency for transition costs associated with SUN system program contracting changes. The SUN system is undergoing a competitive RFP process which will change funding priorities within the system and shift the total system funds dedicated to culturally specific services. New contracts will be effective July 1, 2016. New contractors will need to hire and train staff prior to July 1, 2016 to ensure that there is no lapse in services or temporary reductions in service levels. This contingency request provides funding for contractors to hire and train program staff in May and June 2016.

General Fund Contingency Policy Compliance

The Budget Office is required to inform the Board if contingency requests submitted for approval satisfy the general guidelines and policies for using the General Fund Contingency.

In particular,

- Criterion 1 states contingency requests should be for one-time-only purposes. **This request is for one-time-only funding for contracted services to support SUN system policy changes.**
- Criterion 2 addresses emergencies and unanticipated situations. **This item is not an emergency, but was unanticipated by the Department.**
- Criterion 3 addresses items identified in Board Budget Notes. **This item was not identified in a Board Budget Note for Fiscal Year 2016.**

As of March 9, 2016, the unallocated General Fund contingency balance was \$1,657,176.