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June 10, 2003

IGNACIO DE LA FUENTE, PRESIDENT  
CITY COUNCIL  
OAKLAND, CALIFORNIA

PRESIDENT DE LA FUENTE AND MEMBERS OF THE CITY COUNCIL

**SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR, ACCEPT AND APPROPRIATE A GRANT IN THE AMOUNT OF \$1,352,467 FROM THE STATE DEPARTMENT OF AGING FOR THE MULTIPURPOSE SENIOR SERVICES PROGRAM (MSSP) FOR FISCAL YEAR 2003-2004 AND AUTHORIZING THE CITY MANAGER TO CONTRACT WITH NINE AGENCIES FOR AN ESTIMATED AMOUNT OF \$297,543 ANNUALLY TO PROVIDE IN-HOME SERVICES TO THE CLIENTS OF MSSP**

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**PURPOSE AND SCOPE**

In accordance with the Measure H Charter Amendment, which was passed by the voters at the General election of November 5, 1996, we have made an impartial financial analysis of the accompanying Agenda Report and Draft Resolution. The purpose of our analysis was to ascertain (1) whether the proposed amounts were reasonable, and (2) their impact on the general fund. In making our analysis we reviewed the Council Agenda Report, as well as the Proposed Resolution. We also discussed those documents with Agency staff.

Since our impartial financial analysis was not an audit, we did not apply Government Auditing Standards as published by the Comptroller General of the United States.

**SUMMARY**

The City of Oakland has provided case management services for frail, disabled senior residents since 1980. The current grant from the State provides funding to serve 350 such clients every month, and also pays for the salaries and administrative costs of Agency staff that are involved in case management.

Although the Council Agenda Report does not state how the entire \$1,352,467 will be spent, according to the grant award and Agency staff the funds will be spent follows:

<u>Description</u>	<u>Amount</u>
Case management by Agency employees	\$ 723,276
Agency administrative costs	331,648
Services from nine vendors	240,000
Transportation and durable medical equipment	<u>57,543</u>
Total	\$ <u>1,352,467</u>

**FISCAL IMPACT**

The Council is requested to waive Central Services Overhead charges totaling \$137,197 that are not allowable under the grant.

**CONCLUSION**

The proposed resolution appears to be reasonable.

Prepared by:



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Issued by:



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City Auditor

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May 19, 2003