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County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
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September 10, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST TO ACCEPT FISCAL YEAR 2002-03 CHILD CARE
AND DEVELOPMENT ALTERNATIVE PAYMENT FUNDS
THROUGH THE CALIFORNIA DEPARTMENT OF EDUCATION
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve, adopt and instruct the Chair to execute two (2) copies of the attached Resolution, the Federal Certification Form [CO.8], and the Federal Alternative Payment Program (FAPP) Agreement Number FAPP-2029, at a Maximum Reimbursable Amount (MRA) of \$12,584,114, for Fiscal Year (FY) 2002-03 with the California Department of Education (CDE) for the purpose of obtaining funding for various child care services. The FAPP Agreement is 100% revenue offset with Federal funds and has no County match requirement. Sufficient revenue and appropriation for the FAPP Agreement is included in the FY 2002-03 Adopted Budget.
2. Approve, adopt and instruct the Chair to execute two (2) copies of the attached Resolution and the General Alternative Payment Program (GAPP) Agreement Number GAPP-2030, at a MRA of \$2,001,236 for FY 2002-03, with the CDE for the purpose of obtaining funding for various child care services. The GAPP Agreement is funded with State general funds. Sufficient revenue and appropriation for the GAPP Agreement is included in the FY 2002-03 Adopted Budget.

3. Authorize the Director of the Department of Children and Family Services (Director), or the Director's designee, to complete and sign the Application for FY 2003-04 CDE Agreement. This document should be forwarded to the Department of Children and Family Services (DCFS) by the CDE at the end of the year.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Acceptance of the Federal and State Child Care and Development Alternative Payment funds will enable DCFS to continue child care and development services for children who are at risk of abuse or neglect. In addition, DCFS will submit to the CDE an application requesting CDE's approval of Federal and State funds for DCFS' child care services for FY 2003-04.

Implementation of Strategic Plan Goals

The recommended action is consistent with the principles of the County Strategic Plan by increasing access to child care and development services (Goal #1-Service Excellence, Strategy #2-Design Seamless Service Delivery System), improving Children's Social Worker (CSW) effectiveness (Goal #3-Organizational Effectiveness, Strategy #2-Improve Internal Operations), allowing for full utilization of available funding (Goal #4-Fiscal Responsibility, Strategy #1-Manage Effectively the Resources We Have), and providing services for children and families across functional and jurisdictional boundaries (Goal #5-Children and Families' Well-Being, Strategy #1-Coordinate, Collaborate and Integrate Services for Children and Families).

FISCAL IMPACT/FINANCING

The FAPP Agreement has a MRA of \$12,584,114. The GAPP Agreement has an MRA of \$2,001,236. Funding for the FAPP and GAPP Agreements is included in the FY 2002-03 Adopted Budget. The CDE Agreements, which total \$14,585,350, are 100% revenue offset with Federal and State funds.

As derived from the definition of "Earned" in the funding terms and condition, a maximum of fifteen percent (15%) of each grant may be utilized for administrative costs. An additional maximum of ten percent (10%) of each grant may be used for support services. Accordingly, a minimum of seventy-five percent (75%) of each grant must be spent for direct child care provider services only.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In early 1997, the CDE identified additional resources and surveyed all of its contractors regarding the need for supplemental child care and development funding. At that time, DCFS had approximately 2,000 children on waiting lists for child care services and advised CDE that additional funding could be utilized for the DCFS Alternative Payment Program. Today, on average, approximately 3,625 children receive child care services each month through DCFS and less than 500 children remain on waiting lists for these services.

The Funding Terms and Conditions of the Federal and State Child Care and Development Alternative Payment funds require said funds to be used for children receiving DCFS child protective services. Child care is made available to families along with other County and community based services where children have been assessed to be safe in the home of their caretaker in an attempt to avoid out-of-home placement. Child care is also utilized to facilitate the reunification of children who have been placed out-of-home upon an assessment that the children can be safely reunited with their family. In those instances, even after reunification with their family or placement with a relative caregiver, continued child care services are often needed.

Contract Numbers FAPP-2029 and GAPP-2030 represent DCFS' regular Child Care and Development allocation from the CDE for FY 2002-03. Acceptance of the FAPP and GAPP Agreements will allow DCFS to continue to provide services for DCFS referred families through its own internal Child Care and Development Program and, to a much lesser extent, the APP Agencies as services from those agencies are phased out.

The term of each Agreement with CDE is July 1, 2002 through June 30, 2003. The Board filing date of the FAPP and GAPP Agreements was outside of DCFS' control as the contracts are prepared by CDE and were forwarded to the County for execution in late June. Since that time, the agreements have been undergoing necessary and required County reviews. These agreements are not subject to the County's policy relative to retroactive contracts, because the County is receiving funding from the State. Moreover, CDE allows counties to bill retroactively to July 1, 2002.

The Chief Administrative Office (CAO) and County Counsel have reviewed this Board letter and the FAPP and GAPP Agreements. The FAPP and GAPP Agreements have been approved as to form by County Counsel.

CONTRACTING PROCESS

In 1992, DCFS was originally awarded a Federal Block Grant to provide child care and development services to children and families receiving child protective services through DCFS. Based on the original recommendation of the Commission for Children and Families, the Child Care Planning Board and representatives from the APP Agencies, for FY 2000-01 DCFS contracted with all interested and authorized APP Agencies in Los Angeles County, utilizing FAPP funds adopted by your Board on August 1, 2000.

Pursuant to the August 1, 2000 approval by your Board of the child care and development services Form Agreement with fourteen (14) APP Agencies, the initial term of the Agreements between the County and the APP Agencies was from July 1, 2000 to June 30, 2001, with two (2) one-year optional extensions. Your Board delegated authority to the Director, or her designee, to exercise two option years to renew the Agreements for Child Care and Development Services with any or all of the APP Agencies effective July 1, 2001 through June 30, 2003. The Director has exercised the options to renew with thirteen (13) of the original fourteen (14) APP Agencies, one of the original APP Agencies having discontinued its operations.

The Agreements between the County and the APP Agencies expressly provide that the County has no obligation to pay for expenditures by the APP Agencies beyond the contract amount. Further, the APP Agencies will not be asked to perform services which exceed the contract amount, scope of work, or contract dates.

DCFS has evaluated and determined that the Living Wage Ordinance Program (County Code Chapter 2.201) does not apply to the FAPP and GAPP Agreements.

IMPACT ON CURRENT SERVICES

During the past year, approximately 3,625 children were enrolled each month in the DCFS Child Care and Development Program. Execution of the CDE contracts will allow DCFS to continue current child care and development services and to expand the services in FY 2002-03.

The Honorable Board of Supervisors
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CONCLUSION

Upon approval and execution by the Board of Supervisors, it is requested that the Executive Officer/Clerk of the Board send:

1. Two (2) signed originals of each of the executed Resolutions, Federal Certification Form [CO.8], and FAPP and GAPP Agreements to the California Department of Education, Contracts Office, P.O. Box 944272, Sacramento, California 94244-2720.
2. One (1) copy of the adopted Board letter, executed Resolutions and CDE Agreements to the Department of Children and Family Services, Attn: Theresa Wisda, Manager, Contract Administration, 425 Shatto Place, Room 205, Los Angeles, CA 90020.
3. One (1) copy of the adopted Board letter, executed Resolutions and CDE Agreements to the County Counsel, Children's Services Division, Attn: Kathleen Felice, Senior Deputy County Counsel, 201 Centre Plaza Drive, Monterey Park, California 91754-2143.

Respectfully submitted,

MARJORIE KELLY
Interim Director

MK:CJ

Attachments (5)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller