

File No. 140234

Committee Item No. 2
Board Item No. 11

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date April 23, 2014

Board of Supervisors Meeting

Date April 29, 2014

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
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| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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Completed by: Linda Wong Date April 11, 2014
Completed by: L.W. Date April 24, 2014

AMENDED IN COMMITTEE
4/23/14

FILE NO. 140234

ORDINANCE NO.

RO# 14017
SA# 45-17

1 [Appropriation - Human Services Agency - Increased Revenues and Expenditures -
2 ~~\$31,526,350~~ \$31,391,392 - FY2013-2014]

3 Ordinance appropriating ~~\$31,526,350~~ \$31,391,392 of In-Home Supportive Services,
4 CalWORKs, and other State and Federal revenue to the Human Services Agency in
5 order to support In-Home Supportive Services, CalWORKs, and other program
6 expenditures in FY2013-2014.

7
8 Note: Additions are *single-underline italics Times New Roman*;
9 deletions are *strikethrough italics Times New Roman*.
10 Board amendment additions are double underlined.
11 Board amendment deletions are ~~strikethrough normal~~.

12 Be it ordained by the People of the City and County of San Francisco:

13 Section 1. The sources of funding outlined below are herein appropriated to reflect the
14 projected revenue for FY2013-2014.

15
16 **SOURCES Appropriation**

17	Fund	Index/Project Code	Subsubject	Description	Amount
18	1G AGF AAA	45ADREVS	40121 - Welfare	Revenues - Federal	\$1,103,718
19	GF - Non Project		to Work	- Public Assistance	<u>\$1,003,718</u>
20	Controlled			Admin	
21					
22	1G AGF AAA	45ADREVS	40134 - Food	Revenues - Federal	\$231,625
23	GF - Non Project		Stamps	- Public Assistance	<u>\$209,125</u>
24	Controlled			Admin	
25					

	Fund	Index/Project Code	Subobject	Description	Amount
1					
2	1G AGF AAA	45ADREVS	40138 – Foster	Revenues - Federal	\$62,937
3	GF – Non Project		Care (FED-	– Public Assistance	
4	Controlled		Admin)	Admin	
5					
6	1G AGF AAA	45ADREVS	40139 – Children	Revenues - Federal	\$204,546
7	GF – Non Project		Services	– Public Assistance	
8	Controlled			Admin	
9					
10	1G AGF AAA	45ADREVS	40166 – CWS	Revenues - Federal	\$47,203
11	GF – Non Project		Health Related	– Public Assistance	
12	Controlled		Title XIX	Admin	
13					
14	1G AGF AAA	45ADREVS	45107 – CALWIN	Revenues - State –	\$1,966,710
15	GF – Non Project			Public Assistance	
16	Controlled			Admin	
17					
18	1G AGF AAA	45ADREVS	45145 – IHSS	Revenues - State –	\$184,992
19	GF – Non Project		Admin	Public Assistance	
20	Controlled			Admin	
21					
22	1G AGF AAA	45ADREVS	45204 – IHSS	Revenues - State –	\$4,100,000
23	GF – Non Project		Contract Mode	Public Assistance	
24	Controlled			Admin	
25					

1	Fund	Index/Project Code	Subobject	Description	Amount
2	1G AGF AAA	45ADREVS	45211 – IHSS	Revenues - State –	\$22,900,000
3	GF – Non Project		Public Authority	Public Assistance	
4	Controlled		State Share	Admin	
5					
6	1G AGF AAA	45ADREVS	45715 – Child	Revenues - State –	\$724,649
7	GF – Non Project		Welfare Services	Public Assistance	<u>\$712,161</u>
8	Controlled		AB 118/ ABX1 16	Admin	
9					
10					
11	Total SOURCES Appropriation				\$31,526,350
12					<u>\$31,391,392</u>
13					

14 Section 2. The uses of funding outlined below are herein appropriated to reflect the
15 projected expenditures for Fiscal Year 2013-2014.

16
17 **Uses Appropriation**

18	Fund	Index/Project Code	Subobject	Description	Amount
19	1G AGF AAA	45ASIH	02711 – Social	Professional and	\$2,773
20	GF – Non Project		Services	Specialized	
21	Controlled		Contracts	Services	
22					
23	1G AGF AAA	45ASIH	04341 –	Equipment	\$8,320
24	GF – Non Project		Communication	Maintenance	
25	Controlled		Supplies	Supplies	

	Fund	Index/Project Code	Subobject	Description	Amount
1					
2	1G AGF AAA	45ASIH	04921 – Data	Other Materials and	\$156,739
3	GF – Non Project		Processing	Supplies	
4	Controlled		Supplies		
5					
6	1G AGF AAA	45ASIH	03781 – IHSS IP	Aid Payments	\$27,000,000
7	GF – Non Project		Payments		
8	Controlled				
9					
10	1G AGF AAA	45FCREAL	081HH – GF	Services of Other	\$104,167
11	GF – Non Project		Mental Health	Departments	
12	Controlled				
13					
14	1G AGF AAA	45FCREAL	03801 – Comm.	City Grant Programs	\$570,095
15	GF – Non Project		Based		
16	Controlled		Organizations		
17					
18	1G AGF AAA	45FCCWS145&M	03801 – Comm.	City Grant Programs	\$10,833
19	GF – Non Project		Based		
20	Controlled		Organizations		
21					
22	1G AGF AAA	45GCWS575&M	03801 – Comm.	City Grant Programs	\$1,625
23	GF – Non Project		Based		
24	Controlled		Organizations		
25					

