

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

913



FROM: Department of Public Social Services

SUBMITTAL DATE:
June 14, 2011

SUBJECT: CAPP-0048: AMENDMENT FOR CHILD CARE SERVICES WITH THE CALIFORNIA
DEPARTMENT OF EDUCATION

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chairman of the Board to sign the attached CAPP-0048 California Alternative Payment Program Funding Amendment with the California Department of Education (CDE) totaling \$3,613,228 covering the term of July 1, 2010 - June 30, 2011; and
2. Authorize the Director of the Department of Public Social Services (DPSS) to administer the program.
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise the renewal option, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates.

CONTINUED - 2 pages in total

Susan Loew

Susan Loew, Director

FINANCIAL
DATA

Current F.Y. Total Cost: \$ 3,613,228
Current F.Y. Net County Cost: \$ 0
Annual Net County Cost: \$ 0

In Current Year Budget: Yes
Budget Adjustment: No
For Fiscal Year: 10-11

SOURCE OF FUNDS: 59% Federal Funding, 41% State Funding

Positions To Be Deleted Per A-30 ☐
Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE
BY: *Debra Courmoyer*
Debra Courmoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: June 14, 2011
xc: DPSS, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

Prev. Agn. Ref.: 3.65

District: All

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.39

TO: BOARD OF SUPERVISORS

Page: 2

SUBJECT: CAPP-0048: AMENDMENT FOR CHILD CARE SERVICES WITH THE CALIFORNIA DEPARTMENT OF EDUCATION

BACKGROUND (Continued):

CAPP funding provides childcare services to eligible families meeting criteria as set forth by the California Department of Education in accordance with the California Education Code. The agreement currently serves: families in need of subsidized childcare; children who are referred to the program as being at risk of abuse, neglect, or exploitation; and, other low-income customers who are not served by other subsidy programs, to facilitate self-sufficiency and stabilize family units. The average monthly cost per child is approximately \$523, and an average of 319 children were served each month for Fiscal Year 2009/10.

ATTACHMENT(S):

Amendment #1- CAPP-0048

CONCUR/EXECUTE –

County Purchasing

SL: ko

**CALIFORNIA DEPARTMENT OF EDUCATION**

1430 N Street

Sacramento, CA 95814-5901

F.Y. 10 - 11**Amendment 01**

DATE: July 01, 2010

CONTRACT NUMBER: CAPP-0048

PROGRAM TYPE: ALTERNATIVE PAYMENT

PROJECT NUMBER: 33-2233-00-0

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES

FT&C Change Only

CONTRACTOR'S NAME: RIVERSIDE COUNTY DEPARTMENT OF PUBLIC SOCIAL SERVICES

This agreement with the State of California dated July 01, 2010 designated as number CAPP-0048 shall be amended in the following particulars but no others:

The 2010-11 Funding Terms and Conditions (FT&C) shall be amended in accordance with the attached 2010-11 amended FT&C Language (Attachment A) which by this reference is incorporated herein.

The Maximum Reimbursable Amount (MRA) payable pursuant to the provisions of this agreement shall be \$3,613,228.00 (no change).

SERVICE REQUIREMENTS

Minimum Days of Operation (MDO) Requirement shall be 249. (No change)

EXCEPT AS AMENDED HEREIN all terms and conditions of the original agreement shall remain unchanged and in full force and effect.

WHEN DOCUMENT IS FULLY EXECUTED RETURN
CLERK'S COPY

to Riverside County Clerk of the Board, Stop 1010
Post Office Box 1147, Riverside, Ca 92502-1147
Thank you.

ATTEST:

KECIA HARPER-JHEM, Clerk

By

DEPUTY

STATE OF CALIFORNIA		CONTRACTOR	
BY (AUTHORIZED SIGNATURE) 	BY (AUTHORIZED SIGNATURE) 		
PRINTED NAME OF PERSON SIGNING Margie Burke, Manager	PRINTED NAME AND TITLE OF PERSON SIGNING Bob Buster, Chair of the Board of Supervisors		
TITLE Contracts, Purchasing & Conf Svcs	ADDRESS 4080 Lemon St., Riverside, CA 92501		
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 0	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs	FUND TITLE	
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ 3,613,228	(OPTIONAL USE) See Attached		
TOTAL AMOUNT ENCUMBERED TO DATE \$ 3,613,228	ITEM See Attached	CHAPTER	STATUTE
OBJECT OF EXPENDITURE (CODE AND TITLE) 702		FISCAL YEAR	
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.	B.R. NO.
SIGNATURE OF ACCOUNTING OFFICER See Attached		DATE	

