



Legislation Details (With Text)

File #: 15-0684 **Version:** 1 **Name:** DHHS - Refund to CDPH of prior-year grant funds
Type: Contract **Status:** CCIS
File created: 6/29/2015 **In control:** City Council
On agenda: 7/21/2015 **Final action:** 7/21/2015
Title: Recommendation to authorize the refund of prior-year grant funds to the California Department of Public Health (CDPH) in the amount of \$121,641, plus interest. (Citywide)
Sponsors: Health and Human Services
Indexes:
Code sections:
Attachments: 1. 072115-C-12sr.pdf

Date	Ver.	Action By	Action	Result
7/21/2015	1	City Council	approve recommendation	Pass

Recommendation to authorize the refund of prior-year grant funds to the California Department of Public Health (CDPH) in the amount of \$121,641, plus interest. (Citywide)

	Amount
Unallowable Personnel Costs for Contracted Temporary Staffing	\$98,200
Unallowable Indirect Costs Related to Personnel	13,560
Operating Expenses for Parking at St. Mary's Medical Center	<u>9,800</u>
	Total: <u>\$121,641</u>

The State Controller’s Office (SCO) performed a biannual financial audit of the Women, Infants and Children (WIC) Program, administered by the Department of Health and Human Services, for the period of October 1, 2010 through September 30, 2011. The audit resulted in findings that, in Fiscal Year 2011, WIC claimed, and was reimbursed, \$121,641 for unallowable operating expenses as follows:

The CDPH WIC office considers a temporary staffing agency to be a third-party contract. Any subcontracts over \$5,000 require prior State WIC approval. The City of Long Beach WIC office employed temporary workers to fill vacancies to ensure deliverables were met for grant-funded activities. The CDPH WIC office also considers the use of maintenance personnel to be an unallowable cost, due to the fact that they are not directly involved in the delivery of the WIC services. Costs for the purchase of parking permits for WIC employees located at the St. Mary’s Medical Center Campus were also found to be an unallowable operating expense.

This matter was reviewed by Deputy City Attorney Linda Vu on June 24, 2015, and by Budget Management Officer Victoria Bell on July 25, 2015.

City Council action is requested on July 21, 2015 to allow the Health Department to expedite the refund check to the California Department of Public Health.

This refund of \$121,641, plus interest, will be paid from the Health Fund, and offset by a transfer of funding from the General Fund to the Health Fund for this obligation. Sufficient funds are currently appropriated in the Health Fund (SR 130) in the Department of Health and Human Services (HE). There is no local job impact associated with the recommended action.

Approve recommendation.

KELLY COLOPY
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:

PATRICK H. WEST
CITY MANAGER