

*Kathy Howell*

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Community Services Agency

BOARD AGENDA # \*B-7

Urgent

Routine

AGENDA DATE May 20, 2008

CEO Concur with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval of Amendment 2 to the Joint Exercise of Powers Agreement with the California Statewide Automated Welfare System Consortium IV (C-IV), a Joint Powers Authority and Approval of Three (3) Community Services Agency Staff to be Assigned to the C-IV Project Site During the Project Maintenance and Operations Phase - Community Services Agency

STAFF RECOMMENDATIONS:

1. Approve the revised Amendment 2 to the Joint Exercise of Powers Agreement with the California Statewide Automated Welfare System Consortium IV (C-IV), a Joint Powers Authority.
2. Authorize the Chairman of the Board of Supervisors to sign the revised and amended Joint Exercise of Powers Agreement.
3. Approve the continuation of three (3) Community Services Agency Staff to be Assigned to the C-IV Project Site during the Project Maintenance and Operations Phase  
(Staff Recommendations continued on Page 2)

FISCAL IMPACT:

Appropriations, estimated revenues, and maintenance of effort requirement of \$7,583,188 to support Stanislaus County's portion of the Statewide C-IV Project Budget have been included in the Community Services Agency's (CSA) Fiscal Year 2007-2008 Final Budget for CSA - Services and Support. The majority of the costs, \$7,137,916, represent vendor maintenance and operations support of the statewide system. The Joint Powers Authority costs are allocated at \$32,617 in Fiscal Year 2007-2008.  
(Fiscal Impact Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2008-354

On motion of Supervisor Grover, Seconded by Supervisor DeMartini

and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, DeMartini and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: Monteith

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:

*Christine Ferraro*

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk

File No.

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**STAFF RECOMMENDATIONS (CONTINUED):**

4. Authorize the Community Services Agency Director, or her designee, to sign the staff agreements for Fiscal Year 2008-2009.

**FISCAL IMPACT (CONTINUED):**

Approximately \$412,655 supports staff dedicated to C-IV automation, of which \$229,892 supports Stanislaus County staff assigned to the C-IV Rancho Cordova office. Staff located at the C-IV Project Site in Rancho Cordova, California will not be paid any long-term travel allotment during their assignment. Budget authority for the C-IV Project is provided annually as part of the State budget process. The CSA will monitor this authority and financial guidelines effecting C-IV to mitigate any possible exposures to the County. Appropriations and revenues for C-IV support in succeeding years will be included in the CSA's Services budget request for Services and Support. There is no additional cost to the General Fund as a result of these staff assignments.

**DISCUSSION:**

Chapter 303 of the Budget Act of 1995 mandated the development of a Statewide Automated Welfare System (SAWS), and authorized the development of a Multiple County Consortium Strategy as the foundation of the SAWS effort. This mandate authorized the automation of the Eligibility and Case Management functions of the various welfare programs. There were three consortiums in existence when this Budget Act was passed: LEADER, CalWIN, and Integrated Statewide Automated System (ISAWS). Due to technical, policy and business considerations, the counties of Merced, Riverside, San Bernardino and Stanislaus had not affiliated themselves with one of the three consortiums and agreed to partner as the fourth consortium; know as SAWS Consortium IV (C-IV).

On April 10, 2001, the Board of Supervisors authorized the Community Services Agency (CSA) to enter into a Memorandum of Understanding (MOU) between the C-IV Joint Powers Authority and Merced, Riverside, and San Bernardino Counties for the oversight of project development, implementation and maintenance and operations of the C-IV system. In April 2004, the C-IV system was implemented at CSA.

On February 13, 2007, the Board of Supervisors approved the Amendment 1 of the Joint Exercise of Powers Agreement that added thirty-five (35) Integrated Statewide Automated Welfare Systems (ISAWS) counties to the current C-IV Joint Powers Authority (JPA). The benefit of the increase in C-IV counties membership base is an opportunity to expand and improve the current C-IV system.

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On March 28, 2008 the C-IV Board of Directors met to revise the current Amendment of the Joint Exercise of Powers Agreement, to create Amendment 2. Section II of Amendment 2 now includes Section 2.7 Unfunded Costs, to delineate the areas of understanding and agreement between the consortium and the counties with regards to costs properly incurred by the Consortium, but designated by the State of California as ineligible for reimbursement by the State to the Consortium. These expenses are appropriate county business costs and can be supported through each county's Program Administration Allocation. Consortium costs that have received this designation include the Statement on Auditing Standards (SAS) Number 70 audit, the annual financial statement audits, the Joint Powers Authority insurance, and other administrative costs. The CSA agrees to contribute to the Consortium its share of Unfunded Costs in advance pursuant to California Government Code section 6504. At least one advance shall be schedule for each quarter of the fiscal year. These costs are included in the Community Services Agency's Service and Support Budget submission for Fiscal Year 2008-2009.

Managing a project of this magnitude and complexity requires a significant commitment of human resources for ongoing system maintenance and operations that will cover a minimum of a 10-year time period. In February 2001, the CSA was approved by the Board of Supervisors to have twelve positions temporarily located at the C-IV Project in Rancho Cordova during the Start-up and Implementation Phase of the project. The staff assigned from Stanislaus County actively participated in the start-up, implementation, and later maintenance and operations of this innovative system, while providing the necessary and insightful background knowledge of our own county needs. Staff are not only responsible for system enhancements but for on-going monitoring of the functionality of the system. System functionality includes the correct issuance of benefits to our customers and accurate monthly reporting to the State on mandatory data. Both the County and the project were well-served by providing the most talented staff to ensure the success of this huge project.

