



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:** Social Services  
**Department No.:** 044  
**For Agenda Of:** May 7, 2019  
**Placement:** Administrative  
**Estimated Time:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Daniel Nielson, Social Services Director  
Director(s) (805) 346-7101  
Contact Info: Christina Groppetti, CalWIN/Automation Support Manager  
(805) 346-7116  
**SUBJECT:** Agreement with California State Association of Counties for Welfare Client Data Systems Management Services for Fiscal Years 2019-2022

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**County Counsel Concurrence:**

As to form: Yes

**Auditor-Controller Concurrence:**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute the Agreement with California State Association of Counties for Welfare Client Data Systems management services for the period of July 1, 2019 through June 30, 2022 for a total contract amount not to exceed \$978,675 (\$311,468 for Fiscal Year 2019-2020; \$325,983 for Fiscal Year 2020-2021; and \$341,224 for Fiscal Year 2021-2022);
- b) Authorize the Director of Social Services or designee to authorize optional resources and administrative costs that may be activated partially or in full, based on changes in need and funding over the three-year period of Fiscal Year's 2019-2022, in the amount not to exceed \$511,920;
- c) Authorize the Director of Social Services or designee to authorize the option to extend by an additional year for the period of July 1, 2022 through June 30, 2023 for a total contract amount not to exceed \$357,226;
- d) Authorize the Director of Social Services or designee delegation authority to execute the assignment of the CalWORKS Information Network Agreements and Service Contracts to the California State Automated Welfare System Consortium; and

- e) Find that the activity is not a “Project” subject to California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(5), since the activity is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

**Summary Text:** This item is on the agenda in order to approve and authorize the Chair to execute the Agreement with California State Association for Counties (CSAC) for Welfare Client Data System (WCDS) management services for the period of July 1, 2019 through June 30, 2022 for a total contract amount not to exceed \$978,675 (\$311,468 for Fiscal Year (FY) 2019-2020; \$325,983 for FY 2020-2021; \$341,224 for FY 2021-2022); to authorize the Director of Social Services or designee to authorize the optional resources and administrative costs over the three-year period of FY’s 2019-2022, in the amount not to exceed \$511,920; to authorize the Director of Social Services or designee the option to extend the terms of the Agreement for a total contract amount not to exceed \$357,226; and to authorize the Director of Social Services or designee delegation authority to execute assignment of the CalWIN related agreements and service contracts to the California State Automated Welfare System Consortium (CalSAWS).

Santa Barbara County is one of eighteen counties that has had a continuing agreement with CSAC for WCDS management staff to support and manage the county’s primary eligibility system for public assistance programs, CalWORKS Information Network (CalWIN). CSAC acts as the fiscal agent for the WCDS Consortium. WCDS staff provides day-to-day management services, evaluates system contractors, establishes and maintains an ongoing relationship with the California Department of Social Services, acts as the liaison with the federal government on necessary system approvals, and works directly with WCDS Consortium counties to ensure system changes are made to comply with new regulations.

The Agreement reflects payment for all services provided by CSAC based on the appropriate share according to county size, and includes optional resources that may be activated, or may be partially activated, based on changes in need and funding. The amounts for optional resources and administrative costs represent a maximum amount specified for the full term of this Agreement, including administrative costs not to exceed 2.5% of the actual costs. The optional resources will not be activated or invoiced to the counties until specifically authorized. Services under the Agreement will continue to provide necessary support as we continue operation of CalWIN in Santa Barbara County.

On April 2, 2019, the Board approved and executed the agreement with the CalSAWS JPA and Memorandum of Understanding (MOU). The purpose of the CalSAWS JPA agreement and MOU is to delineate the areas of understanding and agreement between the CalSAWS Consortium and member counties surrounding contracts and other areas of mutual interest, including without limitation, loaning of personnel, services, facilities, equipment, licensing, assets, liability, system information/data, business records, purchasing and fiscal responsibilities. In order to facilitate the transition from CalWIN to CalSAWS, each member county would assign the current CalWIN system contracts and service agreements to the CalSAWS Consortium.

