



# County of El Dorado

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## Legislation Text

File #: 10-1309, Version: 1

Department of Human Services recommending the Board approve and authorize the Purchasing Agent to execute an Agreement for Services 267-S1111 with Devereux Cleo Wallace, a group home, for the provision of emergency shelter care and/or foster care placement services on an "as requested" basis, effective retroactive to August 1, 2010, due to an emergency placement of a child at this facility, and shall continue until terminated with a maximum annual compensation of \$125,000.

**FUNDING:** Federal and State Social Services Allocation with required County Share of Cost met primarily with realignment resources.

BUDGET SUMMARY:		
Maximum Annual Cost		\$125,000.00
Funding		
Budgeted up to	\$125,000.00	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$125,000.00	
Change To Net County Cost		N/A

**Fiscal Impact/Change to Net County Cost:** No change. Emergency shelter care services, which are necessary pending Court-ordered case disposition, require a 15% to 30% County share of cost. Court-ordered foster care placement services require a 40% to 60% County share of cost. The State reimburses the County for the Federal and State share of cost in a varying ratio based on an array of circumstances. A total of \$5,976,979 is included in the Department's budget for provision of emergency shelter care and foster care services during FY 2010-11. Funds for these services are budgeted annually based on projected need. The not-to-exceed annual compensation of \$125,000 allows for anticipated potential usage.

**Compensation:** Compensation is based upon the State-assigned Rate Classification Level of the group home/foster family agency providing services to the child placed at the facility. Payments to service provider are made monthly in arrears following notification that a child has been placed at the facility.

**Termination:** Agreement includes the County's standard Fiscal Considerations termination language as well as a provision for the County to terminate the Agreement without cause in seven (7) calendar days upon written notice.

**Background:** The Department of Human Services (DHS) is responsible for the administration and

provision of Child Welfare Services, which frequently involves the emergency removal of children from an unsafe situation or environment and is often followed by Court-ordered foster care placement to ensure the ongoing safety of the children. Under certain circumstances, voluntary placement of children may occur at the request of the parent(s) for a specified period of time. DHS currently maintains contracts with no stated end term for the purchase of emergency shelter and foster care placement services with multiple group home and foster family agency vendors locally, statewide and nationally to ensure the placement of children in the most appropriate location and environment to meet the widely varied needs of each individual child who requires placement.

While usage with a given vendor may be occasional or sporadic, it is necessary to maintain a contractual arrangement with as many vendors as possible in anticipation of potential child placement needs. When placement is Court-ordered with a non-contracted vendor, every effort is made to expedite execution of an Agreement retroactive to the actual placement date. DHS has determined that establishing contracts with group home/ foster care vendors that continue until terminated facilitates ongoing maintenance of these necessary Agreements and ensures the ongoing and immediate availability of appropriate placement options.

**Reason for Recommendation:** Agreement 267-S1111 for emergency shelter care and/or foster care placement services is with an out-of-state group home vendor. A child was placed with this vendor in August 2010 by the Department of Health Services, Mental Health Division and is expected to remain at the facility for at least the remainder of the fiscal year.

**Retroactive Term:** DHS is required to pay for children placed with State-approved group homes/foster family agencies, regardless of the existence of a contract between the vendor and the County. In such instances, every effort is made to contact the vendor as soon as practical to initiate the contract process. DHS received notification of the placement of the child in September 2010 and immediately contacted the vendor to initiate the contract process. On September 29, 2010 an application to begin the contract process was sent out. The application was received back from the vendor on October 15, 2010. The contract was drafted, approved by DHS staff and forwarded to County Counsel and Risk Management for review on October 21, 2010. The contract was approved by County Counsel and Risk Management and returned to DHS on October 27, 2010. The contract was forwarded to the Probation Department for signature on October 28, 2010 and returned to DHS on November 9, 2010. The contract was mailed to the vendor for signature on November 10, 2010 and received back from the vendor on November 30, 2010. The item was submitted for the next available date for consideration by the Board of Supervisors.

Due to the inherent unpredictability in actual usage of this vendor, the maximum annual compensation for this Agreement is recommended at \$125,000 based on current use. The cost for the current placement is approximately \$8,835 per month and the Fiscal Year 10-11 cost is expected to exceed \$97,185. The maximum annual compensation specified in this Agreement represents the not-to-exceed amount that may be received by the vendor during a single fiscal year. While the \$125,000 maximum annual compensation for this vendor may not be reached in any given fiscal year, this amount provides flexibility to DHS for any sudden increase in the need for multiple placements with this vendor. Services are only accessed "as needed" and "as requested." Working in conjunction with the CAO, the Department has established a tracking system that regularly monitors the level of expenditures for combined placement services as well as for each individual vendor. This tracking system allows DHS to ensure that overall expenditures remain within budget while also allowing sufficient time to amend any individual agreement for which actual placement

costs will exceed its annual not-to-exceed maximum compensation amount.

Human Resources has determined that the nature of services provided by the foster family agencies and group homes negates the need for their review and subsequent approval of the Department's intent to contract with each individual vendor.

**Purchasing Agent Recommendations:** The Purchasing Agent reviewed the Department's request to enter into this Agreement and concurs that it is not necessary to conduct a competitive selection process as the services are court ordered. The Department of Human Services (DHS) maintains purchase of services Agreements with multiple local, state and national vendors for the provision of emergency shelter care services for its clients to ensure that clients can be referred by their caseworker on an "as requested" basis to receive necessary services from the most appropriate and conveniently located vendor. Choice of vendor is based on the specific needs of each individual DHS client.

**Action to be taken following Board approval:**

1. Purchasing Agent to execute two (2) copies of the approved Agreement 267-S1111 and return one (1) original of the Agreement to Human Services at 3057 Briw Road.
2. Department to distribute the document as appropriate.

**Contact:** Daniel Nielson, M.P.A., x7275

**Concurrences:** County Counsel, Risk Management, Purchasing Agent and Human Resources.