	Fund	Index/Project Code	Subobject	Description	Amount
1					
2	1G AGF AAA	45FCCWSCM	04921 – Data	Other Materials and	\$331,562
3	GF – Non Project		Processing	Supplies	
4	Controlled		Supplies		
5					
6	1G AGF AAA	45FSOUTREACH	02711 – Social	Professional and	<u>\$272,500</u>
7	GF – Non Project		Services	Specialized	<u>\$250,000</u>
8	Controlled		Contracts	Services	
9					
10	1G AGF ACP	45ITCA	02761 – Systems	Professional and	\$1,979,197
11	GF – Continuing	PSSWIN01	Consulting	Specialized	
12	Projects		Services	Services	
13					
14	1G AGF AAA	45ITOH	02761 – Systems	Professional and	\$1,222
15	GF – Non Project		Consulting	Specialized	
16	Controlled		Services	Services	
17					
18	1G AGF AAA	45ITOH	081ET – TIS	Services of Other	\$36,960
19	GF – Non Project		Telephone	Departments	
20	Controlled				
21					
22	1G AGF AAA	45CWOH	02711 – Social	Professional and	\$600,000
23	GF – Non Project		Services	Specialized	<u>\$500,000</u>
24	Controlled		Contracts	Services	
25					

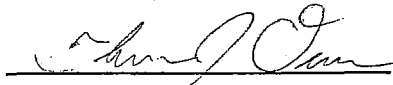
	Fund	Index/Project Code	Subobject	Description	Amount
1					
2	1G AGF AAA	45CWOH	03801 – Comm.	City Grant Programs	\$201,191
3	GF – Non Project		Based		
4	Controlled		Organizations		
5					
6	1G AGF AAA	45CWOH	03621 – Day	Aid Assistance	\$103,333
7	GF – Non Project		Care Assistance		
8	Controlled				
9					
10	1G AGF AAA	45ESCALWORKS	03644 –	Aid Assistance	\$145,833
11	GF – Non Project		Calworks Wage		
12	Controlled		Subsidy		
13					
14	Total USES Appropriation				\$31,526,350
15					<u>\$31,391,392</u>

17 Section 3. The uses of funding outlined above are herein placed on Controller's
18 Reserve pending receipt of funding sources outlined above.


20 Section 4. The Controller is authorized to record transfers between funds and adjust
21 the accounting treatment of sources and uses appropriated in this Ordinance as necessary to
22 conform with Generally Accepted Accounting Principles.

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APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: 
Deputy City Attorney

FUNDS AVAILABLE
BEN ROSENFELD, Controller

By: 
Date: ~~March 11, 2014~~
April 23, 2014

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *EC* Mayor Edwin M. Lee *JE*
RE: Appropriation - \$31,526,350 for increased revenues and expenditures -
FY2013-2014
DATE: March 11, 2014

Attached for introduction to the Board of Supervisors is the ordinance appropriating \$31,526,350 of In-Home Supportive Services, CalWORKs, and other state and federal revenue to the Human Services Agency in order to support In-Home Supportive Services, CalWORKs, and other program expenditures in FY2013-2014.

Please note this item is cosponsored by Supervisor Farrell.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
MARCH 11 PM 4:39
AK

President, District 3
BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-7450
Fax No. 554-7454
TDD/TTY No. 544-5227

BOS-11

COS

LEG DEP

2014 - File Comm

DAVID CHIU
邱信福
市參事會主席

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
MARCH 20 AM 9:46

PRESIDENTIAL ACTION

Date: 3/20/2014

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,

Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No. 140234 Mayor
(Primary Sponsor)

Title. Appropriation - Human Services Agency

Transferring (Board Rule No. 3.3)

File No. _____
(Primary Sponsor)

Title. _____

From: _____ Committee

To: _____ Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor _____

Replacing Supervisor _____

For: _____ Meeting
(Date) (Committee)

David Chiu

David Chiu, President

Items 1 and 2
Files 14-0233 and 14-0234

Departments:
 Human Services Agency (HSA)

EXECUTIVE SUMMARY

Legislative Objective

File 14-0233 is an ordinance amending the FY 2013-14 and FY 2014-15 Annual Salary Ordinance to reflect the addition of 68 new positions (16.85 full-time equivalent positions [FTEs] in FY 2013-14 and 67.40 FTEs in FY 2014-15) at the Human Services Agency.

File 14-0234 is an ordinance appropriating \$31,526,350 of new State and Federal revenues to the Human Services Agency (HSA) to support program expenditures in FY 2013-14.

Key Points

- The \$31,526,350 in new State and Federal revenues are available to implement changes in law and / or additional mandates being placed on five HSA programs: In-Home Supportive Services (IHSS), CalWORKS, CalFresh, Family and Children's Services, and CalWIN. The proposed ordinance would appropriate \$31,526,350 to pay for various program expenditures including contractor payments, equipment, technical projects, client services, training, and marketing.
- The 68 requested new positions are requested to support the increased work associated with new State and Federal revenues tied to changes in law and additional program mandates. The new positions will result in HSA providing new and enhanced services.

