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San Bernardino County Head Start Shared Governance Board Meeting

Agenda

May 17, 2017

JOSIE GONZALES, CHAIR
SBC Fifth District Supervisor

TED ALEJANDRE, VICE-CHAIR
SBC Superintendent of Schools

MAXWELL OHIKHUARE, M.D., HEALTH OFFICER
SBC Public Health

VERONICA KELLEY, DIRECTOR
SBC Behavioral Health

KATHY TURNBULL, CHILDREN'S NETWORK OFFICER
SBC Children's Network

ERIKA THOMPSON
Head Start Policy Council Chair
SGB Representative

TIFFANY ROBY
Head Start Policy Council Member
SGB Representative

JACQUIE WASHINGTON
Head Start Policy Council Member
SGB Representative

TIME: 2:00 P.M. to 4:00 P.M.

**PLACE: San Bernardino County Preschool Services Administration
662 S. Tippecanoe Avenue
Conference Room A
San Bernardino, CA 92415**

1. CALL TO ORDER

Ted Alejandre, Vice-Chair

2. WELCOME/INTRODUCTIONS

Ted Alejandre, Vice-Chair

3. EXECUTIVE REPORTS/PROGRAM UPDATES

- 3.1 Program Updates - Oral Reports
- 3.2 Program Information Report Status
- 3.3 Quarterly Performance Measures 2017-18
- 3.4 Finance Report
 - 3.4.1 Budget to Actual 2016-17
 - 3.4.2 Financial Audit Results – Single Audit

Diana Alexander, Director
Phalos Haire, Assistant Director
Diana Alexander, Director
Cheryl Adams, Administrative Manager

"Interpreters for hearing impaired and Spanish speaking individuals will be made available with forty-eight hours' notice. Please call PSD staff (909) 383-2078 to request the service. This location is handicapped accessible."

Agenda: San Bernardino County Head Start Shared Governance Board Meeting

May 17, 2017

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4. CONSENT ITEMS

- | | |
|--|---------------------------|
| 4.1 Approve SGB Minutes for April 20, 2017 | Ted Alejandre, Vice-Chair |
| 4.2 Approve 2017-18 SGB Schedule of Meetings | Ted Alejandre, Vice-Chair |
| 4.3 Approve 2017-18 SGB Delegate Appointments | Ted Alejandre, Vice-Chair |
| 4.4 Approve 2017-18 Preschool Services Planning Road Map | Diana Alexander, Director |
| 4.5 Approve 2017-18 Governance Calendar of Activities | Diana Alexander, Director |

5. DISCUSSION ITEMS

- | | |
|---|--------------------------------------|
| 5.1 Approve 2016-17 Self-Assessment Executive Report and Improvement Plan | Diana Alexander, Director |
| 5.2 Approve Policy Council By-laws | Diana Alexander, Director |
| 5.3 Early Head Start-Child Care Partnership – Non-Federal Share Waiver Request for Program Year 2016-17 | Cheryl Adams, Administrative Manager |

6. INFORMATIONAL ITEMS

- | | |
|--|---------------------------|
| 6.1 Next Shared Governance Board Meeting - August 30, 2017 | Ted Alejandre, Vice-Chair |
|--|---------------------------|

7. PUBLIC COMMENT

Ted Alejandre, Vice-Chair

8. EXECUTIVE COMMENT

Ted Alejandre, Vice-Chair

9. ADJOURNMENT

Ted Alejandre, Vice-Chair

**County of San Bernardino
PRESCHOOL SERVICES DEPARTMENT
Performance Measures for Fiscal Year 2017 - 2018**

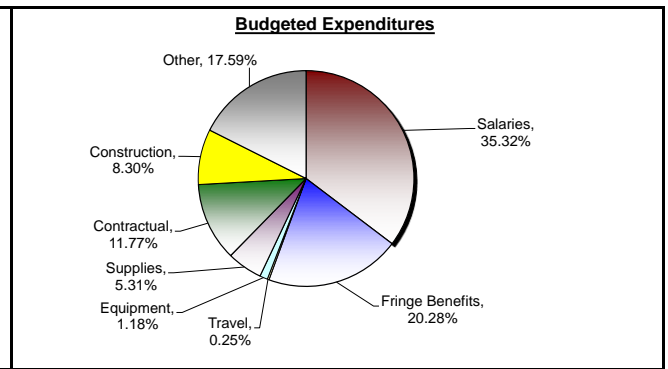
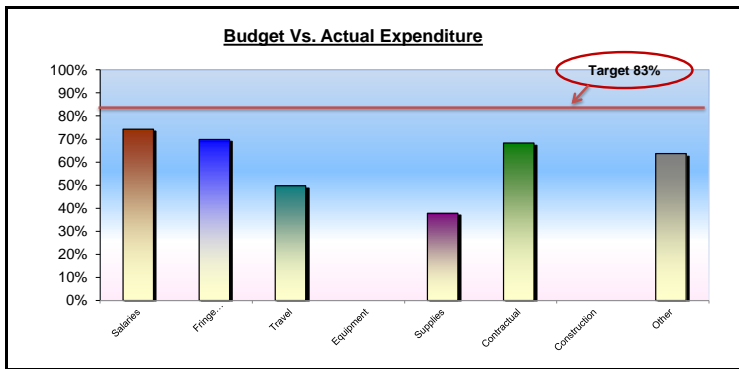
COUNTY GOAL: IMPLEMENT THE COUNTYWIDE VISION		Measure	2015-16 Actual	2016-17 Target	2016-17 Est.	2017-18 Target
OBJECTIVE	Continue to promote the Countywide Vision and support the Element Groups.	NEW				
STRATEGY	Promote school readiness.	Percentage of children not achieving at least Building Level in literacy skills on the 1st assessment who subsequently meet the standard by the end of the program year, utilizing the Desired Results Developmental Profile (DRDP) 2015 assessment tool.	N/A	N/A	N/A	50%
STRATEGY	Support the Countywide Vision Regional Implementation Goal: "Partner with all sectors of the community to support the success of every child from cradle to career."					
STRATEGY	Support the Vision2Read Initiative					
STRATEGY	Identify the number of Head Start/State Preschool full-day children ages 3 – 5 not scoring at least Building Level in Literacy skills on the first quarter's assessment, and reduce this count by 50% at the end of the program year.					
COUNTY GOAL: IMPLEMENT THE COUNTYWIDE VISION		Measure	2015-16 Actual	2016-17 Target	2016-17 Est.	2017-18 Target
OBJECTIVE	Continue to promote the Countywide Vision and support the Element Groups.	NEW				
STRATEGY	Promote school readiness.	Percentage of children not achieving at least Exploring Later Level in social emotional skills on the 1st assessment who subsequently meet the standard by the end of the program year, utilizing the Desired Results Developmental Profile (DRDP) 2015 assessment tool.	N/A	N/A	N/A	25%
STRATEGY	Support the Countywide Vision Regional Implementation Goal: "Partner with all sectors of the community to support the success of every child from cradle to career."					
STRATEGY	Identify the number of Early Head Start children ages 18 – 36 months not scoring at least Exploring Later Level in social emotional skills on the first quarter's assessment, and reduce this count by 25% at the end of the program year.					

COUNTY GOAL: PROVIDE FOR THE SAFETY, HEALTH AND SOCIAL SERVICE NEEDS OF COUNTY RESIDENTS		Measure	2015-16 Actual	2016-17 Target	2016-17 Est.	2017-18 Target
OBJECTIVE	Partner with County and non-County agencies and maximize the use of Federal and State programs and funding to address the public health, safety and social service needs of County residents and move participants to self-sufficiency.	Number of foster children enrolled.	325	260	356	350
STRATEGY	Increase the enrollment opportunities for foster children.					
STRATEGY	Enhance the referral process of enrollment with the Children and Family Services Department.					
COUNTY GOAL: PROVIDE FOR THE SAFETY, HEALTH AND SOCIAL SERVICE NEEDS OF COUNTY RESIDENTS		Measure	2015-16 Actual	2016-17 Target	2016-17 Est.	2017-18 Target
OBJECTIVE	Partner with County and non-County agencies and maximize the use of Federal and State programs and funding to address the public health, safety and social service needs of County residents and move participants to self-sufficiency.	Percentage of full year children identified as obese or overweight whose BMI is reduced.	65%	45%	71%	60%
STRATEGY	Identify obese and/or overweight full year children 2-5 years in an effort to promote a healthy lifestyle.					
STRATEGY	Promote nutrition education programs for parents at each school site.					
STRATEGY	Ensure that children receive both nutrition curriculum and physical activity daily within the classroom schedule.					
STRATEGY	Decrease the number of children who are initially identified as obese or overweight from the higher level of Body Mass Index (BMI) classification to the next lower level by children's height and weight.					

**County of San Bernardino Preschool Services Department
Budget-To-Actual and Projected Expenditure Report
FY 2016-17
As of April 30, 2017**

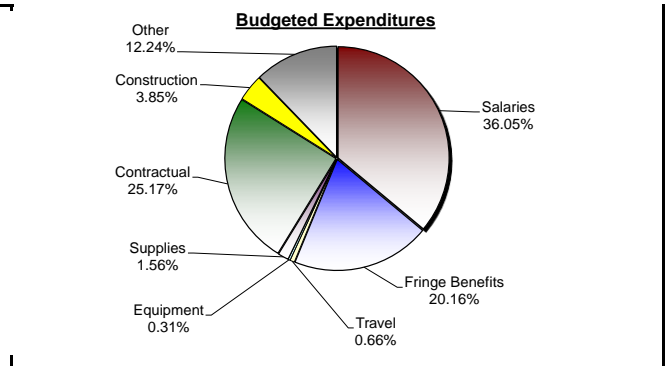
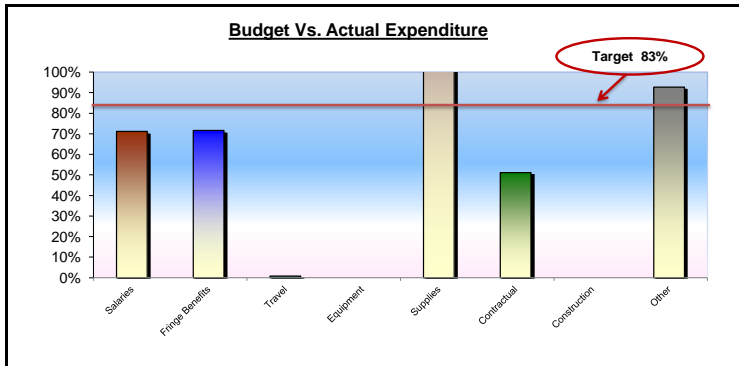
Head Start

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Budget Categories	Modified Budget	Year-To-Date Actual	Available Budget (A) - (B)	Projected Expenditure	Total YTD + PRJ (B) + (D)	Budget Balance (A) - (E)	Budget vs. Actual Exp. (B) / (A)
Expenditures							
A Salaries	15,755,919	11,700,398	4,055,521	4,309,458	16,009,856	(253,937)	74.26%
B Fringe Benefits	9,045,631	6,313,317	2,732,314	2,215,437	8,528,754	516,877	69.79%
C Travel	110,954	55,188	55,766	39,670	94,858	16,096	49.74%
D Equipment	525,394	-	525,394	545,692	545,692	(20,298)	0.00%
E Supplies	2,367,646	895,520	1,472,126	1,739,480	2,635,000	(267,354)	37.82%
F Contractual	5,249,155	3,583,161	1,665,994	1,666,258	5,249,419	(264)	68.26%
G Construction	3,703,130	-	3,703,130	4,725,554	4,725,554	(1,022,424)	0.00%
H Other	7,847,242	4,997,109	2,850,133	1,815,657	6,812,766	1,034,476	63.68%
Total Direct Costs	44,605,071	27,544,693	17,060,378	17,057,206	44,601,899	3,172	61.75%
Percentage (%) Analysis	100.0%	61.8%	38.2%	38.2%	100.0%	0.0%	21.6%



Early Head Start

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Budget Categories	Modified Budget	Year-To-Date Actual	Available Budget (A) - (B)	Projected Expenditure	Total YTD + PRJ (B) + (D)	Budget Balance (A) - (E)	Budget vs. Actual Exp. (B) / (A)
Expenditures							
A Salaries	1,808,282	1,286,954	521,328	369,769	1,656,723	151,559	71.17%
B Fringe Benefits	1,011,182	724,342	286,840	178,469	902,811	108,371	71.63%
C Travel	33,142	279	32,863	1,442	1,721	31,421	0.84%
D Equipment	15,511	-	15,511	69,653	69,653	(54,142)	0.00%
E Supplies	78,134	154,959	(76,825)	78,473	233,432	(155,298)	198.32%
F Contractual	1,262,615	645,697	616,918	484,949	1,130,646	131,969	51.14%
G Construction	193,000	-	193,000	286,000	286,000	(93,000)	0.00%
H Other	613,865	569,041	44,824	134,130	703,171	(89,306)	92.70%
Total Direct Costs	5,015,731	3,381,272	1,634,459	1,602,885	4,984,157	31,574	67.41%
Percentage (%) Analysis	100.0%	67.4%	32.6%	32.0%	99.4%	0.6%	15.9%



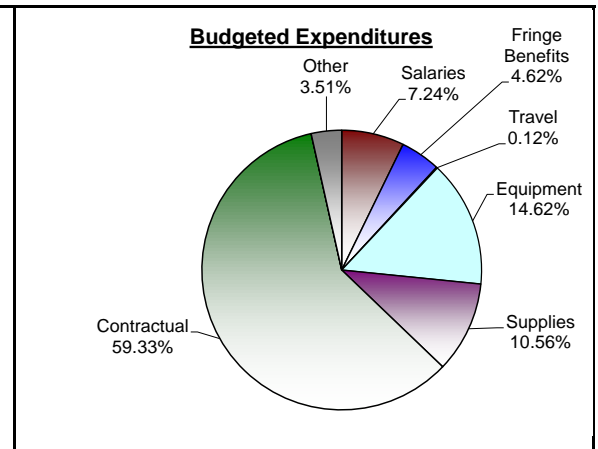
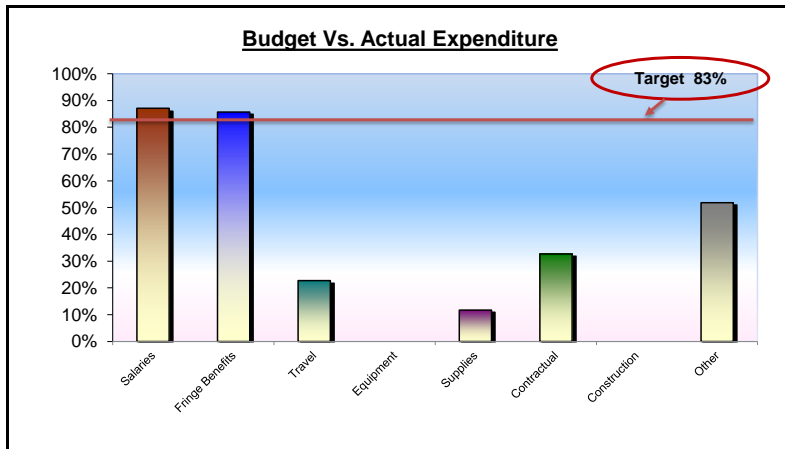
County of San Bernardino Preschool Services Department Budget-To-Actual and Projected Expenditure Report FY 2016-17 As of April 30, 2017

EHS-Child Care Partnership

Budget Categories	(A) Modified Budget	(B) Year-To-Date Actual	(C) Available Budget (A) - (B)	(D) Projected Expenditure	(E) Total YTD + PRJ (B) + (D)	(F) Budget Balance (A) - (E)	(G) Budget vs. Actual Exp.% (B) / (A)
Expenditures							
A Salaries	253,364	220,711	32,653	40,340	261,051	(7,687)	87.1%
B Fringe Benefits	161,930	138,770	23,160	17,288	156,058	5,872	85.7%
C Travel	4,347	989	3,358	-	989	3,358	22.8%
D Equipment	511,859	-	511,859	409,508	409,508	102,351	0.0%
E Supplies	369,771	43,370	326,401	401,062	444,432	(74,661)	11.7%
F Contractual	2,077,530	679,108	1,398,422	1,408,256	2,087,364	(9,834)	32.7%
G Construction	-	-	-	-	-	-	0.0%
H Other	123,000	63,770	59,230	10,887	74,657	48,343	51.8%
Total Direct Costs	3,501,801	1,146,718	2,355,083	2,287,341	3,434,059	67,742	32.7%

Percentage (%) Analysis

100.0%	32.7%	67.3%	65.3%	98.1%	1.9%	51%
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COUNTY OF SAN BERNARDINO, CALIFORNIA

**Single Audit Report
(Uniform Guidance)**

For the Fiscal Year Ended June 30, 2016

COUNTY OF SAN BERNARDINO, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
 AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
 OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
 WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Board of Supervisors
 County of San Bernardino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of San Bernardino, California (County), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated December 23, 2016. Our report included an emphasis of matter paragraph regarding the County’s adoption of Governmental Accounting Standards Board (GASB) Statement No.72, *Fair Value Measurement and Application*, effective July 1, 2015. Our report also includes a reference to other auditors who audited the financial statements of the County of San Bernardino Consolidated Fire Districts, the County of San Bernardino Redevelopment Successor Agency Private-Purpose Trust Fund, and the Housing Authority of the County of San Bernardino as described in our report on the County’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency as identified as item 2016-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County's Response to Findings

The County's response to the findings identified in our audit is described in the County's separate corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinik, Trine, Day & Co. LLP

Rancho Cucamonga, California
December 23, 2016



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE; AND THE SUPPLEMENTAL SCHEDULE OF OFFICE OF CALIFORNIA STATE DEPARTMENT OF AGING GRANTS

To the Honorable Board of Supervisors
County of San Bernardino, California

Report on Compliance for Each Major Federal Program

We have audited the County of San Bernardino, California's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2016. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Housing Authority of the County of San Bernardino (Housing Authority), which received \$86,923,433 in federal awards which is not included in the schedule during the year ended June 30, 2016. Our audit, described below, did not include the operations of the Housing Authority because the Housing Authority engaged other auditors to perform an audit in accordance with the Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-002 through 2016-015. Our opinion on each major federal program is not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the County's separate corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs, as items 2016-002, 2016-004, 2016-007, 2016-008, and 2016-010 through 2016-013, that we consider to be significant deficiencies.

The County's responses to the internal control over compliance findings identified in our audit are described in the County's separate corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Supplemental Schedule of Office of California State Department of Aging Grants

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's financial statements. We have issued our report thereon dated December 23, 2016, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. Our report also includes a reference to other auditors who audited the financial statements of the County of San Bernardino Consolidated Fire Districts, the County of San Bernardino Redevelopment Successor Agency Private-Purpose Trust Fund, and the Housing Authority of the County of San Bernardino as described in our report on the County's financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The Supplemental Schedule of Office of California State Department of Aging Grants is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and supplemental schedule of Office of California State Department of Aging Grants are fairly stated in all material respects in relation to the financial statements as a whole.

Vavrinik, Trine, Day & Co. LLP

Rancho Cucamonga, California
March 31, 2017

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identification/ Pass-Through Entity Identification Number	Federal Award Expenditures	Pass-Through Awards to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
<u>Pass-Through Programs:</u>				
Child Nutrition Cluster:				
<u>California Department of Education:</u>				
School Breakfast Program	10.553	36-10363-6037469-01	\$ 192,938	\$ -
National School Lunch Program	10.555	36-10363-6037469-01	362,225	-
Total Child Nutrition Cluster			<u>555,163</u>	<u>-</u>
Supplemental Nutrition Assistance Program (SNAP) Cluster:				
<u>California Department of Social Services:</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	1946001347-A7	47,071,843	-
<u>California Department of Public Health:</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	13-20512	3,120,725	1,848,287
Total SNAP Cluster			<u>50,192,568</u>	<u>1,848,287</u>
<u>California Department of Education:</u>				
Child and Adult Care Food Program	10.558	223600	1,983,768	-
<u>California Department of Food and Agriculture:</u>				
Plant and Animal Disease, Pest Control, and Animal Care - Pierce's Disease Control	10.025	14-0189-SF	27,513	-
Plant and Animal Disease, Pest Control, and Animal Care - Pest Surveillance Canine Inspection Team	10.025	15-0294-SF	188,679	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-0510-SF	29,916	-
Subtotal			<u>246,108</u>	<u>-</u>
<u>California Department of Public Health:</u>				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	15-15109	10,999,843	-
Forest Service Schools and Roads Cluster:				
<u>State Controller's Office:</u>				
Schools and Roads - Grants to States	10.665	99003012	214,318	-
TOTAL - U. S. DEPARTMENT OF AGRICULTURE			<u>64,191,768</u>	<u>1,848,287</u>
U.S. DEPARTMENT OF DEFENSE				
<u>Direct Programs:</u>				
Electronic Absentee Systems for Elections	12.217		20,948	-
TOTAL - U.S. DEPARTMENT OF DEFENSE			<u>20,948</u>	<u>-</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<u>Pass-Through Programs:</u>				
Community Development Block Grant (CDBG) - Entitlement Grants Cluster:				
<u>City of Chino Hills:</u>				
Community Development Block Grants/Entitlement Grants	14.218	711008883190	10,000	-
<u>City of Hesperia:</u>				
Community Development Block Grants/Entitlement Grants	14.218	B-11-MC-06-0578	10,000	-
<u>Town of Apple Valley:</u>				
Community Development Block Grants/Entitlement Grants	14.218	B-10-MC-06-0588	5,169	-
<u>Direct Programs:</u>				
Community Development Block Grants/Entitlement Grants	14.218		6,421,935	2,463,845
Community Development Block Grants/Entitlement Grants - Neighborhood Stabilization Program Grant #1	14.218		145,672	-
Total CDBG Entitlement Grants Cluster			<u>6,592,776</u>	<u>2,463,845</u>
Emergency Solutions Grant Program	14.231		533,707	489,255
Home Investment Partnerships Program	14.239		1,320,861	-
Home Investment Partnerships Program	14.239	Loans	45,031,242	-
Subtotal			<u>46,352,103</u>	<u>-</u>
Continuum of Care Program - Homeless Management Information System (HMIS) FY 14/15	14.267		114,572	-
Continuum of Care Program - Homeless Assistance Planning Project	14.267		108,940	-
Continuum of Care Program - Homeless Management Information System (HMIS)	14.267		83,386	-
Continuum of Care Program - Homeless Management Information System (FY16)	14.267		182,324	-
Subtotal			<u>489,222</u>	<u>-</u>
TOTAL - U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT			<u>53,967,808</u>	<u>2,953,100</u>

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identification/ Pass-Through Entity Identification Number	Federal Award Expenditures	Pass-Through Awards to Subrecipients
U.S. DEPARTMENT OF THE INTERIOR				
<u>Direct Programs:</u>				
Natural Resource Stewardship	15.944		26	-
TOTAL - U.S. DEPARTMENT OF THE INTERIOR			26	-
U.S. DEPARTMENT OF JUSTICE				
<u>Pass-Through Programs:</u>				
<u>California Governor's Office of Emergency Services:</u>				
Crime Victim Assistance - Human Trafficking Advocacy Program	16.575	071-00000	50,182	-
Crime Victim Assistance - Unserved/Underserved Victim Advocacy and Outreach Program	16.575	071-00000	89,800	-
Crime Victim Assistance - Victim Witness Assistance Program	16.575	071-00000	758,126	-
Subtotal			898,108	-
Paul Coverdell Forensic Sciences Improvement Grant Program FY 15	16.742	CQ14 08 0360	8,133	-
Paul Coverdell Forensic Sciences Improvement Grant Program FY 16	16.742	CQ15 09 0360	11,650	-
Subtotal			19,783	-
<u>State of California Board of State and Community Corrections:</u>				
Juvenile Accountability Block Grants	16.523	N/A	86,137	-
<u>Direct Programs:</u>				
Edward Byrne Memorial Justice Assistance Grant Program - 2012	16.738		73,479	73,479
Edward Byrne Memorial Justice Assistance Grant Program - 2013	16.738		75,230	74,948
Edward Byrne Memorial Justice Assistance Grant Program - 2014	16.738		308,474	208,802
Edward Byrne Memorial Justice Assistance Grant Program - 2015	16.738		134,448	101,721
Edward Byrne Memorial Justice Assistance Grant Program (SHR)	16.738		250,000	-
Subtotal			841,631	458,950
Second Chance Act Prisoner Reentry Initiative	16.812		108,248	-
DNA Backlog Reduction Program - FY 2013	16.741		55,711	-
DNA Backlog Reduction Program - FY 2015	16.741		42,210	-
Subtotal			97,921	-
Law Enforcement Assistance Narcotics and Dangerous Drugs Training - Riverside Task Force (RTF) Agreement FY 14-15	16.004		5,285	-
Law Enforcement Assistance Narcotics and Dangerous Drugs Training - Riverside Task Force (RTF) Agreement FY 15-16	16.004		48,740	-
Subtotal			54,025	-
2015 Domestic Cannabis Eradication/Suppression Program	16.2015-09		104,461	-
2016 Domestic Cannabis Eradication/Suppression Program	16.2016-42		101,348	-
San Bernardino Gang Impact Team (GIT) Safe Streets Task Force (FY14-15)	16.281D-LA-223769		18,569	-
San Bernardino Gang Impact Team (GIT) Safe Streets Task Force (FY15-16)	16.281D-LA-223769		96,043	-
Subtotal			320,421	-
Southwest Border Prosecution Initiative Program	16.755		414,786	-
Equitable Sharing Program - IRNET	16.922		7,899,115	-
Equitable Sharing Program - NARCOTIC	16.922		5,553,646	-
Subtotal			13,452,761	-
TOTAL - U.S. DEPARTMENT OF JUSTICE			16,293,821	458,950

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

U.S. DEPARTMENT OF LABOR

Pass-Through Programs:

