



Legislation Text

File #: 18-0927, **Version:** 1

Health and Human Services Agency recommending the Board approve and authorize the Chair to sign a Budget Transfer Request increasing the Public Guardian Division appropriations by \$104,000; increasing the General Fund (GF) Use of Fund balance from Designations (Audit Reserve) by \$58,570, and decreasing GF appropriations for Animal Services by \$45,430. (4/5 vote required.)

FUNDING: General Fund.

DEPARTMENT RECOMMENDATION:

Health and Human Services Agency recommending the Board approve and authorize the Chair to sign a Budget Transfer Request increasing the Public Guardian Division appropriations by \$104,000; increasing the General Fund (GF) Use of Fund balance from Designations (Audit Reserve) by \$58,570, and decreasing GF appropriations for Animal Services by \$45,430. (4/5 vote required.)

DISCUSSION / BACKGROUND:

This Budget Transfer Request is being recommended at this time to ensure sufficient funding for HHSA costs related to additional services provided through the Human Resources Department and charged to the Public Guardian program, and to approve use of funds previously set aside in a reserve fund pending possible audit findings and the return of funds to the State.

On March 20, 2018, the Board approved and authorized Amendment I to Agreement #758 with Renne Sloan Holtzman & Sakai, LLP (File ID: 18-0408; Agenda No. 36) to increase the maximum obligation of the Agreement by \$100,000. Work under this agreement was performed through the Human Resources Department. Because the work related to this contract increase originated from the Public Guardian program, the direct cost was charged to HHSA. No budget transfer was presented for approval at that time, as there was the possibility that there would be sufficient program savings to cover the increased cost. It has been determined that savings within the Public Guardian program can cover all but \$45,430 of the \$104,000 charge. To ensure sufficient appropriations, HHSA recommends transferring the use of General Fund cost savings in Salaries and Benefits, and in Special Department Expense, for Animal Services, thereby decreasing Animal Services appropriations by \$45,430.

Additionally, the Public Guardian program has been in discussion with the State of California regarding audit finding from prior years. It has been determined that \$58,570 must be returned to the State of California. A reserve fund was set up in Fiscal Year 2016-17 in anticipation of possibly needing to return funds to the State. Therefore, a portion of the recommended budget transfer is to use the funds previously set aside in order to return funds to the State for this audit finding.

ALTERNATIVES:

Should the Board decide not to approve the Budget Transfer Request of \$104,000, the Public Guardian Division would not have sufficient appropriations to meet its expenditure obligations and would exceed its budget.

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

N/A

CAO RECOMMENDATION:

It is recommended that the Board approve this item.

FINANCIAL IMPACT:

The Net County Cost associated with this Agenda item is \$104,000, to be funded by salary/benefit and operational savings, and use of the General Fund reserve established for audits.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain signature of Chair on the Budget Transfer Request.
- 2) Clerk of the Board to forward signed Budget Transfer Request to the Auditor-Controller's Office for processing.

CONTACT

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