Fiscal Impact

- No General Fund monies are being requested for the supplemental appropriation. According to HSA, the new State and Federal revenues are ongoing appropriations. The requested \$31,526,350 appropriation would increase HSA's FY 2013-14 budget by approximately 4.5%, from \$698,924,355 to \$730,450,705.
- The salary and benefit costs for the proposed 16.85 FTEs in FY 2013-14 would be funded by HSA existing salary savings in the HSA FY 2013-14 budget rather than by the proposed supplemental appropriation. According to HSA, ongoing State and Federal funding will support these positions in FY 2014-15 and future years. The 68 requested positions will bring HSA's total number of authorized positions to 2,126 from 2,058, representing an increase of 3.3%.

Recommendations

- Amend the proposed appropriation ordinance (File 14-0234) to reduce the revenue and expenditures appropriations by \$134,958, as specified in Table 5 below, which would reduce the (a) CalWORKS appropriation by \$100,000 for Welfare-to-Work Database, (b) the CalFresh appropriation by \$22,500 for Marketing Training and Outreach, and (c) the Family and Children's Services appropriation by \$12,458 for training.
- Amend the proposed salary ordinance (File 14-0233) to adjust the hire date for all requested positions from April 1, 2014 to May 1, 2014, reducing the total number of FTEs in FY 2013-14 by 5.4 FTEs from 16.85 FTEs to 11.45 FTEs, as reflected in Table 9 below and in the Attachment to this report.
- Amend the proposed salary ordinance (File 14-0233) (a) to reduce the total number of annualized HSA positions by 27 from 68 to 41, and (b) to reduce the total number of FTEs in FY 2013-14 by an additional 4.69 FTEs from 11.45 FTEs to 6.76 FTEs, as reflected in Table 9 below and in the Attachment to this report, for a total FTE reduction of 10.09 FTEs from 16.85 FTEs to 6.76 FTEs.
- Approve the proposed ordinances as amended.

MANDATE STATEMENT**Mandate Statement**

In accordance with Charter Section 9.105, after the Controller certifies the availability of funds, amendments to the Annual Appropriation Ordinance are subject to Board of Supervisors approval.

Administrative Code Section 10.04 specifies that a salary ordinance identifying the number and rates of compensation for positions created is subject to approval by the Board of Supervisors.

DETAILS OF PROPOSED LEGISLATION

File 14-0234 is an ordinance appropriating \$31,526,350 of new State and Federal revenues to the Human Services Agency (HSA) to support program expenditures in FY 2013-14. An overview of the proposed supplemental appropriation is shown in Table 1 below. These new State and Federal revenues are to implement State and Federal changes in law and / or additional mandates being placed on various HSA programs, and will result in HSA providing new and enhanced services. A brief description of the relevant programs and reasons for funding availability is also provided below. HSA was first notified by the State Department of Social Services in the fall of 2013 about the additional funding.

Table 1: Overview of HSA Supplemental Appropriation

Source of Funds	
State In-Home Supportive Services (IHSS) Payment	\$27,000,000
State IHSS Administrative Revenue	184,992
State and Federal CalWORKS Revenue	1,103,718
State and Federal CalFresh (Food Stamps) Revenue	231,625
State and Federal Family and Children's Services Revenue	1,039,305
State and Federal CalWIN Revenue	1,966,710
TOTAL	\$31,526,350
Use of Funds	
IHSS Payments	\$27,000,000
IHSS Technology and Equipment	184,992
CalWORKS Services and Technology	1,050,357
CalFresh Marketing and Training	272,500
Family and Children's Services Technology, Services, and Training	1,039,304
CalWIN Technology, Equipment, Services, Training	1,979,197
TOTAL	\$31,526,350

In-Home Supportive Services (IHSS) is a Federal, State, and locally-funded program administered at the county level. The IHSS Program provides in-home services such as personal care and household chores to eligible aged, blind, and/or disabled individuals as an alternative to out-of-home care or institutional placement.

Additional funding is available through a new Maintenance of Effort (MOE) requirement implemented by the California Department of Social Services (CDSS), as defined in recent State legislation (SB 1036 and AB 1471)¹. Under the new MOE, both expenditures and revenues increase at the County level. Funding is also available to meet State-mandated performance measures for timely client intake and assessment, detailed in the Welfare and Institutions Code.

California Work Opportunity and Responsibility to Kids (CalWORKS) is a welfare program that provides financial support and services to eligible California families. Funding is available to help counties comply with mandates defined in new CalWORKS legislation (SB 1041 and AB 74) related to work participation requirements, assessment, and services.

CalFresh, known nationally as the Supplemental Nutrition Assistance Program (SNAP), is a Federally mandated, State-supervised, and county-operated government program that helps low-income individuals and families buy food. Additional funds are available to meet CDSS and other State goals for increased CalFresh enrollment and participation.

Funding is also available to CalWORKS and CalFresh to meet the increased coordination and integration requirements mandated by the Federal Affordable Care Act, as benefit programs merge eligibility determination, record maintenance, and case management functions. The changes required in HSA's service model will be managed by a new, technically focused inter-program staffing group called the Service Integration Group.

Family and Children's Services is the County's main child welfare and protective services program. Revenues are available from State and Federal sources, including the state's 2011 Protective Services Realignment², to meet the requirements of the 2011 Katie A. settlement agreement, which mandates increased and improved services for foster care youth, and the 2011 California Fostering Connections to Success Act (AB 12), which extended payment benefits and transitional support services to eligible minors.