<u>California Employment Development Department:</u>					
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	7154900	1,222,393	-	
WIA/WIOA Cluster:					
<u>California Employment Development Department:</u>					
WIA/WIOA Adult Program	17.258	7154900	4,496,252	-	
WIA/WIOA Youth Activities	17.259	7154900	5,207,931	3,360,034	
WIA/WIOA Dislocated Worker Formula Grants	17.278	7154900	3,998,666	-	
Total WIA/WIOA Cluster			13,702,849	3,360,034	
<u>California Department of Aging:</u>					
Senior Community Service Employment Program - Title V (SCSEP)	17.235	TV-1516-20	304,554	-	
<u>County of Riverside:</u>					
Workforce Innovation Fund	17.283	09A0B	158,259	125,685	
TOTAL - U.S. DEPARTMENT OF LABOR			15,388,055	3,485,719	

U.S. DEPARTMENT OF TRANSPORTATION

Pass-Through Programs:

<u>Highway Planning and Construction Cluster:</u>					
<u>California Department of Transportation:</u>					
Highway Planning and Construction	20.205	85954	1,324,827	-	
Total Highway Planning and Construction Cluster			1,324,827	-	
<u>Highway Safety Cluster:</u>					
<u>California Office of Traffic Safety:</u>					
State and Community Highway Safety	20.600	PT1698	120,124	-	
National Priority Safety Programs	20.616	N/A	165,011	-	
Total Highway Safety Cluster			285,135	-	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	20.308	400,045	-	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT15107	135,542	-	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT1698	206,613	-	
Subtotal			742,200	-	
<u>Direct Programs:</u>					
Airport Improvement Program (FY14-15)	20.106		161,809	-	
Airport Improvement Program (FY15-16)	20.106		534,133	-	
Subtotal			695,942	-	
TOTAL - U.S. DEPARTMENT OF TRANSPORTATION			3,048,104	-	
<u>U.S. DEPARTMENT OF TREASURY</u>					
<u>Direct Programs:</u>					
Equitable Sharing Program	21.016		3,511	-	
TOTAL - U.S. DEPARTMENT OF TREASURY			3,511	-	

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identification/ Pass-Through Entity Identification Number	Federal Award Expenditures	Pass-Through Awards to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<u>Pass-Through Programs:</u>				
Medicaid Cluster:				
<u>California Department of Health Care Services:</u>				
Medical Assistance Program - Medi-Cal Assistance Program CFS Portion Only	93.778	MSO1809-17	4,030,765	-
Medical Assistance Program - Medi-Cal Assistance Program TAD Portion Only	93.778	MSO1809-17	43,628,279	-
Medical Assistance Program - Medical Assistance Program (California Children Services (2300))	93.778	4260-111-0001	4,250,822	-
Medical Assistance Program - Child Health and Disability Prevention Case Management	93.778	4260-111-0001	924,177	-
Medical Assistance Program - Early Periodic Screening, Diagnosis and Treatment	93.778	4260-111-0001	701,754	-
Medical Assistance Program - Program 3201 Family Support Services - HCPCFC	93.778	4260-111-0001	835,615	-
Medical Assistance Program - Medi-Cal Assistance Program (Alcohol)	93.778	N/A	5,661,589	5,019,711
<u>California Department of Aging:</u>				
Medical Assistance Program (Title XIX, MSSP)	93.778	MS-1516-17	14,454,164	-
<u>California Department of Social Services:</u>				
Medical Assistance Program - In-Home Supportive Services-Public Authority-IHSS-PA	93.778	N/A	2,957,983	-
Total Medicaid Cluster			77,445,148	5,019,711
Aging Cluster:				
<u>California Department of Aging:</u>				
Special Programs for the Aging-Title VII, Chapter 3-Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1516-20	22,365	-
Special Programs for the Aging-Title VII, Chapter 2-Long Term Care Ombudsman Services for Older Individuals	93.042	AP-1516-20	4,223	-
Special Programs for the Aging-Title III, Part D-Disease Prevention and Health Promotion Services	93.043	AP-1516-20	98,221	-
Special Programs for the Aging-Title III, Part B Grants for Supportive Services and Senior Centers	93.044	AP-1516-20	1,552,601	378,226
Special Programs for the Aging-Title III, Part C Nutrition Services	93.045	AP-1516-20	3,062,795	2,783,815
National Family Caregiver Support, Title III, Part E	93.052	AP-1516-20	464,992	308,421
Nutrition Services Incentive Program	93.053	AP-1516-20	573,253	573,253
Total Aging Cluster			5,778,450	4,043,715
<u>Association of Food and Drug Officials:</u>				
Food and Drug Administration Research	93.103	GMP - 1410-02006	5,138	-
Food and Drug Administration Research	93.103	GMP - 1410-02005	2,956	-
<u>National Association of County and City Health Officials:</u>				
Food and Drug Administration Research	93.103	5U50FD004334-04	2,834	-
Subtotal			10,928	-
<u>California Department of Public Health:</u>				
Immunization Cooperative Agreements	93.268	63-0317191	534,695	-
TANF Cluster:				
<u>California Department of Social Services:</u>				
Temporary Assistance for Needy Families	93.558	1946001347-A7	169,301,792	2,270,971
Total TANF Cluster			169,301,792	2,270,971
<u>California Department of Health Care Services:</u>				
Substance Abuse Prevention and Treatment Block Grant (SAPT)	93.959	N/A	10,105,108	6,585,808
<u>California Department of Public Health:</u>				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1U52PS004656-01	206,865	-
Childhood Lead Poisoning Prevention Projects-State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	14-10030	79,654	-
HIV Care Formula Grants	93.917	15-692 A-1	507,925	356,234
HIV Prevention Activities-Health Department Based	93.940	15-10946	478,372	-
Prevention Health Services - Sexually Transmitted Diseases Control Grants	93.977	15-10263	42,274	-
Maternal and Child Health Services Block Grant to the States (BIH portion)	93.994	N/A	180,412	-
Maternal and Child Health Services Block Grant to the States (MCAH)	93.994	N/A	291,304	-
Subtotal			471,716	-
Public Health Emergency Preparedness	93.069	94-6001347	1,856,125	-
Public Health Emergency Preparedness - Supplemental Ebola Funding	93.069	15-10379	3,857	-
Subtotal			1,859,982	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	14-10505	594,131	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements - LEMSAC	93.074	14-10506	56,127	-
Subtotal			650,258	-

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification/ Pass-Through Entity Identification Number</u>	<u>Federal Award Expenditures</u>	<u>Pass-Through Awards to Subrecipients</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
<u>California Department of Health Care Services:</u>				
Strategic Prevention Framework State Incentive Grant (SPF SIG)	93.243	N/A	102,309	87,221
Children's Health Insurance Program	93.767	4260-111-0001	760,001	-
Projects for Assistance in Transition from Homelessness (PATH)	93.150	N/A	501,327	-
Block Grants for Community Mental Health Services	93.958	N.A	3,696,147	1,137,277
<u>California Department of Social Services:</u>				
Guardianship Assistance	93.090	1946001347-A7	4,200,668	-
Promoting Safe and Stable Families	93.556	1946001347-A7	2,019,897	2,019,897
Refugee and Entrant Assistance - State Administered Programs-Admin.	93.566	1946001347-A7	7,116	-
Refugee and Entrant Assistance - State Administered Programs	93.566	1946001347-A7	95,199	-
Subtotal			102,315	-
Stephanie Tubbs Jones Child Welfare Services Program - Child Welfare Services - State Grants	93.645	1946001347-A7	1,618,259	-
Foster Care - Title IV-E - Probation	93.658	TAD 006852425 DCS 136498818	2,040,456	-
Foster Care - Title IV-E - TAD	93.658	1946001347-A7	66,280,745	-
Subtotal			68,321,201	-
Adoption Assistance - Administration	93.659	1946001347-A7	2,914,120	-
Adoption Assistance	93.659	1946001347-A7	27,491,805	-
Subtotal			30,405,925	-
Social Services Block Grant - Title XX	93.667	1946001347-A7	3,765,513	-
Social Services Block Grant	93.667	1946001347-A7	25,910,977	-
Subtotal			29,676,490	-
Chafee Foster Care Independence Program	93.674	1946001347-A7	91,153	308,439
<u>California Department of Child Support Services:</u>				
Child Support Enforcement	93.563	A Direct	26,142,837	-
Child Care Development Fund (CCDF) Cluster:				
<u>California Department of Education:</u>				
Child Care and Development Block Grant	93.575	36-2236	145,131	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	36-2236	423,118	-
Total CCDF Cluster			568,249	-
<u>California Department of Aging:</u>				
Medicare Enrollment Assistance Program	93.071	MI-1517-20	39,543	36,056
Affordable Care Act State Health Insurance Assistance Program (SHIP) and Aging and Disability Resource Center (ADRC) Options Counseling for Medicare-Medicaid Individuals in States with Approved Financial Alignment Models	93.626	FA-1516-20	77,973	73,471
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations: Health Insurance Counseling and Advocacy Program (HICAP)	93.779	HI-1516-20	172,506	159,437
<u>California Family Health Council:</u>				
Family Planning-Services	93.217	454-5320-71209-15 454-5320-71219-16-17	334,411	-
<u>Direct Programs:</u>				
Affordable Care Act (ACA) Grants for Capital Development in Health Centers	93.526		1,839,024	-
Health Center Program Cluster:				
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224		123,232	-
Affordable Care Act (ACA) Grants for New and Expanded Services under The Health Center Program	93.527		2,333,526	-
Total Health Center Program Cluster			2,456,758	-
Head Start - Early Head Start Program - Child Care Partnership	93.600		2,043,577	-
Head Start	93.600		41,491,522	3,607,917
Subtotal			43,535,099	3,607,917
HIV Emergency Relief Project Grant	93.914		6,467,247	5,571,693
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		396,133	-
TOTAL - U.S. DEPT. HEALTH AND HUMAN SERVICES			491,818,639	31,277,847
U.S. EXECUTIVE OFFICE OF THE PRESIDENT				
<u>Pass-Through Programs:</u>				
<u>California Office of National Drug Policy:</u>				
High Intensity Drug Trafficking Areas Program - High Intensity Drug Trafficking Area (IRNET & RMTF) G16LA0001A	95.001	G16LA0001A	690,451	-
High Intensity Drug Trafficking Areas Program - High Intensity Drug Trafficking Area (IRNET & RMTF) G13LA0001A	95.001	G13LA0001A	2,925	-
High Intensity Drug Trafficking Areas Program - High Intensity Drug Trafficking Area (IRNET & RMTF) G15LA0001A	95.001	G15LA0001A	370,567	-
<u>Direct Programs:</u>				
High Intensity Drug Trafficking Areas Program - DEA - Southern California Drug Task Force (SCDTF) FY15	95.001		9,943	-
High Intensity Drug Trafficking Areas Program - DEA - Southern California Drug Task Force (SCDTF) FY16	95.001		74,310	-
High Intensity Drug Trafficking Areas Program - Southern California Drug Task Force (SCDTF) FY14/15	95.001		77,349	-
Subtotal			1,225,545	-
TOTAL - U.S. EXECUTIVE OFFICE OF THE PRESIDENT			1,225,545	-

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identification/ Pass-Through Entity Identification Number	Federal Award Expenditures	Pass-Through Awards to Subrecipients
U.S. DEPARTMENT OF HOMELAND SECURITY				
<u>Pass-Through Programs:</u>				
<u>California Governor's Office of Emergency Services:</u>				
Fire Management Assistance Grant	97.046	Cal OES ID: 071-00000	61,100	-
Emergency Management Performance Grant FY15 (EMPG)	97.042	071-00000; 2015-00049	560,951	560,951
Pre-Disaster Mitigation Grant	97.047	07-91092	122,064	122,064
Homeland Security Grant Program - FY13	97.067	FIPS # 071-00000	56,765	-
Homeland Security Grant Program - FY14	97.067	FIPS # 071-00000	1,498,958	944,627
Homeland Security Grant Program - FY15	97.067	FIPS # 071-00000	259,824	259,824
Subtotal			1,815,547	1,204,451
<u>California Department of Parks & Recreation:</u>				
Boating Safety Financial Assistance	97.012	CONTRACT # C8957103	80,000	-
Boating Safety Financial Assistance	97.012	CONTRACT # C1570602	13,061	-
Subtotal			93,061	-
TOTAL - U.S. DEPARTMENT OF HOMELAND SECURITY			2,652,723	1,887,466
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 648,610,948	\$ 41,911,369

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SAN BERNARDINO, CALIFORNIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the County of San Bernardino, California (County) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County. The County's reporting entity is defined in Note 1 to the County's basic financial statements.

The County's basic financial statements include the operations of the Housing Authority of the County of San Bernardino (Housing Authority), which received \$86,923,433 in federal awards which is not included in the schedule during the year ended June 30, 2016. Our audit did not include the operations of the Housing Authority because the Housing Authority engaged other auditors to perform an audit in accordance with the Uniform Guidance.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County has determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity.

NOTE 4 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The CFDA numbers included in this report were determined based on the program name, review of grant contract information, and the Office of Management and Budget's Catalog of Federal Domestic Assistance.

COUNTY OF SAN BERNARDINO, CALIFORNIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 5 – AGING CLUSTER

The California Department of Aging considers other closely-related pass through programs by the State to be included with the Aging Cluster, in accordance with 2 *CFR 200.12*.

NOTE 6 – MEDICAID CLUSTER

Except for Medi-Cal administrative expenditures, Medicaid (Medi-Cal) and Medicare program expenditures are excluded from the Schedule. These expenditures represent fees for services; therefore, neither is considered a federal award program of the County for purposes of the Schedule or in determining major programs. The County assists the State of California (the State) in determining eligibility and provides Medi-Cal and Medicare services through County-owned health facilities.

Medi-Cal administrative expenditures are included in the Schedule as they do not represent fees for services.

NOTE 7 – INDIRECT COST RATE

The County has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 8 – OUTSTANDING LOANS OF FEDERAL FUNDS AT JUNE 30, 2016

The following schedule represents the amount of outstanding loans by CFDA No. that have continuing compliance requirements. All loans are provided by the U.S. Department of Housing and Urban Development (HUD). Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2016 consists of:

CFDA No.	Federal Program	Outstanding at June 30, 2016
14.239	Home Investment Partnerships Program	\$ 42,518,435

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>Yes</u>
Noncompliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major federal programs:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>Yes</u>
Type of auditors' report issued on compliance for major federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>Yes</u>

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grant (CDBG) - Entitlement Grants Cluster
14.239	Home Investment Partnerships Program
93.778	Medicaid Cluster
93.041, 93.042, 93.043, 93.044, 93.045, 93.052 and 93.053	Aging Cluster
93.959	Block Grants for Prevention and Treatment of Substance Abuse
93.667	Social Services Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 3,000,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

II. FINANCIAL STATEMENT FINDINGS

Finding 2016-001

EMPLOYER PAYROLL TRANSMISSION REPORTS

Criteria:

The employer is solely responsible for its financial statements and, therefore, is responsible for evaluating the information used to recognize and disclose pension amounts in its financial statements. Employer management must be able to support the underlying census data used by the plan actuary. Because the employer has access to the records substantiating the census data provided on active members, the employer should have processes and controls in place to determine that complete and accurate information is reported to the plan and the plan actuary regarding active members and that this underlying information is retained to support the measurement and valuation dates used by the plan and reported in the financial statements.

The plan typically acts as the record-keeper for census data. The plan prepares the census data file to provide to the actuary, which is based, in part, on information reported to the plan by the participating employer(s) on a periodic basis. The census data file is an accumulation of census data information reported by participating employer(s) to the plan over numerous years that is adjusted by the plan based on known events.

Census data is reported to the plan in numerous ways. It often begins with the enrollment of an employee, whether by the employer or directly by the employee, through an application process that communicates certain elements of census data—including name, Social Security number, date of birth, gender, date of hire, marital status, and position or job code.

Subsequent to enrollment, incremental changes to the census data are often reported to the plan through periodic employer (payroll) transmission reports that usually correspond with the periodic remittances of employee and employer contributions to the plan. The employer (payroll) transmission reports often include items such as pensionable wages, service credits (periods of time worked), employer contributions, and employee contributions for the period covered by the report. The plan uses the employer (payroll) transmission reports to update its records and the census data file for the current year. Similarly, other important status changes—such as position, marital status, and employment status—may be reported to the plan through a reporting mechanism other than the employer (payroll) transmission reports.

Condition:

Significant Deficiency – As a result of our audit procedures over the County’s net pension liability, remittances of employee and employer contributions to the plan and related census data, we noted the County did not maintain an archive of the employer (payroll) transmission reports submitted to the Retirement Plan (Plan) for fiscal year 2014-2015. Fiscal year 2014-2015 is the fiscal year that corresponds with the net pension liability measurement and valuation dates. Consequently, the County was required to obtain the transmission data file directly from the Plan which served as a substitute for the employer (payroll) transmission reports. We noted the County did implement procedures to reconcile the transmission data files provided by the Plan to the County’s records prior to the start of the audit.

With the County’s assistance, we were able to use the transmission data files provided by the Plan to perform our substantive audit procedures which resulted in no reconciling differences.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

II. FINANCIAL STATEMENT FINDINGS, CONTINUED

Context:

During our audit, we requested the employer payroll transmission reports for fiscal year 2014-2015. Upon our request it was noted that the County could not provide the transmission reports requested since they did not retain the reports. We noted the County did implement procedures to reconcile the transmission data files provided by the Plan to the County's records prior to the start of the audit.

Effect:

The County was unable to provide the employer payroll transmission reports submitted to the Plan for fiscal year 2014-2015, which resulted in alternative procedures performed in order to test the accuracy and completeness of the pensionable data in the transmission data file maintained by the Plan. We used the transmission data files provided by the Plan to perform our substantive audit procedures which resulted in no reconciling differences.

Cause:

The County did not retain or archive the employer payroll transmission reports for FY 2014-2015 in accordance with their internal retention policy.

Recommendation:

This is a repeat condition from Fiscal Year 2015.

We noted the County continues to make progress with implementing the planned corrective action. We noted the County did implement procedures to reconcile the transmission data files provided by the Plan to the County's records prior to the start of the audit. We continue to recommend that the County implement policies and procedures to ensure employer transmission reports submitted to the Plan are properly maintained. We also recommend that the County implement processes and controls to determine that complete and accurate information is reported to the Plan regarding active members on a periodic basis, but no less than quarterly. Suggested procedures can include agreeing aggregate employer/employee contributions and total number of active employees from the transmission files to the payroll registers and to the Plan's records.

View of Responsible Officials and Planned Corrective Action:

See separate corrective action plan.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding 2016-002

Program: Substance Abuse Prevention Treatment (SAPT)

CFDA No.: 93.959

Federal Grantor: U.S. Department of Health and Human Services

Passed-through: California Department of Health Care Services

Award Year: FY 2015-16

Compliance Requirement: Procurement, Suspension, and Debarment

Criteria:

Title 2 CFR Section 200.213 of the Uniform Guidance states that the County must comply with 2 CFR part 180, which implements Executive Orders 12549 and 12689, “Debarment and Suspension;” Federal awarding agency regulations in Title 2 of the CFR adopting/implementing the OMB guidance in 2 CFR part 180; program legislation; and the terms and conditions of the award. The *2016 Compliance Supplement* states:

- Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.
- When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration (GSA) and available at <https://www.sam.gov/portal/public/SAM/>, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).
- Non-Federal entities receiving contracts from the Federal Government are required to comply with the contract clause at FAR 52.209-6 before entering into a subcontract that will exceed \$30,000, other than a subcontract for a commercially available off-the-shelf item.

Condition:

Significant Deficiency, Instance of Non-Compliance: As a result of the testwork performed, the County (Department of Behavioral Health) did not have proper procedures in place for verifying that vendors were not debarred, suspended or otherwise excluded, nor for ensuring there is a clause or condition stated in the contract, prior to entering into covered transactions.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Context:

One of the two contracts selected for testing did not include the EPLS clause or condition. In addition, the Department of Behavioral Health Compliance also reviewed its records and did not have support of their review of the contract. However, of the 2 transactions selected for testing, we noted none of the vendors selected were identified as a suspended or debarred vendor on Sam.gov as of the date of our fieldwork.

Effect:

As a result of the condition noted, there is an increased risk of non-compliance with procurement, suspension and debarment requirements.

Cause:

The County (Department of Behavioral Health) does not have proper procedures in place for verifying that vendors are not suspended, debarred or otherwise excluded prior to entering into covered transactions.

Recommendation:

We recommend the County (Department of Behavioral Health) implement policies and procedures to verify all vendors who are providing services to federally funded programs in excess of \$25,000 to ensure that the entity is not suspended, debarred, or otherwise excluded. This verification should be checked on the System for Awards Management (SAM) website, and evidence of the verification should be maintained.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-003

Program: Medical Assistance Program (Medicaid Cluster)

CFDA No.: 93.778

Federal Grantor: U.S. Department of Health and Human Services

Passed-through: California Department of Health Services

Award Year: FY 2015-16

Compliance Requirements: Allowable Costs/Cost Principles, Cash Management

Criteria:

Title 2 CFR Section 200.302(b)(6) and (7) of the Uniform Guidance requires all non-Federal entities to establish written procedures to implement the requirements of 2 CFR section 200.305 (Payment) and for determining the allowability of costs in accordance with *Subpart E – Cost Principles* and the conditions of the Federal award.

Condition:

Instance of Non-Compliance – The County (Health Services System Department- HSS) has not established written procedures to implement the cash management requirements of 2 CFR Section 200.305. Further, the County (HSS Department) has not established written procedures for determining allowability of costs in accordance with *Subpart E – Cost Principles* or the conditions of the Federal award.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to cash management and allowable costs for the Medical Assistance program, which is subject to the *Uniform Guidance*.

Effect:

The County (HSS Department) has not complied with the specific requirements for written procedures over cash management and allowable costs as described in the *Uniform Guidance*.

Cause:

The County's (HSS Department) procedures did not ensure the required written procedures were developed and implemented in accordance with the *Uniform Guidance*.

Recommendation:

We recommend the County (HSS Department) review its policies and formalize written procedures related to cash management requirements within 2 *CFR Section 200.305* and allowable costs in accordance with *Subpart E – Cost Principles*.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-004

Program: Medical Assistance Program (Medicaid Cluster)

CFDA No.: 93.778

Federal Grantor: U.S. Department of Health and Human Services

Passed-through: California Department of Health Services

Award Year: FY 2015-16

Compliance Requirements: Eligibility

Criteria:

Per the *June 2016 OMB Compliance Supplement*, agencies are required to maintain eligibility records, including documents to support the agency's eligibility determination and information about each individual and benefits paid to or on behalf of the individual. In addition, it is required that eligibility determinations and redeterminations, including obtaining any required documentation and verifications, are performed to determine if individuals are eligible in accordance with the compliance requirements of the program.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Condition:

Significant Deficiency, Instance of Non-Compliance – As a result of our eligibility testing, we noted 2 cases in which the required documentation supporting the redetermination of eligibility was not available for review covering the fiscal year under audit.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing procedures over eligibility.

Effect:

Lack of reviewable evidence to support the timely eligibility redeterminations could lead to ineligible individuals receiving benefits.

Cause:

The condition is primarily caused by the County (HSS Department) not following its policies and procedures to ensure that documentation pursuant to redeterminations of program eligibility are securely retained.

Recommendation:

We recommend the County (HSS Department) strengthen its current policies and procedures with regards to the safekeeping of documentation associated with the redeterminations of eligibility to ensure that documentation is available for retrieval.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-005

Program: Social Services Block Grant

CFDA No.: 93.667

Federal Grantor: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Year: FY 2015-16

Compliance Requirements: Allowable Costs/Cost Principles, Cash Management

Criteria:

Title 2 CFR Section 200.302(b)(6) and (7) of the Uniform Guidance requires all non-Federal entities to establish written procedures to implement the requirements of 2 CFR section 200.305 (Payment) and for determining the allowability of costs in accordance with *Subpart E – Cost Principles* and the conditions of the Federal award.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Condition:

Instance of Non-Compliance – The County (Health Services System Department- HSS) has not established written procedures to implement the cash management requirements of 2 *CFR Section 200.305*. Further, the County (HSS Department) has not established written procedures for determining allowability of costs in accordance with *Subpart E – Cost Principles* or the conditions of the Federal award.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to cash management and allowable costs for the Social Services Block Grant program, which is subject to the *Uniform Guidance*.

Effect:

The County (HSS Department) has not complied with the specific requirements for written procedures over cash management and allowable costs as described in the *Uniform Guidance*.

Cause:

The County's (HSS Department) procedures did not ensure the required written procedures were developed and implemented in accordance with the *Uniform Guidance*.

Recommendation:

We recommend the County (HSS Department) review its policies and formalize written procedures related to cash management requirements within 2 *CFR Section 200.305* and allowable costs in accordance with *Subpart E – Cost Principles*.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-006

Program: Community Development Block Grant (CDBG) – Entitlement Grants Cluster

CFDA No.: 14.218

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Allowable Costs/Cost Principles, Cash Management

Criteria:

Title 2 CFR Section 200.302(b)(6) and (7) of the *Uniform Guidance* requires all non-Federal entities to establish written procedures to implement the requirements of 2 *CFR section 200.305* (Payment) and for determining the allowability of costs in accordance with *Subpart E – Cost Principles* and the conditions of the Federal award.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Condition:

Instance of Non-Compliance – The County (Economic Development Agency Department-EDA) has not established written procedures to implement the cash management requirements of 2 *CFR Section 200.305*. Further, the County (EDA Department) has not established written procedures for determining allowability of costs in accordance with *Subpart E – Cost Principles* or the conditions of the Federal award.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to cash management and allowable costs for the CDBG program, which is subject to the *Uniform Guidance*.

Effect:

The County (EDA Department) has not complied with the specific requirements for written procedures over cash management and allowable costs as described in the *Uniform Guidance*.

Cause:

The County's (EDA Department) procedures did not ensure the required written procedures were developed and implemented in accordance with the *Uniform Guidance*.