The assignment will allow the CalSAWS Consortium to conduct the governance, administration and business matters of the CalSAWS Consortium on behalf of and in the best interest of the fifty-eight counties and constituents of the State of California. Accordingly, the Department of Social Services

(DSS) requests Board authorization for the Director of DSS or designee delegation authority to execute assignment of the CalWIN related agreements. DSS anticipates the need to assign these agreements:

- CSAC Management Agreement – CSAC provides Management Staff and other support resources to WCDS.
- DXC Technology Services, LLC. Maintenance and Operations Agreement – Maintains and operate the various computer systems for CalWIN.
- Bit California, LLC dba Document Fulfillment Services Agreement - Provides printing and mailing correspondences for CalWIN.
- Infosys Service Contract – Provides CalWIN quality assurance services.

**Background:**

Since FY 2000-2001, Santa Barbara County has had an annual agreement with CSAC for the provision of WCDS management services provided to the 18 CalWIN counties. CSAC provides services of management staff and other resources needed to support the 18 counties that have implemented the CalWIN automated system.

The 18 CalWIN counties include: Alameda, Contra Costa, Fresno, Orange, Placer, Sacramento, San Diego, San Francisco, San Luis Obispo, San Mateo, Ventura, Santa Clara, Santa Cruz, Solano, Sonoma, Tulare, Yolo, and Santa Barbara. The WCDS Board of Directors consists of the 18 Social Services Directors of each of the 18 counties and constitutes the WCDS Consortium. The WCDS Consortium is established for the purpose of administering CalWIN services to the 18 CalWIN counties and functions to collectively address ongoing requirements, concerns, and needs of the various counties for CalWIN operation. The WCDS Consortium is not a legal entity.

The WCDS Consortium counties utilize CSAC to employ certain staff needed for the provision of WCDS management services that support CalWIN operation among the 18 counties. Under the terms of the Agreement, the individuals employed as WCDS management staff are CSAC employees and not acting as employees of the WCDS Consortium counties. However, the WCDS Consortium counties have the authority under the Agreement to select and terminate the employment of WCDS management staff and to direct and manage the performance of their day-to-day duties. WCDS management staff are located at the WCDS CalWIN site in Roseville, California.

Services will include: day-to-day evaluation of data processing contractors; monitoring and problem resolution; planning; maintaining records for WCDS management staff contract activities including county billings and payments; procurement including contracting for annual audit of cash receipts and disbursements to the data processing contractor when directed to do so by the WCDS Consortium; special studies and analysis; liaison with CDSS; staff support to facilitate meetings; strategic plan development with annual updates; transmit directions, instructions and authorizations of the WCDS Board of Director to the maintenance contractor for the CalWIN system; and other duties and prescribed by the WCDS Board of Directors.

The Agreement also provides that CSAC serve as custodian of the funds for the 18 WCDS Consortium counties for the purpose of providing WCDS services and expenses as described above. Each county contributes funds to the Agreement for these purposes. Because the Agreement is made between CSAC and all 18 WCDS Consortium counties, CSAC requires approval of the Agreement by each individual county and that it be signed by the authorized signatory, in this case the Board's Chair. The WCDS

management services are fully devoted to ongoing CalWIN support and resources for the WCDS Consortium counties. CSAC will continue to address updates, technical issues and other system needs and upgrades that may be identified during the ongoing operational phase.

The Centers for Medicare and Medicaid Services and the Food and Nutrition Services agencies of the United States Department of Agriculture directed the State of California to migrate to a single Statewide Automated Welfare System (SAWS), commonly referred to as CalSAWS, by 2023. SAWS provides a case management system for CalWORKs, Welfare to Work, CalFresh, Medi-Cal, Foster Care, Refugee Assistance, County Medical Services Program, and General Assistance/General Relief to children, families and individuals in all 58 counties. The purpose of SAWS is to provide eligibility determination, benefit calculation, benefit issuance, case management, and reporting. Migrating to a single SAWS will significantly reduce the financial cost of managing and maintaining three different systems currently used by counties. In addition, the migration will standardize the eligibility, benefit determination, enrollment, and case management functions of the state's major health and human services programs. Currently, there are three separate SAWS in California, managed by two separate consortia of counties, as follows:

- WCDS Consortium maintains and operates the CalWIN system supporting 18 counties (including Santa Barbara County).
- California Automated Consortium Eligibility System (CalACES) Consortium, established in September 2017 maintains and operates the Leader Replacement System supporting Los Angeles County, and C-IV system supporting 39 counties.

