

# Administration and Financial Services

## RECOMMENDED BUDGET • FY 2024-25

### RECOMMENDED BUDGET

The budget for the Health and Human Services Agency (HHS) Administration and Financial Services Division (Admin and Finance) is recommended at \$5,566,767, which is an increase of \$606,162 (12%) when compared to the FY 2023-24 Adopted Budget. The increase in appropriations is the result of the addition of 2.0 FTE allocations during FY 2023-24 and 3.0 FTE allocations with the Recommended Budget. This additional staff is to assist the Administration and Financial Services Division with meeting state and federal mandates primarily related to CalAIM, Care Court, disaster reimbursement, and the Housing and Homelessness Program.

The General Fund cost for this Division is recommended at \$466,344. The General Fund cost primarily relates to the true-up of the over-collection of revenues from HHS programs that fund the Administration and Financial Services Division, through the carry-forward calculation that is part of the annual Indirect Cost Rate (ICR) Plan. 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 HHS Administration will be fully recovered by the programmatic departments which can cause fluctuation in ICR amounts and the General Fund cost of the Administration and Finance Division. With the FY 2023-24 Adopted Budget the Board designated \$250,000 of General Fund savings that was the result of an over-collection in FY 2022-23. The Recommended Budget includes the use of the \$250,000 designation, which shows as a revenue in General Fund General Revenues and Non-Departmental Expenses (Department 15) budget. The use of this designation helps smooth the General Fund impact of the ICR true up process, and if possible is recommended for use in future years.

### DEPARTMENT BUDGET SUMMARY

Description	FY 2022-23 Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
IG Rev - State	3,177	0	0	0
IG Rev - Federal	38,120	0	0	0
Service Charges	3,814,437	4,743,833	4,910,423	166,590
Miscellaneous Rev	1,775	0	0	0
Other Fin Sources	6,993	0	190,000	190,000
<b>Total Revenue</b>	<b>3,864,501</b>	<b>4,743,833</b>	<b>5,100,423</b>	<b>356,590</b>
Salaries & Benefits	7,965,357	9,239,483	9,945,249	705,766
Services & Supplies	1,073,323	2,440,232	2,471,381	31,149
Serv/Supply Abate	(571,689)	(1,531,739)	(1,389,569)	142,170
Other Charges	174,111	0	0	0
Fixed Assets	6,993	0	119,609	119,609
Intrafund Transfers	724,696	1,145,722	1,253,849	108,127
Intrafund Abatement	(5,275,286)	(6,333,093)	(6,833,752)	(500,659)
<b>Total Appropriations</b>	<b>4,097,507</b>	<b>4,960,605</b>	<b>5,566,767</b>	<b>606,162</b>
<b>FUND 1000 GENERAL FUND TOTAL</b>	<b>233,005</b>	<b>216,772</b>	<b>466,344</b>	<b>249,572</b>

# Health and Human Services Agency

RECOMMENDED BUDGET • FY 2024-25

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## MAJOR BUDGET CHANGES

### Revenue

#### *Services Charges*

\$166,590 Increase in Indirect Cost Rate reimbursements and executive staff cost allocation charges, which recovers the cost of the Administration and Financial Service Division from the HHS programs that it serves.

#### *Other Financial Sources*

\$190,000 Increase in Operating Transfers In of American Rescue Plan Act funding for a security camera improvement project from FY 2023-24 that is being carried over into FY 2024-25.

### Appropriations

#### *Salaries and Benefits*

\$191,440 Increase in Salaries and Benefits due to the Board-approved addition of 1.0 FTE Fiscal Technician allocation and 1.0 FTE Accountant I/II allocation during FY 2023-24.

\$333,975 Increase in Salaries and Benefits due to the addition of 1.0 FTE Fiscal Technician, 1.0 FTE Sr. Accountant, and 1.0 FTE Sr. Administrative Analyst allocation with the Recommended budget.

(\$58,311) Decrease in Salaries and Benefits expenses due to the transfer of 0.5 FTE Administrative Analyst allocation from the Administration and Financial Services Division to Public Health.

\$5,564 Increase in Salaries and Benefits due to the move of 0.05 FTE Program Manager allocation from Community Services to the Admin and Finance.

\$155,205 Increase in Salaries and Benefits expenses primarily due to vacancies in the Division and Health Insurance cost increases.

\$124,413 Increase in CalPERS employer's contribution, primarily due to increases to the County's unfunded accrued liability payment.

(\$83,399) Decrease in Retiree Health Program charges due to a rate holiday to conserve General Fund costs.

\$36,879 Increase in Workers' Compensation premium charge.

#### *Services and Supplies*

\$10,821 Increase in General Liability premium expense.

