

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 12, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: BUDGET MEMO # 15 RESPONSES TO DEPARTMENT OF HUMAN SERVICE RELATED QUESTIONS

The following are in response to questions regarding the Department of Human Services ("DHS") 2011 Proposed Budget. The numbering is excerpted from an email dated March 7, 2010:

23. *Why there are 8 Full-Time Employees (FTE) positions on hold instead of eliminated?*

DHS is required by the Virginia Department of Social Services to maintain a list of positions in the Local Employee Tracking System ("LETS"). Only positions in LETS are eligible for State reimbursement. The administrative process to add a position in LETS is onerous, while vacating a position is relatively routine. We proposed to unfund rather than eliminate positions so that when resources become available in the future the City can quickly fill these positions and draw down State funds while avoiding the drawn out administrative process required to add a position to LETS. Additionally, since DHS is the safety net for the city and services are delivered through positions, this gives the department flexibility should a funded position be vacated; State funding could then be captured and transferred based on critical need. In order to obtain new General Fund resources to fund these positions, the Department would be required to submit a supplemental budget request and compete for available resources in future budget years.

24. *Please describe the source of funds and use of funds for Project Discovery and is it impacted by state cuts?*

For FY 2010, Project Discovery (PD) depends on four funding sources:

- State funding (\$63,430);
- Alexandria City Public Schools contribution (\$50,000);
- Youth Fund Grant (\$18,000); and
- PD Advisory Board fundraised dollars (\$15,000).

In addition, DHS provides significant in-kind support, including: program administration, oversight and Advisory Board support; office space; and supplies. These funds allow the program to serve 131 students per year, and support two staff positions, four college tours, individual and group sessions, and parent workshops. A proposal currently before the House

would eliminate \$62,694 in state funds for Project Discovery. The elimination of State funds would result in the loss of one FTE. If all other funding sources remain constant, the program would be required to restructure in order to serve approximately 65 students.

25. *What would be the budget impact of moving the VPI program over to the schools?*

The program would no longer be managed by DHS staff and the estimated \$810,000 of grant funds would no longer be reported in the DHS budget. A separate budget memo containing additional information on VPI will be sent to City Council.

26. *Why is there a \$250K increase in regulatory costs for Office of Early Childhood Development?*

This is an error due to the over-allocation of the staff in Child Care Assistance to this activity. This mistake was inadvertently made during our ongoing efforts to allocate staff to activities in order to more accurately reflect how their time is spent. Revised pages of budget text are being provided for the Joint Work Session on Education & Youth.

27. *Early childhood programs should have metrics for 2010 that include to better PALS scores, not just the status quo. What would staff suggest to increase the metric goals to?*

FY 2010 is the first year Alexandria City Public Schools (ACPS) will carve out the Kindergarten PALS (K-PALS) scores of children who attended the Virginia Preschool Initiative (VPI) programs in the year prior to kindergarten. Therefore, the City will be able to compare K-PALS scores of children from VPI programs with those of children who attended other private full-day programs, Head Start or those who did not attend any preschool.

ACPS scores from the fall of 2005 (the most recent period for which we have data) indicate that 83% of Head Start (HS) children met or exceeded the benchmark “passing” scores of the K-PALS. This compares favorably with children from full-day (including VPI) preschool programs, (78%) and children who attended family child care or stayed at home (65%). Given that HS and VPI children are the most disadvantaged and at-risk for school failure; the high pass rate suggests that a full-day immersion program is helping to close the achievement gap at school entry.

However, the scores reported above are from one year only, which may reflect a trend or may only reflect an unusual year. Given the limitations of our current knowledge, we have set an 80% “pass” rate for the PALS in the fall of the kindergarten year as the most reasonable target. With new data sharing agreements that are being pursued with the schools, we will be able to track children’s trajectories across preschool programs into Kindergarten and across the Kindergarten year, to ascertain: (a) the predictive validity of Fall K-PALS for future reading success in Spring Kindergarten and first grade; and (b) trends in Fall K-PALS pass rates across years, overall and by different groups (such as English Language Learners). This information will allow us to review the 80% pass rate to determine whether it is adequate or needs to be adjusted.

28. *Please explain the foster care staff increases and adoption cost increases.*

Following adoption of the FY 2010 budget, DHS and the Office of Management and Budget (OMB) reconciled the number of FTE's for these activities and found that there were two approved FTE's in Child Welfare Services that were inadvertently omitted from the FY 2010 position count. These positions have been included in the FY 2011 proposed budget and the Department's FTE count was adjusted (see footnote on page 15-4 of the proposed budget).

The funding for adoption subsidies is 100% funded through the VDSS. The adoption subsidy was \$2,015,872 in FY 2009. When the FY 2011 budget was developed, the adoption subsidy was projected for FY 2010 at \$1,967,523 and therefore this is the amount used in the proposed FY 2011 budget.

29. *Please explain staff's thinking behind using \$150K savings in Companion Aid to offset state freeze of Medicaid waiver program?*

In FY 2009 and thus far in FY 2010, the staff has seen clients that are older, sicker and more frail than ever before. Staff has worked diligently to screen clients for eligibility for the Medicaid Home and Community-Based Waiver program in an effort to spend fewer City General Fund dollars and provide more hours of care. During that time, 158 clients were placed in the Medicaid Waiver program. Those clients will continue to be served through the Waiver Program in FY 2011. However, the State is considering freezing the number of waiver slots for one year and/or changing the financial eligibility requirements, which will result in fewer people being served in that program and more people being served by the Companion Aide program. For that reason the budget does not propose taking the full savings of \$300,000 that was realized in FY 2009 by relying more on the Medicaid Wavier program for funding.

30. *Will Campagna Kids savings allow us to serve more kids? If not, why?*

After release of the City Manager's proposed FY 2011 budget, staff continued discussions with The Campagna Center's Executive Director to discuss the impact of the proposed \$53,010 reduction option for the Campagna Kids Program. Through program restructuring and an ongoing commitment to implementing administrative and programmatic efficiencies, TCC has stated it will continue to have the capacity to serve 700 children. An amendment to the projected number to be served of 650, and the reduction option language on pages 15-14 and 15-23 respectively will be reflected in the budget document.