

PROGRAM II: COMMUNITY SERVICES

SUMMARY OF APPROPRIATIONS AND REVENUES

Agency	Agency Name	FY 2004 - 2005 Appropriations	FY 2004 - 2005 Revenue	FY 2004 - 2005 Net County Cost
012	Community Services Agency	15,129,230	12,239,243	2,889,987
027	Child Support Services	59,632,466	56,941,347	2,691,119
042	Health Care Agency	464,214,771	389,973,155	74,241,616
063	Social Services Agency	387,931,080	362,285,580	25,645,500
065	Calworks FG/U	108,822,507	106,101,944	2,720,563
066	AFDC - Foster Care	123,625,160	95,987,076	27,638,084
067	Aid to Refugees	317,373	317,373	0
069	General Relief	1,276,818	860,200	416,618
	GENERAL FUND TOTAL	1,160,949,405	1,024,705,918	136,243,487
117	O.C. Housing Authority - Operating Reserve	6,047,490	6,047,490	0
136	Community Social Programs	71,056	71,056	0
138	Medi-Cal Admin. Activities/Targeted Case Mgmt.	10,918,063	10,918,063	0
13N	Orange County Tobacco Settlement	36,111,293	36,111,293	0
13T	HCA Purpose Restricted Revenues	634,201	634,201	0
146	Workforce Investment Act	15,753,370	15,753,370	0
14T	Facilities Development and Maintenance	7,800,540	7,800,540	0
14W	Welfare-to-Work	0	0	0
15G	Housing and Community Services	41,086,679	41,086,679	0
15U	Strategic Priority - Affordable Housing	3,254,194	3,254,194	0
590	In-Home Supportive Services Public Authority	836,684	836,684	0
	NON-GENERAL FUND TOTAL	122,513,570	122,513,570	0
	TOTAL FOR COMMUNITY SERVICES	1,283,462,975	1,147,219,488	136,243,487

027 - CHILD SUPPORT SERVICES

Operational Summary

Mission:

To enhance the quality of life for children and families by establishing and enforcing court orders for the financial and medical support of children in an effective, efficient and professional manner.

Strategic Goals:

- The following three goals have been established to align with the State Department of Child Support Services' performance expectations:
 - 1. Increase net distributed collections by 2.0%
 - 2. Increase percent of collections on current support to 53.9%3. Increase percent of cases with arrears collection to 62.0%

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
PATERNITY ESTABLISHMENT PERCENTAGE What: Measures the percentage of children in the caseload for whom paternity was established. Why: Paternity establishment is a prerequisite to establishing a medical/monetary child support order.	For FY 02/03, CSS achieved a 12% increase in performance in this measure. Paternity has been established for 83.2% of the children in the caseload born to unmarried parents. This was due primarily to staff's critical review and monitoring of case actions.	CSS will strive to improve casework efficiency and is forecasting a 2% increase in the paternity establishment percentage to achieve an overall percentage of 84.9%	CSS continues to exceed the Federal Performance Standard of 50% with an establishment percentage of 83.2%.
CASES WITH A SUPPORT ORDER ESTABLISHED What: Measures the percentage of cases with an order established for child support. Why: An order must be established before support can be collected.	Court orders have been established for 77.1% of the cases requiring support orders.	Increase the percentage of cases with a child support order by 2%	Percentages have stabilized, but CSS continues to exceed the Federal Performance Standard of 50% by establishing a support order in 77.1% of the cases requiring support orders.
COLLECTIONS ON CURRENT SUPPORT What: Measures the amount collected for current child support as a percentage of the total amount due. Why: Collection of current support enables a family to meet basic living and medical needs.	For FY 02/03, CSS achieved 8% growth in this measure, collecting 50.4% of current child support.	Increase collections on current support to achieve an overall percentage of 53.9%	CSS exceeded the 40% minimum Federal Performance Standard by achieving 50.4% of collections on current support due. This is a result of efforts at targeted projects, case cleanup and the establishment of reasonable orders, along with the impact of the ARS child support system.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	57,903,306
Total Recommended FY 2004-2005 Budget:	59,632,466
Percent of County General Fund:	2.41%
Total Employees:	753.00

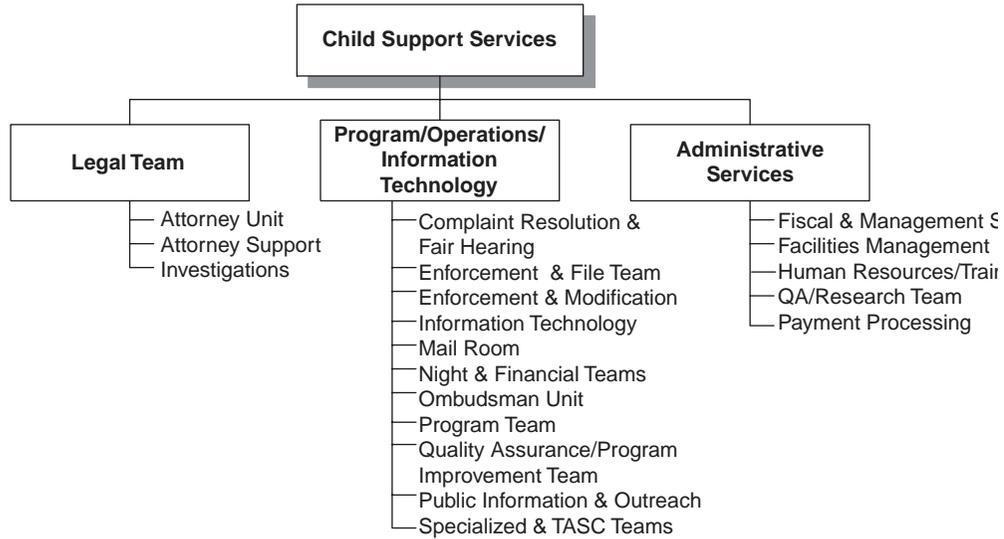
Key Outcome Indicators: (Continued)