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\$118,888	Increase in Professional Services primarily due to security camera monitoring added during FY 2023-24 that is being carried over to FY 2024-25 and a small increase to existing contract.
(\$99,560)	Decrease in On-Line Subscriptions due to the discontinuation of 2-1-1 services during FY 2023-24.
\$12,000	Increase in Software for the implementation of Fleet Telematics to ensure employees in the field can be located and ease the administrative burden of fleet-use tracking, using the same system as other County departments.
(\$11,000)	Increase due to adjustments across multiple objects to align the budget to actual costs.

## *Services and Supplies Abatement*

\$142,170	Increase in Services and Supplies Abatements due to increased costs for Services and Supplies that are allocated to other divisions according to the Space Cost Allocation Policy.
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## *Fixed Assets*

\$119,609	Increase in Fixed Assets for a security camera project added during FY 2023-24 that is being carried over to FY 2024-25.
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## *Intrafund Transfers*

\$108,127	Increase in Intrafund Transfers Out primarily due to the Countywide Cost Allocation Plan.
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## *Intrafund Abatements*

(\$500,659)	Increase in Intrafund Abatements (shown as a negative expense) due to Indirect Cost Rate charges, space allocation, and executive staff cost reimbursements from programmatic divisions.
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## MISSION

The HHS Administration and Financial Services Division (Admin and Finance) provides administrative and fiscal support to the seven programmatic divisions of HHS, which include Behavioral Health, Public Health, Community Services, Social Services, Animal Services, Public Guardian, and Veteran Services. The Division'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.

## 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 Division provides a wide range of services to the seven divisions, including maintaining and monitoring contracts; providing fiscal and budget support; coordinating facility maintenance, purchasing, billing, payroll, grant

# Health and Human Services Agency

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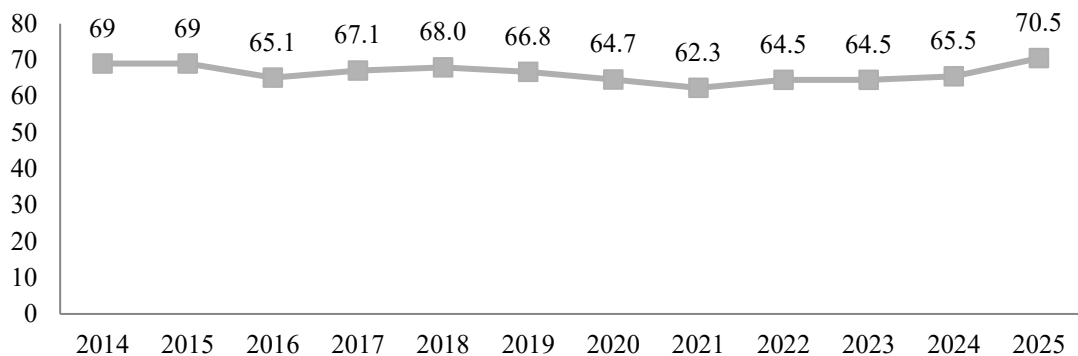
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reporting; preparing items for submission to the Board of Supervisors; and internal personnel processing. The Division charges programs for the use of its services and recovers costs from each of the seven HHSA divisions through an Indirect Cost Rate (ICR).

### STAFFING TREND

Staffing for Administration and Finance is recommended at 70.5 FTE allocations, a 5.0 FTE increase from the FY 2023-24 Adopted Budget. After the adoption of the FY 2023-24 Budget, the Board approved the addition of 1.0 FTE Fiscal Technician and 1.0 FTE Accountant I/II on April 23, 2024 (Legistar item 24-0219). The Recommended Budget includes the addition of a 1.0 Fiscal Technician allocation to replace the long-term use of an extra-help employee. The Recommended Budget also includes the addition of a Sr. Accountant and Sr. Administrative Analyst to increase the capacity of the Division to proactively respond to changes in financial reports and administrative processes, particularly in monitoring legislation that will impact the Division and HHSA programs. Additionally, a 0.5 FTE Administrative Analyst allocation is being moved to the Public Health Division and a 0.05 FTE Program Manager allocation is being moved from Community Services to Admin and Finance to better reflect the workloads of the allocations.

During FY 2023-24, one vacant Administrative Analyst I/I and one vacant Office Assistant I/II were alternately filled with two Administrative Technician allocations due to changing programmatic needs. The Recommended Budget revises the allocation to match the current classification of the allocation.



### SOURCE & USES OF FUNDS

The Health and Human Services Agency Administration and Financial Services Division 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 on direct program salaries. Administration and Finance costs are funded by state, federal, realignment, donations/fees, and General Fund.