

Administration and Financial Services

RECOMMENDED BUDGET • FY 2019-20

MISSION

The County of El Dorado, Health & Human Services Agency (HHS), Administration and Financial Services Department provides administrative and fiscal support to the seven programmatic departments of HHS including Behavioral Health, Public Health, Community Services, Social Services, Animal Services, Public Guardian and Veterans Affairs. The Department’s mission is to support programs and community stakeholders by providing financial information in an efficient, collaborative and consistent manner to ensure compliance with government regulation and fiscal accountability.

DEPARTMENT BUDGET SUMMARY

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Service Charges	3,462,206	4,770,574	5,498,985	728,411
Miscellaneous Rev	15	0	0	0
Total Revenue	3,462,221	4,770,574	5,498,985	728,411
Salaries & Benefits	6,865,099	7,459,654	7,680,869	221,215
Services & Supplies	1,878,107	2,188,677	2,246,634	57,957
Serv/Supply Abate	(552,421)	(710,000)	(710,000)	0
Intrafund Transfers	657,948	481,751	387,302	(94,449)
Intrafund Abatement	(3,929,037)	(5,066,672)	(6,274,457)	(1,207,785)
Total Appropriations	4,919,696	4,353,410	3,330,348	(1,023,062)
FUND 1000 GENERAL FUND TOTAL	1,457,475	(417,164)	(2,168,637)	(1,751,473)

MAJOR BUDGET CHANGES

Revenue

\$728,411 Increase in Charges for Services to other HHS programs based on a higher Indirect Cost Rate (ICR). The ICR is calculated on fiscal activity two years prior (FY 2017-18), and results in reconciliation of the over/under collections that occur over time.

Appropriations

Salaries and Benefits

\$95,018 Net increase due primarily to negotiated wage increases (\$129,775), and merit/step and other salary adjustments (\$82,139), offset by decrease due to deletion of 2.0 vacant FTEs, (1.0 Department Analyst I/II and 1.0 Sr. Office Assistant) (\$116,896).

\$128,648 Net increase due to increase in Stand By Pay (\$10,000), increased CalPERS retirement costs (\$169,412) and increase in County’s share of cost for health insurance benefits (\$67,762), offset by decreases in budgeted unemployment fund contribution (\$118,526).

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Services and Supplies

\$57,957 Net increase due primarily to Utilities rate increase (\$91,800), Building Rent and Leased Equipment increases (\$41,245), Printing Services increase for 2-1-1 services (\$1,500), offset by decreases in Professional Services (\$14,977) and Computer Equipment (\$63,150) to align budget with prior year actuals.

Intrafund Transfers

(\$94,449) Decrease primarily due to a reduction in A-87 Cost Plan charges for support from central service departments (\$93,366).

Intrafund Abatements

(\$1,207,785) Increase in charges (shown as a negative expense) to other departments within HHS related to higher Indirect Cost Rate (ICR) allocations (\$1,206,476).

PROGRAM SUMMARY

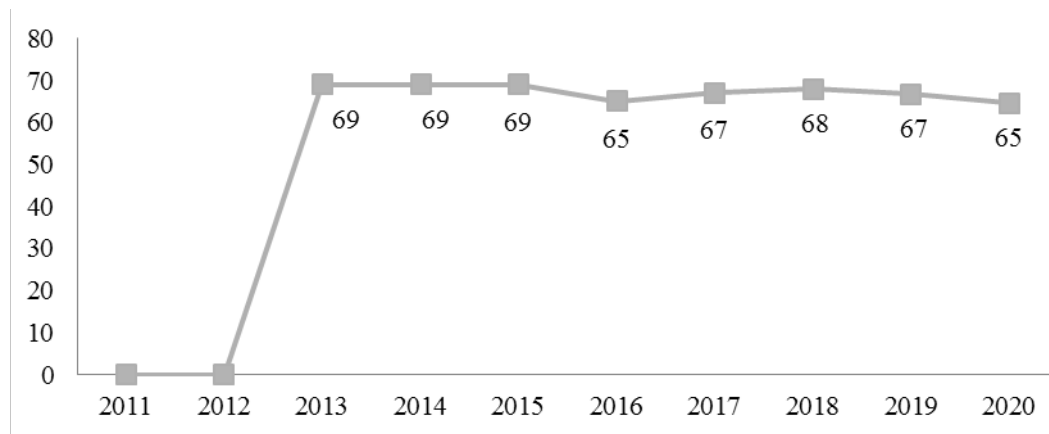
HHS Administration was created in July 2013 to provide efficiencies in administrative and fiscal support to the various programs in each of the seven programmatic departments of the Agency. The Department provides a wide range of services to the seven program departments, including maintaining and monitoring contracts, providing fiscal and budget support, coordination of facility maintenance, purchasing, billing, payroll, grant reporting, preparing items for submission to the Board of Supervisors, and internal personnel processing. The Department charges programs for use of its services and recovers costs from each of the seven departments of HHS through an Indirect Cost Rate (ICR).

