

**2011 - 2012 Statement of Legislative Intent**

**Ready for Notebook**

Tab	Action	Option	Version
63	2	B	1

**Budget Action Title:** Identifying and implementing efficiencies in administering Human Services Department agency contracts by mid-year of 2011.

**Councilmembers:** Budget Committee

**Staff Analyst:** Michael Fong

Date		Total	SB	BH	SC	TR	JG	NL	RC	TB	MO
	Yes										
	No										
	Abstain										
	Absent										

**Statement of Legislative Intent:**

The Human Services Department (HSD) is requested to provide the Council with the department’s plan to modify agency contract administration. This proposal should achieve administrative efficiencies and General Fund (GSF) budget savings within HSD while maintaining acceptable levels of contract accountability, accuracy, oversight, agency coordination and technical assistance. The Council recognizes that budget reductions will likely result in changes to current contracting practices and HSD is encouraged to articulate the potential implications and how the department intends to mitigate and address those impacts. It is the Council’s expectation that these changes will not result in any negative consequences for direct service delivery to Seattle residents by contracted community agencies.

As part of this exercise, Council requests that HSD consider and evaluate the following:

- Opportunities across the department’s six divisions for consolidation or restructuring of contracting services that yield greater efficiency;
- The extent to which multiple contracts and multiple contract monitors (staff) are necessary for oversight involving only a single agency;
- Workload and work flow analysis and assessment by division with regard to both contract performance monitoring, negotiating and Request for Investment (RFI) processes;
- The value of standardizing procedures and practices across divisions and review of potential technology upgrades or enhancements that could streamline contracting;
- Consolidation of contracts and the potential implications of adopting a “minimum” funding amount for agency contracts such as the City of Austin has to encourage both efficiencies and collaboration among providers; and

- Industry best practices and survey other jurisdictions to evaluate alternative approaches to contracting processes and in particular to review studies already conducted by other jurisdictions such as the City of Berkeley on this topic.

The Council also encourages HSD to consult with contract monitoring staff to directly solicit recommendations for improving and streamlining contracting services.

HSD is requested to provide the Council's Housing, Human Services, Health and Culture Committee a report and briefing on changes to contract administration no later than April 1, 2011. It is the Council's expectation that HSD will meet the budget reduction target of \$100,000 in 2011 and \$200,000 in ongoing GSF budget savings beginning in 2012. The \$100,000 GSF reduction in 2011 is intended to reflect half of the \$200,000 in ongoing GSF savings to be identified as part of this exercise to review contract administration.

**Responsible Council Committee(s):** Housing, Human Services, Health, & Culture

**Date Due to Council:** April 1, 2011