

MARIPOSA COUNTY

AGENDA

DATE: 12/19/00

BOARD OF SUPERVISORS

ACTION FORM

AGENDA ITEM NO.: CA-6

DEPARTMENT: Human Services Dept. BY: Cheryle Rutherford- Kelly PHONE: 966-3609
Social Services Division

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes ___ No X)

It is respectfully recommended that your Board allow us to enter into a short-term contract with Christine Beard, MBA, for fiscal consultation.

DISCUSSION:

This agency needs to ensure that we are accounting for all governmental monies in a manner that meets federal and state standards. There is almost no fiscal inter relationship between the departments operating under this agency. There is a need to be certain that we are drawing down federal and state money correctly and spreading indirect and overhead in a manner that does not subject the County to audit exception.

Each department under Human Services operates as a stand-alone unit. Only the salary of the director is spread somewhat proportionately between two agencies (social services and mental health). In reality, the proportions would not stand up to a strict federal or state audit not only because the proportions are estimates but because other departments also receive assistance and attention from the director. In fact, various departments receive assistance from more than one person which simply places us at very unnecessary risk of audit exception.

To ensure optimal fiscal and program operations, there is a need for integration. Programs need to be coordinated to stop gaps and duplications in service delivery and that effort is already underway. We must be sure that the programs we are delivering not only meet professional standard but are those for which we receive state and federal money. We must be accountable programmatically and fiscally. Fiscal accountability must commence at this time and I would like to hire someone with an excellent audit history that has been a fiscal officer in a Health and Human Services agency.

Ms. Beard was my fiscal officer in Lassen when the agency enjoyed the best program and fiscal operations in the State. She is currently an Assistant Administrative Officer. I would like Ms. Beard to: (1) review our budgets in relation to allocation letters; (2) analyze our claims process and balancing of books with the State and auditor; (3) review budget to expenditures; (4) review and make necessary revisions in overhead and draw down; (5) set up a budget for the entire department which includes an administrative umbrella unit and spread overhead and indirect throughout the department and through county operations that assist us.

It is absolutely necessary that we account properly for money. Existing staff are very conscientious and have made every attempt to bring the agency into compliance. However, they have not been expected to spread money across departments nor are they trained or paid to do so. We do not have a fiscal officer, which is one of the most critical positions in any multi disciplinary agency. Christine Beard has the expertise necessary to evaluate our operations and help us plan and implement a new system. She will be working with our accounting staff to further their knowledge base. Ms. Beard will be requested to discuss all of her findings and recommendations with Mr. Ken Hawkins, Auditor-Controller.

Fiscal integration is one component necessary not only to account for existing programs and money but to have a structure in place to undertake future projects through the divisions that are requested by the community and your Board.

No major change in fiscal operations will be implemented without approval from your Board. However, unless you direct otherwise, minor changes necessary to bring the agency into compliance would be implemented at once. Such change would not be implemented without the involvement of the Auditor-Controller as indicated above.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

We can continue the status quo. That is unwise because we may be unnecessarily vulnerable to audit exception. In fact, I was properly contacted by your Administrative Office and made aware of concerns about our budgets. To decrease the cost of this contract, we could simply forward the fiscal information to Ms. Beard. However, to do that does not give our staff the opportunity to expand their knowledge by working with someone with an excellent fiscal record.

FISCAL IMPACT:

There is no impact on local dollars. Ms. Beard would be paid \$50.00 per hour for fiscal consultation. Her travel expenses to and from the County and a reasonable per diem for room and meals would also need to be reimbursed.

This contract is to prevent negative fiscal impact and to begin to plan for a fiscal structure in Human Services that will allow for planned, positive growth. As your Board is well aware, the problem with an audit exception in this agency is that the County would have to pay back state and federal money drawn incorrectly with general funds. Any time that we have program errors, we place the County at risk. Any effort we make to decrease the risk of program and fiscal audit exception is important to the financial health of the County.

COSTS: () Not Applicable		SPECIAL INSTRUCTIONS:
A. Budgeted current FY	\$ <u>8,000</u>	List the attachments and number
B. Total anticipated costs	\$ <u>8,000</u>	the pages consecutively:
C. Required additional funding	\$ _____	_____
D. Internal Transfers	\$ _____	_____
SOURCE: () 4/5ths Vote Required		_____
A. Unanticipated revenues	\$ _____	_____
B. Reserve for contingencies	\$ _____	_____
C. Source description:	_____	_____
Balance in Reserve for Contingencies,	_____	_____
if approved: \$	_____	_____

CLERK'S USE ONLY:
 Res. No.: 00-443 Ord. No. _____
 Vote - Ayes: 4 Noes: _____
 Absent: 1 Abstained: _____
 Approved _____ () Denied _____
 () Minute Order Attached () No Action Necessary

ADMINISTRATIVE OFFICER'S RECOMMENDATION:
 This item on agenda as:
 Recommended
 Not Recommended
 For Policy Determination
 Submitted with Comment
 Returned for Further Action

The foregoing instrument is a correct copy of the original on file in this office.
 Date: _____
 ATTEST: MARGIE WILLIAMS, Clerk of the Board
 County of Mariposa, State of California
 BY: _____
 Deputy

Comment: _____

 A.O. Initials: WMA