

COUNCIL ACTION FORM

SUBJECT: MODIFICATION OF 2014/15 ASSET CONTRACT WITH CHILDSERVE

BACKGROUND:

Childserve is an area non-profit organization that is funded through the ASSET process. On March 26, 2015, City staff received a letter from Childserve making a request to move its Infant Day Care allocation to Children Day Care for the current fiscal year (2014/15).

Childserve was allocated \$3,300 for Infant Day Care and \$14,400 for Children Day Care. None of the Infant allocation has been used this year, due to a lower than anticipated utilization for infants 0-24 months in age. At the same time, utilization for children 2-5 years in age has increased. Of the original balance for Children Day Care, \$13,945.57 has been drawn down (97%) as of March 30, leaving only \$454.43 remaining. The City's approved service allocations and the revised requests are detailed below:

	2014/15	
Service	Approved Amount	Revised Request
Day Care - Infant	3,300	0
Day Care - Children	14,400	17,700
TOTAL	\$ 17,700	\$ 17,700

If the request to transfer Infant program funds to the Children program is approved, the approved unit cost of Day Care - Children will remain unchanged. The number of units purchased will increase as the total amount for the services increases. Additionally, Childserve would be eligible to draw down for Outreach units already provided during this fiscal year, but which have not been paid because City funds have been exhausted.

Childserve made a similar request to transfer City funds during the 2012/13 fiscal year. However, this type of request is not unusual for an organization such as Childserve, as the number of clients with children requiring assistance fluctuates. Usually, Childserve anticipates at least one infant needing care. Childserve staff indicates that because it develops its ASSET budget requests so far in advance of when the funds are available, modifications such as the one requested are sometimes necessary.

ALTERNATIVES:

1. Approve the request to modify Childserve's FY 2014/15 ASSET allocation by transferring \$3,300 in unspent funds from Day Care – Infant to Day Care – Children.
2. Direct staff to gather further information and report back to the City Council.
3. Do not approve the request

MANAGER'S RECOMMENDED ACTION:

Childserve develops its ASSET budget based on estimates of the number of children and infants that will be served and who needs assistance. The organization has seen a shift in the demand for its services, and this request is a response to that demand. Childserve uses its best available information to develop its ASSET budget, but changes to the budget become necessary as the needs of the clients become clearer.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.



Believing in the spirit of a child.

March 26, 2015

Melissa Mundt
City Managers Office
515 Clark Avenue
Ames, Iowa 50010

Dear Melissa:

I am writing to request a change in the allocation for ASSET funds approved for day care services. City funds have been used as follows from July 2014 through February 2015.

Service	\$ APPROVED	\$ SPENT	\$ Balance
Day Care-Infant	\$3,300.00	-0-	\$3,300.00
Day Care-Children	\$14,400.00	\$12,511.65	\$1,888.35

We have experienced higher than anticipated utilization for children 2-5 years of age and lower than anticipated utilization for infants 0-24 months of age. As a result I am requesting that \$3,300.00 be reallocated from Day Care-Infant to Day Care-Children to assure that funds are available through the end of the fiscal year for the children using the city ASSET funds. This does not change the total amount of funds requested and approved. We will have expended the funds approved for Day Care-Children from the other ASSET funding agencies by the end of the year.

We currently continue to serve 3 Day Care-Children who will need funding from March 2015 through June 2015. All of these children reside in the Ames community.

Thank you for your consideration of this request.

Sincerely,

Rachelle Flory
ChildServe Ames Program Manager