

TO: Juvenile Welfare Board Members

FROM: James E. Mills, Executive Director
Lisa A. Sahulka, Director of Programs & Finance

Requested Action

The Board is requested to approve the recommended policy changes regarding funding, evaluation, finance, and budget.

Options

- 1. Approve the request
- 2. Deny the request
- 3. Any other action the Board deems appropriate.

Recommended Action

Approve policies 2-1 through 2-24.5 located in Attachment I.

Source of JWB Funds

None

Fiscal Impact

None

Narrative

Over the past year the Board has encouraged the staff to formalize funding practices and policies in a manner which can be better disseminated to the community. The first step in this process was the issuance of a Funding Guide for FY 99-00. A second phase of this effort was a review of fund, evaluation and fiscal policies to update and codify the Board's policies. In addition to extensive staff review, a meeting was convened with funded agency executive directors to gather feedback regarding the draft policy revisions.

Key revisions to policy include:

Strategic Plan Principles

- ◆ A key component of the Strategic Plan implementation process was a renewed approach to resource allocation that was strategic plan based. Policies have been revised in order to ensure a higher degree of consistency between resource allocation policies and the strategic direction of the JWB.
- ◆ Policies have been refined to more clearly focus on the principles of the Strategic Plan and its emphasis on development and prevention. These programs are to be research-based, community focused, and promote positive youth development, family support, and resiliency.

Results Management System

- ◆ Clarification of the Strategic Plan's focus on renewable multi-year funding commitments tied to the ASSET process. This policy impacts particularly the projected +\$25 million in Continuation Funded programs during FY 00-01 and thereafter.
- ◆ Staff recommends refining the board policies to define the standards and processes by which Continuation Funded contracts will be renewed at the conclusion of the three-year funding cycle. In order to receive recommendations for Continuation Funding programs must meet complete a satisfactory ASSET review, which includes 1) successful implementation of the program methodology; 2) meeting minimum services levels and 3) the delivery of negotiated measurable objectives.
- ◆ Recommended policy revisions provide systematization of the Results Management System to measure program effectiveness as well as progress on the three critical concerns identified by the community. All programs will be reviewed in the context of both programmatic objectives and the community's progress toward overall Strategic Plan results.

Funding Requests

- ◆ JWB's primary funding purpose is to award public funds for quality programs based on a competitive selection process that identifies exemplary services which are in the best interest of children and families in Pinellas County.
- ◆ Staff recommends clarifying parameters for out-of-cycle funding requests and raising them to a policy level. Out-of cycle funding requests should be consistent with the stated Strategic Plan of the JWB. However, these parameters should also allow flexibility in order to respond to 1) innovative opportunities, 2) systemic human service improvements, 3) demonstration projects and/or 4) time-limited responses to other funding sources which require match and draw additional funds into Pinellas County.
- ◆ Staff also recommends defining requests which the JWB will not fund. JWB funds program services and a balanced share of the administrative cost of programs. Staff recommends establishing an initial ceiling of up to 20% of the JWB program allocation. Currently twenty-one (21) agencies include indirect cost rates as part of their JWB budget request.
- ◆ Recommended revisions clarify particularly non-programmatic funding requests and reflect the obligation to prudently expend public funds.
- ◆ Staff recommends adding the standard funding category definitions consistently included in the JWB budget process to the policies. This provides a context for funding requests , but neither mandates nor limits JWB to only these categories

Fiscal Policies

- ◆ Staff recommends adding language to the board policies, which creates standards for fiscal performance. Agencies which have received "going concern" notes in their audits, or carry negative fund balance may not be stable agents for the delivery of services via public funds. Staff recommends issuing six-month contracts to these agencies, regular quarterly review and providing a formal recommendation point to the Board regarding contract renewal at the end of the second quarter of the JWB fiscal year.

Reserve Policy

- ◆ The absence of a clear reserve policy has become obvious. Staff is recommending the establishment of two different reserves – one undesignated (the true "rainy day" fund) and the second (designated) which reflects the strategic use of reserve funds over a multi-year period.
- ◆ Staff recommends maintaining an ^{combined} average fund balance not to exceed 20% of the succeeding fiscal year, ^{in budget} in order to allow flexible response to emerging community needs, opportunities to match funds to maximize services in Pinellas County, and emergency related needs. An adequate fund balance also allows the Board to maintain multi-year funding commitments to continuation funded agencies, should the valuation decrease, without increasing the mileage rate.

Staff Resource Person: Karen Perkins