California Work Opportunity and Responsibility to Kids Information Network (CalWIN) is a Statewide Automated Welfare System (SAWS) used by eligibility staff in 18 counties to maintain welfare case data, determine benefits eligibility, and distribute welfare benefits. Funding is available for technical projects that reflect changes in eligibility requirements and regulations; in particular, implementation of the Affordable Care Act requires increased county consortium expenditures and revenues.

File 14-0233 is an ordinance amending the FY 2013-14 and FY 2014-15 Annual Salary Ordinance to reflect the addition of 68 new positions (16.85 full-time equivalent positions [FTEs] in FY 2013-14 and 67.40 FTEs in FY 2014-15) at the Human Services Agency. According to HSA, these positions are needed to implement the work associated with the increased state and federal revenues described above. The new positions will provide new and enhanced services in

¹ The main intent of the legislation was to improve health outcomes and patient satisfaction for clients while achieving overall health-care cost savings by moving away from institutional care to in-home services.

² Per HSA, "In 2011, the State realigned various public safety programs and allocations, including foster care, adoptions, child welfare services, and adult protective services. The State created a permanent fund structure with a dedicated account and funding stream (consisting of vehicle and sales tax revenue) that is restricted to these programs. In 2012, the Governor proposed and voters approved a ballot measure that would place key realignment provisions in the state Constitution to ensure that counties receive ongoing funding and protections against certain unanticipated costs."

accordance with recent State and Federal changes in law and new program mandates also described above. A brief summary of the requested positions by program is shown in Table 2 below.

Table 2: Overview of Positions in HSA Salary Ordinance Amendment

Program	FY 13-14 Total Requested FTE	FY 14-15 Total Requested FTE	Number of Requested Positions
IHSS Admin	2.75	11	11
CalWORKS	5.6	22.4	23
CalFresh	2.25	9	9
Family and Children's Services	3.5	14	14
Service Integration	2.75	11	11
TOTAL	16.85	67.4	68

FISCAL IMPACT

Supplemental Appropriation: Source of Funds

HSA requests the appropriation of \$31,526,350 in State and Federal revenues for FY 2013-14. According to HSA, all proposed funds will be either spent or encumbered by June 30, 2014. Any unexpended funds as of June 30, 2014 will be carried forward to FY 2014-15 to provide the relevant proposed services. A line-item description of the relevant funding sources is provided in Table 3 below.

Table 3: Source of Funds

Sources	Amount
<u>In-Home Supportive Services</u>	
IHSS Public Authority (State)	22,900,000
IHSS Contract Mode (State)	4,100,000
IHSS Admin (State/Federal)	184,992
Subtotal	27,184,992
<u>CalWORKS</u>	
Welfare To Work (State/Federal)	1,103,718
Subtotal	1,103,718
<u>CalFresh</u>	
Food Stamps (Federal)	231,625
Subtotal	231,625
<u>Family and Children's Services</u>	
Foster Care (Federal)	62,937
Children's Services (Federal)	204,546
CWS Health-Related Title XIX ³ (Federal)	47,203
Realignment Revenues (State)	724,619
Subtotal	1,039,305
<u>CalWIN</u>	
CalWIN (State)	1,966,710
Subtotal	1,966,710
Total Appropriation of Revenues	\$31,526,350

Approximately 86.2% of the available funds, or \$27,184,992 of the requested \$31,526,350, comes from IHSS to implement the State's new Maintenance-of-Effort requirement. The remaining approximately 13.8% of available funds, or \$4,341,358, comes from a mix of four programs' funding sources: CalWORKS, CalFresh, Family and Children's Services, and CalWIN.

No General Fund monies are being requested for this supplemental appropriation. According to HSA Budget Director Derek Chu, these new State and Federal revenues are ongoing appropriations, implementing changes in law and / or additional mandates being placed on various HSA programs, and will result in HSA providing new and enhanced services.

Supplemental Appropriation: Use of Funds

As shown in Table 4 below, the proposed ordinance would appropriate \$31,526,350 from the new State and Federal revenues described above to five different HSA programs to pay for various expenditures including contractor payments, equipment, technical projects, client services, training, and marketing.

³ Title XIX is federal funding that provides partial coverage to Medi-Cal eligible or potentially eligible dependent children for health, mental health, substance abuse treatment, and health-related social services.

Table 4: Uses of Funds

Uses	Amount
<u>In-Home Supportive Services</u>	
New Maintenance of Effort Contractor Payments	\$27,000,000
Laptops, Cell phones, & Data plans	184,992
Subtotal	27,184,992
<u>CalWORKS</u>	
Family Services	201,191
Additional subsidized child care slots (+32)	103,333
Additional subsidized employment slots (+70 to 100)	145,833
Welfare-to-Work Database	600,000
Subtotal	1,050,357
<u>CalFresh</u>	
Marketing, Training, & Outreach	272,500
Subtotal	272,500
<u>Family and Children's Services</u>	
Assessment, Access, & Service Expansion	104,167
Children's Receiving Center	500,000
Laptops and service plans	352,584
Training	12,458
Additional subsidized youth employment slots (+13)	70,095
Subtotal	1,039,304
<u>CalWIN</u>	
Technology & Equipment	1,537,665
Client Services	315,978
Switch to Semi-annual Reporting Contractor Payments	125,554
Subtotal	1,979,197
Total Supplemental Appropriation	\$31,526,350

Excluding the \$27,000,000 IHSS Maintenance of Effort contractor payments out of the requested \$31,526,350, the value of the remaining supplemental appropriation is \$4,526,350. Of this amount, \$2,800,795, or approximately 62% of \$4,526,350, is being spent on technical equipment, projects, and services. Approximately 32%, or \$1,440,597, is being spent on client services. The remaining approximately 6%, or \$284,958, is being expended on training and marketing.