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
<p>CASES WITH ARREARS COLLECTIONS</p> <p>What: Measures the percentage of cases with past due child support in which some collection was made.</p> <p>Why: As with current child support, payment on arrears provides a family with income to meet basic needs.</p>	<p>CSS collected on 60% of cases that have child support arrears owed, a 4% growth in FY02/03. This was due to projects focused on collecting the arrears, and considering personal finances of the non-custodial parent: upon a verified change in circumstances, the court is modified.</p>	<p>Increase the percentage of cases with collections on arrears by 2%</p>	<p>CSS exceeds the Federal Performance Standard of 40% by collecting from 60% of cases that have child support arrears owed. CSS will continue to partner with non-custodial parents to improve working relationships, reduce past due amounts by establishing financially appropriate orders.</p>

FY 2003-2004 Key Project Accomplishments:

- Net distributed collections increased from \$165.4 million in FY 2001-02 to \$167.1 million in FY 2002-03.
- CSS achieved an overall compliance rating of 90.2%, exceeding the state and federal requirements of 80% compliance in the areas of case review, expedited process, and program administration.
- Orange County has led the five largest California counties in collections on current support for the past five fiscal years.
- Non-custodial parent (NCP) enrollments increased by 150% in employment-based services over FFY 01/02.
- A customer survey realized a 95.5% overall satisfaction with CSS services.
- Web page visits averaged 5,200 to 6,500 per day at 6 1/2 to 7 1/2 minutes in length.
- Repeat visits to the web page saved CSS staff more than 1,400 hours in person-to-person contact and postage to thousands of individuals per month.
- Over 11,000 file folders were distributed to customers as an aid for their record keeping.
- FFY 01/02 to FFY 02/03, the total percent of orders established by default was reduced by 42%.
- A simplified non-welfare application was developed and implemented on 6/17/03, increasing applications by 18.6% through September 2003.
- The on-line Learning Resource Center was released to staff on 9/30/03.
- "Pick up the Phone" concept was implemented. CSS staff initiated contact with customers to establish a positive working relationship, resulting in \$107,493 being collected.

Organizational Summary

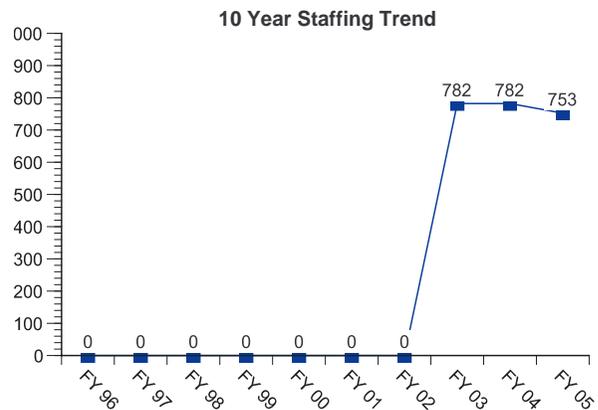


DEPARTMENT OF CHILD SUPPORT SERVICES - PROGRAM/OPERATIONS - This division is responsible for the opening, establishment, modification and enforcement of child support orders. Case management staff serve as primary customer service representatives and take administrative enforcement actions that do not require court intervention. This division also provides computer technical support, systems applications, and systems security. Realignment dictated by the conversion to a new child support system and business practices have made it necessary to include Information Technology under this division for FY 2003-04.

LEGAL TEAM - This division provides legal guidance and advice associated with family support. Legal staff handle all matters that go before the court, including obtaining court orders to establish paternity and financial child support, modification of existing child support orders, and civil enforcement actions.

ADMINISTRATIVE SUPPORT SERVICES - This division handles the accounting and distribution of child support payments and provides administrative support and training for the department. Support services includes budget/fiscal, purchasing, human resources, management services, research, facilities management, as well as, training resources to address the department's broad range of training needs.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- CSS received a state funding reduction of 6.2% for FY 03-04 that included a 19.8% reduction in the categorical funding known as EDP that can only be spent for Information Technology (IT) staffing, services and equipment. An overall IT Workforce Cost Reduction Plan was

implemented. The Plan severely cut overtime expenses, reduces 28 IT positions (eliminating all IT Extra Help and some full-time positions), and assigns oversight of the Information Technology staffing and operations to CEO/IT through a Memorandum of Understanding.

- To further reduce costs, CSS took the following measures: implemented a hiring freeze effective January 2003, reduced the Extra Help workforce by more than one-half, basically eliminated staff overtime except due to critical situations, and offered the reduction of part-time (20 hours) status to interested full-time staff.
- The County Executive Officer approved the restructuring of the upper management of CSS. Two Assistant Deputies were added to reduce the Chief Deputy's span of control and create a career/succession ladder within Program - Operations.

Changes Included in the Recommended Base Budget:

The Federal and State Allocation for CSS is expected to decrease from the FY 03-04 level of \$55.7 million to \$53.5 million in FY 04-05. Significant reductions in services and supplies have been adjusted to FY 04-05 giving priority to necessary operational and administrative costs associated with core business functions. CSS has included \$3 million in trust fund and subvention revenue in the budget submittal to offset one-time purchases in FY 04-05.