Recommendation:

We recommend the County (EDA Department) review its policies and formalize written procedures related to cash management requirements within 2 *CFR Section 200.305* and allowable costs in accordance with *Subpart E – Cost Principles*.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Finding 2016-007

Program: Community Development Block Grant (CDBG) – Entitlement Grants Cluster

CFDA No.: 14.218

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Criteria:

Title 2 CFR Section 200.430 Compensation – Personal Services of the *Uniform Guidance* outline standards for documentation of personnel expenses, and require that charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed and must:

- Be supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Budget estimates alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes provided that:
 - The system for establishing the estimates produces reasonable approximations of the activity actually performed.
 - Significant changes are identified and entered into records in a timely manner.
- The system of internal controls includes processes to review after-the-fact interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

Condition:

Significant Deficiency, Instance of Non-Compliance – The County (EDA Department) did not have a system of internal controls in place in order to ensure that all necessary adjustments were made to the estimated costs charged to the program, such that the final amount charged to the Federal award was accurate, allowable, and properly allocated, in accordance with *2 CFR 200.430*.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to the activities allowed or unallowed, allowable costs/cost principles for the CDBG program, including review of the estimated payroll/personnel charges. We noted that there was not a system in place to ensure that estimated costs charged to the program were accurate, allowable, and properly allocated, prior to the drawdown of federal funds.

Effect:

The County (EDA Department) was unable to provide evidence of actual payroll/personnel charges that support the interim drawdowns of federal funds or an after-the-fact review of interim charges made to the Federal award based on budget estimates.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Cause:

The County (EDA Department) does not have procedures in place to ensure the salary cost charged to the program were properly supported by a system of internal controls, including a process to review after-the-fact interim charges made to the Federal award in accordance with 2 *CFR 200.430*.

Recommendation:

We recommend the County (EDA Department) implement policies and internal control procedures related to allowable costs for personnel for federal grants to ensure that the required budget to actual reviews are performed and documented in accordance with 2 *CFR 200.430*. We also recommend that the County (EDA Department) reconcile, on a quarterly basis, payroll costs charged to the program to the timekeeping system and the labor distribution reports.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-008

Program: Community Development Block Grant (CDBG) – Entitlement Grants Cluster

CFDA No.: 14.218

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Allowable Costs/Cost Principles

Criteria:

Title 2 CFR Section 200.430(e)(5) Indirect (F&A) Costs and Appendix VII (D)(1)(a) of the Uniform Guidance states that all departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained 2 *CFR Section 200.333 Retention Requirements for Records*.

Furthermore, HUD requires that if Funding Assistance will be used for payment of indirect costs pursuant to 2 *CFR 200, Subpart E – Cost Principles* a schedule must be attached to the application, which identifies each department/agency that will carry out activities with the Funding Assistance, the indirect cost rate applicable to each department/agency, and the direct cost base to which the rate will be applied. Per the *HUD CPD-16-04*, the grantee can use the 10% de minimis rate without HUD’s prior approval.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Condition:

Significant Deficiency, Instance of Non-Compliance – We noted the County (EDA Department) did not receive preapproval from HUD to charge indirect costs to the CDBG program. We also noted the County (EDA Department) did not prepare a formal indirect cost rate proposal or calculate the 10% de minimis rate in accordance with the *Uniform Guidance*.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to the allowable costs/cost principles for the CDBG program, including review of the indirect cost allocation method used by the County (EDA Department). We noted that the County (EDA Department) did not have an indirect cost rate proposal. We also noted that the indirect cost method used by the Department was not submitted to or approved by HUD as part of the grant application. However, during our audit fieldwork, we noted the County prepared an informal indirect cost rate, using the 10% de minimis rate and the modified total direct costs base (MTDC), noting the total indirect costs charged to the program were less than the total costs that would be permitted using the 10% de minimis rate.

Effect:

As a result of the condition noted, the County (EDA Department) is not applying indirect costs to the CDBG program in accordance with *Uniform Guidance*.

Cause:

The County (EDA Department) procedures did not ensure that indirect costs applied to the program were in accordance with *Uniform Guidance*.

Recommendation:

We recommend the County (EDA Department) develop an indirect cost rate proposal in accordance with *Uniform Guidance* or use the 10% de minimis rate permitted by the *Uniform Guidance*. We also recommend that the Department submit the indirect cost rate proposal as part of the application for funding as required by HUD.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Finding 2016-009

Program: Home Investment Partnerships Program (HOME)

CFDA No.: 14.239

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Allowable Costs/Cost Principles, Cash Management

Criteria:

Title 2 CFR Section 200.302(b)(6) and (7) of the Uniform Guidance requires all non-Federal entities to establish written procedures to implement the requirements of 2 CFR section 200.305 (Payment) and for determining the allowability of costs in accordance with *Subpart E – Cost Principles* and the conditions of the Federal award.

Condition:

Instance of Non-Compliance – The County (Economic Development Agency Department- EDA) has not established written procedures to implement the cash management requirements of 2 CFR Section 200.305. Further, the County (EDA Department) has not established written procedures for determining allowability of costs in accordance with *Subpart E – Cost Principles* or the conditions of the Federal award.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to cash management and allowable costs for the HOME program, which is subject to the *Uniform Guidance*.

Effect:

The County (EDA Department) has not complied with the specific requirements for written procedures over cash management and allowable costs as described in the *Uniform Guidance*.

Cause:

The County's (EDA Department) procedures did not ensure the required written procedures were developed and implemented in accordance with the *Uniform Guidance*.

Recommendation:

We recommend the County (EDA Department) review its policies and formalize written procedures related to cash management requirements within 2 CFR Section 200.305 and allowable costs in accordance with *Subpart E – Cost Principles*.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Finding 2016-010

Program: Home Investment Partnerships Program (HOME)

CFDA No.: 14.239

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Criteria:

Title 2 CFR Section 200.430 Compensation – Personal Services of the *Uniform Guidance* outline standards for documentation of personnel expenses, and require that charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed and must:

- Be supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Budget estimates alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes provided that:
 - The system for establishing the estimates produces reasonable approximations of the activity actually performed.
 - Significant changes are identified and entered into records in a timely manner.
- The system of internal controls includes processes to review after-the-fact interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

Condition:

Significant Deficiency, Instance of Non-Compliance – The County (EDA Department) did not have a system of internal controls in place in order to ensure that all necessary adjustments were made to the estimated costs charged to the program, such that the final amount charged to the Federal award was accurate, allowable, and properly allocated, in accordance with *2 CFR 200.430*.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to the activities allowed or unallowed, allowable costs/cost principles for the HOME program, including review of the estimated payroll/personnel charges. We noted that there was not a system in place to ensure that estimated costs charged to the program was accurate, allowable, and properly allocated, prior to the drawdown of federal funds.

Effect:

The County (EDA Department) was unable to provide evidence of actual payroll/personnel charges that support the interim drawdowns of federal funds or an after-the-fact review of interim charges made to the Federal award based on budget estimates.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Cause:

The County (EDA Department) does not have procedures in place to ensure the salary cost charged to the program were properly supported by a system of internal controls, including a process to review after-the-fact interim charges made to the Federal award in accordance with 2 *CFR 200.430*.

Recommendation:

We recommend the County (EDA Department) implement policies and internal control procedures related to allowable costs for personnel for federal grants to ensure that the required budget to actual reviews are performed and documented in accordance with 2 *CFR 200.430*. We also recommend that the County (EDA Department) reconcile, on a quarterly basis, payroll costs charged to the program to the timekeeping system and the labor distribution reports.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-011

Program: Home Investment Partnerships Program (HOME)

CFDA No.: 14.239

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Allowable Costs/Cost Principles

Criteria:

Title 2 CFR Section 200.430(e)(5) Indirect (F&A) Costs and Appendix VII (D)(1)(a) of the Uniform Guidance states that all departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained 2 *CFR Section 200.333 Retention Requirements for Records*.

Furthermore, HUD requires that if Funding Assistance will be used for payment of indirect costs pursuant to 2 *CFR 200, Subpart E – Cost Principles* a schedule must be attached to the application, which identifies each department/agency that will carry out activities with the Funding Assistance, the indirect cost rate applicable to each department/agency, and the direct cost base to which the rate will be applied. Per the *HUD CPD-16-04*, the grantee can use the 10% de minimis rate without HUD's prior approval.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Condition:

Significant Deficiency, Instance of Non-Compliance – We noted the County (EDA Department) did not receive preapproval from HUD to charge indirect costs to the HOME program. We also noted the County (EDA Department) did not prepare a formal indirect cost rate proposal or calculate the 10% de minimis rate in accordance with the *Uniform Guidance*.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to the allowable costs/cost principles for the HOME program, including review of the indirect cost allocation method used by the County (EDA Department). We noted that the County (EDA Department) did not have an indirect cost rate proposal. We also noted that the indirect cost method used by the Department was not submitted to or approved by HUD as part of the grant application. However, during our audit fieldwork, we noted the County prepared an informal indirect cost rate, using the 10% de minimis rate and the modified total direct costs base (MTDC), noting the total indirect costs charged to the program were less than the total costs that would be permitted using the 10% de minimis rate.

Effect:

As a result of the condition noted, the County (EDA Department) is not applying indirect costs to the HOME program in accordance with *Uniform Guidance*.

Cause:

The County (EDA Department) procedures did not ensure that indirect costs applied to the program were in accordance with *Uniform Guidance*.

Recommendation:

We recommend the County (EDA Department) develop an indirect cost rate proposal in accordance with *Uniform Guidance* or use the 10% de minimis rate permitted by the *Uniform Guidance*. We also recommend that the Department submit the indirect cost rate proposal as part of the application for funding as required by HUD.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN BERNARDINO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Finding 2016-012

Program: Home Investment Partnerships Program (HOME)

CFDA No.: 14.239

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Program Income

Criteria:

2 CFR 200.307(e)(1) of the *Uniform Guidance*, states that ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income must be used for current costs unless the Federal awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.

Also, per the HOME and CDBG Guidebook, program income must follow all of the HOME rules and must be used before drawing down new HOME funds.

Condition:

Significant Deficiency, Instance of Non-Compliance – As a result of our program income testwork, we noted that program income generated with Federal awards was not expended for current costs prior to drawing down additional grant funds, and is remaining in the fund.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to program income for the HOME program, which is subject to the *Uniform Guidance*.

Effect:

The County (EDA Department) has not complied with the specific requirements for program income as described in the *Uniform Guidance*.

Cause:

The County (EDA Department) did not follow compliance requirements over program income as stated in the *HOME and CDBG Guidebook* in accordance with the *Uniform Guidance*.

Recommendation:

We recommend the County (EDA Department) implement policies and procedures to comply with program income compliance requirements as stated in the *HOME and CDBG Guidebook* and the *Uniform Guidance*. We also recommend that the County (EDA Department) develop and implement internal cash management policies and procedures related to program income, which should include a tracking mechanism to ensure that program income is used before drawing down on new HOME funds.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-013

Program: Home Investment Partnerships Program (HOME)

CFDA No.: 14.239

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Special Tests and Provisions – Housing Quality Standards and Qualification as Affordable Housing

Criteria:

The *June 2016 Compliance Supplement* states that during the period of affordability (i.e., the period for which the non-Federal entity must maintain subsidized housing) for HOME assisted rental housing, the participating jurisdiction must perform on-site inspections to determine compliance with property standards and verify the information submitted by owners no less than (a) every 3 years for projects containing 1 to 4 units, (b) every 2 years for projects containing 5 to 25 units, and (c) every year for projects containing 26 or more units.

Also, per *24 CFR Section 92.252(f)(2) Qualification as Affordable Housing: Rental Housing*: Owners must annually provide the participating jurisdiction with information on rents and occupancy of HOME-assisted units to demonstrate compliance with program requirements. The participating jurisdiction must review rents for compliance and approve or disapprove them every year.

Condition:

Significant Deficiency, Instance of Non-Compliance – For 5 of the 5 HOME assisted rental housing projects selected for testwork, the County (EDA Department) did not perform on-site inspections for Housing Quality Standards in the required frequency based on the number of HOME assisted units. It was noted that for 2 of the 5 HOME assisted rental housing projects selected for testwork, on-site inspections were not performed during fiscal year 2015-2016.

For 2 of the 5 HOME assisted rental housing projects selected for testwork, the County (EDA Department) did not follow up on deficiencies that were noted as a result of the on-site inspections.

For 5 out of the 5 HOME assisted rental housing project loans selected for review, the County (EDA Department) did not perform annual reviews of the information on rents and occupancy of the HOME-assisted units to determine compliance with the HOME program. It was noted that for 2 of the 5 HOME assisted rental housing project loans selected for review, annual reviews were not performed during fiscal year 2015-2016.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Context:

The condition noted above was identified during our testing over special tests and provisions requirements of the program.

Effect:

By not performing all of the required on-site inspections and annual reviews for the HOME assisted rental housing projects, the County (EDA Department) increases its risk of non-compliance with special tests and provisions of the HOME Investment Partnerships Program.

Cause:

The County (EDA Department) did not perform all of the on-site inspections, or follow up on documented deficiencies, as required by the HOME program for HOME assisted rental housing projects.

Also, the County (EDA Department) did not perform the annual reviews of information on rents and occupancy of the HOME-assisted units as required under the HOME Investment Partnerships Program.

Recommendation:

It is recommended that the County (EDA Department) implement policies and procedures to ensure the requirements for the frequency of on-site Housing Quality Standards inspections and the review of information on rents and occupancy of HOME-assisted housing units are in accordance with the HOME program requirements.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2016-014

Program: Home Investment Partnerships Program (HOME)

CFDA No.: 14.239

Federal Grantor: U.S. Department of Housing and Urban Development (HUD)

Award Year: FY 2015-16

Compliance Requirements: Special Tests and Provisions – Wage Rate Requirements

Criteria:

The *June 2016 Compliance Supplement* states that non-Federal entities shall include in their construction contracts subject to the Wage Rate Requirements (which still may be referenced as the Davis-Bacon Act) a provision that the contractor or subcontractor comply with those requirements and the DOL regulations (29 CFR part 5, Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction). This includes a requirement for the contractor or subcontractor to submit to the non-Federal entity weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls) (29 CFR sections 5.5 and 5.6; the A-102 Common Rule (Section___.36(i)(5); OMB Circular A-110 (2 CFR part 215, Appendix A, Contract Provisions); 2 CFR part 176, subpart C; and 2 CFR section 200.236).

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Furthermore, the United States Department of Labor states that the Copeland Act (40 U.S.C. Section 3145) requires contractors and subcontractors performing work on Federally financed or assisted construction contracts to “furnish weekly a statement with respect to the wages paid each employee during the preceding week.” U.S. Department of Labor (DOL) Regulations at 29 C.F.R. Section 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed “Statement of Compliance” indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed.

Condition:

Instance of Non-Compliance –As a result of our testwork, we noted the County (EDA Department) did not consistently receive the certified payrolls from construction contractors/sub-contractors within the required timeframe as stated in the U.S. Department of Labor regulations.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing over special tests and provisions requirements of the program.

Effect:

By not having its construction contractors/sub-contractors submit certified payrolls within the required timeframe, the County (EDA Department) increases its risk of noncompliance with special tests and provisions related to the wage rate requirements set forth in the *June 2016 Compliance Supplement*.

Cause:

The County’s (EDA Department) construction contractors/sub-contractors did not submit the certified payrolls within the required timeframe, as required by the U.S. Department of Labor.

Recommendation:

It is recommended that the County (EDA Department) implement policies and procedures to ensure construction contractors/sub-contractors submit certified payroll within the timeframe required by the U.S. Department of Labor.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS, CONTINUED

Finding 2016-015

Program: Aging Cluster

CFDA Nos.: 93.041, 93.042, 93.043, 93.044, 93.045, 93.052, 93.053

Federal Grantor: U.S. Department of Health and Human Services

Passed-through: California Department of Aging

Award Year: FY 2015-16

Compliance Requirements: Allowable Costs/Cost Principles, Cash Management

Criteria:

Title 2 CFR Section 200.302(b)(6) and (7) of the Uniform Guidance requires all non-Federal entities to establish written procedures to implement the requirements of 2 CFR section 200.305 (Payment) and for determining the allowability of costs in accordance with *Subpart E – Cost Principles* and the conditions of the Federal award.

Condition:

Instance of Non-Compliance – The County (Department of Aging and Adult Services-DAAS) has not established written procedures to implement the cash management requirements of 2 *CFR Section 200.305*. Further, the County (DAAS Department) has not established written procedures for determining allowability of costs in accordance with *Subpart E – Cost Principles* or the conditions of the Federal award.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our procedures related to cash management and allowable costs for the Aging Cluster program, which is subject to the *Uniform Guidance*.

Effect:

The County (DAAS Department) has not complied with the specific requirements for written procedures over cash management and allowable costs as described in the *Uniform Guidance*.

Cause:

The County's (DAAS Department) procedures did not ensure the required written procedures were developed and implemented in accordance with the *Uniform Guidance*.

Recommendation:

We recommend the County (DAAS Department) review its policies and formalize written procedures related to cash management requirements within 2 *CFR Section 200.305* and allowable costs in accordance with *Subpart E – Cost Principles*.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Summarized below is the current status of all audit findings reported in the prior year audit’s schedule of audit findings and questioned costs.

Federal Award Findings

Finding No.	Program Name	CFDA No.	Compliance Requirement	Status of Corrective Action
2015-001	Employer Payroll Transmission Reports	Not Applicable	Not Applicable	Partially Implemented (See finding at 2016-001)
2015-002	Equitable Sharing Program	16.922	Procurement Suspension and Debarment	Implemented
2015-003	Equitable Sharing Program	16.922	Reporting	Implemented

COUNTY OF SAN BERNARDINO, CALIFORNIA

**SUPPLEMENTAL SCHEDULE OF OFFICE OF CALIFORNIA
STATE DEPARTMENT OF AGING GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Federal Grantor/Program Title	Federal CFDA Number	Contract Number	Federal Award Expenditures	State Expenditures
Senior Community Service Employment Program - Title V (SCSEP)	17.235	TV-1515-20	\$ 304,554	\$ -
Special Programs for the Aging - Chapter 3, Prevention of Elder Abuse	93.041	AP-1516-20	22,365	-
Special Programs for the Aging - Chapter 2, Long Term Care Ombudsman	93.042	AP-1516-20	4,223	-
Special Programs for the Aging - Title III, Part D, Disease Prevention	93.043	AP-1516-20	98,221	-
Special Programs for the Aging - Title III, Part B, Supportive Services	93.044	AP-1516-20	1,552,601	44,940
Special Programs for the Aging - Title III, Parts C1 and C2, Nutrition Services	93.045	AP-1516-20	3,062,795	355,607
National Family Caregiver Support - Title III, Part E	93.052	AP-1516-20	464,992	-
Nutrition Services Incentive Program	93.053	AP-1516-20	573,253	-
Medicare Improvements for Patients and Providers Act (MIPPA)	93.071	MI-1517-20	39,543	-
ACA Financial Alignment	93.626	FA-1516-20	77,973	-
Medi-Cal Assistance Program (Title XIX, MSSP)	93.778	MS-1516-17	14,454,164	8,113,012
Health Insurance Counseling and Advocacy Program (HICAP)	93.779	HI-1516-20	172,506	242,931
Ombudsman Special Deposit Fund (SDF)	N/A	AP-1516-20	-	72,745
Ombudsman Skilled Nursing Facility Quality & Accountability Fund (SNFQAF)	N/A	AP-1516-20	-	83,507
Ombudsman Public Health L & C Program Fund	N/A	AP-1516-20	-	7,101
Totals			\$ 20,827,190	\$ 8,919,843

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

(Of departments relating to Single Audit findings)

Year ended June 30, 2016

Compiled by

Auditor-Controller/Treasurer/Tax Collector

Internal Audits Section

County of San Bernardino, California

Finding 2016-001

Employer Payroll Transmission Reports

Department's Response: We concur.

Views of Responsible Officials and Corrective Action:

Since September 2015 the payroll transmission files sent to the Retirement Plan Administrator (SBCERA) are being retained for a period of ten years. The employee payroll data which is the basis for the transmission file will continue to be maintained in the Employee Management and Compensation System (EMACS) indefinitely, in accordance with our retention policy. The County has implemented a process to create a payroll transmission report which is an extract from the transmission file. This report is reconciled to EMACS reports and to the amounts transferred to SBCERA. These reconciliations will be retained for ten years.

Name of Responsible Person: Joon Cho, Chief Deputy Controller

Name of Department Contact: Joon Cho, Chief Deputy Controller

Projected Implementation Date: Implemented

Finding 2016-002

Program: Substance Abuse Prevention Treatment (SAPT)
CFDA No.: 93.959
Federal Agency: U.S. Department of Health and Human Services
Passed-Through: California Department of Health Care Services
Award Year: FY 2015-16
Compliance Requirement: Procurement, Suspension, and Debarment

Department's Response: We concur.

The San Bernardino County Department of Behavioral Health (DBH) has language in its current contract templates (as well as past fiscal years) requiring contract agencies conduct an exclusion check of its employees and contractors on a monthly basis. Contract agencies must review the following exclusion databases:

- Department of Health and Human Services' Office of Inspector General List of Excluded Individuals and Entities (LEIE);
- General Services Administration System for Award Management (SAM); and
- Department of Health Care Services (DHCS) Medi-Cal Suspended and Ineligible Provider (S&I) List, if the agency receives Medi-Cal reimbursement.

Additionally, the agencies must also sign an attestation confirming it has in fact conducted exclusion checks for its employees, agents and contractors. DBH Compliance Program monitors the DBH contracts to confirm contract agencies complete the exclusion checks as indicated on the attestation.

The contract DBH has with DHCS for Specialty Mental Health Services, contract number 12-89388, effective May 1, 2013 through April 30, 2018, addresses debarment, suspension and exclusions in accordance with Title 42 of the Code of Federal Regulations (CFR), Section 438.610, Executive Order No. 12549 and periodic checks of LEIE and S&I List. As neither 42 CFR § 438.610 nor Executive Order No. 12549 specifically address the change of the former Excluded Parties List System to SAM or the need to review specifically SAM, DBH removed EPLS and SAM requirements from a few contracts fiscal year 15-16. However, DBH later received clarifying instructions from DHCS to review SAM at a statewide compliance meeting; thus, DBH returned the contract language to the template, and continued enforcement.

Corrective Action Plan: DBH currently has an unwritten informal process where it conducts exclusion checks for the following circumstances:

- new hire employees, interns and contracted employees for DBH,
- contract agencies who will be awarded a contract, and
- new hires of DBH shelter bed agencies.

These exclusion checks are in addition to the monthly exclusion checks conducted for each of its DBH staff.

To address the correction action, DBH shall revise its current DBH policy, COM 0933 Ineligible Persons, to include citation of Executive Order No. 12549, and develop an Ineligible Persons Procedure to formalize and document its processes for conducting exclusion checks for the aforementioned circumstances. The revised policy and new procedure will be available on line on or after April 28, 2017, at the following link: <http://wp.sbcounty.gov/dbh/providers/admin/standard-practice-manual/>.

Name of Responsible Person: Marina Espinosa, DBH Chief Compliance Officer

Name of Department Contact: Marina Espinosa, DBH Chief Compliance Officer

Projected Implementation Date: 04/28/2017

Finding 2016-003

Program: Medical Assistance Program (Medicaid Cluster)
CFDA No.: 93.778
Federal Agency: U. S. Department of Health and Human Services
Passed-Through: California Department of Health Services
Award Year: FY 2015–16
Compliance Requirement: Allowable Costs/Cost Principles, Cash Management

Department's Response: We concur.

Corrective Action Plan:

The department will prepare written instructions regarding cash management and allowable costs. These procedures will be implemented no later than June 30, 2017.

Name of Responsible Person: Mari Anton, Internal Review Accountant III

Name of Department Contact: Mari Anton, Internal Review Accountant III

Projected Implementation Date: June 30, 2017

Finding 2016-004

Program: Medical Assistance Program (Medicaid Cluster)
CFDA No.: 93.778
Federal Agency: U.S. Department of Health and Human Services
Passed-Through: California Department of Health Services
Award Year: FY 2015-16
Compliance Requirement: Eligibility

Department's Response: We concur.

Corrective Action Plan: As part of the Re-Evaluation (RE) process multiple lists and reports are generated to track all RE's and identifies which step of the process each case is in. In order to assist staff with the multiple lists and reports San Bernardino County developed various RE processing tools in July 2015 including an RE desk guide for the line staff and RE indicator and tracking calendars for supervisors and managers.

Utilizing these tools help staff to follow the process of the RE and determine what actions need to be taken in a timely manner. It informs supervisors what reports will provide the information needed, and when to access these reports based on the monthly calendar. We are now able to ensure all cases are sent RE packets in a timely manner and track if the paperwork was received and the case in ready to process or if the paperwork was not received and a negative action must be taken.

Name of Responsible Person: Mari Anton, Internal Review Accountant III

Name of Department Contact: Mari Anton, Internal Review Accountant III

Implementation Date: July 2015

Finding 2016-005

Program: Social Services Block Grant
CFDA No.: 93.667
Federal Agency: U. S. Department of Health and Human Services
Passed-Through: California Department of Social Services
Award Year: FY 2015-16
Compliance Requirement: Allowable Costs/Cost Principles, Cash Management

Department's Response: We concur.

Corrective Action Plan:

The department will prepare written instructions regarding cash management and allowable costs. These procedures will be implemented no later than June 30, 2017.

Name of Responsible Person: Mari Anton, Internal Review Accountant III

Name of Department Contact: Mari Anton, Internal Review Accountant III

Projected Implementation Date: June 30, 2017

Finding 2016-006

Program: Community Development Block Grant (CDBG) – Entitlement Grants Cluster
CFDA No.: 14.218
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Passed-Through: Community Development and Housing Department
Award Year: FY 2015-16
Compliance Requirement: Allowable Costs/Cost Principles, Cash Management

Department’s Response: We concur.

During the audit review, CDH provided a procedure manual for the implementation of cash management. After the review, Vavrinek, Trine, Day & Company, LLP (VTD) made the determination that the procedure manual did not meet all items required under Title 2 CFR 200.302(b)(6) and (7) of the Uniform Guidance. In regards to meeting the requirements of Title 2 CFR Section 200.302(b)(6) and (7), CDH had established written procedures for cash management but understand that the procedures may have not adequately addressed determining allowability of costs in accordance with *Subpart E – Cost Principles* or the conditions of the Federal award.

Corrective Action Plan:

As a corrective action, CDH will review regulatory requirements and incorporate various best practices within its current cash management procedures. It is estimated that CDH will have the revised procedure manual by June 30, 2017.