The total requested \$31,526,350 appropriation would increase HSA's FY 2013-14 budget by approximately 4.5%, from \$698,924,355 to \$730,450,705.

Supplemental Appropriation: Budget and Legislative Analyst Recommended Reductions
Based upon our review of the Human Service Agency's projected expenditures, the Budget and Legislative Analyst recommends reducing the proposed supplemental appropriation by \$134,958, from \$31,526,350 to \$31,391,391, as shown in Table 5 below.

Table 5: Supplemental Appropriation Recommended Reductions

Uses	Proposed Supplemental Appropriation	Budget & Legislative Analyst Recommended Supplemental Appropriation	Budget & Legislative Analyst Recommended Reduction
<u>In-Home Supportive Services</u>			
New MoE Contractor Payments	\$27,000,000	\$27,000,000	\$0
Laptops, Cell phones, & Data plans	184,992	184,992	0
Subtotal	27,184,992	27,184,992	
<u>CalWORKS</u>			
Family Services	201,191	201,191	0
Additional subsidized child care slots (+32)	103,333	103,333	0
Additional subsidized employment slots (+70 to 100)	145,833	145,833	0
Welfare-to-Work Database	600,000	500,000	100,000
Subtotal	1,050,357	950,357	
<u>CalFresh</u>			
Marketing, Training, & Outreach	272,500	250,000	22,500
Subtotal	272,500	250,000	
<u>Family and Children's Services</u>			
Assessment, Access, & Service Expansion	104,167	104,167	0
Children's Receiving Center	500,000	500,000	0
Laptops and service plans	352,584	352,584	0
Training	12,458	0	12,458
Additional subsidized youth employment slots (+13)	70,095	70,095	0
Subtotal	1,039,304	1,026,846	
<u>CalWIN</u>			
CalHEERS Interface	892,103	892,103	0
CalHEERS Call Center	509,953	509,953	0
CalFresh Modernization / CalWORKS Redesign	135,609	135,609	0
Client Benefits & Assistance	315,978	315,978	0
Semi-annual Reporting Contractor Payments	125,554	125,554	0
Subtotal	1,979,197	1,979,197	
Total Supplemental Appropriation	\$31,526,350	\$31,391,392	\$134,958

The Budget and Legislative Analyst recommends the following reductions:

- \$100,000 in the CalWORKS Welfare to Work Database, from \$600,000 to \$500,000 based on sufficient available funds to complete the project. Currently about \$150,000, or 25% of the project's total budget, is reserved for tasks such as basic documentation, referrals, notes, letters, and forms.
- \$22,500 in CalFresh for Marketing, Training and Outreach based on the limited remaining time in FY 2013-14 for HSA to implement marketing, training and outreach programs.
- \$12,458 in Family and Children's Services Training based on the limited remaining time in FY 2013-14 for HSA to hire staff and implement training.

Salary Ordinance Amendment: Additional HSA Positions

As described above, HSA is requesting to amend the Annual Salary Ordinance to add 68 new positions across five different HSA programs, to support the increased work associated with new state and federal revenues tied to changes in law and additional program mandates. Table 6 below details the 68 total positions being added by program, for a total of 16.85 FTE for FY 2013-14.

Table 6: Requested HSA Positions for FY 2013-14

Program	FY 2013-14 FTE	Annualized No. of Positions
<u>In-Home Supportive Services</u>		
2320 - Registered Nurse	0.25	1
2904 - Human Services Technician	0.50	2
2910 - Social Worker	1.75	7
2914 - Social Work Supervisor	0.25	1
SUBTOTAL	2.75	11
<u>CalWORKS</u>		
1241 - Personnel Analyst	0.25	1
1244 - Senior Personnel Analyst	0.25	1
1404 - Clerk	0.25	1
1823 - Senior Administrative Analyst	0.50	2
2230 - Physician Specialist	0.10	1
2574 - Clinical Psychologist	0.25	1
2903 - Eligibility Worker	0.50	2
2913 - Program Specialist	0.25	1
2915 - Program Specialist Supervisor	0.25	1
2916 - Social Work Specialist	2.25	9
2919 - Child Care Specialist	0.25	1
9702 - Employment & Training Specialist	0.50	2
SUBTOTAL	5.60	23
<u>CalFresh</u>		
2903 - Eligibility Worker	2.00	8
2907 - Eligibility Worker Supervisor	0.25	1
SUBTOTAL	2.25	9
<u>Family and Children's Services</u>		
1404 - Clerk	1.50	6
1408 - Principal Clerk	0.25	1
1822 - Administrative Analyst	0.25	1
1840 - Junior Management Assistant	0.25	1
2916 - Social Work Specialist	0.75	3
2917 - Program Support Analyst	0.25	1
2944 - Protective Services Supervisor	0.25	1
SUBTOTAL	3.50	14
<u>Service Integration</u>		
0923 - Manager II	0.25	1
1820 - Junior Administrative Analyst	0.50	2
2913 - Program Specialist	1.75	7
2917 - Program Support Analyst	0.25	1
SUBTOTAL	2.75	11
TOTAL	16.85	68

According to Mr. Chu, the salary and benefit costs for the proposed 16.85 FTEs in FY 2013-14 would be funded by HSA existing salary savings in the HSA FY 2013-14 budget rather than by the proposed supplemental appropriation. According to Mr. Chu, HSA's projected year-end salary and fringe benefit surplus, based on actual expenditures through the pay period ending February 14, 2014, is \$ 10.8 million. Mr. Chu states that ongoing State and Federal funding will support these positions in FY 2014-15 and future years, including salaries, benefits, lease costs for additional office space, and additional ancillary expenditures.