Included in the FY 04-05 budget request are appropriations for the Federal Automation Penalty assessed to the State by the Federal government for not implementing a statewide child support computerized system. Orange County's share of the Federal Automation Penalty for FY 04-05 is estimated to be \$4.3 million.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Department of Child Support Services does not have any projects defined as Board Strategic Priorities. The CSS 2004 Strategic Financial Plan forecast reflects a 5% reduction in FY 04-05. CSS strives to improve efficiency and responsiveness while maintaining costs within our 100% State and Federal funding in order to avoid impacting net county costs.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Positions	-	753	753	753	0	0.00
Total Revenues	57,807,644	58,948,566	55,846,571	56,941,347	1,094,776	1.96
Total Requirements	55,485,459	61,448,566	57,937,904	59,632,466	1,694,562	2.92
Net County Cost	(2,322,185)	2,500,000	2,091,333	2,691,119	599,786	28.68

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Child Support Services in the Appendix on page 456.

Highlights of Key Trends:

- Orange County has continued to meet or exceed Federal Performance Measures in paternity establishment percentage, percent of cases with a support order established, percent of collections on current support, and percent of cases with arrears collections. The success of CSS plays a key role in assisting families achieve and maintain self-sufficiency.
- CSS has sustained increases in overall collections, in collections per case, and in cases that require the establishment of paternity and court orders. CSS also strives to ensure that quality assurance and program improvement are integrated into the services provided.
- Due to budgetary reductions and restrictions, CSS will face significant resource and performance challenges in FY 04-05. The most significant challenges will involve the realignment and restructuring of services based on the impact of ARS, maintaining customer service levels, and meeting the goals of the 2004 Business Plan.
- CSS will continue to evaluate existing programs and implement processes for more efficient and effective programs and business practices.

042 - HEALTH CARE AGENCY

Operational Summary

Mission:

The Health Care Agency is dedicated to protecting and promoting the optimal health of individuals, families, and our diverse communities through partnerships, community leadership, assessment of community needs, planning and policy development, prevention and education, and quality services.

Strategic Goals:

- Prevent disease and disability, and promote healthy lifestyles.
- Assure access to quality health care services.
- Promote and ensure a healthful environment.
- Recommend and implement health policy and services based upon assessment of community health needs.

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
HEALTH CARE ACCESS FOR CHILDREN What: A measure of the ability of children to receive medical attention, including preventive care. Why: Children receiving preventive services and health care will result in improved health outcomes.	Results of the 2002 OCHNA community survey found a 23% reduction in the number of uninsured children since 1998.	Increase in the number of children with health insurance coverage by monitoring the number of eligible children and those enrolled in these programs. The 2004 OCHNA survey will hopefully show continued improvement.	Progress has been made with a reduction in the number of uninsured children. The % of children without health insurance has declined from 12.7% in 1998 to 8.6% in 2001. Since January 1999 the total number of children enrolled nearly doubled, from approx 121,000 to almost 240,000 as of June 2003.
CHRONIC DISEASES What: A measure of the leading causes of death for Orange County residents. Why: 3 leading causes accounted for 63% of deaths in 2000 & over \$1.5 billion annually in hospital costs.	The OC mortality rates for cancer, heart disease and cerebrovascular disease have declined between 2000 and 2001 but are still higher than California's.	Over the next seven years, continued preventive efforts will be necessary to accomplish the HP2010 objectives for cancer, heart disease, and cerebrovascular disease.	OC has met or is approaching ten of the twenty top mortality/morbidity indicators for HP2010. However, OC death rates for the top 3 leading causes of death (cancer, heart disease, and stroke) remain well above national HP2010 target objectives.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	454,022,907
Total Recommended FY 2004-2005 Budget:	464,214,771
Percent of County General Fund:	18.80%
Total Employees:	2,644.00

Key Outcome Indicators: (Continued)

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
<p>COMMUNICABLE DISEASES - AIDS AND TUBERCULOSIS What: Measures of annual morbidity and mortality rates for AIDS and TB. Why: Both AIDS and TB represent serious threats to public health locally, nationally, and worldwide.</p>	<p>The rate of new cases of AIDS continues to decline as do the number of deaths. The number of persons living with AIDS continues to increase. The rate of new cases TB continues a downward trend. OC reported 230 cases of tuberculosis in 2002 (a decrease of 17% below the reported cases in 2001).</p>	<p>Continued decrease in the number of new AIDS cases and improved disease management of existing cases. Identify and provide preventive therapy to an estimated 300,000 individuals with latent TB infections.</p>	<p>As of December 2002, OC residents living with AIDS more than double the number living in 1993. The number of persons living with AIDS increased 3% between 2001 and 2002. TB cases declined over the past 10 years. These TB case rates remain significantly higher than the Healthy People 2010 objective.</p>
<p>OCEAN AND RECREATIONAL WATER QUALITY What: A measure of closures due to bacterial contamination to protect the public from infections. Why: Contaminated ocean water is a threat to the personal and economic health of the community.</p>	<p>The total number of beach-mile-day closures has decreased by 16% between 2002 and 2003.</p>	<p>A further reduction in beach-mile-day closures through continued testing & identification of sources of bacteria. Ongoing water quality efforts include projects to identify the sources of bacteria and refine laboratory-testing procedures to provide earlier notice of potential health hazards.</p>	<p>Improvement is shown by the decrease in number of beach-mile-day closures from 2002 to 2003, down 43% from a year ago and down nearly 87% from the peak observed in 1999. This trend represents a significant reduction in the overall impact of the closures.</p>
<p>VIOLENCE AND UNINTENTIONAL INJURY What: A measure of mortality due to such things as falls, drowning, fire, guns, or violence (homicide). Why: Unintentional injuries leading cause of death for ages 1-34; homicide ties leading cause for 15-19.</p>	<p>The rate of preventable loss of life due to unintentional injuries (e.g., motor vehicle crashes, firearms, falls, drowning, suffocation, and fire) has declined over the past decade and OC is near the HP2010 objective.</p>	<p>Maintain and/or work toward achieving HP2010 target objectives for deaths due to unintentional injuries or violence.</p>	<p>The rate of such preventable losses due to unintentional injuries has declined over the past decade and OC is near the HP2010 objective. The overall homicide rate for OC is below state and national levels and remains below the HP2010 objective.</p>

