



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: County Executive
Department No.: 012
For Agenda Of: 05/23/16
Placement: Departmental
Estimated Time: 45 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Mona Miyasato, County Executive Officer, 568-3400
Director(s)
Contact Info: Joseph Toney, Interim Deputy County Executive Officer, 568-3400

SUBJECT: **Funding Requests from Outside Agencies, Process Review**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Direct the County Executive Officer to refine the Outside Agency Funding Request Process by designating specific applications to return to the Board for review and possible funding during the June Budget Adoption Hearings:
 - i. Option 1: Return with all received applications for Board review; or
 - ii. Option 2: Request the Board identify specific applications to return at the hearings; or
 - iii. Option 3: Request each Board Member identify no more than four applications (up to 20 total) to return at the hearings; or
 - iv. Option 4: Return with only the applicants that have not requested funding of the Human Services Commission in the previous fiscal year (12 total); or
 - v. Provide other direction to staff as appropriate; and,
- b) Find that the proposed actions are not a project under the California Environmental Quality Act (CEQA) pursuant to Sections 15378(b)(4) and 15378(b)(5) of the CEQA Guidelines, because they are government fiscal, organizational, or administrative activities that will not result in direct or indirect physical changes in the environment.

Summary Text:

This is on the Board agenda to further refine the process by which non-County agencies (“outside agencies”) request available funding from the County’s General Fund at the June Budget Hearings.

More requests were received than expected – 50 as compared to 13 last year - and staff is recommending the number be reduced to set realistic expectations and ensure an efficient process at the June hearings.

In March, the Board directed staff to revise the process to clarify and enforce deadlines; seek department comments, if any, on the requests; require the agencies be present at the Budget Hearings; and hear from the requesting agencies at the Budget Hearings. To continue flexibility, the Board chose not to create a new grant program nor merge the requests into the Human Services Commission grant program or review process.

As a result, 50 applications (Summarized in Attachment A) were received from 46 agencies, totaling \$1,660,168. In comparison, during the FY 2015-16 budget process, 13 requests were received asking for a total of \$570,000. The current funding requests are a 191% increase over FY 2015-16. On average, the Board has annually granted \$323,000 since FY 2010-11. The general makeup of the FY 2016-17 requests is as follows:

- 12 general applications, not previously reviewed by Human Services Commission, \$588,000
- 38 Human Services related applications, \$1,072,000

The applications are attached. Staff will provide comments, as appropriate, on the requests selected to be presented in June in time for the Budget Hearings. **Identification of requests at this stage does not guarantee funding or presuppose the Board's approval of funding for these agencies at the June hearing; it merely identifies which requests will be reviewed and proposed for consideration at the June hearings.**

Staff recommends Option 3 - Each Board Member select no more than four applications (up to 20 total) to return for review at the June Budget Adoption Hearings.

Background:

There is limited, undesignated discretionary General Fund available in the FY 2016-17 Recommended Budget. The Board may wish to allocate these funds to address department requests, Board priorities, outside agencies requests, or remain unallocated to be appropriated later in the year.

Given these allocation decisions have occurred at the final day of the Budget Adoption Hearing, the amount of funding to address outside agency requests is unknown until then. The Board has opted not to predesignate an amount of funding for these requests.

Board's prior direction on Outside Agency requests

On March 15, 2016, the Board chose to continue the existing process of posting funding availability on the County Executive Office (CEO) budget website to receive outside agency funding requests, but post information early and enforce deadline for submission of requests.

The direction required that a standardized application form be available to the public by April 1st, and submitted applications be received by May 1st (May 1st fell on a Sunday, so applications were due by 5pm on Monday, May 2nd). The following webpage was created specifically for this process: <http://www.countyofsb.org/ceo/outside-agency-requests.sbc>. The Board further directed that the applications include the following:

- Notice of Final Submission Request Date with no exceptions

- Funds may not be available
- Applicants be present at the June hearing, but not required
- Describe need and use of funds in application
- Have placeholder for Departmental comments

Once the applications were received, the CEO is charged with compiling all of the funding requests for inclusion with the June Budget Hearing materials, and the Board would set aside time to hear from the Outside Agencies on the last day of the hearings. The agencies are expected to be present in order to respond to possible questions.

The standardized process produced an overwhelming influx of applications. The revised process as outlined in March, will have 50 applications (more than 200 pages of documents) included with the June Hearing materials and tentatively scheduled to be heard on June 15th.

In prior years, the practice has been for outside agencies to request funding up until, and including, the last day of the Budget Adoption hearing.

Fiscal and Facilities Impacts:

Budgeted: No. There are no funds budgeted or allocated for outside agency requests in the FY 2016-17 Recommended Budget; the Board may make that allocation at the June Budget Hearings. However, there is no immediate budget impact of designating which outside agencies are to be brought forward at the Budget Hearings.

Attachments:

Attachment A: Summary Matrix of 2016-17 Outside Agency Applications
Attachment B: Outside Agency Requests Applications

Authored by:

Joseph D. Toney, Interim Deputy County Executive Officer, 568-3400