Name of Responsible Person: Gary Hallen, Director

Name of Department Contact: Dawn Jones, Administrative Supervisor I

Projected Implementation Date: June 30, 2017

Finding 2016-007

Program: Community Development Block Grant (CDBG) – Entitlement Grants Cluster
CFDA No.: 14.218
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Award Year: FY 2015-16
Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Department’s Response: We concur.

During the audit review, Community Development and Housing (CDH) provided draw schedules; labor tracking and employee time cards that matched the administrative and personnel expenses charged for Fiscal year 2015-16. The draw schedules did not exceed the maximum amount that could be drawn for the Federal program. However, Vavrinek, Trine, Day & Company, LLP (VTD) made the determination that the procedure to draw Federal funds for personnel cost without back up information (reconciliation) did not meet all items required under Title 2 CFR Section 200.430.

Corrective Action Plan:

As a corrective action, CDH will establish a written procedure to reconcile the employee time tracking system, match the reconciliation with accounting supporting documentation and budget information prior to any draw of Federal funds for personnel costs to insure the Federal programs are only charged the cost that matches the time tracked by direct employees supporting the Federal programs. This procedure will be completed on a 60 day basis, thus allowing adequate time between reconciliation and the next disbursement of funds. CDH will also review regulatory requirements, discuss with the County Auditor-Controller/Treasurer/Tax Collector – Internal Audits Section and incorporate various best practices within the labor reconciliation procedures. It is estimated that CDH will have the labor reconciliation procedure in place before June 30, 2017.

Name of Responsible Person: Gary Hallen, Director

Name of Department Contact: Dawn Jones, Administrative Supervisor I

Projected Implementation Date: June 30, 2017

Finding 2016-008

Program: Community Development Block Grant (CDBG) – Entitlement Grants Cluster
CFDA No.: 14.218
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Award Year: FY 2015-16
Compliance Requirement: Allowable Costs/Cost Principles

Department’s Response: We concur.

The HUD regulations are clear that a Participating Jurisdiction must comply with the 10% de-minimis rate or it must formally secure HUD approval to utilize a different cost allocation methodology. The County Of San Bernardino HUD Annual Action Plan, which is the formal grant application for the entitlement funds, incorporated the budget allocation which was based on the 10% de-minimis rate for cost allocation. HUD subsequently prepares the grant agreement based on the Annual Action Plan. CDH concurs that the department did not formally notify HUD that its CDBG program utilized the 10% de-minimis rate however CDH felt HUD tacitly approved the 10% de-minimus rate when it issued the grant agreements. CDH concurs that the department did not have adequate documentation readily available to demonstrate that CDH was within the 10% de-minimis rate. Based upon the year-end analysis, CDH was below the 10% de-minimis rate. CDBG’s Modified Total Direct Costs (MTDC) for indirect charges was a total of \$197,780; the MTDC were provided to VTDC. CDH’s actual indirect cost was \$150,638.

Corrective Action Plan:

As recommended, CDH will develop an indirect cost rate proposal in accordance with Uniform Guidance or use the 10% de-minimis rate permitted by the Uniform Guidance. Additionally, CDH will include the indirect cost rate proposal as part of the HUD Annual Action Plan.

Name of Responsible Person: Bryan Anderson, Supervising Analyst
Name of Department Contact: Dawn Jones, Administrative Supervisor I
Project Implementation Date: On or before June 30, 2017.

Finding 2016-009

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Award Year: FY 2015-16
Compliance Requirement: Allowable Costs/Cost Principles, Cash Management

Department's Response: We concur.

During the audit review, CDH provided a procedure manual for the implementation of cash management. After the review, Vavrinek, Trine, Day & Company, LLP (VTD) made the determination that the procedure manual did not meet all items required under Title 2 CFR 200.302(b)(6) and (7) of the Uniform Guidance. In regards to meeting the requirements of Title 2 CFR Section 200.302(b)(6) and (7), CDH had established written procedures for cash management but understand that the procedures may have not adequately addressed determining allowability of costs in accordance with *Subpart E – Cost Principles* or the conditions of the Federal award.

Corrective Action Plan:

As a corrective action, CDH will review regulatory requirements and incorporate various best practices within its current cash management procedures. It is estimated that CDH will have the revised procedure manual by June 30, 2017.

Name of Responsible Person: Gary Hallen, Director

Name of Department Contact: Dawn Jones, Administrative Supervisor I

Projected Implementation Date: June 30, 2017

Finding 2016-010

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Award Year: FY 2015-2016
Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Department's Response: We concur.

During the audit review, Community Development and Housing (CDH) provided draw schedules; labor tracking and employee time cards that matched the administrative and personnel expenses charged for Fiscal year 2015-16. The draw schedules did not exceed the maximum amount that could be drawn for the Federal program. However, Vavrinek, Trine, Day & Company, LLP (VTD) made the determination that the procedure to draw federal funds for personnel cost without back up information (reconciliation) did not meet all items required under Title 2 CFR Section 200.430.

Corrective Action Plan:

As a corrective action, CDH will establish a written procedure to reconcile the employee time tracking system, match the reconciliation with accounting supporting documentation and budget information prior to any draw of Federal funds for personnel costs to insure the Federal programs are only charged the cost that matches the time tracked by direct employees supporting the Federal programs. This procedure will be completed on a 60 day basis, thus allowing adequate time between reconciliation and the next disbursement of funds. CDH will also review regulatory requirements, discuss with the County Auditor-Controller/Treasurer/Tax Collector – Internal Audits Section and incorporate various best practices within the labor reconciliation procedures. It is estimated that CDH will have the labor reconciliation procedure in place before June 30, 2017.

Name of Responsible Person: Gary Hallen, Director

Name of Department Contact: Dawn Jones, Administrative Supervisor I

Projected Implementation Date: June 30, 2017

Finding 2016-011

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Award Year: FY 2015-16
Compliance Requirement: Allowable Costs/Cost Principles

Department's Response: We concur.

The HUD regulations are clear that a Participating Jurisdiction must comply with the 10% de-minimis rate or it must formally secure HUD approval to utilize a different cost allocation methodology. The County Of San Bernardino HUD Annual Action Plan, which is the formal grant application for the entitlement funds, incorporated the budget allocation which was based on the 10% de-minimis rate for cost allocation. HUD subsequently prepares the grant agreement based on the Annual Action Plan. CDH concurs that the department did not formally notify HUD that its CDBG program utilized the 10% de-minimis rate however CDH felt HUD tacitly approved the 10% de-minimis rate when it issued the grant agreements. CDH concurs that the department did not have adequate documentation readily available to demonstrate that CDH was within the 10% de-minimis rate. Based upon the year-end analysis, CDH was below the 10% de-minimis rate. Based upon the year-end analysis, HOME Modified Total Direct Costs (MTDC) for indirect charges was \$210,901 and the actual indirect costs paid by HOME were \$40,318.

Corrective Action Plan:

As recommended, CDH will develop an indirect cost rate proposal in accordance with Uniform Guidance or use the 10% de-minimis rate permitted by the Uniform Guidance. Additionally, CDH will include the indirect cost rate proposal as part of the HUD Annual Action Plan.

Name of Responsible Person: Shanikqua Freeman, Housing Analyst
Name of Department Contact: Dawn Jones, Administrative Supervisor I
Project Implementation Date: On or before June 30, 2017.

Finding 2016-012

Program: Home Investment Partnership Program (HOME)
CFDA No.: 14.239
Federal Agency: Department of Housing and Urban Development
Award Year: FY 2015-16
Compliance Requirement: Program Income

Department's Response: We concur.

The County Of San Bernardino Community Development and Housing Department (CDH) is aware of 2 *CFR 200.307(e)(1) of the Uniform Guidance* and per the HOME and CDBG Guidebook, program income must follow all of the HOME rules and must be used before drawing down new HOME funds. CDH strives each year to comply with the expenditure of program income while balancing the HOME statute and regulations which require the Participation Jurisdiction (PJ) to enter into a legally binding commitment within 24 months of signing the HOME Investment Partnerships Agreement for any given year's appropriation of HOME funds. If a PJ does not meet this statutory time requirement, then the HOME appropriation is forfeited by the PJ.

HUD released the 2013 HOME Final Rule which made a number of significant changes to the implementation of the HOME program. The auditor mentioned that HUD has yet to fully update the regulations to incorporate the 2013 HOME Final Rule, however HUD expects the Participation Jurisdiction to comply with the more stringent 2013 HOME Final Rule.

Though the new 2013 HOME Final Rule (2013 Rule) did not modify the 24 month timeframe to have a legally binding commitment, the 2013 Rule did include a new requirement which impacted the conditions of when a PJ could enter into the legally binding commitment. The 2013 Rule specifies that a PJ cannot commit HOME funds to a project until all necessary financing is secured, a budget and schedule established, underwriting and subsidy layering completed, and construction is scheduled to begin within 12 months.

In California the largest source of affordable housing funding is generated from the Low Income Housing Tax Credit (LIHTC) program administered by the State Treasurer. There are two LIHTC programs, the 9% competitive program and the 4% non-competitive program. The LIHTC program requires projects to have secured all financing as a condition of award. Because local jurisdictions in California have not only had to absorb a 50% reduction of HOME funds over the last five years and the elimination of the Redevelopment Housing Fund, the impact was the loss of public subsidy funds required to underwrite affordable housing developments. Thus, to finance an affordable housing project, the local jurisdictions compete for the over-prescribed 9% LIHTC program which is allocated by the State on a regional basis. Because the 9% LIHTC program is over-prescribed it typically takes more than one round to compete for and secure funds.

Prior to the 2013 Rule, PJs entered into HOME Loan Agreements as evidence of funding commitment to comply with the 9% LIHTC funding commitment requirement. This HOME Loan Agreement not only met the LIHTC requirement but the HOME requirement of formal commitment within two years of appropriation. The HOME funds used to finance the development were Program Income and the aged HOME appropriation.

The 2013 HOME Final Rule imposed the same financing commitment as the State of California's LIHTC program; PJs cannot commit HOME funds to a project until all necessary financing is secured. During discussions with the State Treasurer's Office the State indicated a resolution by the governing board would meet the commitment requirement for LIHTC program. If a project was not successful in obtaining a 9% LIHTC allocation, typically two projects are funded in the Inland Region (San Bernardino, Riverside and Imperial counties) every 12 months, the County would then invest the HOME funds that were subject to recapture into a smaller affordable housing project. The County strategically minimized the HOME investment to the recaptured funds and did not incorporate program income. This was done because affordable housing funding is so limited that the County's goal was to leverage the HOME funds to generate a maximum number of affordable housing units.

It is also important to note that a PJ may not enter into a new HOME Loan Commitment each fiscal year because a project may not be able to secure all other sources of financing which will result in no program income or HOME funds being spent.

Corrective Action Plan:

To meet the County's objective of developing affordable housing while meeting State and HUD funding requirements, the County will continue to facilitate affordable housing development to ensure that the HOME funds are not recaptured by HUD and the Program Income is spent in accordance with regulations. The goal is to maximize leveraging of the limited HOME funds to generate affordable housing in the County of San Bernardino.

The County CDH does have a developed tracking mechanism that tracks program income, expenditure of HOME monies by appropriation, affordable housing development and investment of said funds into the proposed projects. CDH will formalize the policies and procedures for tracking and expenditures of program income and aged HOME funds to ensure compliance with HUD regulations.

Name of Responsible Person: Gary Hallen, Director

Name of Department Contact: Shanikqua Freeman, Housing and Homeless Programs Manager

Projected Implementation Date: Procedures formalized on or before July 31, 2017.

Finding 2016-013

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Award Year: FY 2015-16
Compliance Requirement: Special Tests and Provisions – Housing Quality Standards and Qualification as Affordable Housing

Department’s Response:

Staff concurs with the finding considering the auditor’s conclusion pertaining to the frequency of HQS inspections is based upon the Uniform Guidance. Customarily, CDH uses the 2013 Final HOME Rule as guidance relating to the frequency of inspections:

The PJ must conduct periodic property inspections in accordance with §92.504(d). The PJ’s inspection procedures must state how frequently each property will be inspected, consistent with §92.504(d) and, for TBRA units, §92.209. The requirement for a periodic inspection is not new, but the *minimum required inspection schedule has been amended*; every TBRA units must be inspected annually, and *every HOME-assisted rental project must be inspected at least once every three years during the affordability period*. [See §92.504(d) for a more detailed discussion of these inspection requirements.] (emphasis added).

The Department asserts that the lack of congruency and/or consistency with the respective guidances (e.g. Uniform Guidance and 2013 HOME Final Rule), may have precipitated the condition of the finding.

The Department conducted inspections and tenant eligibility monitoring on the five properties sampled; however, it was determined by the auditors, and concurred by staff, that two of the five properties were inspected at the very end of the preceding fiscal year 2014-15 and did not meet the fiscal year cutoff to consider the inspection valid for FY2015-16.

It was also documented as a finding that “...2 of the 5 HOME-assisted rental housing projects selected for review the County (EDA Department) did not follow-up on deficiencies that were notated as a result of the on-site inspections.” The Department concurs with this conclusion, as upon staff review of the file, there was documentation that only the initial inspections had been conducted and letters of deficiencies had been transmitted; there was no evidence of follow-up or closeout. The Department will take corrective measures as noted below in the Corrective Action section.

It was determined that the department did not review tenant eligibility for 5 of the 5 properties tested using the required frequency standard of annually. While the department concurs that the frequency test was not met, eligibility reviews were last conducted for 3 of the 5 during fiscal

year 2015-16 and the other 2 were reviewed at the end of the previous fiscal year, just at the cut-off of the end of the fiscal year. Staff does concur, that the 2 in question were not reviewed during fiscal 2015-16 fiscal year.

Corrective Action Plan:

CDH will be more diligent in ensuring inspections and tenant eligibility reviews are completed in a timely manner that coincides with fiscal year schedule. CDH has already scheduled all of the inspections and monitoring appointments for all of the properties in the asset portfolio for 2017; it is anticipated the inspections will be completed by September 2017.

Staff will follow-up on two of the five property inspected that did not have follow-up regarding the deficiencies. The department will prioritize these projects on the current inspection schedule to expedite a follow-up inspection and proceed accordingly within the next 30 days of this response.

Name of Responsible Person: Gary Hallen, Director

Name of Department Contact: Shanikqua Freeman, Housing & Homeless Programs
Manager

Projected Implementation Date: Within the next 30 days.

Finding 2016-014

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development (HUD)
Award Year: FY 2015-16
Compliance Requirement: Special Tests and Provisions – Wage Rate Requirements

Department’s Response:

For the last four years the Community Development and Housing Department has had as many as four concurrent HOME projects requiring the monitoring of Davis Bacon compliance. Each project takes approximately 12 to 14 months to complete construction. A typical affordable housing development which receives a low interest HOME loan has approximately 30-50 subcontractors who participate in the construction of the project. In 2012, after review of the existing labor compliance program and the complexities of Davis Bacon requirements, Community Development and Housing Department purchased a web-based labor compliance software product to track contractor required documents and their submittal of Certified Payroll Reports (CPRs). This software aids the department in assuring contractor compliance with Davis Bacon and other prevailing wage requirements. Given the high volume of contractors that the department works with, in its endeavors to provide affordable housing to the residents of San Bernardino County, it was found that the tracking software would facilitate the submittal and certification of CPRs. The purchased software came fully on-line in 2013. Auditor findings stated that “The County (EDA Department) did not submit the certified payrolls within the required timeframe, as required by the U.S. Department of Labor.” Although the software facilitates the tracking of contractor’s CPRs and staff does obtain CPRs from the contractors, we do concur, however, that the department did not verify that CPR’s were submitted within the required U.S. Department of Labor (DOL) timeframes, namely, on a weekly basis.

Corrective Action Plan:

The County will implement new procedures to address the requirement of obtaining weekly CPR submittals. This includes compiling a weekly CPR report, per project, which will identify contractors who are out of compliance. The department will verify the report and notify all contractors who are not compliant with the DOL weekly CPR submittal requirement. The department will implement a system requesting immediate submittal of the CPRs that includes written communication, follow-up and timeframes to remediate the deficiencies.

Name of Responsible Person: Gary Hallen, Director

Name of Department Contact: David Van Diest, Project Manager

Projected Implementation Date: Procedures will be implemented on or before thirty days.

Finding 2016-015

Program: Aging Cluster
CFDA No.: 93.041, 93.042, 93.043, 93.044, 93.045, 93.052, 93.053
Federal Agency: US Department of Health & Human Services
Passed-Through: California Department of Aging
Award Year: FY 2015-16
Compliance Requirement: Allowable Costs/Cost Principles, Cash Management

Department's Response: We concur.

Corrective Action Plan: DAAS will implement formal written policies and procedures related to cash management in accordance with the requirements within 2 *CFR Section 200.305* and allowable costs in accordance with *Subpart E – Cost Principles*.

Name of Responsible Person: Kimberlee E. Van

Name of Department Contact: Kimberlee E. Van

Projected Implementation Date: By June 30, 2017

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Preschool Services Department

Head Start Shared Governance Board Meeting of April 20, 2017

Attendance Sheet

Present:

1. Ted Alejandre, County Superintendent, San Bernardino County Superintendent of Schools, SGB Vice Chair
2. Maxwell Ohikhuare, M.D., Health Officer, San Bernardino County Public Health Department
3. Kathy Turnbull, Children's Network Officer, San Bernardino County Children's Network
4. Jacquie Washington, Head Start Policy Council Member and SGB Representative, Boys and Girls Club Head Start

Absent:

1. Josie Gonzales, Supervisor, San Bernardino County Board of Supervisor, 5th District, SGB Chair
2. Veronica Kelley, Director, San Bernardino County Department of Behavioral Health
3. Erika Thompson, Head Start Policy Council Chair and SGB Representative, Yucca Valley Head Start
4. Tiffany Roby, Head Start Policy Council Member and SGB Representative, Community Representative



Head Start Shared Governance Board
Meeting Minutes

DATE: April 20, 2017
PLACE: Preschool Services Department - Administration
662 S. Tippecanoe Avenue
San Bernardino, CA 92415-0630

The Shared Governance Board meeting commenced at 1:04 P.M.

Ted Alejandre, San Bernardino County (SBC) Superintendent of Schools, SGB Vice-Chair, called the meeting to order and welcomed everyone.

EXECUTIVE REPORT/PROGRAM UPDATES

3.1 Program Updates

Diana Alexander, PSD Director, is a member of the California Head Start Association (CHSA) board and shared information that was discussed at the most recent CHSA meeting regarding possible reductions to Head Start funding. To err on the side of caution the Office of Head Start (OHS) has begun awarding grantees at 85% of Basic grant funding and 50% of Extended Duration grant funding for agencies' new program year 2017-18. OHS has instructed Head Start agencies to begin planning for possible budget cuts. PSD anticipates knowing more by April 28th when congress is anticipated to vote on the budget.

PSD funding begins July 1, 2017. PSD submitted the 2017-18 grants on April 1, 2017 at 100%. PSD has begun planning for possible funding reductions. PSD will continue as usual and if necessary we will begin implementing reduction plans as necessary. Diana shared the following contingency plans for budget cuts and updates:

Duration Grant

- Reprioritizing which sites will open first
- Reviewing Extended Duration project estimates to avoid going over 50%
- Many of Project Management Division timelines have been delayed by 12 – 18 months due to the following:
 - Housing Authority sites permit process will be more extensive than originally thought
 - More accurate renovation estimates have increased the costs significantly
- Proposed reductions of new positions by 50% for Extended Duration sites
- Possible reduction in slots

Head Start/Early Head Start and Early Head Start – Child Care Partnership

- Staffing vacancies that could be delayed and remain unfilled
- Possible reduction in slots

If there is a Federal Government shutdown, federal government staff furloughs may be implemented.

If OHS funding is reduced there will be reductions to OHS monitoring. PSD is getting ready to begin the third year of the five-year grant. PSD anticipates a review sometime after October 2017.

PSD did not give any budget increases to the 2017-18 Delegate and Contract Agencies. Although PSD could not offer partners increases, we have been working with them on program planning ideas.

3.2 PSD Community Assessment (Update) 2017-2018 - Funding Year 3 of 5 - Overview & Analysis

Diana presented the Community Assessment and highlighted the following information:

- This is an update for year 3 of the 5-year grant. PSD completes the Community Assessment in year 1 of the 5 year grant and each year following the information is updated:
 - Population by Language – 58% of families speak English at home
 - Population by Education – Data supports our goals to help our parents attain their high school diploma. 31% of parents have less than a high school diploma.
 - Unemployment Rate – This rate continues to decrease but there are still many people in poverty as the employment has come in the form of lower paying jobs.
 - Foster Care - There were 3,114 children in Foster Care placement in San Bernardino County in 2015-16. PSD partners with Children and Families Services to enroll foster children in the Head Start programs. The Head Start Performance Standards allow PSD to reserve slots for foster and homeless children. PSD was told by the National Head Start Association that we are serving the most foster children nationally and they called Diana to ask about our process.
 - Challenges with competition with other agencies for the same age children
 - Transitional Kindergarten offered by 33 school districts.
 - PSD is working on changing the focus to reach the children that are not being served
 - PSD is also working on a system to partner with other agencies on increasing income eligibility. Kathy Turnbull, Children’s Network Officer, commented on how this system may assist families who are afraid to accept a pay raise in fear they will lose their childcare benefits, these families do not realize there are other programs that they might qualify for.
 - PSD may begin to focus more on 0 -3 year olds
 - Serving Children of the Homeless – PSD will be setting aside a number of priority slots for homeless children.
 - Children with Disabilities – PSD is required to set aside 10% of our slots for children with disabilities
 - Summary of PSD’s Community Assessment Survey – PSD received 1,988 survey responses from PSD parents. Diana highlighted this information:
 - 68% reported English as the primary language spoken at home
 - 57.1% Hispanic Ethnic group
 - 26.1% have an average annual income below \$7,000
 - 19.9% did not graduate from high school
 - Important Issues for families: 49.5% was Employment
 - Highest safety concerns in the community: 33% was Safety in schools.

Superintendent Alejandro commented on the percentages of families living in poverty on page 10. There is a difference between Poverty and Socio-economically disadvantaged. Typically to qualify for K-12 free or reduced food programs families are socio-economically disadvantaged. This population has higher a higher income threshold than those who qualify for Head Start programs which must use the federal poverty level. We should all be aware of these differences when communicating with the public as typically they are believed to be synonymous and they are not. The population by poverty level listed on page 10 was 33.6% for San Bernardino County but there are a number of San Bernardino schools with 95% of children qualifying for benefits.

3.3 Self-Assessment Executive Report and Improvement Plan

Diana shared the Annual Self-Assessment final report and improvement plan. Diana highlighted the following information.

- PSD hired Breakwater Associates LLC as the vendor to lead the efforts, given its experience in Head Start monitoring and evaluation.
- The methodology consisted of collecting and analyzing data in three distinct phases: Pre-Site, On-Site, and Post-Site.
- Training and Technical Assistance Provided – Breakwater provided training and technical assistance to staff during the on-site assessment.
- Classroom Assessment Scoring System (CLASS) observations were completed at 70 preschool classes and 5 toddler classes. PSD exceeded the minimum threshold of quality for each domain in its preschool classes, as well as the relative threshold of the bottom 10% set by the Office of Head Start in 2016. Breakwater also identified High Performing and High Priority Teaching Teams.
- A total of 149 Early Head Start, Head Start and Early Head Start-Child Care Partnership child files were reviewed.
- The Self-Assessment Team conducted 26 Environmental Health & Safety Observations.
- Data and Root Cause Analysis was completed by Breakwater.

3.4 Program Information Report – Status 2016-17

Phalos Haire, Assistant Director, presented the Program Information Report for April 2017 in the following areas:

- Medical and Dental
- Disability & Family Services
- Employment Status of Two-Parent Families
- Employment Status of Single-Parent Families

3.5 SBC Quarterly Performance Measures - Fiscal Year 2016-17, Quarter 3

Diana presented the 2016-17 Quarter 3 Performance Measures report as follows:

GOAL	TARGET	ACCOMPLISHED	YEAR END ESTIMATE
Increase literacy skills in preschool age full-day children	75%	89%	90%
Increase in social & emotional skills in toddlers attending a year round program	25%	22%	25%
Increase enrollment opportunities for foster children	260	350	355
Decrease in the number of full-day children who are initially identified as obese or overweight from the higher level of Body Mass Index classification to the next lower level	45%	71%	73%

3.6 Finance Report – Budget to Actual 2016-17

Cheryl Adams, Administrative Manager, presented the Budget-to-Actual and Projected Expenditures Report for Fiscal Year 2016-17 as of March 31, 2017 for the Head Start, Early Head Start, and Early Head Start-Child Care Partnership programs as follows:

- Head Start
 - Modified Budget 44,605,071
 - Projected Year-End Balance 3,091
- Early Head Start
 - Modified Budget 5,015,731
 - Projected Year-End Balance 25,240
- Early Head Start – Child Care Partnership
 - Modified Budget 3,501,801
 - Projected Year-End Balance 61,644

DISCUSSION ITEMS

4.1 Approval of SGB Meeting Minutes for February 23, 2017

The SGB approved the SGB minutes for February 23, 2017.

APPROVED

Motion/Second: Kathy Turnbull/Dr. Maxwell Ohikhuare

AYES: Ted Alejandro, Dr. Maxwell Ohikhuare, Kathy Turnbull

ABSENT: Supervisor Gonzales, Veronica Kelley

4.2 Approval of SGB Meeting Minutes – March 23, 2017

The SGB approved the SGB minutes for March 23, 2017.

APPROVED

Motion/Second: Dr. Maxwell Ohikhuare/Kathy Turnbull

AYES: Ted Alejandro, Dr. Maxwell Ohikhuare, Kathy Turnbull

ABSENT: Supervisor Gonzales, Veronica Kelley

4.3 Approval of Selection of Delegate and Contract Agencies for Program Years 2017-18 and 2018-19

Diana presented the following Proposed Award Amounts for the Delegate Agency and Contract Agencies for the Program Years 2017-18 and 2018-19. The proposed contracts will be for a two-year period. This item is scheduled for approval at the May 23, 2017 SBC Board of Supervisors meeting.