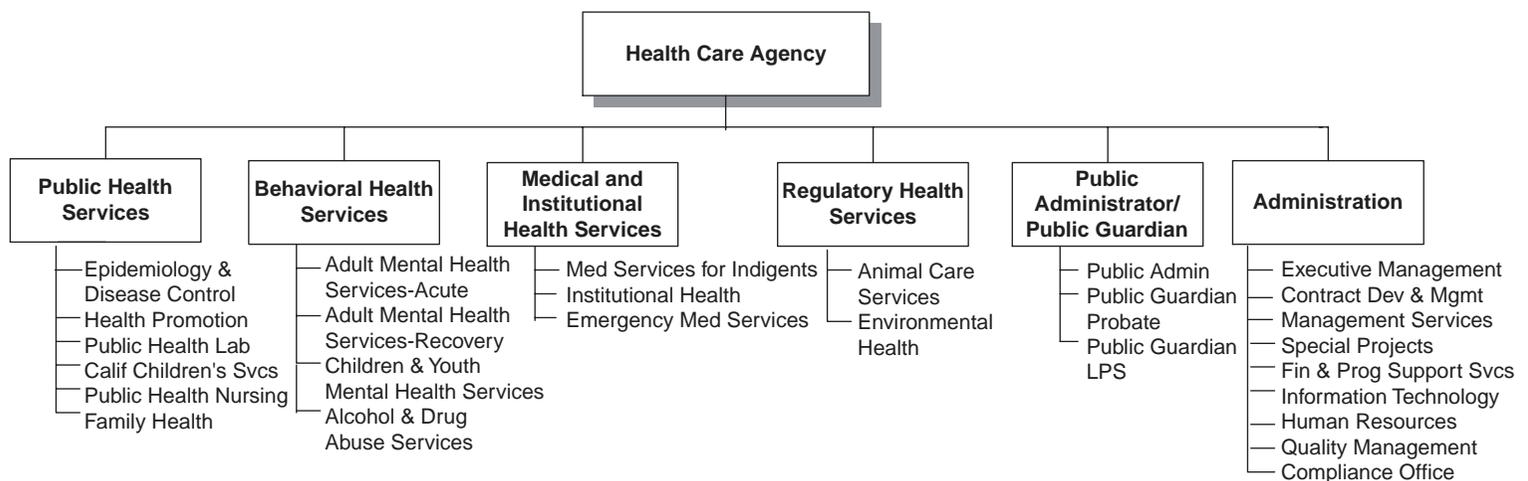
FY 2003-2004 Key Project Accomplishments:

- The Agency Emergency Operations Center is fully equipped and training has been provided to instruct key HCA personnel in roles and responsibilities.
- Training has been provided to staff on access and use of the California Health Alert Network.
- The new biohazard containment laboratory is operational, with testing agents and protocols in place.
- Education and smallpox vaccinations were provided to appropriate Public Health and Behavioral Health personnel in the event of a bioterrorist event.
- Four clinicians are available to the community to assist in accessing behavioral health crisis response services.
- A team has been established to provide intensive mental health services to those individuals who have frequent hospitalizations and/or incarcerations due to behavioral health problems.
- Seniors with mental illness have received education regarding their mental illness and interventions to reduce symptoms, often including psychiatric medication intervention to restore the seniors to their highest possible level of functioning.
- The public can access water quality information through a newly created website.
- Shellmaker Water Quality Lab in Newport Beach is now fully operational.
- The Labor Management Committee established a Team Excellence Award program.



- The Health Care Agency is in full compliance with the HIPAA privacy standards, as mandated by Federal law. Orange County is a recognized leader in HIPAA implementation with the State based on HCA's lead role in HIPAA transaction and code set implementation.
- The Health Care Agency is in full compliance with the Americans with Disabilities Act.
- The Information Technology Division successfully implemented the client registry and document imaging functions of the IRIS system.
- The Electronic Requisitioning System has been fully implemented.
- The first annual celebration of Emergency Medical Services (EMS) week recognized EMS personnel and provided EMS-related education to the public.
- In collaboration with local sanitation districts, Environmental Health is able to post historical water quality sampling data on the web site.
- Public Health initiated rapid HIV testing to provide results within 20 minutes so patients can receive immediate counseling following a positive diagnosis.
- The Medical Services for Indigents program extended efforts to expand the specialty physician network.

Organizational Summary



PUBLIC HEALTH SERVICES - Monitors the incidence of disease and injury in the community and develops preventive strategies to maintain and improve the health of the public.

BEHAVIORAL HEALTH SERVICES - Provides a culturally competent and client-centered system of behavioral health services for all eligible County residents in need of mental health care and/or treatment for alcohol and other drug abuse.

MEDICAL & INSTITUTIONAL HEALTH SERVICES - Coordinates emergency medical care, provides medical and behavioral health care to adults and children in institutional settings, and contracts for essential medical services for patients for whom the County is responsible.

