

**COUNCIL ACTION FORM**

**SUBJECT: REQUEST TO MODIFY 2011/12 ASSET ALLOCATION TO MID-IOWA COMMUNITY ACTION (MICA)**

**BACKGROUND:**

MICA has submitted a request to the City to modify its 2011/12 ASSET allocations by moving \$3,252 in unspent funds from the Family Development Program to the Food Pantry program. MICA has indicated that this change is necessary because of turnover in family development staff. A new staffer has been hired for this program, but will be unable to begin work until after the conclusion of the City’s 2011/12 contract.

The Food Pantry program received a total of \$22,731 from all funders, which was spent by January. Since then, MICA has incurred approximately \$21,000 in additional Food Pantry expenses. Should the Council authorize a contract amendment, it should be applied retroactively, and those additional costs that have already occurred in serving City clients would be eligible for reimbursement.

<b>Service</b>	<b>Original Allocation</b>	<b>Allocation Remaining</b>	<b>Proposed Allocation of Remaining Funds</b>
Community Clinics/Child Dental	\$1,850	\$0	\$0
Dental Clinics	\$7,550	\$0	\$0
Fluoride Clinics	\$825	\$0	\$0
Food Pantry	\$15,016	\$0	\$3,252
Family Development and Education	\$6,730	\$4,366.09	\$1,114.09
<b>TOTAL</b>	<b>\$31,971</b>	<b>\$4,366.09</b>	<b>\$4,366.09</b>

MICA appeared at the Story County Board of Supervisors meeting on May 29<sup>th</sup> to request moving \$6,460 in unspent County funds from Family Development to Food Pantry. The County’s allocation of \$1,432 for the Food Pantry was expended within three months. The Board of Supervisors expressed concern about the potential to undermine the ASSET process by amending the agreed-upon allocations. The County ultimately decided to transfer \$4,500 to the Food Pantry program which is proportionate to the amount that MICA in the first quarter. The \$1,960 in County funding that was not transferred to Food Pantry will remain in Family Development, and presumably go unspent this year.

There remains \$4,366.09 in Family Development and Education funds from the City that have not been drawn down. The last reimbursement request was made in February. All other City-funded MICA services have been fully drawn down.

Requests to transfer funds at the end of the year like this are rarely received from ASSET agencies. However, In June 2008, MICA requested that the City move \$10,035 from Family Development into the Food Pantry program. Similarly, in June 2009, MICA requested that \$2,000 of City funds be moved from Family Development into the Food Pantry. Both those requests were approved.

**ALTERNATIVES:**

1. Authorize an amendment to the City's 2011/12 contract with MICA to move \$3,252 in unspent Family Development and Education funds to the Food Pantry program.
2. Authorize an amendment to the City's 2011/12 contract with MICA to move a different amount.
3. Deny the request for a contract amendment.

**MANAGER'S RECOMMENDED ACTION:**

Contract amendments outside the ASSET process have been rare, although MICA has made similar requests in previous years. The Council should be cautious when considering changes in allocations that have been coordinated with the other Funders. However, MICA has made it clear that there are extenuating circumstances (three staff vacancies this past year) this year with a need for additional funding in the Food Pantry program, and that the funds in Family Development and Education will go unspent if left alone.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby authorizing an amendment to the City's 2011/12 contract with MICA to move \$3,252 in unspent Family Development and Education funds to the Food Pantry program.