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STAFFING TREND

Staffing for the Health and Human Services Agency (HHS) Administration and Financial Services Department reflects a net decrease of 1.1 FTEs for a total of 64.65 FTEs. This includes the deletion of 2.0 vacant FTEs (1.0 Department Analyst I/II and 1.0 Senior Office Assistant) as a result of reduced level of support for the Emergency Medical Response (EMS) and Emergency Preparedness and Response programs that are transferring to the Chief Administrative Office, as well as the transfer of 0.1 FTE Deputy Director to the Community Services Department for Homeless Emergency Aid Program (HEAP). These reductions are offset by the transfer in of 0.5 FTEs to HHS Administration from the Public Health division to support the Performance Management and Quality Improvement component of the Service Integration Program Plan (0.45 Department Analyst I/II, 0.05 Office Assistant) as well as the transfer in of 0.5 FTE Sr. Department Analyst from the Behavioral Health division.



RECOMMENDED BUDGET

The Budget is recommended at \$3,330,348, which is a decrease of \$1,023,062 (23.5%) when compared to the FY 2018-19 Adopted Budget, due to cost being shifted to other HHS programs and the Chief Administrative Office.

The General Fund cost for this Department is recommended at (\$2,168,637). Overall, the General Fund cost reflects a decrease of \$1,751,473 when compared to the FY 2018-19 Adopted Budget, due primarily to an increase in revenue based on the higher Indirect Cost Rate (ICR). Higher labor costs in other divisions result in increased collection of revenues via the ICR. The ICR percentage is calculated using FY 2017-18 actual costs. The timing difference between when costs are incurred and when they are allocated to other HHS divisions results in the incoming charges in a given year not exactly offsetting the outgoing allocations. As a result, revenues adjust each year and result in either under or over collection, thereby increasing or decreasing the General Fund cost in the given year.

The decrease is due primarily to an anticipated over-collection of budgeted revenues compared to the budgeted expenditures for FY 2019-20 in the amount of \$2,168,637, which results in a decrease in General Fund cost of \$1,751,473 from the prior year. The over-collection of revenue will be returned to programs through a future ICR calculation and application.

CAO Adjustments

No CAO adjustments were made.

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Source & Uses of Funds

The Health and Human Services Agency Administration and Financial Services Department was created to provide efficiencies in administrative and fiscal support to all the various programs across the agency. The Department allocates these fiscal and administrative costs to programs within the agency based on direct program salaries. All Administrative Department costs are funded from state, federal, realignment, donations/fees, and General Fund.

At the beginning of the fiscal year the Department calculates an Indirect Cost Rate (ICR) that is allocated to all Departments in the Health and Human Services Agency based on direct salary dollars. The ICR is based on actual audited costs from two years prior. Due to the nature of the ICR, some years will result in a return to General Fund while others will result in a Net County Cost. When using an indirect cost rate methodology, it is anticipated that over a two year period the costs of the Administration Department will be fully recovered (funded) by the programmatic departments. Although the Department is budgeting a decrease to Net County Cost for FY 2019-20 with a budgeted over collection of \$2,168,637, the Department under-collected in prior years. Over the past five years the Department has under-collected approximately (\$276,652), which will be returned to the General Fund in future years.

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ORGANIZATIONAL CHART