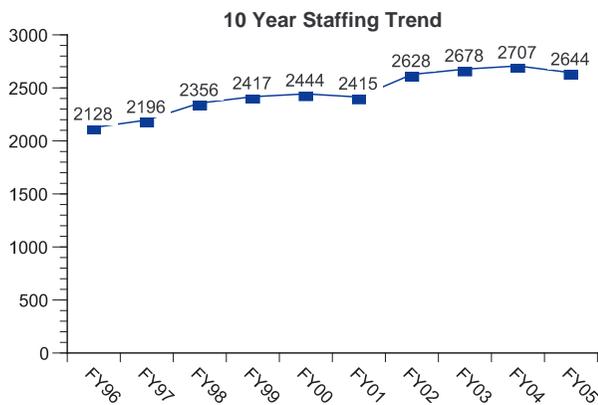
REGULATORY HEALTH SERVICES - Ensures food safety and water quality and protects the public's health and safety from harmful conditions in the environment, from animal-related injury, and from disease and nuisance hazards through the enforcement of health and safety standards.



PUBLIC ADMINISTRATOR/PUBLIC GUARDIAN - The Public Administrator protects the assets and manages the affairs of deceased residents of Orange County who at the time of death left no known heirs, no will, no named executor or an executor who is ineligible. The Public Guardian is a conservator for individuals unable to care for themselves, and assumes responsibility for the overall welfare of the individual including placement, treatment and management of their assets.

ADMINISTRATION - Promotes and provides for the fiscal and operational integrity of the Agency through sound management principles and practices, and provides support services to Agency programs. Support services include Financial and Administrative Services, Information Technology, Human Resources, Quality Management, and Office of Compliance.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

■ Since FY 1995-96, the number of HCA positions has grown by 517, which averages approximately 2.4% per year. In FY 2000-01 the number of employees decreased by 29 positions due to restructuring. From FY 2000-01 to FY 2001-02, 213 positions were added. This included 51 positions for the Theo Lacy expansion, 23 for Tobacco Settlement Health Care Priorities, and 20 positions for implementation of State staffing standards for California Children's Services. From FY 2001-02 to FY 2002-03, HCA added 29 positions. These included two positions for Proposition 10 Federal Financial Participation, two positions for HIV/AIDS prevention, ten positions for Public Health Field Nursing services, three positions for Alcohol and Drug Abuse services, eight for Substance Abuse Mental Health Services Administration (SAMHSA), and four for Nutrition Services.

Twenty-one positions were added for FY 2002-03 BARs, including 19 positions related to Anti-terrorism and 2 positions for the Methadone Clinic. In the FY 2003-04 Requested Budget, 55 positions were deleted to stay within Net County Cost limits. This included 32 positions from Correctional Health due to centralizing medical and mental health services. Also deleted were 16 positions from the TB program, four positions from the Public Health Laboratory, and three positions from Alcohol and Drug Abuse Services. Also in the FY 2003-04 Requested Budget, 66 positions were added due to transferring Public Administrator/Public Guardian from the Community Services Agency to the Health Care Agency. Nineteen positions were added for FY 2003-04 BARs including 2 positions for Lab Testing, 6 positions for California Children's Services, 7 positions for Tuberculosis Treatment, and 4 positions for Public Administrator/Public Guardian. In the FY 2004-05 Requested Budget, a total of 63 positions are deleted. This includes 29 positions deleted mid-year due to the early retirement incentive, 7 long term vacant positions deleted mid-year, and 27 positions to comply with NCC limits.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Costs to prepare for and respond to potential terrorist threats are included in the Requested Budget. Also included in the Requested budget are: site design costs for the relocation of the Animal Shelter; construction costs for the Watershed and Ocean Monitoring lab; health priorities funded from Tobacco Settlement Revenue; and in-custody Alcohol and Drug rehabilitation services funded by Tobacco Settlement Revenue.

Changes Included in the Recommended Base Budget:

Agency base budget appropriations total \$464,214,771, for a decrease of \$9.8 million from the current modified budget for FY 2003-04. Despite cost increases for employee health insurance and retirement, the budget decreases due to streamlining of programs and services Agency-wide to meet the Net County Cost limits. Major changes in Behavioral



Health include reducing inpatient services for chronically mentally ill and reducing outpatient mental health and substance abuse treatment services. Major changes in Public Health include deferring communicable disease testing and control. Public Administrator/Public Guardian includes a reduction in staff serving as conservator for individuals, and managing the assets of clients and the deceased.