HSA had previously assumed a position approval date of April 1, 2014 to determine an FTE per employee of 0.25 for FY 2013-14. Currently 49 of the 68 requested positions' work duties are being performed by temporary employees funded by temporary salaries or salary savings in HSA's FY 2013-14 budget; HSA has stated they already have a list of potential employees to hire on a permanent basis for 53 of the 68 requested positions.

HSA has 2,058 authorized FTEs in the FY 2013-14 Annual Salary Ordinance.⁴ The 68 requested positions will bring HSA's total number of authorized positions to 2,126, representing an increase of 3.3%. The percentage increases are larger when detailed by the programs specifically being increased under this subject request, as shown in Table 7 below.

⁴ HSA has 1,869.32 budgeted FTEs in the FY 2013-14 budget, net of required salary savings.

Table 7: Requested New Positions by Hiring Program

Program	Authorized Positions	Requested New Positions	Total Positions	% Increase
IHSS	157	11	168	7.00%
CalWORKS	171	19	190	11.10%
CalFresh	189	9	198	4.80%
Family & Children's Services	334	14	348	4.20%
Other (Administrative Support)	384	14*	398	3.70%
Other (Childcare - CalWORKS)	13	1	14	7.70%
Total	1,248	68	1,316	5.40%

* This includes 11 positions in the Service Integration Group and 3 in CalWORKS

Salary Ordinance Amendment: Budget and Legislative Analyst Recommended Reductions

The Budget and Legislative Analyst has reviewed the requested staff positions and recommends reducing the number of new positions requested by HSA in FY 2013-14, given

1. the condensed time-frame for hiring new staff prior to the end of the fiscal year;
2. the insufficient operational need for certain positions;
3. minimal projected case-load growth within programs relative to the requested employment increases⁵, and
4. the high number of current vacancies in some of the requested classifications.

As noted in Table 8 below, the Budget and Legislative Analyst has determined that, as of the writing of this report, HSA has a total of 157.2 vacancies across the relevant classification series of the various requested positions. Rather than create new positions in the FY 2013-14 ASO, HSA should fill vacant positions for several of the position classifications to provide the proposed new and enhanced program services. In addition, HSA can continue to assess its staffing requirements to implement new State mandates and request additional positions in the FY 2014-15 budget.

⁵ According to HSA, projected case-load growth by program is as follows, CalWORKS: 1%; CalFresh: 1%; IHSS: 1.5%; Family and Children's Services: 3%.

Table 8: HSA Vacant FTEs in Requested Classifications and Series

Position	Requested FTE (annualized in FY 2014-15)	Authorized FTEs in FY 2013-14 ASO	Actual FTEs Year to Date	Number of Vacant FTEs	
				Authorized FTEs Greater/ (Less) than Actual FTEs by Classification	Authorized FTEs Greater/ (Less) than Actual FTEs by Classification Series
0923 Manager II	1	26.77	22.03	4.74	4.74
1241 Personnel Analyst	1	7.54	8.24	(0.7)	
1244 Senior Personnel Analyst	1	7	8.26	(1.26)	(1.96)
1402 Junior Clerk	0	0	13.15	(13.15)	
1404 Clerk	7	87.93	81.15	6.78	
1406 Senior Clerk	0	4	2.21	1.79	
1408 Principal Clerk	1	17.54	13.65	3.89	(0.69)
1820 Junior Administrative Analyst	2	5	6.02	(1.02)	
1822 Administrative Analyst	1	21.23	17.63	3.6	
1823 Senior Administrative Analyst	2	31.5	21.48	10.02	12.6
1840 Junior Management Assistant	1	7	5.3	1.7	1.7
2230 Physician Specialist	0.4	3.6	2.94	0.66	0.66
2320 Registered Nurse	1	5	4.91	0.09	0.09
2574 Clinical Psychologist	1	7.91	5.42	2.49	2.49
2903 Eligibility Worker	10	204.76	205.32	(0.56)	
2905 Senior Eligibility Worker	0	286	224.24	61.76	
2907 Eligibility Worker Supervisor	1	67.16	55.75	11.41	72.61
2904 Human Services Technician	2	37	30.51	6.49	6.49
2910 Social Worker	7	33.08	39.55	(6.47)	
2912 Senior Social Worker	0	125	96.94	28.06	
2914 Social Work Supervisor	1	20	18.3	1.7	23.29
2913 Program Specialist	8	63.39	60.68	2.71	
2915 Program Specialist Supervisor	1	5	4.85	0.15	2.86
2916 Social Work Specialist	12	29	26.54	2.46	2.46
2917 Program Support Analyst	2	13	9.66	3.34	3.34
2919 Child Care Specialist	1	5	4.96	0.04	0.04
2944 Protective Services Supervisor	1	39	36.05	2.95	2.95
9702 Employment & Training Spec 1	2	19.15	19.25	(0.10)	23.53
9703 Emp & Training Spec 2	0	39.00	28.07	10.93	
9704 Employment & Training Spec 3	0	51.54	40.96	10.58	
9705 Emp & Training Spec 4	0	19.77	17.67	2.10	
9706 Employment & Training Spec 5	0	3	2.98	0.02	
TOTAL	67.4	1,178.56	1,044.99	157.2	157.2