As California is working towards the implementation of a single CalSAWS, representatives from CalACES, WCDS, and the California Welfare Directors Association formed the CalSAWS Leadership Team. The CalSAWS Leadership team identified issues requiring the procurement and implementation of certain shared services necessary for all counties to integrate into a single CalSAWS. In prior Board action, on August 14, 2018, an MOU between CalACES and WCDS was approved and executed in order to move forward with detailed planning, procurement, and execution of contracts with vendor for shared services that were needed prior to the formation of a 58-county joint power of authority.

On April 2, 2019, the Board approved and executed the Second Amended and Restated Joint Exercise of Powers Agreement (JPA Agreement) made by and among the fifty-eight (58) California counties whereby an automated welfare system is designed, developed, implemented, operated and maintained to be used by each of the 58 counties. Additionally, the Board approved the MOU with the CalSAWS Consortium for the purpose of delineating the areas of understanding and agreement surrounding the various vendor agreements and other areas of mutual interest (including without limitation human resourcing, compensation and other personnel matters) in fulfillment of the CalSAWS Consortium's mission, vision and objectives.

The Agreement with CSAC is to maintain the current computer system for the WCDS Consortium during the transition process to a single SAWS by 2023 as directed by the State of California.

As this required automation effort progresses, and to comply with state and federal mandates, DSS will bring other necessary items before the Board of Supervisors on the administrative or departmental agenda, as appropriate for the item. DSS has preliminary plans to present a comprehensive CalSAWS project update to the Board in early 2020.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>FY 19-20</u></b> <b><u>Cost:</u></b>	<b><u>FY 20-21</u></b> <b><u>Cost:</u></b>	<b><u>FY 21-22</u></b> <b><u>Cost:</u></b>	<b><u>FY 19-22</u></b> <b><u>Optional</u></b> <b><u>Resource Cost:</u></b>	<b><u>Total One-</u></b> <b><u>Time</u></b> <b><u>Project Cost</u></b>
General Fund	\$ 12,129	\$ 12,694	\$ 13,288	\$ 19,935	\$ 58,045
State	\$ 131,469	\$ 137,596	\$ 144,029	\$ 216,080	\$ 629,175
Federal	\$ 167,870	\$ 175,693	\$ 183,907	\$ 275,906	\$ 803,375
Fees					
Other:					
<b>Total</b>	<b>\$ 311,468</b>	<b>\$ 325,983</b>	<b>\$ 341,224</b>	<b>\$ 511,920</b>	<b>\$ 1,490,595</b>

Narrative:

Funding for this Agreement is approximately 53.90% federal, 42.21% state and 3.89% County General Fund. Appropriations for FY 2019-2020 for \$482,108 including \$311,468 for recurring operations and \$170,640 for optional resources are included in DSS’s FY 2019-2020 recommended budget.

**Key Contract Risks:**

The risk assessment worksheet has been completed. DSS has had a positive and productive relationship with CSAC since 2000 and is confident of CSAC’s abilities to continue providing services through June 2023.

Although CSAC is insured for unemployment and workers’ compensation, the WCDS Consortium counties must reimburse CSAC for additional unemployment and workers’ compensation costs incurred by CSAC, if any, subject to the contract maximum (\$311,468 or Santa Barbara County’s FY 2019-2020 share of the WCDS Consortium’s cost). Under Section 14 of the Agreement, the counties agree to indemnify, defend and hold harmless CSAC from and against claims in connection with WCDS management staff’s performance of WCDS management services, except for claims arising from CSAC’s negligence or willful default in performance of its duties under the Agreement, against which CSAC agrees to indemnify the counties. Under the Agreement, Santa Barbara County is not liable for other counties’ obligations.

**Staffing Impacts:**

**Legal Positions:**  
0

**FTEs:**  
0

**Special Instructions:**

Please scan, email and send three (3) duplicate original Agreements, and a copy of the minute order to:  
 DSS Contracts Unit  
 C/O Ismelda Vazquez  
 2125 S. Centerpointe Parkway, 3<sup>rd</sup> Floor  
 Santa Maria, CA 93455  
[I.Vazquez@sbscsocialserv.org](mailto:I.Vazquez@sbscsocialserv.org)

**Attachments:**

1. Agreement – CSAC WCDS Management Services Agreement FY 2019-2022

**Authored by:**

Christina Groppetti, CalWIN/Automation Support Manager  
Ismelda Vazquez, Contracts Coordinator