Requested Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
Restore Professional Services Contract - Adult Mental Health 24 Hour Residential Care (FY 04-05) Amount:\$ 252,937	A reduction in Adult Mental Health contract services is required to meet Net County Cost limit.	This Program helps to decrease homelessness & long-term hospital cost of Mental Health clients.	042-108
Restore 2 Positions & Funding - Public Health Community Nursing (FY 04-05) Amount:\$ 94,292	Deletion of 1 Information Processing Tech & 1 Sr. Public Health Nurse to meet Net County Cost limit.	PHCN received 18,462 referrals, served 37,993 clients, & investigated 3,153 communicable diseases.	042-156
Restore 1 Position & Funding - Public Health Disease Control (FY 04-05) Amount:\$ 162,857	Deletion of 1 Public Health Microbiologist & contract costs required to meet Net County Cost limit.	TB cases reducing, more refugees receiving health assessments, & PH Lab providing successful testing	042-158
Restore Medical Supplies & Contract Services - Public Health Disease Control (FY 04-05) Amount:\$ 365,303	Reduce contract costs in order for the Health Care Agency to meet its Net County Cost limit.	TB cases reducing, more refugees receiving health assessments, & PH Lab providing successful testing	042-181
Restore 1 Position & Funding - Public Administrator/Public Guardian (FY 04-05) Amount:\$ 63,079	Deletion of 1 Deputy PA/PG II position required to meet its Net County Cost limit.	PA/PG effectively manage the conservatorship & descendent estates.	042-167
Restore 1 Position & Funding - Public Health/Health Promotion (FY 04-05) Amount:\$ 78,889	Restore 1 Health Educator position in the Public Health/Health Promotion Program.	The Division provides education and training to approximately 177,000 individuals annually.	042-188
Restore Contract Services and Funding - Public Health California Children's Services (FY 04-05) Amount:\$ 32,213	A contract cost reduction is required to meet its FY 04-05 Net County Cost limit.	CCS operations result in an improved quality of life for eligible children. 2,372 children served.	042-209
Restore Service Contract and Funding - Alcohol & Drug Abuse ACT Program (FY 04-05) Amount:\$ 95,318	A contract cost reduction is required to meet its FY 04-05 Net County Cost limit.	No HIV infected infants born to HIV infected mothers & Over 94% of infants born drug free.	042-246
Restore Extra Help Funding - Public Health/Epidemiology and Assessment (FY 04-05) Amount:\$ 39,874	Restore extra help appropriations in Public Health/Epidemiology and Assessment program.	Over 14K non-HIV/AIDS communicable diseases reported & 47K births/17K deaths registered annually.	042-252
Restore 11 Positions & Funding - Children & Youth Services/Project Together Program (FY 04-05) Amount:\$ 645,440	Restore 6 Mental Health Worker III, 1 Volunteer Svcs Coord, 2 HCA Service Chief, and 2 Office Techs.	CYS-PT volunteer mentoring program helped over 1000 families with 25K hours of voluntary donations.	042-268
Restore Appropriations & Contract Services - Public Health HIV/STD Program (FY 04-05) Amount:\$ 352,866	Restore services and supplies and professional services appropriations in STD prevention programs.	The STD clinic has provided a 16,197 assessment visits & HIV testing assessments to 9,705 clients.	042-293
Restore Contract Services & Funding - Adult Mental Health/Indigent Services (FY 04-05) Amount:\$ 237,680	A contract cost reduction is required to meet its FY 04-05 Net County Cost limit.	500 seriously & persistently mentally ill indigent clients receives health services	042-298

Requested Budget Augmentations and Related Performance Results: (Continued)

Unit/Amount	Description	Performance Plan	Ref. Num.
Restore Contract Services & Funding - Adult Mental Health/Indigent Services (FY 04-05) Amount:\$ 237,680	A contract cost reduction is required to meet its FY 04-05 Net County Cost limit.	500 seriously & persistently mentally ill indigent clients receives health services	042-303
Restore 4 Positions & Extra Help/ Contract Appropriations - PH/Family Health Comm Pgm (FY 04-05) Amount:\$ 468,333	Restore 4 positions, extra help appropriations, and professional services reductions.	Thousands of uninsured children receive preventive health care/linkage to Medi-Cal/Healthy Families.	042-251
Restore 1 Position & Extra Help Appropriations - Adult Mental Health/Older Adults Program (FY 04-05) Amount:\$ 352,138	Restore 1 position and extra help funding to the Older Adults Program.	OAS prevented 140 individuals (72%) from visiting ERs or calling paramedics. Saved significant cost.	042-316
Restore 2 Positions and Extra Help Appropriations - Public Health Family Health Clinic (FY 04-05) Amount:\$ 364,229	Restore 2 Office Asst positions and extra help/ pharmaceuticals appropriations.	70,000 immunization, 15,000 health assessments, & 12,000 family planning services provided annually.	042-331
Restore Contract & Funding - Public Health Specialized Nursing Program (FY 04-05) Amount:\$ 262,631	Restore extra help and services and supplies appropriations to the Specialized Nursing Program.	No infants born to HIV infected mothers infected with the virus & 94% infants born drug free.	042-339
Restore Contracted Outpatient Services - Adult Mental Health Services (FY 04-05) Amount:\$ 739,665	Restore outpatient contract programs to serve clients with mental health symptoms.	The contract programs have been successful at helping clients to receive an adequate level of care.	042-1000
Restore 3 Positions And Clinic Days - Behavioral Health Administrative Restructuring (FY 04-05) Amount:\$ 343,969	Restore 3 positions and Saturday AMHS clinic services.	The change will reduce the existing Service Chief on-call coverage.	042-1001

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Positions	-	2,670	2,670	2,644	(26)	-0.97
Total Revenues	361,591,439	398,553,577	378,531,293	389,973,155	11,441,862	3.02
Total Requirements	431,410,157	474,045,193	455,970,418	464,214,771	8,244,353	1.81
Net County Cost	69,818,718	75,491,616	77,439,125	74,241,616	(3,197,509)	-4.13

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Health Care Agency in the Appendix on page 465.

Highlights of Key Trends:

■ The Health Care Agency will face a number of significant challenges in FY 2004-05. At this time the most significant challenge is the uncertainty of the economy, and its impact on funding and services. The Agency's largest revenue source is Realignment, which is funded from sales tax collections and Vehicle License Fee col-

lections. The slow recovery of the economy is affecting funding levels received at a time when demand for health care services continues to increase. In addition, the economy will affect revenues collected by the State. Funding decisions made by the Governor and Legislature to balance the State budget could have dramatic impacts on services at the local level. The Agency will



continue to work with its County and community partners in carrying out services during this uncertain economic period.