	Federal				State		Total	
	Head Start	# of children	Early Head Start	# of children	CSPP	# of children	Amount	# of children
Colton	\$ 938,197	224	-	-	-	-	\$ 938,197	224
Easter Seals	2,864,026	500	\$ 948,463	80	-	-	3,812,489	580
Fontana	124,222	16	289,212	24	91,660		505,094	40
Needles	285,874	52	-	-	37,593	9	323,467	61
Ontario-Montclair	183,100	32	-	-	-	-	183,100	32
Totals	\$ 4,395,419	824	\$ 1,237,675	104	\$ 129,253	9	\$ 5,762,347	937

APPROVED

Motion/Second: Kathy Turnbull/Dr. Maxwell Ohikhuare

AYES: Ted Alejandro, Dr. Maxwell Ohikhuare, Kathy Turnbull

ABSENT: Supervisor Gonzales, Veronica Kelley

4.4 Approval of Equipment Purchases – Fiscal Year 2016-17 (Program Year 02) Head Start/Early Head Start

Cheryl Adams, Administrative Manager, presented the request for permission to purchase two (2) audio screeners for approximately \$12,000. These audio screeners will be used for completing required audio screenings of enrolled children at Early Head Start locations. These screeners are efficient in testing each ear and producing accurate results. The \$12,000 will be funded with current savings in the Fringe Benefits budget category.

SBC PSD Head Start SGB Agenda, May 17, 2017 Page 69 of 131

APPROVED

Motion/Second: Kathy Turnbull/Dr. Maxwell Ohikhuare
AYES: Ted Alejandre, Dr. Maxwell Ohikhuare, Kathy Turnbull
ABSENT: Supervisor Gonzales, Veronica Kelley

4.5 Approval of Budget Transfer Request – Fiscal Year 2016-17 (Program Year 02) Head Start/Early Head Start (HS/EHS)

Cheryl presented the request for approval for a budget transfer totaling \$2,270,047 for the HS Basic Operations/Training and Technical Assistance budget and the HS Duration start-up budget. In addition, PSD is also requesting approval to transfer a total of \$362,457 from the EHS Personnel, Fringe Benefits, and Contractual budget categories to the Supplies, Equipment, Construction and Other budget categories. Approval of these budget transfer requests will enable PSD to address the increased costs of the Extended Duration construction/major renovation projects, fund several fixed assets, and close out the current budget year without exceeding the \$250,000 cumulative transfer threshold among direct cost budget categories.

APPROVED

Motion/Second: Dr. Maxwell Ohikhuare/Kathy Turnbull
AYES: Ted Alejandre, Dr. Maxwell Ohikhuare, Kathy Turnbull
ABSENT: Supervisor Gonzales, Veronica Kelley

4.6 Approval of Request to Repurpose Carryover Funds – Fiscal Year 2016-17 (Program Year 02) Early Head Start – Child Care Partnership (EHS-CCP)

Cheryl presented the request for approval to Repurpose Carryover funds for FY 16-17 EHS-CCP. On January 25, 2017, the Department of Health and Human Services (DHSS) Administration for Children and Families (ACF) approved Amendment No. 2 of Award No. 09HP0001-02, which approved the carryover of unobligated federal funds from FY 2015-16 (PY01). This amendment included funds for twenty (20) smartboards for EHS- CCP providers in the amount of \$144,240. A re-evaluation of the proposed purchase by the EHS-CCP contractor determined that only five (5) smartboards could be accommodated and that the remaining \$108,180 could therefore be repurposed to purchase outdoor active play and health and safety items; thus, changing the scope of items to be purchased with Carryover funds. The outdoor active play items will help with achieving fine and gross motor skills critical for the healthy development of young children, while the health and safety items will help equip EHS- CCP providers to assist their children in case of an emergency or accident.

APPROVED

Motion/Second: Dr. Maxwell Ohikhuare/Kathy Turnbull
AYES: Ted Alejandre, Dr. Maxwell Ohikhuare, Kathy Turnbull
ABSENT: Supervisor Gonzales, Veronica Kelley

4.7 Approval of Budget Transfer Request – Fiscal Year 2016-17 (Program Year 02) Early Head Start-Child Care Partnership (EHS-CCP)

Cheryl presented the request for approval to transfer a total of \$108,180 from the Equipment budget category to the Supplies budget category. This transfer will allow PSD to purchase health and safety and outdoor active play items. Further, approval of this budget transfer request will enable PSD to close out the current budget year without exceeding the \$250,000 cumulative transfer threshold among the direct cost budget categories.

APPROVED

Motion/Second: Kathy Turnbull/Dr. Maxwell Ohikhuare
AYES: Ted Alejandre, Dr. Maxwell Ohikhuare, Kathy Turnbull
ABSENT: Supervisor Gonzales, Veronica Kelley

INFORMATIONAL ITEMS

5.1 Next SGB Meeting

The next SGB meeting is May 17, 2017.

5.2 Preschool Services Preservice

Diana asked the SGB to save the date for the Annual Preschool Services Preservice which is scheduled for Thursday, August 24, 2017 at the Ontario Convention Center.

5.3 Policy Council Meeting

Diana invited the SGB to the annual Policy Council Recognition and Training event on Monday, June 19, 2017, which will be held at the San Bernardino County Superintendent's building on North E Street in San Bernardino.

PUBLIC COMMENT

Karen Scott, First 5 Executive Director, commented on the fantastic job Preschool Services is doing.

EXECUTIVE COMMENT

Superintendent Alejandro commented on the launch of the Footsteps 2 Brilliance program on April 19. Through the partnership with San Bernardino County Superintendent of Schools, Preschool Services, First 5, and Children's Fund this free literacy platform will be available for all San Bernardino County students and any San Bernardino County parent can enroll their children between 0 – 5 years at no cost. This quality program will help build early literacy skills and prepare children for kindergarten. There are teams going out to engage families and encourage participation countywide.

ADJOURNMENT

The meeting adjourned at 3:19 P.M.

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Head Start Shared Governance Board Schedule
Program Year 2017 - 2018

Purpose The Head Start Shared Governance Board meetings are scheduled to fulfill the purpose of the Board in the development, participation, and monitoring of Head Start shared decision making with the Head Start Policy Council.

Meeting Dates Meetings are scheduled throughout the Program Year, beginning in October through August. Special meetings or emergency meetings shall be called in compliance with the Brown Act.

Attendees Head Start Shared Governance Board Members
 Head Start Policy Council Shared Governance Representatives
 San Bernardino County Deputy County Counsel
 San Bernardino County Administrative Office Legislative Analyst
 PSD Director and Assistant Director
 PSD Deputy Directors
 PSD Finance Staff
 PSD Management and Administration Staff as needed.

DATES	TIME	LOCATION
October 19, 2017	2:00pm – 4:00pm	San Bernardino County Preschool Services Department – Administration 662 S. Tippecanoe Avenue First Floor – Training Room A San Bernardino, CA 92415-0630
January 17, 2018	2:00pm – 4:00pm	San Bernardino County Preschool Services Department – Administration 662 S. Tippecanoe Avenue First Floor – Training Room A San Bernardino, CA 92415-0630
March 15, 2018	9:00am – 11:00am	San Bernardino County Preschool Services Department – Administration 662 S. Tippecanoe Avenue First Floor – Training Room A San Bernardino, CA 92415-0630
April 19, 2018	2:00pm – 4:00pm	San Bernardino County Preschool Services Department – Administration 662 S. Tippecanoe Avenue First Floor – Training Room A San Bernardino, CA 92415-0630
May 24, 2018	9:00am – 11:00am	San Bernardino County Preschool Services Department – Administration 662 S. Tippecanoe Avenue First Floor – Training Room A San Bernardino, CA 92415-0630
August 23, 2018	2:00pm – 4:00pm	San Bernardino County Preschool Services Department – Administration 662 S. Tippecanoe Avenue First Floor – Training Room A San Bernardino, CA 92415-0630

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San Bernardino County (SBC) Head Start Shared Governance Board

JOSIE GONZALES, CHAIR
SBC Fifth District Supervisor

TED ALEJANDRE, VICE-CHAIR
SBC Superintendent of Schools

MAXWELL OHIKHUARE, M.D., HEALTH OFFICER
SBC Public Health

VERONICA KELLEY, DIRECTOR
SBC Behavioral Health

KATHY TURNBULL, CHILDREN'S NETWORK OFFICER
SBC Children's Network

ERIKA THOMPSON
Head Start Policy Council Chair
SGB Representative

TIFFANY ROBY
Head Start Policy Council Member
SGB Representative

JACQUIE WASHINGTON
Head Start Policy Council Member
SGB Representative

Shared Governance Board Delegate Appointment Form

Mail to: PSD | Attn: Shar Robinson | 662 S. Tippecanoe Ave., San Bernardino, CA 92415-0630

Fax to: (909) 383-2080 | Email to: Sharmaine.Robinson@psd.sbcounty.gov

The Head Start Shared Governance Member: Ted Alejandre

Title: San Bernardino County Superintendent of Schools

wishes to appoint: Randy Elphic to serve as Delegate for a one-year term beginning July 1, 2017 through June 30, 2018 to represent the member in the event the member must be absent from a meeting. The designation must be renewed every twelve months and is subject to disapproval by a majority of the remaining SGB members.

Appointee Title: Assistant Superintendent, Student Services

By signing below, the Head Start Shared Governance Board Member authorizes the appointee to serve on the Head Start Shared Governance Board in the absence of the Member, and acknowledges the appointee shall act in the capacity of the member for purposes of that meeting, including full voting rights. The member further confirms by signing below that the appointee has consented to this appointment.

[Handwritten signature of Ted Alejandre]

Head Start Shared Governance Board Member (signed)

5/8/17 Date

Ted Alejandre
SGB Member (printed)

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San Bernardino County Preschool Services Department - Planning Road Map

Program Year 2017- 2018

July 2017			August 2017		
Date	Report or Task Name	Unit	Date	Report or Task Name	Unit
3	Policy Council Planning Committee Meeting	PC	7	Policy Council Planning Committee Meeting	PC
	All Early Head Start Program Options begin	ED		BAI to apply CACFP Grant	ASI
	PSD School begins Full Day, Ext. Duration & CSPP 175 Day	ED		Receive notice application due for CACFP	FIN
	State Quarterly Report (CSPP and CPKS) Completed	FIN		Send Refunding Information to DA & CA (GABI)	FIN
	SF-425 Federal Cash Transaction Report (HS & EHS-CCP)	FIN		Program Information Report Due	QA
	SF-425 Federal Financial Report (HS & EHS-CCP)	FIN	21	Policy Council Meeting	PC
	Position Requests	FIN		Community Assessment Committee	SP
17	Policy Council Meeting	PC		Begin PSD Annual Report	SP
	Review OHS PIR Guidelines for upcoming year	MGMT	24	Pre-Service Annual Preschool Services Conference	DIR
	Review Draft Program Information report (PIR)	QA	30	Shared Governance Board Meeting	DIR
	Capital Improvement Projects Review FY17/18	FIN/FAC/ED			
	HSS Annual Report Due	SP			
September 2017			October 2017		
Date	Report or Task Name	Unit	Date	Report or Task Name	Unit
5	Policy Council Planning Committee Meeting	PC	2	Policy Council Planning Committee Meeting	PC
	Update Quarterly County Performance Measures	ED	4 & 5	New Policy Council Orientation	PC
	PSD School Begins for 128 day	ED		1st Quarter Budget Adjustment and Performance Measures (due)	FIN
8	Planning & Communication Meeting	DIR		State Quarterly Report (CSPP and CPKS)	FIN
	1st Quarter Budget Adjustment & Performance Measures (prep)	FIN		SF-425 Federal Financial Report (HS)	FIN
	CACFP Site Self-Audit 1 of 3	NTR		SF-425 Federal Cash Transaction Report (HS & EHS-CCP)	FIN
18	Policy Council Meeting	PC		CDE Independent Audit of Grant Schedules	FIN
	Conduct Community Assessment	SP		Prepare BAI for State (CSPP) application	ASI
	Schedule & Plan Self-Assessment for November	QA		CACFP Base Count (Meal Forms)	ED
				Management Review State Application	ED
			16	Policy Council Meeting	PC
			19	Shared Governance Board Meeting & Orientation	DIR
				California Shakeout (Disaster Preparedness)	PM
				Prepare application for State Preschool Contract	SP
				PSD Annual Report - Governance Review	SP
November 2017			December 2017		
Date	Report or Task Name	Unit	Date	Report or Task Name	Unit
3	Planning & Communication Meeting	DIR	4	Policy Council Planning Committee Meeting	PC
	CACFP Base Count due to State	FIN		Receive Budget from DA and CA (GABI)	FIN
	Position Review for County Budget FY 18/19	FIN		Capital Improvement Projects Review FY18/19	FIN/FAC/ED
6	Policy Council Planning Committee Meeting	PC		Submit - Position Review for County Budget FY18/19	FIN/HR/ED
	Health Services Advisory Committee	HE		Start State Program Self-Evaluation	ED
	Submit State Application	ED		Classroom Matrix Planning (GABI)	ED
	DRDP Outcomes - Update School Readiness Data	ED		Update Quarterly County Performance Measures	ED
	Conduct Self-Assessment	QA	18	Policy Council Meeting	PC
20	Policy Council Meeting	PC		Establish Recruitment - Selection Criteria	PM
				Submit Final PSD Annual Report	SP
				Community Assessment Reviewed/Approved	SP/MGMT
				NACo Planning	MGMT
January 2018			February 2018		
Date	Report or Task Name	Unit	Date	Report or Task Name	Unit
3	Policy Council Planning Committee Meeting	PC	5	Policy Council Planning Committee Meeting	PC
	State Quarterly Report (CSPP and CPKS)	FIN		Prepare BAI for ACF application (GABI)	ASI
	SF-425 Federal Cash Transaction Report (HS & EHS-CCP)	FIN		PSD In-Service	ED
	SF-425 Federal Financial Report (HS & EHS-CCP)	FIN		DRDP Outcome Update School Readiness Goals	ED
	T&TA Budget Plan - (GABI)	FIN		Complete State DRDP Parent Surveys	ED
	GABI Budget Due	FIN	20	Policy Council Meeting	PC
	2nd Quarter Budget Adjustment and Performance Measures	FIN		Policy Council approval of GABI	PC
	Capital Improvement Projects Review FY17/18	FIN/FAC/ED			
12	Planning & Communication Meeting	DIR			
16	Policy Council Meeting	PC			
17	Shared Governance Board Meeting	DIR			
	CACFP Site Self-Audit 2 of 3	NTR			
	Self-Assessment Corrective Action Plan	QA			

Draft

San Bernardino County Preschool Services Department - Planning Road Map

March 2018			April 2018		
Date	Report or Task Name	Unit	Date	Report or Task Name	Unit
5	Policy Council Planning Committee Meeting	PC	1	GABI due electronically to ACF	SP
	County Budget Due	FIN	2	Policy Council Planning Committee Meeting	PC
	3rd Quarter Budget Adjustment and Performance Measures	FIN		Fixed Assets Inventory Due to Auditor-Controller/Treasurer/Tax	FIN
	Update Quarterly County Performance Measures	ED		MB1212 Reporting due (CSPP parent fees impact)	FIN
	Complete Parent Survey Action Plan	ED		SF-425 Federal Cash Transaction Report (HS & EHS-CCP)	FIN
	BAI HS/EHS & EHS-CCP Grant approvals (3 approvals)	ASI		Submit Quarterly County Performance Measures	FIN
9	Planning & Communication Meeting	DIR		State Quarterly Report (CSPP and CPKS)	FIN
	Review of Planning Road Map for Next Program Year	DIR		Licensing of Duration Sites for 17/18 (tentative)	ED
15	Shared Governance Board Meeting	DIR	16	Policy Council Meeting	PC
	Health Services Advisory Meeting	HE	19	Shared Governance Board Meeting	DIR
19	Policy Council Meeting	PC		Work Performance Evaluation Short Forms Due	HR
	Shared Governance Board approval of GABI	DIR		CACFP Site Self-Audit 3 of 3	NTR
May 2018			June 2018		
Date	Report or Task Name	Unit	Date	Report or Task Name	Unit
7	Policy Council Planning Committee Meeting	PC	1	State Program Self-Evaluation submission	ED
	Purchasing cut off	FIN		Update Quarterly Performance Measures	ED
	Employee Travel Request cut off	FIN	4	Policy Council Planning Committee Meeting	PC
	JOC Contract Commencement	FAC		Sensitive Equipment Inventory due to ITSD	FIN
	DRDP Outcomes Update School Readiness Goals	ED		1st Quarter Position Review	FIN
	State Program Self-Evaluation Finalized	ED		BAI - accept State contract	ASI
11	Planning & Communication Meeting	DIR		Take State Contract & ACF Award to Policy Council	PC
	Complete PSD Directory of Services	ASI	18	Policy Council Meeting	PC
	BAI - accept ACF award	ASI		Review Prior Year Program Goals & Objectives - HSS Annual Report	MGMT
	PSD Planning Road Map approvals	PC/DIR			
21	Policy Council Meeting	PC			
24	Shared Governance Board Meeting	DIR			
	Begin PIR Report for 17/18 Program Year	QA			
	Begin HSS Annual Report	SP			

Individual/Unit Responsible

ASI	Administrative Supervisor I
CON	Contracts
DIR	Director
ED	Education
Ext.	Extended
FAC	Facilities
FIN	Finance
HE	Health
HR	Human Resources
MGMT	Management
NTR	Nutrition
PC	Policy Council Coordinator
PM	Program Manager
QA	Quality Assurance
SP	Special Projects

Projects/Agencies/Programs

ACF	Administration for Children & Families
BAI	Board Agenda Item
CACFP	Child & Adult Care Food Program Audit
CA	Contract Agencies
CSPP	California State Preschool Program
CPKS	California PreKindergarten & Family Literacy Support
DA	Delegate Agency
DRDP	Desired Results Developmental Profile
EHS	Early Head Start
EHS-CCP	Early Head Start-Child Care Partnership
FY	Fiscal Year
GABI	Grant Application Budget Instrument
HS	Head Start
HSS	SBC Human Services
NACo	National Association of Counties
PIR	Program Information Report
T/TA	Training and Technical Assistance

PRESCHOOL SERVICES DEPARTMENT OF SAN BERNARDINO COUNTY
GOVERNANCE CALENDAR OF ACTIVITIES
 2017 – 2018

MONTH	POLICY COUNCIL	SHARED GOVERNANCE BOARD
July 2017	17th Meeting	No Meeting
August 2017	21st Meeting <ol style="list-style-type: none"> 1. Policy Council Reimbursement Procedures 2. Strategic Planning 3. Child and Adult Care Food Program (CACFP) Application 	30th Meeting <ol style="list-style-type: none"> 1. Program Updates 2. Shared Governance Board Training
September 2017	18th Meeting <ol style="list-style-type: none"> 1. Nutrition Report 2. Approval of Community Representative(s) for 2017/18 3. Early Head Start Transition Policy 4. Self-Assessment Schedule & Plan 	No Meeting
October 2017	4th and 5th Training/Meeting <ol style="list-style-type: none"> 1. New Policy Council Orientation/Meeting 2. Training and Election of Officers 3. Exec. Board Planning/Agenda Setting Committee 4. Childcare Planning Council & Region 9 Rep. Election 5. Shared Governance Board Representatives 6. Policy Council Code of Conduct 16th Meeting <ol style="list-style-type: none"> 1. Apprenticeship Program 2. Preschool Services Annual Report 2016/17 - Review 	19th Meeting <ol style="list-style-type: none"> 1. Shared Governance Board Orientation 2. Introduction of Policy Council Representatives 3. Shared Governance Board By-laws - Approval 4. Governing Bodies Shared Decision Making - Approval 5. Governance Internal Dispute Resolution & Impasse - Approval 6. Final Program Information Report 2016/17 - Review 7. Program Self-Assessment Participation 8. Preschool Services Annual Report 2016/17 – Review 9. School Readiness Presentation
November 2017	20th Meeting <ol style="list-style-type: none"> 1. Recruitment/Selection Criteria Policies 2. Policy Council By-Laws 3. Self-Assessment Update 	No Meeting
December 2017	18th Meeting <ol style="list-style-type: none"> 1. Community Assessment – Overview/approve 2. Overview of Standards of Conduct for staff 3. Personnel Rules (Excerpts & Standards of Conduct) 4. Attendance Procedure 	No Meeting

PRESCHOOL SERVICES DEPARTMENT OF SAN BERNARDINO COUNTY
GOVERNANCE CALENDAR OF ACTIVITIES
 2017 – 2018

January 2018	<u>16th Meeting</u> 1. Administration for Children and Families Grant Application– Narrative and Budget to include Goals & Objectives - Approval	<u>17th Meeting</u> <ul style="list-style-type: none"> • Recruitment/Selection Criteria Policies - Approval • Policy Council By-Laws - Approval • Community Assessment - Overview & Analysis • Self-Assessment Report – Review • Shared Governance Board Vice-Chair Election
February 2018	<u>20th Meeting</u> 1. School Readiness/Transition 2. Self-Assessment Corrective Action Plan –Review	No Meeting
March 2018	<u>19th Meeting</u> 1. Early Head Start Policy and Procedure 2. Delegate Agency & Contract Agencies - Approval	<u>15th Meeting</u> 1. Delegate Agency & Contract Agencies - Approval 2. Self-Assessment Corrective Action Plan - Approval 3. Administration for Children and Families Grant Application – Narrative and Budget to include Goals & Objectives– Approval
April 2018	<u>16th Meeting</u> 1. Child Outcomes Report (Education) - Review 2. Self-Assessment Corrective Action Plan - Approval	<u>19th Meeting</u> 1. School Readiness Goals/Child Outcomes Report (Education) - Review 2.
May 2018	<u>21st Meeting</u> 1. Financial Audit Results 2. Planning Road Map - Approval 3. Shared Governance Calendar of Activities - Approval	<u>24th Meeting</u> 1. Financial Audit Results - Review 2. Planning Road Map Roadmap - Approval 3. Shared Governance Calendar of Activities - Approval 4. State Program Self-Evaluation Report - Review 5. Shared Governance Board Calendar for next Program Year - Approval 6. SGB Delegate Appointments for next Program Year - Approvals
June 2018	<u>18th Meeting</u> 1. Family Community Engagement (FCE) - Mental Health 2. Attendance Report	No Meeting

**ANNUAL SELF-ASSESSMENT
HEAD START/EARLY HEAD START/CHILD CARE PARTNERSHIPS
FINAL REPORT & IMPROVEMENT PLAN**

Executive Summary

The County of San Bernardino Preschool Services Department (PSD) conducted its annual self-assessment over a nine-day period from February 13-17 and February 21-24, 2017. The self-assessment was conducted in accordance with regulation 45 CFR 1302.102(b)(2)(i)-(iii), which requires all Head Start grantees to conduct an annual self-assessment. The purpose of the self-assessment is to:

1. Assess the Head Start program's progress toward meeting its long-term goals and short-term objectives.
2. Assess program's compliance with the new Head Start Program Performance Standards
3. Assess effectiveness of professional development and family engagement systems in promoting school readiness.

In conducting its annual self-assessment, PSD selected **Breakwater Associates LLC (Breakwater) as the vendor to lead the efforts, given its experience in Head Start monitoring and evaluation.** Breakwater is a privately held business consulting company that provides industry expertise to leading organizations across private, public and social service sectors.

The Self-Assessment Team consisted of outside consultants, staff and parents. Breakwater identified seven Subject Matter Experts (SME) from across the country, who are noted experts in their fields and have conducted over 100 federal monitoring reviews of Head Start programs nationwide. In addition to Breakwater consultants, the Self-Assessment team consisted of the leadership team, staff and parents. The PSD staff and parents shadowed Breakwater consultants during classroom observations, review of child files and environmental health and safety observations. Through this process, PSD staff and parents obtained greater insight into conducting a thorough self-assessment.

The methodology for the Self-Assessment consisted of collecting and analyzing data in three distinct phases: Pre-Site, On-Site and Post-Site. The pre-site activities established the framework for the on-site activities. The on-site activities included multiple modes of inquiry, such as classroom observations, document reviews, individual and group interviews, and file reviews. The post-site activities included the analysis of all data collected, as well as data entry into ChildPlus™.

Training & Technical Assistance Provided

Breakwater's unique approach to training and technical assistance is building capacity in staff during an on-site assessment. Through this model, staff and parents gain enhanced skills in conducting ongoing program monitoring, self-assessment, and root cause analysis.

Results of Self-Assessment

The results of the self-assessment are presented by four distinct tasks:

- **Task 1:** Classroom Assessment Scoring System® (CLASS®) observations of 70 preschool classes and five toddler classes.
- **Task 2:** Child File Reviews of 150 child files
- **Task 3:** Environmental Health & Safety Observations
- **Task 4:** Data and Root Cause Analysis

Program Strengths

Several strengths were noted of the program:

1. Quality of Teacher-Child Interactions – the program implements a high-quality program, as evidenced by the quality of teacher-child interactions. Across the program, children and teachers enjoyed warm supportive relationships. It was evident that these relationships motivated children to learn.
2. Data Management –while some issues were identified in the fidelity of data kept in ChildPlus™, the program has a well-functioning data management plan that keeps all information in a centralized location; is easily accessible, and protects personally identifiable information.
3. Leadership – the thoughtfulness and transparency of the existing leadership team is a strength. The leadership team is guided by a mission of nurturing children, families and staff to achieve ultimate success.

