

Administration and Financial Services

RECOMMENDED BUDGET • FY 2022-23

MISSION

The El Dorado County Health & Human Services Agency (HHSA), Administration and Financial Services Department (Admin and Finance) provides administrative and fiscal support to the seven programmatic departments of HHSA, which include Behavioral Health, Public Health, Community Services, Social Services, Animal Services, Public Guardian, and Veteran Services. 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	FY 2020-21 Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Service Charges	3,203,824	3,702,148	4,065,280	363,132
Miscellaneous Rev	4	0	0	0
Total Revenue	3,203,828	3,702,148	4,065,280	363,132
Salaries & Benefits	6,719,348	7,140,365	8,460,490	1,320,125
Services & Supplies	816,631	2,365,358	2,502,816	137,458
Serv/Supply Abate	(315,545)	(1,523,976)	(1,540,352)	(16,376)
Intrafund Transfers	544,965	666,263	740,891	74,628
Intrafund Abatement	(4,406,943)	(4,689,865)	(5,453,576)	(763,711)
Total Appropriations	3,358,456	3,958,145	4,710,269	752,124
FUND 1000 GENERAL FUND TOTAL	154,628	255,997	644,989	388,992

MAJOR BUDGET CHANGES

Revenue

\$363,132 Increase in Indirect Cost Rate reimbursements and Executive Staff cost allocation charges that are based on the current agency organizational structure.

Appropriations

Salaries and Benefits

\$879,132 Increase in Salaries and Benefits due to the move of 1.0 FTE Director of Behavioral Health allocation, 1.0 FTE Deputy Director of HHSA Allocation, and 2.0 FTE Assistant Director of Human Services allocations from HHSA Departments to HHSA Administration and Finance in alignment with the revised Executive Staff Cost Allocation Plan.

(\$42,695) Decrease in Salaries and Benefits due to the move of 1.0 FTE Fiscal Assistant from HHSA Administration and Finance to Veteran Services. The allocation has been assigned 100% to Veteran Services but the budget was appropriated in HHSA Administration and Finance. To ensure the accuracy of the Indirect Cost Rate the budget for the allocation is being moved to Veteran Services.

\$42,497 Increase in Workers' Compensation charge due to a resumption of premium charges after a rate holiday in FY 2021-22.

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\$441,191 Increase in Salaries and Benefits costs primarily due to Board-approved compensation increases.

Services and Supplies

\$13,856 Increase in Insurance charges primarily due to a General Liability rate reduction in FY 2021-22.

\$139,961 Increase to Professional and Specialized Services for the Disaster Case Management Contract with Salvation Army to Caldor Fire recovery that is funded by the General Fund Caldor Fire Relief Designation.

(\$16,359) Decrease in Services and Supplies across multiple objects to align with projected costs.

Services and Supplies Abatement

(\$16,376) Increase in Service and Supply Abatements due to increased costs for Services and Supplies that are allocated to other divisions according to the Space Cost Allocation Policy.

Intrafund Transfers

(\$83,826) Decrease in Countywide Cost Allocation Plan charges.

\$158,454 Increase in Intrafund Transfers Out primarily due to the Indirect Cost Rate charges associated with Executive Staff, whose areas of responsibility cross divisions, being moved to the Administration Division for cost allocation to benefitting programs.

Intrafund Abatements

(\$763,711) Increase in Indirect Cost Rate charges and Executive Staff cost reimbursements from programmatic divisions.