Department of General Services
use only

JUN 23 2011

FORM APPROVED COUNTY COUNSEL
BY: 6/1/11

JUN 14 2011 3.39

CONTRACTOR'S NAME: RIVERSIDE COUNTY DEPARTMENT OF PUBLIC SOCIAL SERVICES

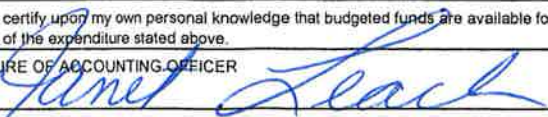
CONTRACT NUMBER: CAPP-0048

Amendment 01

AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 0	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs	FUND TITLE Federal		
PRIOR AMOUNT ENCUMBERED \$ 1,247,372	(OPTIONAL USE)0656 13694-2233	FC# 93.596	PC# 000322	
TOTAL AMOUNT ENCUMBERED TO DATE \$ 1,247,372	ITEM 30.10.020.007 6110-196-0890	CHAPTER 712	STATUTE 2010	FISCAL YEAR 2010-2011
	OBJECT OF EXPENDITURE (CODE AND TITLE) 702 SACS: Res-5050 Rev-8290			

AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 0	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs	FUND TITLE Federal		
PRIOR AMOUNT ENCUMBERED \$ 871,341	(OPTIONAL USE)0656 14153-2233	FC# 93.596	PC# 000321	
TOTAL AMOUNT ENCUMBERED TO DATE \$ 871,341	ITEM 30.10.020.007 6110-196-0890	CHAPTER 712	STATUTE 2010	FISCAL YEAR 2010-2011
	OBJECT OF EXPENDITURE (CODE AND TITLE) 702 SACS: Res-5050 Rev-8290			

AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 0	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs	FUND TITLE General		
PRIOR AMOUNT ENCUMBERED \$ 1,494,515	(OPTIONAL USE)0656 23186-2233			
TOTAL AMOUNT ENCUMBERED TO DATE \$ 1,494,515	ITEM 30.10.020.007 6110-196-0001	CHAPTER 712	STATUTE 2010	FISCAL YEAR 2010-2011
	OBJECT OF EXPENDITURE (CODE AND TITLE) 702 SACS: Res-6040 Rev-8590			

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.	T.B.A. NO.	B.R. NO.
SIGNATURE OF ACCOUNTING OFFICER 	DATE JUL 22 2011	

**CHILD CARE AND DEVELOPMENT
2010-11 LANGUAGE CHANGES TO
THE FUNDING TERMS AND CONDITIONS (FT&C)**

These changes apply to the FT&C for the following contract type: **CAPP**

Note: The page numbers cited may be a few pages off.

Effective October 1, 2010, the percentage of administrative and support services changes from 19 percent to 17.5 percent (see definition of "Earned - for Alternative Payment programs" below): **Note:** The administrative and support services percentage prior to October 1st is 19 percent (19%).

"Earned" (for Alternative Payment programs) means net reimbursement shall include the cost of child care paid to the child care providers plus the actual administrative and support services cost of the alternative payment program. The total cost for administration and support services shall not exceed an amount equal to 17.5 49 percent (17.5 49%) of the total contract amount. The administrative costs shall not exceed the cost allowable pursuant to EC 8223; 5CCR, Section 18034(c)).

"Special Funds" are the center-based reserve funds that agencies must spend in their center-based contract(s) in lieu of state contract funds in accordance with Budget Act, SB 870/CH.712 (Section 6110-196-0001 (1.5), Provision 15(b)).

Amend Section II, General Provisions as follows: (p.16):

C. ~~Open Board Meetings~~

~~Any private tax-exempt or private non-tax-exempt agency receiving public funds under these regulations must, to the extent of the publicly funded program, comply with the Ralph M. Brown Open Meetings Act ("Brown Act"), Government Code sections 54950-54963. Board meetings shall be open to the public except for meetings with its designated representatives prior to and during consultations and discussions with representatives of employee organizations regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of employees or to consider the appointment, employment, evaluation of performance or dismissal of an employee or to hear complaints or charges brought against an employee unless such employee requests an open meeting. Minutes of these open meetings shall be available to the public.~~

Add "Contractor Name Change" to Section II, General Provisions as follows: (p. 16)

C. Contractor Name Change

An amendment is required to change the Contractor's name as listed on this agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment with a new name cannot be made prior to approval of said amendment.

Amend Section III.B., Capital Outlay as follows (p.26):

B. Capital Outlay

Capital outlay expenditures are those that result in the acquisition of or additions to capital assets. Capital outlay expenditures are subdivided into two categories:

1. Sites; improvement of sites; buildings; improvement of buildings, building fixtures, and services systems; and
2. Equipment, which includes personal property of a relatively permanent nature and/or of significant value. (See the *California School Accounting Manual* for categorization of various items.)

