



STAFF REPORT

ITEM NO. 2

DATE: JUNE 5, 2012
TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
FROM: ROD FOSTER, CITY MANAGER *[Signature]*
PREPARED BY: BILL SMITH, DIRECTOR OF COMMUNITY SERVICES *[Signature]*
SUBJECT: CONTRACT AMENDMENT – DEPARTMENT OF EDUCATION

RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution R-16-12, approving an amendment to the contract with the California Department of Education (DOE) for preschool services in the Community Services Department. This amendment will reduce the minimum days of operation for fiscal year 2011-12, from 180 to 178, due to a recent, unexpected closure for two days.

GOAL STATEMENT

The proposed action will support the City's goal to continue to provide excellence in early childhood education, and to operate programs in a fiscally responsible manner.

BACKGROUND

The Human Services Division of the Community Services Department operates a State Preschool Program, in partnership with Sierra Vista Baptist Church in Colton. This program is funded by the California Department of Education, and governed by the terms of DOE contract CSPP-1426, which was approved by City Council on July 5, 2011. According to the Funding Terms & Conditions of this contract, the Minimum Days of Operation (MDO) for the program is 180, and the number of Certified Days of Enrollment (CDE) is 12,842. Compliance with these numbers is necessary for the program to earn the Maximum Reimbursable Amount of the contract, which is \$441,510.

On the evening of Wednesday, May 2, 2012, Sierra Vista Baptist Church had a burglary, resulting in the theft of three circuit breakers from the church. This event caused a complete electrical failure at the church, and staff determined that the resulting facility environment was not suitable to operate the Preschool Program, until repairs could be effectuated. As a result, the Program was cancelled on the following Thursday and Friday, May 3 and 4. This cancellation caused the loss of 2 MDO's, and 222 CDE's, when compared to attendance for the previous week.

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California DOE Management Bulletin 10-09 (included as an attachment) provides against loss of funds due to circumstances beyond the control of the contractor. In order to invoke the provisions of Management Bulletin 10-09, the contractor's governing body must adopt a resolution that fully describes the nature of the emergency condition and the effect on program operations.

ISSUES/ANALYSIS

Approval of this resolution will allow the Preschool Program to earn its Maximum Reimbursable Amount under the contract, despite this unanticipated interruption of service.

FISCAL IMPACTS

There is no General Fund impact to this action. Approval of this action will allow the Preschool Program to earn its Maximum Reimbursable Amount under the contract. Non-approval of this action will likely require a subsequent budget adjustment, reducing both revenue and expenditure allocations in the Childcare Fund for fiscal year 2011-12.

ALTERNATIVES

1. Provide alternative direction to staff.

ATTACHMENTS

Resolution R-16-12
California Department of Education Management Bulletin 10-09

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RESOLUTION NO. R-16-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLTON AMENDING THE CONTRACT WITH THE CALIFORNIA DEPARTMENT OF EDUCATION FOR PRESCHOOL SERVICES TO REFLECT AN UNANTICIPATED REDUCTION IN THE MINIMUM DAYS OF OPERATION

WHEREAS, the Human Services Division of the Community Services Department currently operates a Preschool Program, in partnership with Sierra Vista Baptist Church, which is funded by the State of California Department of Education, through State Contract CSPP-1426, and;

WHEREAS, this State Preschool Contract CSPP-1426 has a Minimum Days of Operation requirement of 180 days, and a Certified Days of Enrollment requirement of 12,842 days, in order to earn the Maximum Reimbursable Amount of the contract, and;

WHEREAS, on the evening of Wednesday, May 2, 2012, the Sierra Vista Baptist Church had a burglary which resulted in conditions, including a complete loss of electricity, which were unsuitable to operate the Preschool Program, and;

WHEREAS, the Preschool Program was cancelled on Thursday, May 3, and Friday, May 4, 2012, to ensure the safety of participants, until repairs could be completed restoring the facility to a suitable condition to safely operate the Preschool Program, and;

WHEREAS, this two-day closure resulted in the loss of two Minimum Days of Operation, and 222 Certified Days of Enrollment, when compared to the attendance level of the previous week, and;

WHEREAS, California Department of Education policy, as related in Management Bulletin 10-09 provides against loss of funds due to circumstances beyond the control of the contractor, and;

Management Bulletin 10-09

Child Development Division

Subject: Reduced Days of Operation or Attendance Due to Emergency Conditions	Number: 10-09
Authority: California <i>Education Code</i> Section 8271	Date: October 2010
	Expires: Until Rescinded

Attention: Executive Officers and Program Directors of all Child Care and Development Programs

Purpose

The purpose of this Management Bulletin, which supersedes Management Bulletin 09-16, is to remind agencies that California *Education Code (EC)* Section 8271 provides against loss of funds due to circumstances that are beyond control of the contractor.

Background

This Management Bulletin, which supersedes Management Bulletin 09-16, is to remind agencies that *EC* Section 8271 provides against loss of funds due to circumstances that are beyond control of the contractor. It states:

In the event that operating agencies are unable to operate due to incomplete renovations authorized by administering state agencies, or due to circumstances beyond the control of the operating agency, including earthquakes, floods, or fires, such programs shall not be penalized for incurred program expenses nor in subsequent annual budget allocations.

Circumstances beyond the control of operating contractors include, but are not necessarily limited to:

1. Earthquakes
2. Floods
3. Fires
4. Epidemics
5. Impassable roads
6. The imminence of a major health or safety hazard, as determined by the local health department or law enforcement agency
7. A strike affecting transportation services for children provided by a non-agency entity
8. Incomplete facility renovations authorized by the California Department of Education, pursuant to California *Education Code* sections 8277.1 and 8277.2
9. State of California budget impasse

Policy

Whenever a contractor's days of operation are reduced for any of the above reasons, and the reduction in days of operation did not require the contractor to reduce staff through layoffs or unpaid furloughs, the contractor's governing board, or the executive office for contractors not having a governing board, must adopt a resolution that clearly and fully describes the nature of the emergency condition as well as the specific effect on program operations. The resolution should include:

- Dates program operation was necessarily suspended or substantially reduced
- Daily attendance for both certified and non-certified children for the week prior to the date operation was suspended or reduced

Whenever the contractor's days of operation are reduced because of a state budget impasse and this reduction requires the contractor to reduce staff through layoffs or unpaid furloughs, the contractor may request reimbursement for ongoing administrative and operational expenses that occurred during the emergency closure. The contractor's governing board, or the executive office for contractors not having a governing board, must adopt a resolution that clearly and fully describes the nature of the emergency condition as well as the specific effect on program operation. The resolution should include:

- Dates program operation was suspended
- A detailed list of actual program expenses incurred during the period of closure

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Application Submission Requirements

The resolution should be faxed, e-mailed, or mailed to the appropriate Field Services Office Consultant in the Child Development Division (CDD). Upon receiving the resolution, the CDD will jointly review the information with Child Development Fiscal Services to determine the amount of reimbursement for actual program expense incurred during the period of closure or reduced operation. Funding in subsequent fiscal years will not be affected by the above, contingent upon the availability of funds appropriated in the Annual Budget Act.

If you have any questions, please contact your assigned CDD Field Services Consultant or by phone at 916-322-6233.

This Management Bulletin is mandatory only to the extent that it cites a specific statutory and/or regulatory requirement. Any portion of this Management Bulletin that is not supported by a specific statutory and/or regulatory requirement is not prescriptive pursuant to California Education Code Section 33308.5.

Questions: Child Development Division | 916-322-6233

California Department of Education
1430 N Street
Sacramento, CA 95814

Last Reviewed: Wednesday, September 07, 2011

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