PROGRAM SUMMARY

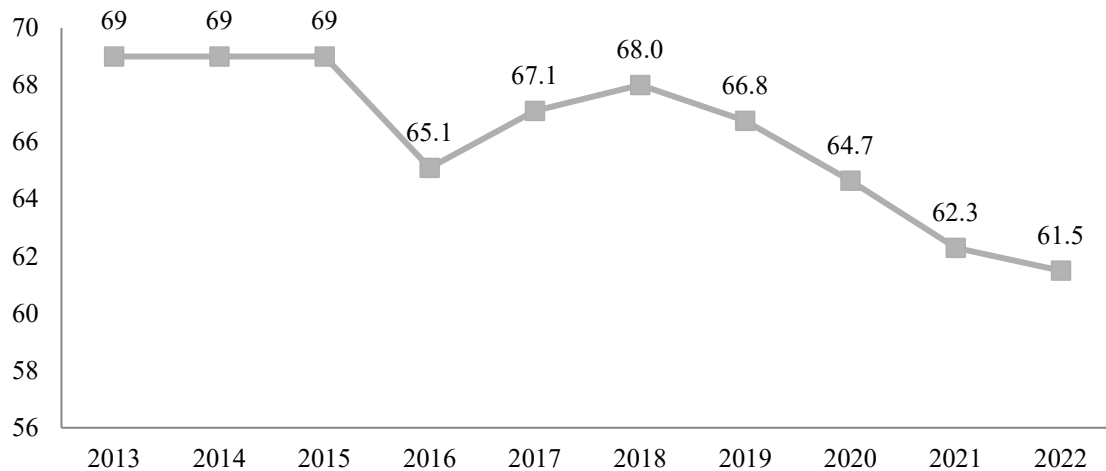
Administration and Finance was created in July 2013 to provide efficiencies in administrative and fiscal support to the various programs in each of the programmatic departments of the Agency. The Department provides a wide range of services to the seven departments, including maintaining and monitoring contracts; providing fiscal and budget support; coordinating 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 HHSA through an Indirect Cost Rate (ICR).

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STAFFING TREND

Staffing for Administration and Finance is recommended at 64.5 FTE allocations. The Recommended Budget includes the move of 1.0 FTE Director of Behavioral Health allocation, 1.0 FTE Deputy Director of HHSA Allocation, and 2.0 FTE Assistant Director of Human Services allocations from HHSA Departments to HHSA Administration and Finance in alignment with the revised Executive Staff Cost Allocation Plan. In addition, the budget includes the move of 1.0 FTE Fiscal Assistant from HHSA Administration and Finance to Veteran Services. The allocation has been assigned 100% to Veteran Services but the budget was appropriated in HHSA Administration and Finance. To ensure the accuracy of the Indirect Cost Rate the budget for the allocation is being moved to Veteran Services. It is recommended that the Board approve this shift in allocations as it does not increase HHSA's total FTE allocation.



RECOMMENDED BUDGET

This Budget is recommended at \$4,710,269, which is an increase of \$752,124 (19%) when compared to the FY 2021-22 Adopted Budget.

The General Fund cost for this Department is recommended at \$644,989. Overall, the General Fund cost reflects an increase of \$388,992 when compared to the FY 2021-22 Adopted Budget. This is related to the Disaster Case Management Contract of \$139,961 and an over collection of revenue from other HHSA programs for the Indirect Cost Rate (ICR) in FY 2020-21 based upon lower actuals than budgeted indirect costs. Due to the variance between budget and actuals, ICR collections may exceed or not meet Administration and Finance costs, resulting in an under or over collection. When utilizing an indirect cost rate methodology, it is anticipated that over a two-year period the costs of HHSA Administration will be fully recovered by the programmatic departments.

The ICR methodology was changed in FY 2019-20 to be calculated using budgeted costs that are adjusted by the prior period carryforward amount, over a base of budgeted department program salaries, instead of prior year actual costs. This change resulted in a more stable ICR year over year, which reduced the significant swings in over and under collections and reduced the cyclical financial burden on programs.

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CAO Adjustments

Health and Human Services Agency requested the addition of 1.0 FTE Accountant I/II allocation in the Recommend Budget. The increased allocation was deferred in the Recommended Budget, and will be considered in the fall with the Adopted Budget.

The Department requested a Grant Management Software Service that would assist managing grants across HHSA departments. Health and Human Services Agency is working with Information Technologies to determine the appropriate software solution that could possibly be implemented as a countywide solution. This project was deferred in the Recommended Budget to give the department more time to determine the scope and solution, and will be considered in the fall with the Adopted Budget.

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 programs across the agency. The Department allocates these fiscal and administrative costs to programs within the agency based upon direct program salaries. Administration and Finance costs are funded from state, federal, realignment, donations/fees, and General Fund.