Source: Controller's Office

The Budget and Legislative Analyst therefore recommends a reduction of 27 annualized positions, from 68 to 41, and a reduction of 10.09 FTEs in FY 2013-14 from 16.85 to 6.76 FTEs, as shown in Table 9 below. The Attachment to this report provides for a position-by-position explanation of the recommended reductions. The Budget and Legislative Analyst's recommendations to reduce the remaining 41 positions (6.76 FTE in FY 2013-14) provide for a position hire date of May 1, 2014 instead of the requested April 1, 2014 hire date, based on when the remaining 41 positions can actually be filled in FY 2013-14. This adjustment (reflecting approximately 0.17 FTE per position vs. the originally requested 0.25 FTE per position) is reflected below in Table 9 and in the Attachment to this report.

Table 9: Salary Ordinance Recommended Reductions by the Budget and Legislative Analyst

Program	Requested FY 2013-14 Total FTE	FY 2013-14 Total FTE Adjusted for May 1 Hire Date	Budget & Legislative Analyst Recommended FY 2013-14 Total FTE	Budget & Legislative Analyst Recommended FY 2013-14 FTE Reduction	Requested Number of Positions	Budget & Legislative Analyst Recommended Positions	Budget & Legislative Analyst Recommended Position Reduction
In-Home Supportive Services	2.75	1.87	1.34	1.41	11	8	3
CALWORKS	5.6	3.81	2.74	2.86	23	17	6
CALFRESH	2.25	1.53	0.5	1.75	9	3	6
Family and Children's Services	3.5	2.37	1.85	1.66	14	11	3
Service Integration	2.75	1.87	0.33	2.42	11	2	9
TOTAL	16.85	11.45	6.76	10.09	68	41	27

As shown in Table 9 above, the Budget and Legislative Analyst also notes that adjusting just for the hire date (excluding any recommended position reductions) for the requested 68 positions from April 1, 2014 to May 1, 2014 would result in a total FTE count of 11.45 FTEs for FY 2013-14, or 5.4 FTEs less than the requested 16.85 FTEs. This adjustment is also reflected in Table 9 above and in the Attachment to this report.

RECOMMENDATIONS

1. Amend the proposed appropriation ordinance (File 14-0234) to reduce the revenue and expenditures appropriations by \$134,958, as specified in Table 5 above, which would reduce the (a) CalWORKS appropriation by \$100,000 for Welfare-to-Work Database, (b) the CalFresh appropriation by \$22,500 for Marketing Training and Outreach, and (c) the Family and Children's Services appropriation by \$12,458 for training.
2. Amend the proposed salary ordinance (File 14-0233) to adjust the hire date for all requested positions from April 1, 2014 to May 1, 2014, thereby reducing the total number of FTEs in FY 2013-14 by 5.4 FTEs from 16.85 FTEs to 11.45 FTEs, as reflected in Table 9 above and in the Attachment to this report.
3. Amend the proposed salary ordinance (File 14-0233) (a) to reduce the total number of annualized HSA positions by 27 from 68 to 41, and (b) to reduce the total number of FTEs in FY 2013-14 by an additional 4.69 FTEs from 11.45 FTEs to 6.76 FTEs, as reflected in Table 9 above and in the Attachment to this report, for a total FTE reduction of 10.09 FTEs (5.4 FTEs

in Recommendation Number 2 above and 4.69 FTEs in this Recommendation Number 3), from 16.85 FTEs to 6.76 FTEs.

4. Approve the proposed ordinances as amended.

HSA Response to Budget and Legislative Analyst Recommendations

HSA has stated they agree with the Budget and Legislative Analyst's Recommendation Number 1 to reduce the revenue and expenditure appropriations by \$134,958, and agree with the Budget and Legislative Analyst's Recommendation Number 2 to change the new position hire date for all requested positions to May 1, 2014 from April 1, 2014, thereby reducing the requested FTEs by 5.4 FTEs from 16.85 FTEs to 11.45 FTEs in FY 2013-2014.

However, HSA disagrees with the Budget and Legislative Analyst's Recommendation Number 3 to reduce the total number of FTEs in FY 2013-2014 by an additional 4.69 FTEs from 11.45 FTEs to 6.76 FTEs, and to reduce the total number of new annualized positions by 27 from 68 to 41.

HSA did not provide any additional information to the Budget and Legislative Analyst which would cause us to withdraw Recommendation Number 3. Therefore, the Budget and Legislative Analyst continues to recommend that the total number of new FTEs in FY 2013-14 be reduced an additional 4.69 FTEs from 11.45 FTEs to 6.76 FTEs, and that new annualized positions be reduced by 27 from 68 to 41, for the reasons discussed above and as detailed in the Attachment to this report.