Budget Units Under Agency Control

No.	Agency Name	Public Health Services	Behavioral Health Services	Medical & Institutional Health Services	Regulatory Health Services	Public Administrator/ Public Guardian	Administration	Total
042	Health Care Agency	106,604,689	197,467,485	115,738,702	31,189,699	4,632,571	8,581,625	464,214,771
138	Medi-Cal Admin. Activities/Targeted Case Mgmt.	0	0	0	0	0	10,918,063	10,918,063
	Total	106,604,689	197,467,485	115,738,702	31,189,699	4,632,571	19,499,688	475,132,834

138 - MEDI-CAL ADMIN. ACTIVITIES/TARGETED CASE MGMT.

Operational Summary

Description:

This fund is used to account for the federal reimbursement of certain eligible costs for Medi-Cal Administrative Activities and Targeted Case Management activities that are passed through the State to the County and to Community-Based Organizations (CBO's).

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	5,699,681
Total Recommended FY 2004-2005 Budget:	10,918,063
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	309,524	16,320,000	6,568,325	10,918,063	4,349,738	66.22
Total Requirements	880	16,320,000	5,699,681	10,918,063	5,218,382	91.56
Balance	308,644	0	868,644	0	(868,644)	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Medi-Cal Admin. Activities/Targeted Case Mgmt. in the Appendix on page 537.

063 - SOCIAL SERVICES AGENCY

Operational Summary

Mission:

The Social Services Agency is comprised of dedicated, caring, efficient staff whose mission is to deliver quality social services that are accessible and responsive to the community, encourage personal responsibility, strengthen individuals, preserve families, protect vulnerable adults and children, and recognize cultural diversity. We succeed in our mission through encouragement and respect for our clients, partnerships with the community and a commitment to innovation and excellence in leadership.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	381,765,006
Total Recommended FY 2004-2005 Budget:	387,931,080
Percent of County General Fund:	15.71%
Total Employees:	3,885.00

Strategic Goals:

- Provide services to help needy or vulnerable adults and children to receive health care, food, shelter, and clothing.
- Promote independence and self-sufficiency by helping the unemployed, underemployed, and emancipating youth achieve and sustain stable employment.
- Promote the safety and well-being of vulnerable adults and children through the availability of child and adult abuse prevention, intervention and supportive services.
- Lead and support a shared community responsibility for the prevention of child and adult abuse and support of families.

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
<p>CALWORKS CASES WITH EARNED INCOME What: The percentage of CalWORKs cases with mandatory Welfare-To-Work participants who report earnings. Why: Welfare reform laws stress client self-sufficiency & personal responsibility through employment.</p>	<p>60% Note: While there was a decline in FY 02/03 due to CalWORKs clients reaching their five-year time limits, the percentage of CalWORKs cases with mandatory Welfare-To-Work participants reporting earnings was 60%, representing an 82% increase from 33% in FY 94/95.</p>	<p>Funding levels have been declining since FY 01/02. This trend will likely continue in FY 03/04. Further service reductions may occur. Numerous business alternatives are being explored to mitigate the effects of these funding reductions while maintaining core services and collaborating with partners.</p>	<p>The longer term increase in cases with income is commendable, and growth in previous years may be due to a good economy and sufficient funding for services. Large numbers of recipients have gone off aid because they have become self-sufficient, or have reached their CalWORKs time limit.</p>



Key Outcome Indicators: (Continued)

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
MEDI-CAL COVERAGE What: Monthly average no. of persons receiving Medi-Cal less those receiving Medi-Cal in other programs. Why: Monitoring persons served by this program alerts us to the medical requirements of needy families.	231,367 (34,528 increase over FY 01/02) Note: This number excludes those who receive Medi-Cal under CalWORKs, Refugee Cash Assistance, Foster Care, In-Home Supportive Services and Supplemental Security Income.	SSA anticipates challenging fiscal environment in FY 2004/05. SSA will continue to explore innovative processes and partnerships to maximize use of limited resources.	Enrollment numbers for those who received Medi-Cal increased by 18% last year due to regulation changes and outreach efforts. Maintaining existing projects, legislation, and projects that simplify application processing should result in continued increases in enrollment during the next few years.
ADOPTIVE HOME PLACEMENTS What: The number of children adopted in the County of Orange. Why: Placements give children permanency & stability in family environments free from abuse and neglect.	CFS placed 513 children in homes approved for adoptive placements, which represents a 8% increase over the previous year.	CFS anticipates continued challenging fiscal environment in FY 2004/05. The Adoptions Program will continue to explore innovative partnerships and alliances within the community in an effort to maximize use of our limited resources.	The Adoptions Program increased adoptive placements by 8% from the previous year. The program continued to work with private adoption agencies. In spite of the increased placements, there has been a reduction in the number of available families for adoptive placement.
ADULT PROTECTIVE SERVICES FINANCIAL ABUSE RECOVERY What: This measurement depicts the cumulative amount of preserved/recovered funds of exploited elders. Why: Reports of elder abuse and financial exploitation are increasing.	\$20,341,959 in assets were protected or recovered. This is about the same as FY 01/02.	Further cuts in funding could require that we reduce the level of staffing for this project, which could decrease the amount of assets protected and recovered.	We're able to protect many of the victims of financial abuse. Although recoveries were about the same as FY 01/02, growth is difficult to predict since the estates of many victims are not large. However, robbing an elderly or disabled of their life savings is to rob them of their quality of life.