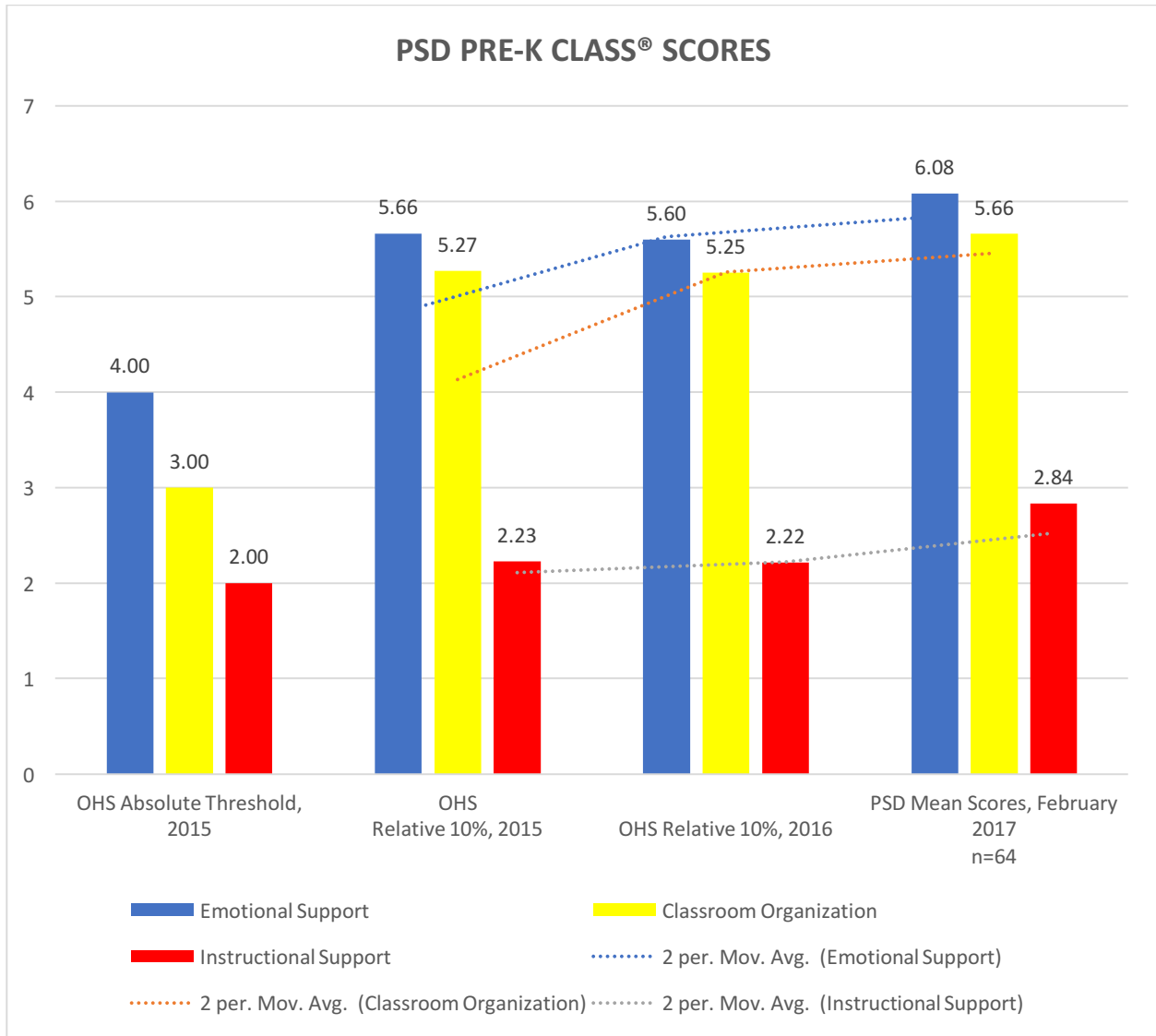
Task 1: Results of CLASS® Observations

Breakwater was tasked with observing 70 preschool classrooms over a five-day period; however, only 64 preschool classrooms were observed due to logistical problems on the first day. Of these classrooms,

- six classrooms are operated by the delegate agency (Easter Seals),
- six are operated by a contracting partner (Colton Unified School District), and
- the remaining 52 are operated by PSD.

The CLASS® scores obtained during this five-day period are an accurate representation of the quality of teacher-child interactions currently taking place across the program, as the sample consisted of a representative sample.

Based on the results of the Pre-K CLASS® observations conducted by Breakwater, PSD exceeds the minimum thresholds of quality for each domain in its preschool classes, as well as the relative threshold of the bottom 10% set by the Office of Head Start in 2016.



When further analyzing the CLASS® data, four dimensions fell below the OHS national mean for 2016; however, only one dimension, Instructional Learning Formats, was significantly below the national mean (indicating a difference of more than .25 points); all other dimensions, Teacher Sensitivity, Quality of Feedback and Language Modeling, had a difference of less than .10 points.

Table 1: PSD CLASS Scores by Dimension as Compared to OHS Mean Scores

Dimensions	PSD Means, 2017	OHS Mean, 2016	Difference
Positive Climate	6.02	5.93	0.09
Negative Climate	1.08	1.06	-0.02
Teacher Sensitivity	5.76	5.82	-0.06
Regard for Student Perspective	5.61	5.30	0.31
Behavioral Management	6.12	5.95	0.17
Productivity	6.10	6.05	0.05
Instructional Learning Formats	4.76	5.20	-0.44
Concept Development	2.46	2.33	0.13
Quality of Feedback	2.73	2.80	-0.07
Language Modeling	3.33	3.35	-0.02

Identification of High Performing and High Priority Teaching Teams

Breakwater also identified High Performing Teaching Teams and High Priority Teaching Teams. Teaching Teams identified as High Performing had all three domains above the national average. Eleven Teaching Teams were identified as High Performing. A total of 24 Teaching Teams were identified as High Priority Teaching Teams for additional coaching and support. High Priority teaching teams were classified as follows:

- High Priority 1 – Indicates all three domains fall below the OHS relative threshold of 2016.
- High Priority 2 – Indicates two domains fall below the OHS relative threshold of 2016.
- High Priority 3 – Indicates one domain falls below the OHS relative threshold of 2016.

Six Teaching Teams were identified as High Priority 1, seven were identified as High Priority 2 and 11 were identified as High Priority 3.

Task 2: Results of Child File Review

A total of 149 Early Head Start, Head Start and Early Head Start-Child Care Partnership (EHS-CCP) files, as well as ChildPlus™ tracking reports, were reviewed. Child files were randomly selected from the ChildPlus™ master roster of participants using a standardized formula in Excel. The child file review was facilitated by a Breakwater SME and in partnership with seven PSD staff. The overall results were as follows:

ERSEA:

ERSEA documentation in files from grantee, delegate, and partner sites were accurate and complete. Nearly all files reviewed had eligibility determination records located in the file; were signed by a program employee, and indicated which documents were reviewed to determine eligibility, which were acquired within the appropriate timeframe. The majority of files were determined correctly, of which most families were deemed income eligible below 90% of federal poverty threshold, followed by public assistance determinations and between 101-130% of federal poverty threshold.

Health Services

The PSD program began its second year of utilizing ChildPlus™ as a data management system in September 2016, thus, the program has not yet fully implemented the tracking and monitoring system across all service areas. The child file review found inconsistencies between file contents and data recorded in the ChildPlus™ data management system.

In addition, neither the child file nor ChildPlus™ provided documentation of ongoing contact with parents; therefore, it was difficult to verify that program staff had worked with parents to ensure children obtained the required screenings. The program's Generalists are primarily responsible for health follow-up and completion, with support from Program Managers; however, Generalists carry caseloads of 80-100 families, making the prompt attention to individual issues difficult.

It is recommended that the program consider creating a centralized grouping of data entry staff for the area of health/nutrition to control the fidelity of the data being entered. Implementing this recommendation may also help alleviate a portion of the duties assumed by the Generalists.

Family Services

When completing file reviews, most files contained incomplete Family Partnership Agreements (FPA). The current policy requires both the Generalist and teacher to share responsibilities in completing the FPA; however, these shared responsibilities have led to 47 percent of FPAs being incomplete.

As the role of the Generalists is revisited, ***it is recommended*** that PSD lower the caseloads to no more than 60 families and assign sole responsibility of the FPA process to the Generalists.

Task 3: Results of Environmental Health & Safety Observations

Over the course of 3.5 days, the Self-Assessment Team conducted 26 Environmental Health & Safety Observations. The Self-Assessment Team was asked to provide their first impressions of the sites assessed. Below, is a sample of these first impressions:

- Welcoming and cheerful staff. Children and staff engaged in a variety of activities.
- Cheerful, curious children and friendly, accommodating staff. Clean classrooms and organized materials.

Most sites received regular safety inspections, including indoor and outdoor learning environments. Monthly emergency drills were conducted regularly. In most cases, all sites were in good repair and easily accessible to children with working fire extinguishers, and windows and glass doors designed to prevent injury or escape.

Although PSD has written policies and procedures that identify a systematic, layered approach to health and safety monitoring, it was clear that all staff did not have a thorough understanding of what they should be monitoring, how to monitor for indoor and outdoor safety, and why they were doing it. ***It is recommended*** that an environmental health and safety training system be put in place for all staff.

At the completion of the Environmental Health and Safety observations, the PSD Quality Assurance team entered the observation results from each site into ChildPlus.Net™. This action was important to ensure timely follow-up on corrective actions.

Task 4: The Self-Assessment Journey: Data Analysis, Root Causes, and Corrective Action

The Annual Self-Assessment Journey module, developed by the Office of Head Start's National Center for Program Management and Fiscal Operations (PMFO), was used as the basis for PSD's data analysis meeting. To implement this process, Breakwater and PSD analyzed data to determine the root causes of systemic failures and to implement long-term systemic change. During the data analysis, PSD sought answers to the following question: *"Are we doing the right things for the right reasons?"* As opposed to determining whether they *are doing things right*.

Participants developed a shared understanding of the purpose of ***root cause analysis***, which is the practice of identifying the underlying causes of issues or concerns. Based on this data analysis, participants developed two hypotheses as the root causes of the systemic concerns identified in ongoing monitoring and record-keeping:

1. High turnover rates in management positions over the past four years contribute to inconsistencies in the implementation of ongoing monitoring.

2. The PSD's approach to training does not incorporate proper follow-up and accountability for knowledge, which creates inconsistencies in the implementation of program services and management systems.

For the first hypothesis, three systemic issues were identified:

- Ongoing Monitoring: The program utilizes a layered/tiered system of ongoing monitoring with well-written policies and procedures for implementation. Each layer includes a monitoring checklist, however, information from each layer is not reviewed in a cohesive manner and shared with staff to promote an understanding of how each area plays an integral part in programming.
- Communication: Information across duties and responsibilities is shared inconsistently and oftentimes not in a timely manner.
- Training: While the program has a system for training new staff, the system for providing ongoing support and coaching for staff that assume new or additional duties is currently not in place.

Root Cause: It was, therefore, determined that the lack of a systematic process for shifting responsibilities or onboarding staff has led to several inconsistencies in the implementation of management systems, particularly in ongoing monitoring, knowledge competencies and communication.

Corrective Action: The participants explored several options as corrective actions:

- Require all key management positions and specific fiscal contracts, special projects and content specialists to develop detailed transfer reports prior to exiting.
- Create work manuals for key positions that describe specific duties, relevant policies/procedures and timelines for responsibilities.
- Create mentor/coach positions for management positions for the sole purpose of helping new employees and/or employees with new duties to understand program processes, culture and requirements.
- Require weekly meetings/checkpoints between supervisor and employee for up to three months; with flexibility and as needed afterwards.

For the second hypothesis, two systemic issues surfaced:

- Communication: Although regularly scheduled center and Administrative meetings and trainings were occurring, the program struggled to disseminate information to all staff in a timely manner.
- Record-Keeping and Reporting: The lack of follow-up on information provided through training workshops, discrepancies in record-keeping and reporting existed

across various systems, e.g. fidelity of data, quality of observations and accuracy of reports.

Root Cause: The process of training staff in large groups in a didactic fashion, as opposed to incorporating various training modalities, including hands-on strategies, has led to inconsistencies in the implementation of various services and systems.

Corrective Action: To address the issue of training with intentionality, the PSD explored the following actions for implementation:

- Create professional development cohorts for staff that build over time, for example:
 - Use a group session to introduce a strategy, activity or idea.
 - Require implementation of the new learned concepts with follow-up and observation from the trainer or staff (i.e., Center Director, Program Manager, coach or other key staff).
 - Implement follow-up training sessions that build on the learning from the previous session and the implementation opportunities.
- Explore various training modalities, including producing “how to” web-based videos that allow participants to view the training topic multiple times and that contain competency assessments.
- Design training sessions that enhance specific competencies. For example, create an 8-hour training session on Environmental Health & Safety Observations that lead to in-house certification.

Recommendations

Breakwater offers the following three over-arching recommendations:

1. Conduct a time study of the Generalist position to analyze current expectations, caseloads, and time constraints. Based on the results of the time study, determine if a realignment of job duties would allow for more thorough recordkeeping, reporting and support of families.
2. Create a mentor-coaching model specifically for Teacher 3’s to increase their coaching practice skills. The focus on Teacher 3’s is instrumental in continuing to provide high-quality services to children.
3. Embrace parents as part of the Environmental Health and Safety Observations through a certified training program for parents, e.g., Safety Assistant Monitors. This practice will focus parents’ time in conducting observations, as well as produce in-kind hours.

**COUNTY OF SAN BERNARDINO
PRESCHOOL SERVICES DEPARTMENT
662 SOUTH TIPPECANOE AVENUE
SAN BERNARDINO CA 92415-0630
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POLICY COUNCIL BY-LAWS

ARTICLE I

NAME OF ORGANIZATION

The name of this organization shall be the COUNTY OF SAN BERNARDINO PRESCHOOL SERVICES DEPARTMENT POLICY COUNCIL.

ARTICLE II

PURPOSE

The purpose of the COUNTY OF SAN BERNARDINO PRESCHOOL SERVICES DEPARTMENT POLICY COUNCIL shall be the encouragement and promotion of parent participation in the process of making policy decisions about the nature, operation and implementation of Head Start, Early Head Start and Early Head Start Child Care Partnership programs in San Bernardino County.

The Council shall exercise all such powers, duties and functions as granted by the San Bernardino County Board of Supervisors providing that:

- A. Actions of the Policy Council shall not be contrary to, or in conflict with, Federal or State, or local ordinances. The guidelines, regulations or policies are established by the Federal Department of Health and Human Services (HHS), Administration for Children and Families. (45 CFR Chapter XIII Part 1301)
- B. The Federal Regulations outline the functions of the Policy Council as follows:
 1. Must approve procedures for program planning.
 2. Must approve the program's philosophy and long and short range program goals and objectives.
 3. Must approve the selection of Delegate Agencies, partners and their service areas.

4. Must approve criteria for defining recruitment, selection, and enrollment priorities in accordance with the requirements of 45 CFR Chapter XIII Part 1301.2, 1301.3 and 1301.4.
5. Must approve all funding applications and amendments to funding applications for Head Start, Early Head Start and Early Head Start Child Care Partnerships including administrative services, prior to the submission of such applications to Shared Governance, the County of San Bernardino, and HHS.
6. Must approve Policy Council budget.
7. Must approve Policy Council and Parent Committee Reimbursement for reasonable expenses incurred by the members.
8. Must approve the annual self-assessment of the grantee's progress in carrying out the programmatic and fiscal intent of its grant application, including planning or other actions that may result from the review of the annual audit and findings from the Federal monitoring review.
9. Must approve the composition of the Policy Council and the procedures by which policy group members are chosen.
10. Must approve procedures describing how the governing body and the appropriate policy group will implement shared decision making.
11. The Grantee and the Policy Council must jointly establish written procedures for resolving internal disputes, including impasse procedures, between Shared Governance and the policy group.
12. Establish and maintain procedures for hearing and working with the grantee agency to resolve community complaints about the program.
13. Must approve program policies and subsequent changes to those policies, in accordance with 45 CFR Chapter XIII Part 1301., including standards of conduct for program staff, consultants, volunteers, and Policy Council members.
14. Must approve, with the County Board of Supervisors, and Shared Governance Board, decision to hire or terminate the Head Start Director of the grantee agency.
15. Must approve program personnel policies and decisions regarding the employment of any person who works primarily for Head Start or Early Head Start at the grantee agency. The Policy Council participates in the process by:
 - a. Approving Eligible list of candidates who have met the minimum requirements for a position
 - i. Education
 - ii. Experience
 - b. Participating in the interview panel

- c. Approving Terminations of staff for violations of the San Bernardino County Code of Conduct and Personnel Rules
16. The Parent Representative must report the actions taken by the Policy Committee back to the Parent Committees at their individual sites.

DRAFT

17. The function of screening and interviewing prospective applicants may be designated to the Policy Council Personnel Committee.
18. Must serve on the Shared Governance Board. Representation shall consist of 3 Policy Council members (Policy Council Chair and 2 representatives).
19. Must approve job descriptions for Policy Council Representatives, Policy Council Alternates, Policy Council Executive Committee, Policy Council Community Representatives, and Shared Governance Board Representatives.

ARTICLE III

COMPOSITION OF POLICY COUNCIL MEMBERSHIP

A. Membership

The membership of the Policy Council shall consist of:

1. Representatives selected from each Early Head Start geographic home base area.
2. Representatives from Head Start center based sites. Parents from both home based and center based options are included in the parent meetings which elect the representatives. The elected representative must be an active member of the Parent Committee at the site they represent.
3. Representatives from Early Head Start Child Care Partnership sites.
4. Representatives from the community, including businesses and others who are familiar with resources and services for low-income children and families, as well as former Head Start and Early Head Start parents. These Community Representatives are approved by the Policy Council annually. (45 CFR Chapter XIII Part 1301.2 (a))

Parent representatives constitute the majority of the members of the Policy Council membership. There is a representative for each grantee site, as well as at least one representative for each contract partner and Delegate Agency. Each site elects an alternate representative to serve on the Policy Council in the event that the Policy Council Representative cannot attend a meeting. Policy Council Representatives Alternates and Community Representatives attend the annual Policy Council Orientation Training Session in the fall. Make-up Policy Council Orientation will be held on a monthly basis prior to the monthly Policy Council meeting.

B. Certification of Membership

1. The certification of membership establishes in writing the eligibility for membership. Appropriate documentation for membership includes:
 - a. The member's name, address and telephone number.

b. Minutes of the Parent Advisory Committee meeting at which they were elected and a copy of the sign-in sheet of the committee members in attendance as proof.

C. Conflict of Interest

1. No grantee or Delegate Agency staff or immediate family members may serve on the Delegate Agency Policy Committee or on the Policy Council. This would constitute a conflict of interest. Parents who occasionally substitute for regular Head Start, Early Head Start or Early Head Start Child Care Partnership staff may be considered.
2. No Policy Committee or Policy Council member shall have a financial conflict of interest with the grantee or Delegate Agency. Such conflicts would include receiving compensation from the grantee or Delegate agency (except as provided in item 4 below), and any personal or company financial business with the grantee or Delegate Agency.
3. Eligible Policy Council members will receive mileage and child care reimbursement, and on occasion, meal reimbursement only. No other compensation for serving on the Policy Council or for providing services to the agency will be given.
4. Eligible Community Representatives may receive mileage and child care reimbursement. Community Representatives are not eligible to receive meal reimbursement for lunch if they serve on a committee.

D. Vacancies

When a vacancy, resignation or termination occurs, a Parent Advisory Committee meeting shall be held and a new member shall be considered for certification. The appropriate written documentation must be submitted to Preschool Services Department, and certification orientation and training will take place. Vacancies that occur during the summer months shall be considered vacant in order to achieve a quorum. The Policy Council member that vacates their position must return the Policy Council binder to the site.

Note: The previously elected alternate shall be given the first opportunity to become the new Policy Council Representative and the site must elect a new alternate.

E. Community Representative

A Community Representative shall be considered when a written response from the advertisement is submitted to the Grantee/agency Director and the applicant is selected through the approval process by the Policy Council.

F. Attendance

1. Regular Council meetings shall be held the third Monday of each month unless changed by a 2/3 vote of the Policy Council.
 - Policy Council members with two unexcused absences will be removed from the Council. (Refer to Article IV)

- A written notice will be sent to the member, by the PSD Secretary, after the first unexcused meeting, advising them that a second missed meeting will result in automatic removal from the Council. The Executive Secretary must be notified of the removal.
- If the alternate representing the site attends the meeting, in the absence of the representative, it will not be considered an absence.
- In order for attendance to be tracked, Policy Council members must sign-in on the Policy Council Sign-in sheet. If members have not signed in, they are counted as absent.

2. Excused absences constitute

- a sickness in the family
- death in the family
- conducting Policy Council business
- adverse weather conditions
- unavailable childcare due to PSD site closures
- conflicting PSD scheduled activity, i.e. scheduled EHS Home Visits
- conflicting employment obligations when Policy Council meeting does not fall on the third Monday of the Month

Policy Council members must contact **the PSD Policy Council Coordinator or the PSD Receptionist** to report the excused absence prior to the start time of the Policy Council meeting.

G. Resignation

If any member of the Policy Council wishes to resign, they may do so at anytime. They must submit a letter of resignation to the Policy Council Chairperson and/or PSD Policy Council Coordinator. (Refer to Article IV)

H. Term of Membership

The term of membership shall be for one (1) year from October to October of each year. Policy Council and Policy Committees must limit the number of one-year terms any individual may serve on either body to a combined total of three terms. Policy Council and Policy Committee members may not be dissolved until successor Councils or Committees are elected or seated. Membership on the Council is limited to no more than three (3) one-year terms.

I. Transfer of Membership

Membership in this Council is not transferable.

J. Code of Conduct and Commitment

Council members shall discharge faithfully their duties and demonstrate the highest standard of morality and ethics consistent with the requirements of their position. Refer to the Code of Conduct.

A member may be terminated from Policy Council by a majority vote if the Code of Conduct is violated.

K. Disciplinary Action

Disciplinary action may be taken for Policy Council members who exhibit inappropriate behavior such as but not limited to:

1. Personal misconduct when representing Policy Council.
2. Providing false information (oral or written).
3. Violation of confidentiality (including information discussed during closed session).
4. Slanderous or libelous remarks against Council members or staff.
5. Correspondence sent without Council approval.
6. External reproduction without Council prior approval
7. Violation of the Code of Conduct.

ARTICLE IV

TERMINATION OF MEMBERSHIP

All members who do not attend the monthly Council meetings in accordance with the attendance policy set in the By-Laws shall be terminated. Termination will result from a member's excessive absences or in accordance with the Council's disciplinary action.

Any Executive Board officer elected or appointed by the Council may be removed by two-third (2/3) vote of all members whenever the behavior of the member violates the Code of Conduct or whenever the best interest of the Council has been compromised. The member shall be notified by certified mail of pending action. (Refer to Disciplinary Actions Regarding Policy Council member.)

Any member elected to the Council may be removed by majority vote of all members whenever the behavior of member violates the Code of Conduct.

ARTICLE V

ORIENTATION AND TRAINING

The Grantee agency shall provide orientation and training to all new members, alternates and Community Representatives prior to the first regularly scheduled meeting.

A transition training session will be conducted at the end of the membership term of the seated Policy Council. The purpose is to review the learned skills that may be supportive in the business world.

Voting Rights - Only members who have been certified and have attended orientation shall have voting rights. Each member shall be entitled to one (1) vote on each matter. An alternate may be seated as a voting member in the absence of the elected representative if so designated by the Chair before the start of the meeting. This does not extend to other meetings unless the alternate has attended orientation.

ARTICLE VI

ELECTIONS FOR SPECIAL ACTIVITIES

Elections will be held for formal representation from the Policy Council to meetings or conferences which would benefit the Head Start, Early Head Start, Early Head Start Child Care Partnership or State Preschool programs such as National Head Start Association, National Head Start Annual Parent Training, California Head Start Association, etc.

The dates and numbers of positions will be announced in the regular meetings. Candidates receiving the majority of votes will be elected to attend. In case of a tie, a run-off election will be held. Unsuccessful candidates will be placed on a waiting list. The person elected to attend must provide a copy of a valid identification (CADL, CAID, valid passport) for traveling, to the Policy Council Coordinator within a week of being elected. If a copy of a valid identification is not provided within a week, the first alternate would be selected to attend the special event.

In case of time constraint during a Policy Council meeting or a large number of Policy Council members volunteer to be considered to attend a special activity, the representatives may be selected via a drawing.

In the event there is insufficient time to conduct an election for a special activity, the Policy Council Board may be selected to attend a special event. The order used for this selection is:

Policy Council Chairperson;
Policy Council Vice Chairperson;
Policy Council Treasurer;
Policy Council Secretary.

Members elected must conduct Head Start, Early Head Start, or Early Head Start Child Care Partnership business according to the trip protocol procedure. (Refer to Protocol Procedure.)

ARTICLE VII

OFFICERS OF THE EXECUTIVE BOARD OF THE POLICY COUNCIL

Elections will be conducted in accordance with the nominating and election procedures. All Policy Council elections for office will be held by voice ballot. Votes will be counted and announced. The officers shall be elected at the first scheduled meeting conducted by the Council following the training.

The candidates for the positions of Chair, Vice Chair, Treasurer, and Corresponding Secretary shall be elected by majority of votes. Other positions may be elected by a plurality of the established quorum.

The officers of Executive Board of the Policy Council may approve the certification list from Human Resources during the agenda setting and planning meetings.

Duties of the Chairperson: The Chairperson shall,

- A. Conduct all meetings of the Council.
- B. Act as liaison between the Council and Shared Governance Board of San Bernardino County.
- C. Serve as representative to the Shared Governance Board of San Bernardino County.
- D. Call meetings to order, clarify business at hand, and follow the agenda.
- E. Ensure that personal comments are avoided.
- F. Appoint members to Ad Hoc Committees.
- G. Appoint members to temporarily assume duties of absent officers.
- H. Attend monthly agenda setting, planning meetings and special events as needed.
- I. Provide leadership to the overall Council.
- J. Remain calm and deal fairly with issues.
- K. Work closely with the appointing authority of San Bernardino County Grantee/agency.
- L. Assure that there is open communication between committees and the Policy Council. The Chair should attend all Sub Committee meetings and Standing Committee meetings.
- M. Participate in the annual self-assessment of the program.
- N. Serve as the chairperson of the Technology Committee and publish monthly parent newsletter.

Duties of the Vice Chair: The Vice Chair shall,

- A. Assume duties in the absence of the Chair.
- B. Provide assistance to the recording secretary as requested.
- C. Receive and perform any duties assigned by the Policy Council Chair.
- D. Attend any Sub and Standing Committee meetings in the absence of the Chair.
- E. Work closely with the Chair to ensure the end-of-year training is planned and completed in a timely manner.
- F. Attend monthly agenda setting, planning meetings and special events as needed.
- G. Participate in the annual self-assessment of the program.
- H. Serve as the Chairperson for Quality Assurance Committee

Duties of the Secretary: The Secretary shall,

- A. Receive names of all committee and sub committee members, including phone numbers and addresses.
- B. Attend monthly agenda setting, planning meetings and special events as needed.
- C. Call roll and maintain a list of attendance.
- D. Communicate with the absent member, if no call has been received.
- E. Read all correspondence from Council members and statements of absences and present to the Council members at regular meetings.
- F. Work closely with the PSD Policy Council Clerk and Executive Secretary to notify members of possible termination and new members.
- G. Participate in the annual self-assessment of the program.
- H. Serve as the Chairperson for Education/Family Community Engagement Committee

Duties of the Treasurer: The Treasurer shall,

- A. Serve as Chairperson of the Finance Committee.
- B. Monitor and report to the Council the monthly expenditures of the Council.