Capital outlay expenditures for category (1) above for non-licensable facilities are only reimbursable as depreciation or use allowance. Capital outlay expenditures for licensable facilities in the community served by the program are reimbursable as lease payments, down payments, payments of principal and interest on loans incurred to acquire, rehabilitate or construct licensable facilities as long as the costs do not exceed fair market rents existing in the community in which the facility is located. A fair market rental estimate must be obtained from an independent appraiser, licensed by the California Office of Real Estate Appraisers. In addition, to be reimbursable, interest paid on private sector debt for the purchase, lease-purchase, repair or renovation of child care and developmental facilities owned or leased by contractors providing center-based care must not exceed interest calculated using a fair market rate of interest.

To be reimbursable as direct costs, prior written approval by the CDD is required to acquire, rehabilitate, improve, or construct licensable facilities. Capital expenditures are not reimbursable as indirect costs ~~direct costs~~, excepting depreciation and use allowance, as provided in Section III.A above.

Title to real property acquired in whole or part with state child care and development (CD) funds shall vest in the contractor subject to

the condition that the contractor shall use the real property for the authorized purpose of the CD program as long as it has a contract with the CDD and shall not encumber the property without the prior written approval of the CDD. If the contractor wishes to share the use of real property among multiple programs, the associated reimbursable capital expenditures shall be prorated among the programs according to the benefits received. When the real property is no longer needed for the purpose of any CDD program, the contractor shall request disposition instructions from the CDD, which shall observe one of the following three disposition instructions:

1. The CDD may permit the contractor to retain title without further obligation to the CDD after the contractor compensates the CDD for that percentage of the current fair market value of the property, net of reasonable and necessary selling costs, attributable to the CDD's share of the acquisition cost.
2. The contractor may be directed to sell the property under guidelines provided by the CDD and pay the CDD for that percentage of the current fair market value of the property, net of reasonable and necessary felling and fix-up costs, attributable to the CDD's share of the acquisition cost.
3. The contractor may be directed to transfer title to the property to the CDE or to an eligible third party, provided that, in such cases, the contractor shall be entitled to compensation for its attributable percentage of the current fair market value of the property.

Amend Section VI.N, Accounting and Reporting Requirements, Reserve Accounts as follows: (p. 42)

All contractors are encouraged to develop and maintain a reserve within the Child Development Fund. This reserve is derived from earned but unexpended funds. Contractors may retain a reserve balance of up to two percent (2%) of the maximum allowable administration and support costs for the aggregate sum of all alternative payment contracts or \$1,000 whichever is greater. The following criteria must be followed when establishing and using a reserve account:

1. Each agency wishing to establish a reserve shall submit a letter of intent no later than July 20 following the close of the fiscal year for which the reserve will be established. The letter of intent must be on the form provided by CDFS and

- signed by the executive director (or authorized designee for public agencies).
2. Each reserve must be maintained in an interest-bearing account and the amount of interest earned will be included in the reserve balance.
 3. Reserve monies can only be used for expenses that are reimbursable allowable expenses as defined in the FT&C. Transfers from one reserve account type (or category) to another are not allowable. However, transfers to a current-year contract in the same reserve category are allowable and shall be reported as restricted program income on that contract's attendance and fiscal report.
 4. Reserve monies are generated from current year contracts; therefore, the transferable amount generated during the contract period will not be available until July 1 of the subsequent fiscal year.
 5. Transfers to the reserve will be authorized by CDFS only once a year. Upon receipt of the June final report, preliminary reserve amounts will be calculated by CDFS and reported to the contractor. If the contractor is a LEA, this may be the official notification provided there are no further amendments. For agencies that are required to submit an audit to the CDE, the amount will not be final until the audit is closed by the CDE's A&I and there are no outstanding billings.
 6. Participating agencies must submit a Reserve Account Activity Report and a copy of the their supporting General Ledger for each reserve account category type along with their June attendance and fiscal report due July 20. Reports not received in CDFS by July 20 shall be deemed delinquent and, in accordance with Section V.M above, apportionment(s) shall be withheld until the required report is received.
 7. Participating agencies with special Funds must spend the entire amount by the end of the contract period.
 8. Upon termination of all child development contracts of a reserve account category type, all monies in that reserve account shall be returned to the CDE.

Add the following language to Section III. Admission Priorities as follows: (p.74)

- D. In accordance with EC Section 8263(b)(3), the CDE may grant a waiver to the priorities specified above in order for the contractor to serve specific populations. Requests may not include waiver of the fee schedule or admission of ineligible families. Waiver requests shall be submitted to the CDD and approved prior to implementation.