File 14-0233 & 14-0234 ATTACHMENT: Budget and Legislative Analyst Reasons for Recommended Position Reductions and Deletions

Program	Requested FY 2013-'14 FTE	FY 2013-'14 FTE Adjusted for May 1 Hire Date	Budget & Legislative Analyst Recommended FY 2013-14 FTE	Budget & Legislative Analyst Recommended Reduction FY 2013-14 FTE	Number of Positions	Budget & Legislative Analyst Recommended Positions	Budget & Legislative Analyst Recommended Position Reduction	Reason for Recommended Reductions and Deletions* * Please note that ALL position FTEs have been adjusted downwards to reflect a May 1 hiring date, instead of April 1.
<u>In-Home Supportive Services</u>								
2230 - Registered Nurse	0.25	0.17	0.17	0.08	1	1	0	
2904 - Human Services Technician	0.5	0.34	0.17	0.33	2	1	1	Available vacancies
2910 - Social Worker	1.75	1.19	0.84	0.91	7	5	2	Available vacancies
2914 - Social Work Supervisor	0.25	0.17	0.17	0.08	1	1	0	
SUBTOTAL	2.75	1.87	1.34	1.41	11	8	3	
<u>CALWORKS</u>								
1241 - Personnel Analyst	0.25	0.17	0.17	0.08	1	1	0	
1244 - Senior Personnel Analyst	0.25	0.17	0	0.25	1	0	1	Insufficient operational need
1404 - Clerk	0.25	0.17	0.17	0.08	1	1	0	
1823 - Senior Administrative Analyst	0.5	0.34	0.17	0.33	2	1	1	Available vacancies
2230 - Physician Specialist	0.1	0.07	0.07	0.03	1	1	0	
2574 - Clinical Psychologist	0.25	0.17	0.17	0.08	1	1	0	
2903 - Eligibility Worker	0.5	0.34	0.17	0.33	2	1	1	Available vacancies, minimal projected case-load growth
2913 - Program Specialist	0.25	0.17	0.17	0.08	1	1	0	

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Program	Requested FY 2013-'14 FTE	FY 2013-'14 FTE Adjusted for May 1 Hire Date	Budget & Legislative Analyst Recommended FY 2013-14 FTE	Budget & Legislative Analyst Recommended Reduction FY 2013-14 FTE	Number of Positions	Budget & Legislative Analyst Recommended Positions	Budget & Legislative Analyst Recommended Position Reduction	Reason for Recommended Reductions and Deletions* * Please note that ALL position FTEs have been adjusted downwards to reflect a May 1 hiring date, as opposed to April 1.
2915 - Program Specialist Supervisor	0.25	0.17	0.17	0.08	1	1	0	
2916 - Social Work Specialist	2.25	1.53	1.17	1.08	9	7	2	Insufficient operational need, minimal projected case-load growth
2919 - Childcare Specialist	0.25	0.17	0.17	0.08	1	1	0	
9702 - Employment & Training Specialist	0.5	0.34	0.17	0.33	2	1	1	Available vacancies
SUBTOTAL	5.6	3.81	2.74	2.86	23	17	6	
CALFRESH								
2903 - Eligibility Worker	2	1.36	0.5	1.5	8	3	5	Minimal projected case-load growth, available vacancies
2907 - Eligibility Worker Supervisor	0.25	0.17	0	0.25	1	0	1	Minimal projected case-load growth, available vacancies
SUBTOTAL	2.25	1.53	0.5	1.75	9	3	6	
Family and Children's Services								
1404 - Clerk	1.5	1.02	0.67	0.83	6	4	2	Insufficient operational need
1408 - Principal Clerk	0.25	0.17	0.17	0.08	1	1	0	
1822 - Administrative Analyst	0.25	0.17	0	0.25	1	0	1	Available vacancies
1840 - Junior Management Assistant	0.25	0.17	0.17	0.08	1	1	0	
2916 - Social Work Specialist	0.75	0.5	0.5	0.25	3	3	0	

Program	Requested FY 2013-'14 FTE	FY 2013-'14 FTE Adjusted for May 1 Hire Date	Budget & Legislative Analyst Recommended FY 2013-14 FTE	Budget & Legislative Analyst Recommended Reduction FY 2013-14 FTE	Number of Positions	Budget & Legislative Analyst Recommended Positions	Budget & Legislative Analyst Recommended Position Reduction	Reason for Recommended Reductions and Deletions* * Please note that ALL position FTEs have been adjusted downwards to reflect a May 1 hiring date, as opposed to April 1.
2917 - Program Support Analyst	0.25	0.17	0.17	0.08	1	1	0	
2944 - Protective Services Supervisor	0.25	0.17	0.17	0.08	1	1	0	
SUBTOTAL	3.5	2.37	1.85	1.66	14	11	3	
<u>Service Integration</u>								
0923 - Manager II	0.25	0.17	0	0.25	1	0	1	Insufficient operational need
1820 - Junior Administrative Analyst	0.5	0.34	0	0.5	2	0	2	Insufficient operational need
2913 - Program Specialist	1.75	1.19	0.33	1.42	7	2	5	Insufficient operational need
2917 - Program Support Analyst	0.25	0.17	0	0.25	1	0	1	Insufficient operational need
SUBTOTAL	2.75	1.87	0.33	2.42	11	2	9	
TOTAL	16.85	11.45	6.76	10.09	68	41	27	

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