When the project transitioned from the Start-Up and Implementation Phase to the Maintenance and Operations Phase, the twelve (12) time-limited positions were deleted from the C-IV Operations budget. Three staff were selected for ongoing positions and appointed to a three (3) year assignment at the Rancho Cordova site. The staff did not receive extra living expenses or special travel allowances/allotments for this assignment. The agreements are now coming due in June 2008 and new agreements need to be established. In Fiscal Year 2009-2010 Budget submission and in future years, the agreements will be completed and included as part of the Budget submission. The three Stanislaus County staff

In addition, 35 ISAWS counties were scheduled to migrate in three waves to C-IV system from the state-operated ISAWS system. Stanislaus County staff will continue to work with 15 staff designated from other C-IV counties, four from Merced, three from Riverside and eight from San Bernardino, during the entire project. With staff located at the vendor's site, CSA can ensure that their specific needs are met.

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At this time due to the Governor's budget, the migration of the 35 counties to C-IV is in question but the four original counties currently using C-IV, including Stanislaus County, will continue to use the C-IV system.

**POLICY ISSUE:**

This revised Amendment 2 to the Joint Exercise of Powers Agreement supports the Board's priority of effective partnerships and efficient delivery of public services.

The approval of staff location at the C-IV project site supports the Board's priority of effective partnerships and efficient delivery of public services.

**STAFFING IMPACT:**

There is no staffing impact associated with this request.

**AMENDMENT 2  
OF THE  
MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN  
THE CALIFORNIA STATEWIDE AUTOMATED WELFARE SYSTEM  
CONSORTIUM IV AND THE COUNTY OF           STANISLAUS**

**INTRODUCTION**

The purpose of this Amendment of the MOU is to delineate the areas of understanding and agreement between the Consortium and the County with regards to costs properly incurred by the Consortium, but designated by the State of California as ineligible for reimbursement by the State to the Consortium. Consortium costs that have received this designation include, but are not limited to, the SAS 70 audit, the annual financial statement audits, the Joint Powers Authority insurance, and other administrative costs. The parties to this MOU also wish to make provision for payment in the event the State of California designates additional costs as ineligible for reimbursement to the Consortium.

NOW THEREFORE, the MOU is amended as follows, effective as of the date of the signature by County below:

1. Section II is amended to include:

**2.7. Unfunded Costs.** "Unfunded Costs" are costs properly incurred by the Consortium but designated by the State of California as ineligible for reimbursement to the Consortium by the State. On or before April 1st of each year, the Consortium, with the concurrence of the Consortium's member counties as defined in Section 2.07 of the Joint Exercise of Powers Agreement (of which County is a member), will approve a schedule of Unfunded Costs for the upcoming fiscal year (July 1st through June 30th). The Consortium will give County notice of the approved schedule within ten days of such approval.

**2.7.1.** County hereby agrees to contribute to the Consortium its share of Unfunded Costs, as determined by the Consortium in Section 3.8 below, in advance pursuant to California Government Code section 6504.

**2.7.2.** County shall also contribute an amount equal to any penalties, fines, finance charges, interest or other costs that may result in the event County's tardy payment(s) result in insufficient funds to pay the Consortium's expenses when due.

2.7.3. If, during the term of this MOU, County is unable to appropriate sufficient funds to meet its obligation under this Section 2.7, and there are no other legal procedures or available funds by or with which such obligations can be met, County shall have the right to terminate this MOU and withdraw its membership from the Consortium effective as of the end of that fiscal year by adoption of a resolution of withdrawal by County's Board of Supervisors, provided that a copy of said resolution has been served on all other county members of the Consortium by May 31st of that fiscal year. Withdrawal under this subsection shall not relieve County of any financial obligations or liability arising prior to the effective date of the withdrawal.

2. Section III is amended to include:

3.7. Intentionally left blank.

3.8. **Allocation of Unfunded Costs.**

3.8.1. The Consortium shall approve the basis on which Unfunded Costs are allocated to the County. On an annual basis, or more frequently as needed, the Consortium shall establish a schedule of required advances for the upcoming fiscal year. At least one advance shall be scheduled for each quarter of the Consortium's fiscal year.

Intentionally left blank.

3. All other terms and conditions of the MOU shall remain in full force and effect as originally approved.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed and attested by their proper officers thereunto duly authorized, and their official seal to be affixed, as of the day and year written.

Dated: 03/28/08

Consortium:

**California Statewide Automated Welfare System Consortium IV**

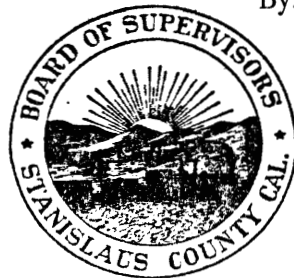
By: *Linda Haugan*  
LINDA HAUGAN, Chair  
C-IV Board of Directors

Dated: MAY 20 2008

County:

County of STANISLAUS

By: *Thomas W. Mayfield*  
Thomas W. Mayfield, Chairman  
Board of Supervisors



*Deputy County Counsel*  
*[Signature]* 4/14/08