- C. Maintain copies of the budget submitted to the Policy Council for approval.
- D. Maintain copies of the monthly Budget Comparison Statement.
- E. Attend monthly agenda-setting, planning meetings and special events as needed.
- F. Participate in the annual self-assessment of the program.

Duties of the Region IX Representative: The Region IX Representative shall,

- A. Be elected by the Policy Council. Must be a parent of a currently enrolled child to be a Region IX Representative.
- B. Serve a term of one year, unless if eligible, by re-election of the Council body for another term.
- C. Must be able to attend the Region IX Conferences and report back to the Policy Council.
- D. Represent PSD in Region IX which covers California, Nevada, Arizona, Hawaii and the Trust territories.
- E. Serve in leadership capacities in the various committees of the Association.

Community Representatives: The recruitment for the position of a Community Representative must be distributed at least three months prior to the first scheduled meeting of the Council in October. Interested candidates may submit their letter of interest to the Grantee agency before the close of the recruitment period. The Community Representative's name will be presented to the Council for approval.

STANDING COMMITTEES

The standing committees shall be:

- | | |
|---|---|
| 1. Finance | monthly meetings |
| 2. Personnel | biannually, and as needed meetings |
| 3. Health Advisory/
Family and Community Engagement/
Parent Involvement | bimonthly |
| 4. Early Child Development | quarterly meetings |
| 5. Quality Assurance | quarterly meetings |
| 6. Training and Tech Assistance | quarterly meetings |
| 7. By-laws | annual meetings (Ad Hoc committee), and as needed |
| 8. Technology | quarterly meetings |
| 9. Nutrition/Menu Planning | biannually |

STANDING COMMITTEE STRUCTURE

It is highly recommended that Policy Council Officers of the Executive Board participate in as many committees as possible.

FINANCE COMMITTEE

Meets monthly to review and make recommendations to the Policy Council, i.e., budget, (changes in budget) use of parent funds.

PERSONNEL COMMITTEE

Make recommendations regarding hiring and firing of staff, based on participation in oral interviews. Interviews will not exceed seven (7) hours per panel under normal circumstances.

Training of these members will take place on a biannual basis, and as needed.

EARLY CHILDHOOD DEVELOPMENT COMMITTEE

Meets quarterly prior to the Policy Council meeting. The purpose of this meeting is to inform parents of the progress of the curriculum, help develop the curriculum and provide training as requested. Members receive updates on child outcome and literacy progress.

HEALTH ADVISORY

Meets bimonthly to plan, discuss and evaluate health services. The committee is composed of Policy Council members, health services staff and other health professionals (County Health Department, pediatricians, Behavior Health, dieticians).

QUALITY ASSURANCE COMMITTEE

Meets quarterly prior to Policy Council to review results of the ongoing monitoring process and the committee members serve on the Annual Self-Assessment Team. Training for the Self-Assessment process is required and participation involves a commitment of several days.

FAMILY & COMMUNITY ENGAGEMENT

Meets bimonthly to discuss the integration of parent and family strategies in order to promote family well-being and children's learning and development. The committee supports mutual respect between parents and the program staff and seeks to identify and establish new linkages for services to children and families.

TRAINING & TECHNICAL ASSISTANCE

Meets quarterly prior to the Policy Council meeting. This committee coordinates training needs for parents and staff, while raising their skill levels and knowledge.

PARENT INVOLVEMENT

Meets bimonthly to discuss ways to help increase the volunteer activity in the agency, while generating new ideas for volunteerism.

NUTRITION/MENU PLANNING

Meets biannually to gather parental input as to children's menus at the sites.

TECHNOLOGY

Meets quarterly to develop and distribute the monthly Parent Newsletter.

ARTICLE VIII

MEETINGS

Regular Council meetings shall be held the third Monday of each month unless changed by a 2/3 vote of the Policy Council.

One regular day meeting shall be designated for recognition and training of Council members. During this meeting, members who have served the full term shall be recognized.

Special Meetings

A special meeting is a meeting held outside the regular Policy Council schedule, which may be held in person or via teleconference.

Special meetings may be called by the Chair in agreement with the Executive Director.

The Shared Governance meeting shall be considered a special meeting.

Meeting Procedure

Meetings shall be conducted in accordance with Robert's Rule of Order. Policy Council meetings shall be limited to a maximum of three (3) hours, with the exception of the Orientation Training.

Quorum

The quorum shall consist of at least 51% eligible Policy Council members (trained by PSD designee) in attendance to conduct business.

Reference Robert's Rules of Order, 9th Edition, Page 340.

Executive Session

A closed session (Executive Session) may be called for personnel issues concerning an employee, potential employee, Policy Council or Community Representative, or anyone affiliated with PSD.

All information discussed during the Executive Session must remain confidential. Disclosure of confidential information may result in dismissal from the Policy Council.

Shared Governance Board

The Chairperson and two other Policy Council members shall participate in shared decision making with the Shared Governance Board. Other members may be appointed by the Chair as needed. Any unexcused absence by a Shared Governance Board Representative will result in dismissal from the Shared Governance Board and a new Representative will be elected by the Policy Council.

Annual Assessment

The Executive Board of the Policy Council shall participate with other Policy Council members in the annual self-assessment of the program.

Mileage Reimbursement

Mileage will be reimbursed at the current County rate (\$.56 per mile, subject to change), specifically from home to location of meeting. Mileage will be calculated to the standard mileage using the route mapping used by the Preschool Services Department.

Mileage Reimbursement is available for PC Representatives and Community Representatives.

Child Care Reimbursement

The child care reimbursement rate is \$5.00 per hour. Child care reimbursement may not exceed one hour before and one hour after each meeting, up to a maximum of 10 hours per day.

Child care reimbursement is also allowable if the Policy Council Member is participating in a Policy Council related activity that does not permit them to pick their child up prior to the child's scheduled pick up time, i.e. child is scheduled to be picked up by 5pm, due to the Policy Council activity and traffic, parent is not able to pick the child up until after 5pm and is charged a late fee or has to pay another individual to pick up the child from the center and pay for services.

Child care reimbursement will not be approved for children who are enrolled in a full day program, and no costs are paid for the child's care.

The child care reimbursement rate for overnight travel is \$60.00 per day. If the period covered by the expense report is for overnight (conference), or multi-day (training), the Policy Council member has the option to submit an expense report to be paid for child care in advance. The expense report should be brought to the PSD Administrative office to the attention of the Fiscal

Clerk a minimum of 3 weeks prior to the conference/training. Payment will be made to the Policy Council member no sooner than 3 days prior to their scheduled departure date for the conference/training. Should the Policy Council member not attend the conference/training after receiving the child care advance, they will be required to reimburse the money to the Supervising Fiscal Specialist immediately.

Community Representatives are eligible to receive child care reimbursement if they qualify as low-income.

Income Eligibility:

1. The family's income is equal to or below the poverty level; or,
2. The family is eligible or, in the absence of child care, would be potentially eligible for public assistance. Public assistance includes:
 - CalWORKs/TANF
 - Supplemental Security Income (SSI)
3. Verification of Income Eligibility:
 - Individual Income Tax Form 1040;
 - W-2 forms;
 - pay stubs;
 - pay envelope;
 - employers' written statements;
 - Notice of Action (TANF);
 - SSI Letter;
 - And declarations of zero income

In order to complete the determination of income eligibility family size must be established.

Family Size

The family is defined as the parents and the children for whom the parents are responsible, who comprise the household in which the child receiving services is living. For purposes of income eligibility and family fee determination, when a child and his or her siblings are living in a family that does not include their biological or adoptive parent, "family" shall be considered the child and related siblings.

A parent is defined as a biological parent, stepparent, adoptive parent, foster parent, caretaker relative, legal guardian, domestic partner of the parent as defined in Family Code Section 297, or any other adult living with a child who has responsibility for the care and welfare of the child.

Required Documentation of Family Size

The number of children shall be documented by providing one of the following documents, as applicable:

- Birth certificates;
- Court orders regarding child custody;
- Adoption documents;

- Records of Foster Care placements;
- School or medical records;
- County welfare department records; or
- Other reliable documentation indicating the relationship of the child to the parent.

Meal Cost Reimbursement

Community Representatives are not eligible to receive meal reimbursement for lunch if they serve on a committee.

Meal cost may be claimed when meetings exceed four (4) hours and meals are not provided and will be reimbursed at the current county rate.

The reimbursement for meals will be at the maximum amount according to the Funding Terms and Conditions and HSS San Bernardino County Reimbursement Policy. Receipts must be attached for reimbursement.

Travel: members on approved travel shall be provided meal costs as allowed by Funding and Condition terms. All reimbursement claims for travel must have receipts, e.g. (taxi, shuttle, bus).

A Community Representative will be paid out of county cost the same rate as a Policy Council member is paid if elected to attend a conference.

Receipts are required for reimbursement. Exceptions: There will be exceptions to the child care reimbursement for representatives who live in the desert areas. The child care reimbursement will be based on the allotted travel time from meeting point to home destination.

Travel Protocol Procedure for Policy Council Members

1. Members are eligible to be elected for one Conference activity per membership year except the representative for Region IX.
2. The person elected to attend must provide a copy of a valid identification (CADL, CAID, valid passport) for traveling, to the Policy Council Coordinator within a week of being elected. If a copy of a valid identification is not provided within a week, the first alternate would be elected to attend the special event.
3. Any member attending must present an oral report upon returning (next meeting) or provide a brief written summary to the Council.
4. All receipts are due within three (3) working days of return and must be submitted to the PSD Policy Council designee.
5. Members not following this trip protocol will be subjected to Policy Council disciplinary action.

Reimbursement Payment Procedures:

All mileage reimbursement will be made in cash from the Preschool Services Department Fiscal Office.

Child care reimbursement will be issued in the form of cash for regular Policy Council meetings. Child care reimbursement for training attendance of more than one day will be paid in the form of a check within 14 working days.

The PC Expense Report must be completed, signed and submitted by PC members wishing to be reimbursed for mileage, child care, lodging, and/or meal expenses.

ARTICLE IX

SHARED GOVERNANCE BOARD

The purpose of the Head Start and Early Head Start Shared Governance Board is to develop, review and advise the Board of Supervisors on policies and procedures affecting the operation of the Head Start and Early Head Start programs. The Head Start and Early Head Start Shared Governance Board shall operate as a representative of the Board of Supervisors and shall be involved in the decision making process prior to the point of final approval.

The Chairperson and two Policy Council members shall be seated as members of the Shared Governance Board, to help facilitate a better understanding of issues from each governing board as advisory members with no voting rights.

ARTICLE X

**INTERNAL DISPUTE/RESOLUTION AND IMPASSE POLICY
SAN BERNARDINO COUNTY HEAD START AND EARLY HEAD START**

BACKGROUND: Effective November 2016, the revised Head Start Program Performance Standards required that each grantee and delegate agency establish written procedures for resolving internal disputes, including impasse procedures, between the governing body and policy group. This policy establishes the foundation for complying with this mandate.

PURPOSE: To resolve all differences between the Shared Governance Board as representatives of the San Bernardino County Board of Supervisors and the San Bernardino County Head Start and Early Head Start Policy Council through normal channels or the use of the formal procedures noted in this document. These differences are focused on, but not limited to, the Program Performance Standards regulations noted in 45 CFR Chapter XIII Part 1301.6.

GENERAL AGREEMENT: Commitment to Resolve Issues in Good Faith.

This standing agreement assumes the commitment of the Shared Governance Board and the Head Start and Early Head Start Policy Council to make every good faith effort to resolve

differences on an amicable basis. This step includes using all internal agency communications systems available to reach agreement and avoid impasse.

If necessary, this includes the Shared Governance Board and Head Start and Early Head Start Policy Council commitment to fully cooperate in all aspects of the established internal dispute and impasse process in order to resolve issues in the best interest of the children and families being served.

When the Shared Governance Board and the Head Start and Early Head Start Policy Council cannot jointly approve proposed actions, the dispute will formally be referred to the Dispute Resolution Committee.

PROCEDURES

STEP 1. ESTABLISHMENT OF THE DISPUTE RESOLUTION COMMITTEE

PURPOSE: ~~The purpose of the Dispute Resolution Committee is to resolve disputes between the Head Start Shared Governance Board and the Head Start Policy Council within the scope of their shared decision making powers.~~ The purpose of the Dispute Resolution Committee is to resolve disputes between the Shared Governance Board and the San Bernardino County Policy Council.

MEMBERSHIP: ~~The Dispute Resolution Committee (“Committee”) shall be made up of four (4) members comprised of the Chair and Vice-Chair from both the Head Start Shared Governance Board and the Head Start Policy Council. The Dispute Resolution Committee shall be composed of four (4) members. The Shared Governance Board and the Policy Council shall each designate two (2) of its members to sit on the Committee. Each governing body will determine selection of members and alternates.~~

TERM OF MEMBERSHIP: ~~The Committee members will each serve a two (2) year term subject to the continued membership on the appointing governing body. The Committee members can be removed from the Dispute Resolution Committee by a majority vote of the designating governing body.~~

STEP 2. FILING THE COMPLAINT

~~Within five (5) County business days of non-approval by either the Head Start Shared Governance Board and the Head Start Policy Council of any item within the scope of shared decision making, either the Head Start Shared Governance Board or the Head Start Policy Council may give written notice to the San Bernardino County Head Start Director (“Director”) requesting that the Committee be convened and the dispute resolution process commenced. At the time written notice is provided, the Head Start Shared Governance Board or Head Start Policy Council requesting dispute resolution, shall provide the Director and the other party with a written statement of the issue at dispute and a recommendation for resolution. Within five County business days of the governing bodies not being able to jointly approve proposed action(s), either of the disputing parties may formally lodge a complaint with the San Bernardino~~

~~County Head Start Director requesting that the Internal Dispute Resolution and Impasse Policy and Procedures be formally initiated.~~

STEP 3. NOTIFICATION OF COMPLAINT

~~The Director shall have five (5) County business days from the date the written notice was officially filed to notify the members of the Committee of the notice and to provide the written statement of issue. The San Bernardino County Head Start Director will have three days from the date the complaint was filed to formally notify the non-complaining policy group that the other has asked that the Internal Dispute policy be invoked. The Director will have five days from the date that the complaint was officially filed to notify the members of the Dispute Resolution Committee of the complaint and to provide the governing bodies and the Committee a written statement of the issue(s).~~

STEP 4. DISPUTE RESOLUTION COMMITTEE MEETING

~~The Committee shall convene a meeting within five (5) County business days of receipt of the statement of issue. The Committee shall first determine whether the subject falls within the scope of shared decision making. If it does, then the Committee may request additional information from the Director, the Head Start Shared Governance Board or the Head Start Policy Council. The Committee will have five working days after being notified of the complaint to convene a meeting. The first priority of business will be to determine if the complaint falls within the scope of the shared decision making procedures as specified in the Head Start Performance Standards and the approved Shared Governance Board and Policy Council approved procedures.~~

~~The Committee may request additional information from the Head Start Director, Shared Governance Board or Policy Council.~~

STEP 5. TIME LIMITATION

~~The Committee shall have ten (10) County business days from the first meeting convened to determine the validity of the issue(s) and provide a written solution to the Head Start Shared Governance Board, Head Start Policy Council and the Director. The Committee has ten (10) County business days from the first meeting convened to determine the validity of the issue(s) as a shared decision making infraction to provide a written solution to the Shared Governance Board, Policy Council and the San Bernardino County Head Start Director.~~

STEP 6. PROPOSED DISPUTE RESOLUTION RECOMMENDATION

~~The written solution must be presented to:~~

~~(a) The Head Start Policy Council for acceptance or rejection; and~~

~~(b) The Head Start Shared Governance Board for acceptance or rejection, and then submitted to the Board of Supervisors for final acceptance or rejection.~~

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~~Both parties must inform the other in writing of their determination to either accept or reject the written solution. The Committee's proposal may be rejected by the Policy Council or Shared Governance Board by providing a written notification to the Dispute Resolution Committee and the other party.~~

STEP 7. FAILURE OF DISPUTE RESOLUTION COMMITTEE TO REACH CONSENSUS

~~If the Committee does not reach a consensus, the Committee so shall inform the Head Start Policy Council, the Head Start Shared Governance Board and the Director. If the majority of the Committee does not reach consensus, the Committee shall inform both governing bodies and the PSD Head Start Director.~~

STEP 8. FAILURE TO RESOLVE INTERNAL DISPUTE

~~If the Committee cannot reach a consensus, or if the written solution is rejected by either body, the dispute shall proceed to mediation.~~

~~The Governing bodies agree that failure to resolve the internal dispute by the Dispute Resolution Committee will result in mediation. If the mediation process does not resolve the internal dispute both governing bodies agree to binding arbitration.~~

- A. **MEDIATION:** ~~—This procedure requires the intervention into the dispute of an acceptable, impartial and neutral third party who has no decision-making authority. The objective of this intervention is to assist both parties to voluntarily reach an acceptable resolution of the issue in dispute. The selected mediator will work with the Dispute Resolution Committee in order to make a final decision regarding the dispute issue(s).~~

~~Within fifteen (15) County business days from written notification that a consensus could not be reached, or rejection of the written solution, mediation shall be initiated by the Committee.~~

COMPOSITION: ~~The mediation shall be conducted by the Head Start Director from a neighboring County. Both governing bodies agree to the utilization of the services of a professional mediator agency or association.~~

TIME LIMITATIONS: ~~The mediator shall work with the Committee to make a final decision. A written proposed resolution shall be provided within ten (10) County business days from the beginning of the mediation process.~~

~~The proposed resolution shall be presented to:~~

- ~~(a) The Head Start Policy Council for acceptance or rejection; and~~
- ~~(b) The Head Start Shared Governance Board for acceptance or rejection and then submitted to the Board of Supervisors for final acceptance or rejection.~~

~~Both parties must inform the other in writing of their determination to either accept or reject the written solution. If either body rejects the proposed resolution, the dispute shall proceed to arbitration for issuance of a binding decision in accordance with the Head Start Performance Standards. The mediation process must take place within 15 days from the written notification by the Dispute Resolution Committee that consensus could not be reached or written notification from either policy group that they will not accept the Committee's proposed dispute resolution. The mediation process must have a written proposed resolution within ten days from beginning the process.~~

- B. **ARBITRATION:** Requires the presentation of the dispute to ~~an~~an impartial or neutral ~~(arbitration panel)~~arbitrator for issuance of a binding decision.

~~Within fifteen (15) County business days from written notification that the proposed solution was rejected by either body, binding arbitration shall be initiated by the Committee. Requires the presentation of the dispute to an impartial or neutral (arbitration panel) for issuance of a binding decision.~~ The Shared Governance Board and the Policy Council agree that they will be bound by the decision made through ~~of the~~ arbitration panel.

COMPOSITION: ~~The Committee shall utilize the services of a professional arbitrator in accordance with the County's procurement policy. The Arbitration Committee is an ad hoc committee to be convened when an impasse situation is evident. The Committee consists of three (3) members, all of whom must be from outside the governing bodies and immediate family members from these same policy groups. Each governing body will select one member and these two members will mutually agree upon the selection of the third member.~~

TIME LIMITATIONS: ~~The arbitration must take place within fifteen (15) days of initiation of the process, unless a greater time is needed to secure an arbitrator or arbitration location. A written resolution must be provided by the arbitrator to the Committee. The Committee shall present the resolution to their respective bodies. The written resolution shall be presented by the Head Start Shared Governance Board to the Board of Supervisors for final notification. The arbitration process must take place within 15 days from the written notification that the mediation process was not able to reach consensus or that the governing bodies did not accept the Committee's recommendation(s).~~

ARTICLE XI

AMENDMENTS

In the event amendments to the by-laws are necessary, an ad hoc committee will be created with volunteers and/or may be appointed by the Chairperson (Article VII, Duties of Chairperson, Item F). The ad hoc committee's recommendations will then be sent to the Policy Council for approval.

By-laws received and approved by
Preschool Services Department Policy Council

Erika Thompson, Chairperson

Date

DRAFT

**COUNTY OF SAN BERNARDINO
PRESCHOOL SERVICES DEPARTMENT
662 SOUTH TIPPECANOE AVENUE
SAN BERNARDINO CA 92415-0630
(909) 383-2078**

POLICY COUNCIL BY-LAWS

ARTICLE I

NAME OF ORGANIZATION

The name of this organization shall be the COUNTY OF SAN BERNARDINO PRESCHOOL SERVICES DEPARTMENT POLICY COUNCIL.

ARTICLE II

PURPOSE

The purpose of the COUNTY OF SAN BERNARDINO PRESCHOOL SERVICES DEPARTMENT POLICY COUNCIL shall be the encouragement and promotion of parent participation in the process of making policy decisions about the nature, operation and implementation of Head Start, Early Head Start and Early Head Start Child Care Partnership programs in San Bernardino County.

The Council shall exercise all such powers, duties and functions as granted by the San Bernardino County Board of Supervisors providing that:

- A. Actions of the Policy Council shall not be contrary to, or in conflict with, Federal or State, or local ordinances. The guidelines, regulations or policies are established by the Federal Department of Health and Human Services (HHS), Administration for Children and Families. (45 CFR Chapter XIII Part 1301)
- B. The Federal Regulations outline the functions of the Policy Council as follows:
 1. Must approve procedures for program planning.
 2. Must approve the program's philosophy and long and short range program goals and objectives.
 3. Must approve the selection of Delegate Agencies, partners and their service areas.

4. Must approve criteria for defining recruitment, selection, and enrollment priorities in accordance with the requirements of 45 CFR Chapter XIII Part 1301.2, 1301.3 and 1301.4.
5. Must approve all funding applications and amendments to funding applications for Head Start, Early Head Start and Early Head Start Child Care Partnerships including administrative services, prior to the submission of such applications to Shared Governance, the County of San Bernardino, and HHS.
6. Must approve Policy Council budget.
7. Must approve Policy Council and Parent Committee Reimbursement for reasonable expenses incurred by the members.
8. Must approve the annual self-assessment of the grantee's progress in carrying out the programmatic and fiscal intent of its grant application, including planning or other actions that may result from the review of the annual audit and findings from the Federal monitoring review.
9. Must approve the composition of the Policy Council and the procedures by which policy group members are chosen.
10. Must approve procedures describing how the governing body and the appropriate policy group will implement shared decision making.
11. The Grantee and the Policy Council must jointly establish written procedures for resolving internal disputes, including impasse procedures, between Shared Governance and the policy group.
12. Establish and maintain procedures for hearing and working with the grantee agency to resolve community complaints about the program.
13. Must approve program policies and subsequent changes to those policies, in accordance with 45 CFR Chapter XIII Part 1301., including standards of conduct for program staff, consultants, volunteers, and Policy Council members.
14. Must approve, with the County Board of Supervisors, and Shared Governance Board, decision to hire or terminate the Head Start Director of the grantee agency.
15. Must approve program personnel policies and decisions regarding the employment of any person who works primarily for Head Start or Early Head Start at the grantee agency. The Policy Council participates in the process by:
 - a. Approving Eligible list of candidates who have met the minimum requirements for a position
 - i. Education
 - ii. Experience
 - b. Participating in the interview panel

- c. Approving Terminations of staff for violations of the San Bernardino County Code of Conduct and Personnel Rules
16. The Parent Representative must report the actions taken by the Policy Committee back to the Parent Committees at their individual sites.
17. The function of screening and interviewing prospective applicants may be designated to the Policy Council Personnel Committee.
18. Must serve on the Shared Governance Board. Representation shall consist of 3 Policy Council members (Policy Council Chair and 2 representatives).
19. Must approve job descriptions for Policy Council Representatives, Policy Council Alternates, Policy Council Executive Committee, Policy Council Community Representatives, and Shared Governance Board Representatives.

ARTICLE III

COMPOSITION OF POLICY COUNCIL MEMBERSHIP

A. Membership

The membership of the Policy Council shall consist of:

1. Representatives selected from each Early Head Start geographic home base area.
2. Representatives from Head Start center based sites. Parents from both home based and center based options are included in the parent meetings which elect the representatives. The elected representative must be an active member of the Parent Committee at the site they represent.
3. Representatives from Early Head Start Child Care Partnership sites.
4. Representatives from the community, including businesses and others who are familiar with resources and services for low-income children and families, as well as former Head Start and Early Head Start parents. These Community Representatives are approved by the Policy Council annually. (45 CFR Chapter XIII Part 1301.2 (a))

Parent representatives constitute the majority of the members of the Policy Council membership. There is a representative for each grantee site, as well as at least one representative for each contract partner and Delegate Agency. Each site elects an alternate representative to serve on the Policy Council in the event that the Policy Council Representative cannot attend a meeting. Policy Council Representatives Alternates and Community Representatives attend the annual Policy Council Orientation Training Session in the fall. Make-up Policy Council Orientation will be held on a monthly basis prior to the monthly Policy Council meeting.

B. Certification of Membership

1. The certification of membership establishes in writing the eligibility for membership. Appropriate documentation for membership includes:
 - a. The member's name, address and telephone number.
 - b. Minutes of the Parent Advisory Committee meeting at which they were elected and a copy of the sign-in sheet of the committee members in attendance as proof.

C. Conflict of Interest

1. No grantee or Delegate Agency staff or immediate family members may serve on the Delegate Agency Policy Committee or on the Policy Council. This would constitute a conflict of interest. Parents who occasionally substitute for regular Head Start, Early Head Start or Early Head Start Child Care Partnership staff may be considered.
2. No Policy Committee or Policy Council member shall have a financial conflict of interest with the grantee or Delegate Agency. Such conflicts would include receiving compensation from the grantee or Delegate agency (except as provided in item 4 below), and any personal or company financial business with the grantee or Delegate Agency.
3. Eligible Policy Council members will receive mileage and child care reimbursement, and on occasion, meal reimbursement only. No other compensation for serving on the Policy Council or for providing services to the agency will be given.
4. Eligible Community Representatives may receive mileage and child care reimbursement. Community Representatives are not eligible to receive meal reimbursement for lunch if they serve on a committee.

D. Vacancies

When a vacancy, resignation or termination occurs, a Parent Advisory Committee meeting shall be held and a new member shall be considered for certification. The appropriate written documentation must be submitted to Preschool Services Department, and certification orientation and training will take place. Vacancies that occur during the summer months shall be considered vacant in order to achieve a quorum. The Policy Council member that vacates their position must return the Policy Council binder to the site.

Note: The previously elected alternate shall be given the first opportunity to become the new Policy Council Representative and the site must elect a new alternate.

E. Community Representative

A Community Representative shall be considered when a written response from the advertisement is submitted to the Grantee/agency Director and the applicant is selected through the approval process by the Policy Council.

F. Attendance

1. Regular Council meetings shall be held the third Monday of each month unless changed by a 2/3 vote of the Policy Council.
 - Policy Council members with two unexcused absences will be removed from the Council. (Refer to Article IV)
 - A written notice will be sent to the member, by the PSD Secretary, after the first unexcused meeting, advising them that a second missed meeting will result in automatic removal from the Council. The Executive Secretary must be notified of the removal.
 - If the alternate representing the site attends the meeting, in the absence of the representative, it will not be considered an absence.
 - In order for attendance to be tracked, Policy Council members must sign-in on the Policy Council Sign-in sheet. If members have not signed in, they are counted as absent.

2. Excused absences constitute
 - a sickness in the family
 - death in the family
 - conducting Policy Council business
 - adverse weather conditions
 - unavailable childcare due to PSD site closures
 - conflicting PSD scheduled activity, i.e. scheduled EHS Home Visits
 - conflicting employment obligations when Policy Council meeting does not fall on the third Monday of the Month

Policy Council members must contact **the PSD Policy Council Coordinator or the PSD Receptionist** to report the excused absence prior to the start time of the Policy Council meeting.

G. Resignation

If any member of the Policy Council wishes to resign, they may do so at anytime. They must submit a letter of resignation to the Policy Council Chairperson and/or PSD Policy Council Coordinator. (Refer to Article IV)

H. Term of Membership

The term of membership shall be for one (1) year from October to October of each year. Policy Council and Policy Committees must limit the number of one-year terms any individual may serve on either body to a combined total of three terms. Policy Council and Policy Committee members may not be dissolved until successor Councils or Committees are elected or seated. Membership on the Council is limited to no more than three (3) one-year terms.

I. Transfer of Membership

Membership in this Council is not transferable.

J. Code of Conduct and Commitment

Council members shall discharge faithfully their duties and demonstrate the highest standard of morality and ethics consistent with the requirements of their position. Refer to the Code of Conduct.

A member may be terminated from Policy Council by a majority vote if the Code of Conduct is violated.

K. Disciplinary Action

Disciplinary action may be taken for Policy Council members who exhibit inappropriate behavior such as but not limited to:

1. Personal misconduct when representing Policy Council.
2. Providing false information (oral or written).
3. Violation of confidentiality (including information discussed during closed session).
4. Slanderous or libelous remarks against Council members or staff.
5. Correspondence sent without Council approval.
6. External reproduction without Council prior approval
7. Violation of the Code of Conduct.

ARTICLE IV

TERMINATION OF MEMBERSHIP

All members who do not attend the monthly Council meetings in accordance with the attendance policy set in the By-Laws shall be terminated. Termination will result from a member's excessive absences or in accordance with the Council's disciplinary action.

Any Executive Board officer elected or appointed by the Council may be removed by two-third (2/3) vote of all members whenever the behavior of the member violates the Code of Conduct or whenever the best interest of the Council has been compromised. The member shall be notified by certified mail of pending action. (Refer to Disciplinary Actions Regarding Policy Council member.)

Any member elected to the Council may be removed by majority vote of all members whenever the behavior of member violates the Code of Conduct.

ARTICLE V

ORIENTATION AND TRAINING

The Grantee agency shall provide orientation and training to all new members, alternates and Community Representatives prior to the first regularly scheduled meeting.

A transition training session will be conducted at the end of the membership term of the seated Policy Council. The purpose is to review the learned skills that may be supportive in the business world.

Voting Rights - Only members who have been certified and have attended orientation shall have voting rights. Each member shall be entitled to one (1) vote on each matter. An alternate may be seated as a voting member in the absence of the elected representative if so designated by the Chair before the start of the meeting. This does not extend to other meetings unless the alternate has attended orientation.

ARTICLE VI

ELECTIONS FOR SPECIAL ACTIVITIES

Elections will be held for formal representation from the Policy Council to meetings or conferences which would benefit the Head Start, Early Head Start, Early Head Start Child Care Partnership or State Preschool programs such as National Head Start Association, National Head Start Annual Parent Training, California Head Start Association, etc.

The dates and numbers of positions will be announced in the regular meetings. Candidates receiving the majority of votes will be elected to attend. In case of a tie, a run-off election will be held. Unsuccessful candidates will be placed on a waiting list. The person elected to attend must provide a copy of a valid identification (CADL, CAID, valid passport) for traveling, to the Policy Council Coordinator within a week of being elected. If a copy of a valid identification is not provided within a week, the first alternate would be selected to attend the special event.

In case of time constraint during a Policy Council meeting or a large number of Policy Council members volunteer to be considered to attend a special activity, the representatives may be selected via a drawing.

In the event there is insufficient time to conduct an election for a special activity, the Policy Council Board may be selected to attend a special event. The order used for this selection is:

Policy Council Chairperson;
Policy Council Vice Chairperson;
Policy Council Treasurer;
Policy Council Secretary.

Members elected must conduct Head Start, Early Head Start, or Early Head Start Child Care Partnership business according to the trip protocol procedure. (Refer to Protocol Procedure.)

ARTICLE VII

OFFICERS OF THE EXECUTIVE BOARD OF THE POLICY COUNCIL

Elections will be conducted in accordance with the nominating and election procedures. All Policy Council elections for office will be held by voice ballot. Votes will be counted and announced. The officers shall be elected at the first scheduled meeting conducted by the Council following the training.

The candidates for the positions of Chair, Vice Chair, Treasurer, and Corresponding Secretary shall be elected by majority of votes. Other positions may be elected by a plurality of the established quorum.

The officers of Executive Board of the Policy Council may approve the certification list from Human Resources during the agenda setting and planning meetings.

Duties of the Chairperson: The Chairperson shall,

- A. Conduct all meetings of the Council.
- B. Act as liaison between the Council and Shared Governance Board of San Bernardino County.
- C. Serve as representative to the Shared Governance Board of San Bernardino County.
- D. Call meetings to order, clarify business at hand, and follow the agenda.
- E. Ensure that personal comments are avoided.
- F. Appoint members to Ad Hoc Committees.
- G. Appoint members to temporarily assume duties of absent officers.
- H. Attend monthly agenda setting, planning meetings and special events as needed.
- I. Provide leadership to the overall Council.
- J. Remain calm and deal fairly with issues.
- K. Work closely with the appointing authority of San Bernardino County Grantee/agency.
- L. Assure that there is open communication between committees and the Policy Council. The Chair should attend all Sub Committee meetings and Standing Committee meetings.
- M. Participate in the annual self-assessment of the program.
- N. Serve as the chairperson of the Technology Committee and publish monthly parent newsletter.

Duties of the Vice Chair: The Vice Chair shall,

- A. Assume duties in the absence of the Chair.
- B. Provide assistance to the recording secretary as requested.
- C. Receive and perform any duties assigned by the Policy Council Chair.
- D. Attend any Sub and Standing Committee meetings in the absence of the Chair.
- E. Work closely with the Chair to ensure the end-of-year training is planned and completed in a timely manner.
- F. Attend monthly agenda setting, planning meetings and special events as needed.
- G. Participate in the annual self-assessment of the program.
- H. Serve as the Chairperson for Quality Assurance Committee

Duties of the Secretary: The Secretary shall,

- A. Receive names of all committee and sub committee members, including phone numbers and addresses.
- B. Attend monthly agenda setting, planning meetings and special events as needed.
- C. Call roll and maintain a list of attendance.
- D. Communicate with the absent member, if no call has been received.
- E. Read all correspondence from Council members and statements of absences and present to the Council members at regular meetings.
- F. Work closely with the PSD Policy Council Clerk and Executive Secretary to notify members of possible termination and new members.
- G. Participate in the annual self-assessment of the program.
- H. Serve as the Chairperson for Education/Family Community Engagement Committee

Duties of the Treasurer: The Treasurer shall,

- A. Serve as Chairperson of the Finance Committee.
- B. Monitor and report to the Council the monthly expenditures of the Council.

- C. Maintain copies of the budget submitted to the Policy Council for approval.
- D. Maintain copies of the monthly Budget Comparison Statement.
- E. Attend monthly agenda-setting, planning meetings and special events as needed.
- F. Participate in the annual self-assessment of the program.

Duties of the Region IX Representative: The Region IX Representative shall,

- A. Be elected by the Policy Council. Must be a parent of a currently enrolled child to be a Region IX Representative.
- B. Serve a term of one year, unless if eligible, by re-election of the Council body for another term.
- C. Must be able to attend the Region IX Conferences and report back to the Policy Council.
- D. Represent PSD in Region IX which covers California, Nevada, Arizona, Hawaii and the Trust territories.
- E. Serve in leadership capacities in the various committees of the Association.

Community Representatives: The recruitment for the position of a Community Representative must be distributed at least three months prior to the first scheduled meeting of the Council in October. Interested candidates may submit their letter of interest to the Grantee agency before the close of the recruitment period. The Community Representative's name will be presented to the Council for approval.

STANDING COMMITTEES

The standing committees shall be:

- | | |
|---|---|
| 1. Finance | monthly meetings |
| 2. Personnel | biannually, and as needed meetings |
| 3. Health Advisory/
Family and Community Engagement/
Parent Involvement | bimonthly |
| 4. Early Child Development | quarterly meetings |
| 5. Quality Assurance | quarterly meetings |
| 6. Training and Tech Assistance | quarterly meetings |
| 7. By-laws | annual meetings (Ad Hoc committee), and as needed |
| 8. Technology | quarterly meetings |
| 9. Nutrition/Menu Planning | biannually |

STANDING COMMITTEE STRUCTURE

It is highly recommended that Policy Council Officers of the Executive Board participate in as many committees as possible.

FINANCE COMMITTEE

Meets monthly to review and make recommendations to the Policy Council, i.e., budget, (changes in budget) use of parent funds.

PERSONNEL COMMITTEE

Make recommendations regarding hiring and firing of staff, based on participation in oral interviews. Interviews will not exceed seven (7) hours per panel under normal circumstances.

Training of these members will take place on a biannual basis, and as needed.

EARLY CHILDHOOD DEVELOPMENT COMMITTEE

Meets quarterly prior to the Policy Council meeting. The purpose of this meeting is to inform parents of the progress of the curriculum, help develop the curriculum and provide training as requested. Members receive updates on child outcome and literacy progress.

HEALTH ADVISORY

Meets bimonthly to plan, discuss and evaluate health services. The committee is composed of Policy Council members, health services staff and other health professionals (County Health Department, pediatricians, Behavior Health, dieticians).

QUALITY ASSURANCE COMMITTEE

Meets quarterly prior to Policy Council to review results of the ongoing monitoring process and the committee members serve on the Annual Self-Assessment Team. Training for the Self-Assessment process is required and participation involves a commitment of several days.

FAMILY & COMMUNITY ENGAGEMENT

Meets bimonthly to discuss the integration of parent and family strategies in order to promote family well-being and children's learning and development. The committee supports mutual respect between parents and the program staff and seeks to identify and establish new linkages for services to children and families.

TRAINING & TECHNICAL ASSISTANCE

Meets quarterly prior to the Policy Council meeting. This committee coordinates training needs for parents and staff, while raising their skill levels and knowledge.

PARENT INVOLVEMENT

Meets bimonthly to discuss ways to help increase the volunteer activity in the agency, while generating new ideas for volunteerism.

NUTRITION/MENU PLANNING

Meets biannually to gather parental input as to children's menus at the sites.

TECHNOLOGY

Meets quarterly to develop and distribute the monthly Parent Newsletter.

ARTICLE VIII

MEETINGS

Regular Council meetings shall be held the third Monday of each month unless changed by a 2/3 vote of the Policy Council.

One regular day meeting shall be designated for recognition and training of Council members. During this meeting, members who have served the full term shall be recognized.

Special Meetings

A special meeting is a meeting held outside the regular Policy Council schedule, which may be held in person or via teleconference.

Special meetings may be called by the Chair in agreement with the Executive Director.

The Shared Governance meeting shall be considered a special meeting.

Meeting Procedure

Meetings shall be conducted in accordance with Robert's Rule of Order. Policy Council meetings shall be limited to a maximum of three (3) hours, with the exception of the Orientation Training.

Quorum

The quorum shall consist of at least 51% eligible Policy Council members (trained by PSD designee) in attendance to conduct business.

Reference Robert's Rules of Order, 9th Edition, Page 340.

Executive Session

A closed session (Executive Session) may be called for personnel issues concerning an employee, potential employee, Policy Council or Community Representative, or anyone affiliated with PSD.

All information discussed during the Executive Session must remain confidential. Disclosure of confidential information may result in dismissal from the Policy Council.

Shared Governance Board

The Chairperson and two other Policy Council members shall participate in shared decision making with the Shared Governance Board. Other members may be appointed by the Chair as needed. Any unexcused absence by a Shared Governance Board Representative will result in dismissal from the Shared Governance Board and a new Representative will be elected by the Policy Council.

Annual Assessment

The Executive Board of the Policy Council shall participate with other Policy Council members in the annual self-assessment of the program.

Mileage Reimbursement

Mileage will be reimbursed at the current County rate (\$.56 per mile, subject to change), specifically from home to location of meeting. Mileage will be calculated to the standard mileage using the route mapping used by the Preschool Services Department.

Mileage Reimbursement is available for PC Representatives and Community Representatives.

Child Care Reimbursement

The child care reimbursement rate is \$5.00 per hour. Child care reimbursement may not exceed one hour before and one hour after each meeting, up to a maximum of 10 hours per day.

Child care reimbursement is also allowable if the Policy Council Member is participating in a Policy Council related activity that does not permit them to pick their child up prior to the child's scheduled pick up time, i.e. child is scheduled to be picked up by 5pm, due to the Policy Council activity and traffic, parent is not able to pick the child up until after 5pm and is charged a late fee or has to pay another individual to pick up the child from the center and pay for services.

Child care reimbursement will not be approved for children who are enrolled in a full day program, and no costs are paid for the child's care.

The child care reimbursement rate for overnight travel is \$60.00 per day. If the period covered by the expense report is for overnight (conference), or multi-day (training), the Policy Council member has the option to submit an expense report to be paid for child care in advance. The expense report should be brought to the PSD Administrative office to the attention of the Fiscal

Clerk a minimum of 3 weeks prior to the conference/training. Payment will be made to the Policy Council member no sooner than 3 days prior to their scheduled departure date for the conference/training. Should the Policy Council member not attend the conference/training after receiving the child care advance, they will be required to reimburse the money to the Supervising Fiscal Specialist immediately.

Community Representatives are eligible to receive child care reimbursement if they qualify as low-income.

Income Eligibility:

1. The family's income is equal to or below the poverty level; or,
2. The family is eligible or, in the absence of child care, would be potentially eligible for public assistance. Public assistance includes:
 - CalWORKs/TANF
 - Supplemental Security Income (SSI)
3. Verification of Income Eligibility:
 - Individual Income Tax Form 1040:
 - W-2 forms;
 - pay stubs;
 - pay envelope;
 - employers' written statements;
 - Notice of Action (TANF);
 - SSI Letter;
 - And declarations of zero income

In order to complete the determination of income eligibility family size must be established.

Family Size

The family is defined as the parents and the children for whom the parents are responsible, who comprise the household in which the child receiving services is living. For purposes of income eligibility and family fee determination, when a child and his or her siblings are living in a family that does not include their biological or adoptive parent, "family" shall be considered the child and related siblings.

A parent is defined as a biological parent, stepparent, adoptive parent, foster parent, caretaker relative, legal guardian, domestic partner of the parent as defined in Family Code Section 297, or any other adult living with a child who has responsibility for the care and welfare of the child.

Required Documentation of Family Size

The number of children shall be documented by providing one of the following documents, as applicable:

- Birth certificates;
- Court orders regarding child custody;
- Adoption documents;

- Records of Foster Care placements;
- School or medical records;
- County welfare department records; or
- Other reliable documentation indicating the relationship of the child to the parent.

Meal Cost Reimbursement

Community Representatives are not eligible to receive meal reimbursement for lunch if they serve on a committee.

Meal cost may be claimed when meetings exceed four (4) hours and meals are not provided and will be reimbursed at the current county rate.

The reimbursement for meals will be at the maximum amount according to the Funding Terms and Conditions and HSS San Bernardino County Reimbursement Policy. Receipts must be attached for reimbursement.

Travel: members on approved travel shall be provided meal costs as allowed by Funding and Condition terms. All reimbursement claims for travel must have receipts, e.g. (taxi, shuttle, bus).

A Community Representative will be paid out of county cost the same rate as a Policy Council member is paid if elected to attend a conference.

Receipts are required for reimbursement. Exceptions: There will be exceptions to the child care reimbursement for representatives who live in the desert areas. The child care reimbursement will be based on the allotted travel time from meeting point to home destination.

Travel Protocol Procedure for Policy Council Members

1. Members are eligible to be elected for one Conference activity per membership year except the representative for Region IX.
2. The person elected to attend must provide a copy of a valid identification (CADL, CAID, valid passport) for traveling, to the Policy Council Coordinator within a week of being elected. If a copy of a valid identification is not provided within a week, the first alternate would be elected to attend the special event.
3. Any member attending must present an oral report upon returning (next meeting) or provide a brief written summary to the Council.
4. All receipts are due within three (3) working days of return and must be submitted to the PSD Policy Council designee.
5. Members not following this trip protocol will be subjected to Policy Council disciplinary action.

Reimbursement Payment Procedures:

All mileage reimbursement will be made in cash from the Preschool Services Department Fiscal Office.

Child care reimbursement will be issued in the form of cash for regular Policy Council meetings. Child care reimbursement for training attendance of more than one day will be paid in the form of a check within 14 working days.

The PC Expense Report must be completed, signed and submitted by PC members wishing to be reimbursed for mileage, child care, lodging, and/or meal expenses.

ARTICLE IX

SHARED GOVERNANCE BOARD

The purpose of the Head Start and Early Head Start Shared Governance Board is to develop, review and advise the Board of Supervisors on policies and procedures affecting the operation of the Head Start and Early Head Start programs. The Head Start and Early Head Start Shared Governance Board shall operate as a representative of the Board of Supervisors and shall be involved in the decision making process prior to the point of final approval.

The Chairperson and two Policy Council members shall be seated as members of the Shared Governance Board, to help facilitate a better understanding of issues from each governing board as advisory members with no voting rights.

ARTICLE X

INTERNAL DISPUTE/RESOLUTION AND IMPASSE POLICY **SAN BERNARDINO COUNTY HEAD START AND EARLY HEAD START**

BACKGROUND: Effective November 2016, the revised Head Start Program Performance Standards required that each grantee and delegate agency establish written procedures for resolving internal disputes, including impasse procedures, between the governing body and policy group. This policy establishes the foundation for complying with this mandate.

PURPOSE: To resolve all differences between the Shared Governance Board as representatives of the San Bernardino County Board of Supervisors and the San Bernardino County Head Start and Early Head Start Policy Council through normal channels or the use of the formal procedures noted in this document. These differences are focused on, but not limited to, the Program Performance Standards regulations noted in 45 CFR Chapter XIII Part 1301.6.

GENERAL AGREEMENT: Commitment to Resolve Issues in Good Faith.

This standing agreement assumes the commitment of the Shared Governance Board and the Head Start and Early Head Start Policy Council to make every good faith effort to resolve

differences on an amicable basis. This step includes using all internal agency communications systems available to reach agreement and avoid impasse.

If necessary, this includes the Shared Governance Board and Head Start and Early Head Start Policy Council commitment to fully cooperate in all aspects of the established internal dispute and impasse process in order to resolve issues in the best interest of the children and families being served.

When the Shared Governance Board and the Head Start and Early Head Start Policy Council cannot jointly approve proposed actions, the dispute will formally be referred to the Dispute Resolution Committee.

PROCEDURES

STEP 1. ESTABLISHMENT OF THE DISPUTE RESOLUTION COMMITTEE

PURPOSE: The purpose of the Dispute Resolution Committee is to resolve disputes between the Head Start Shared Governance Board and the Head Start Policy Council within the scope of their shared decision making powers..

MEMBERSHIP: The Dispute Resolution Committee (“Committee”) shall be made up of four (4) members comprised of the Chair and Vice-Chair from both the Head Start Shared Governance Board and the Head Start Policy Council.

STEP 2. FILING THE COMPLAINT

Within five (5) County business days of non-approval by either the Head Start Shared Governance Board and the Head Start Policy Council of any item within the scope of shared decision making, either the Head Start Shared Governance Board or the Head Start Policy Council may give written notice to the San Bernardino County Head Start Director (“Director”) requesting that the Committee be convened and the dispute resolution process commenced. At the time written notice is provided, the Head Start Shared Governance Board or Head Start Policy Council requesting dispute resolution, shall provide the Director and the other party with a written statement of the issue at dispute and a recommendation for resolution.

STEP 3. NOTIFICATION OF COMPLAINT

The Director shall have five (5) County business days from the date the written notice was officially filed to notify the members of the Committee of the notice and to provide the written statement of issue.

STEP 4. DISPUTE RESOLUTION COMMITTEE MEETING

The Committee shall convene a meeting within five (5) County business days of receipt of the statement of issue. The Committee shall first determine whether the subject falls within the scope of shared decision making. If it does, then the Committee may request additional information from the Director, the Head Start Shared Governance Board or the Head Start Policy Council.

STEP 5. TIME LIMITATION

The Committee shall have ten (10) County business days from the first meeting convened to determine the validity of the issue(s) and provide a written solution to the Head Start Shared Governance Board, Head Start Policy Council and the Director.

STEP 6. PROPOSED DISPUTE RESOLUTION RECOMMENDATION

The written solution must be presented to:

- (a) The Head Start Policy Council for acceptance or rejection; and
- (b) The Head Start Shared Governance Board for acceptance or rejection, and then submitted to the Board of Supervisors for final acceptance or rejection.

Both parties must inform the other in writing of their determination to either accept or reject the written solution.

STEP 7. FAILURE OF DISPUTE RESOLUTION COMMITTEE TO REACH CONSENSUS

If the Committee does not reach a consensus, the Committee so shall inform the Head Start Policy Council, the Head Start Shared Governance Board and the Director.

STEP 8. FAILURE TO RESOLVE INTERNAL DISPUTE

If the Committee cannot reach a consensus, or if the written solution is rejected by either body, the dispute shall proceed to mediation.

- A. **MEDIATION:** This procedure requires the intervention into the dispute of an acceptable, impartial and neutral third party who has no decision-making authority. The objective of this intervention is to assist both parties to voluntarily reach an acceptable resolution of the issue in dispute. The selected mediator will work with the Dispute Resolution Committee in order to make a final decision regarding the dispute issue(s).

Within fifteen (15) County business days from written notification that a consensus could not be reached, or rejection of the written solution, mediation shall be initiated by the Committee.

COMPOSITION: The mediation shall be conducted by the Head Start Director from a neighboring County.

TIME LIMITATIONS: The mediator shall work with the Committee to make a final decision. A written proposed resolution shall be provided within ten (10) County business days from the beginning of the mediation process.

The proposed resolution shall be presented to:

- (a) The Head Start Policy Council for acceptance or rejection; and
- (b) The Head Start Shared Governance Board for acceptance or rejection and then submitted to the Board of Supervisors for final acceptance or rejection.

Both parties must inform the other in writing of their determination to either accept or reject the written solution. If either body rejects the proposed resolution, the dispute shall proceed to arbitration for issuance of a binding decision in accordance with the Head Start Performance Standards.

- B. **ARBITRATION:** Requires the presentation of the dispute to an impartial or neutral arbitrator for issuance of a binding decision.

Within fifteen (15) County business days from written notification that the proposed solution was rejected by either body, binding arbitration shall be initiated by the Committee. The Shared Governance Board and the Policy Council agree that they will be bound by the decision made through arbitration.

COMPOSITION: The Committee shall utilize the services of a professional arbitrator in accordance with the County's procurement policy.

TIME LIMITATIONS: The arbitration must take place within fifteen (15) days of initiation of the process, unless a greater time is needed to secure an arbitrator or arbitration location. A written resolution must be provided by the arbitrator to the Committee. The Committee shall present the resolution to their respective bodies. The written resolution shall be presented by the Head Start Shared Governance Board to the Board of Supervisors for final notification.

ARTICLE XI

AMENDMENTS

In the event amendments to the by-laws are necessary, an ad hoc committee will be created with volunteers and/or may be appointed by the Chairperson (Article VII, Duties of Chairperson, Item F). The ad hoc committee's recommendations will then be sent to the Policy Council for approval.

By-laws received and approved by

Preschool Services Department Policy Council

Erika Thompson, Chairperson

Date

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**Preschool Services Department
Administration**

Diana Alexander
Director

**PSD Finance Request
for
Shared Governance Board Approval
Wednesday, May 17, 2017**

**5.3 - Non-Federal Share Waiver Request
FY2016-17 (PY02) Early Head Start-Child Care Partnership (09HP0001-02)**

San Bernardino County Preschool Services Department (PSD) is requesting a waiver of approximately \$566,000 of its Non-Federal Share (NFS) requirement for FY 2016-17. The total NFS matching requirement for the current fiscal year is \$875,451, but PSD and its contract partner are experiencing difficulty in obtaining adequate levels of volunteer services and community resources due to lower than estimated parent involvement and corporate level collaborations. The result is that PSD anticipates an NFS shortage of approximately \$566,000 for FY 2016-17 (PY02).