FY 2003-2004 Key Project Accomplishments:

- The Electronic Benefit Transfer (EBT) System for CalWORKs and Food Stamp clients was fully implemented for all CalWORKs, Food Stamp, RCA and GR clients. Agency program, district, technology systems and accounting staff provided training to all users including clients and Community Based Organizations. Post implementation support has been provided as required.
- Food Stamp accuracy improved in Orange County from 87.35% to 92.32% (10/02 - 07/03). Some activities that facilitated this improvement included implementation of a monthly Food Stamp survey, intense case reviews in continuing and new standardized case review policies, a Change Pilot in ASAP that focuses workers on CW7 processing tasks, the addition of an Agency Food Stamp Coordinator to lead and oversee corrective action tasks and error analysis, the reorganization of the agency's Corrective Action Committee, and new error analysis of supervisory and Program Integrity Coordinator case review data that tracks individual, district, division and agency errors.
- Quarterly Reporting is expected to be implemented effective April 2004. CalWORKs and FS Program Managers have continued to hold monthly Executive Steering Committee meetings with members that include program, operations, accounting, training, and systems staff. Sub-committees with responsibility in all of these areas have been established and are meeting on a regular basis. New program policies are being drafted, an automated budgeting process is being designed, State forms are being ordered, and county forms are being designed. Plans are being developed for training in January and February 2004 for approximately 1,000 FSS/Assistance Payments staff.
- Medi-Cal staff processed the cases affected by the Craig v. Bonta lawsuit in a timely manner. All cases were processed by the December 2003 deadline.
- The Mutual Clients Work Group continues to meet on a monthly basis with a December 2003 target date for implementation. SSA Children and Family Services (CFS) and CalWORKs staff began the development of the Alternate Response System now being called Differential Response to conform to one of the recommendations of the Child Welfare Stakeholders

Group. CalWORKs and CFS staff met with the Children's Research Center (CRC) on 5/2/03 and began discussions regarding the development of a Structured Decision Making (SDM) Risk Assessment Tool for use on CalWORKs clients. A conference call between SSA, Partnership Project and CRC staff on 7/17/03 provided further discussion on the development of the SDM tools including clarification of expectations and identification of preliminary project tasks. CalWORKs and CFS staff continue to research accessing Title IV-E and other possible funding resources for planned prevention services. An evaluation session conducted by U.C. Davis on 6/24/03 provided an assessment of the project's progress and areas that need improvement. A meeting conducted with CRC determined requirements and next steps towards development of a risk assessment tool. Also, a Memorandum of Understanding (MOU) was completed with CRC to begin the first phase of Risk Assessment Tool development. The group has developed a process to identify potential CalWORKs Family Reunification (FR) candidates preparatory to implementing Differential Response.

- Collaboration with other county agencies/departments to facilitate service provision has expanded. Memorandums of Procedures (MOP's) have been developed and renewed annually for FSS, to include: HCA- Behavioral Health Services, HCA-Public Health Nurse, CSA-One Stop Partner, CSA-Community Services Provider. FSS also partners with: District Attorney Child Support Division, Probation and Sheriff's Departments, and participates on the Domestic Violence Council. SSA also collaborates through regular meetings with Community Colleges, Adult Schools, and ROP liaisons.
- Implementation of the CalWORKs 60-month time limit provisions, including identifying available services that are legal and appropriate, and encouraging recipients to become employed and to improve employment advancements prior to expiration of time limits have been completed. As of September 2003, 2,708 (31%) of CalWORKs adult persons have already timed out of CalWORKs. 466 (5%) more CalWORKs adults are expected to time out later in 2003, and 5,727 (64%) adults are expected to remain on aid during 2003. 72% of all adults who have already been discontinued in December 2002, and January and February 2003 are employed or self-employed, before they were timed out.
- SSA has assisted CalWORKs participants to overcome barriers to employment through the Employment Support and Retention services program, with a focus on prioritizing essential services to maximize program effectiveness while reducing the funds available to provide these services. SSA has continued its contract with ACS to provide a range of employment support and retention services. In FY 02-03 ACS provided on average of 3,000 direct and contracted services each month to help participants retain employment. From January through July 2003 approximately \$324,160 was expended per month for retention and support services.
- SSA has developed an accommodation strategy for all CalWORKs participants identified as Learning Disabled. A renewed contract for the 7/03-6/04 Learning Disability evaluations has been approved. The provider attends the SSA Partners Meeting as well as targeted meetings to refine accommodation recommendations.
- A Case Management Best Practices Committee was formed with the goal of increasing the WTW Participation rate. The Committee has developed a draft staff survey to gain insight into focus areas of case management where improvement may be needed. A subcommittee is in the process of being established to review and finalize the survey document.
- Effective 5/1/03, additional data from drop-down menus was developed to identify specific service delivery with corresponding outcomes. Technology Systems is finalizing the table updates. The SMART Operations Committee has agreed to the additional data available in SMART (Service Management Access Resource Tracking.)
- The Mutual Client Committee, with the Children and Family Services and Family Self-Sufficiency managers and staff, developed a policy and procedure effective February 2003 that enables CFS staff to identify and refer CalWORKs parents in a Family Reunification case plan to CalWORKs for continuation of Welfare-To-Work (WTW) services. This CFS Policy has been posted on CFS intranet site. All staff from both divisions have been trained and CFS staff have begun identification and referral of CalWORKs parents for continuation of WTW services. The Mutual Clients Workgroup continues to monitor progress. A match process has been developed for CWS/CMS and CDS computer systems to identify potential candidates for these services. The first list was distributed in June 2003.
- FSS has continued to coordinate services and provide program, resource and benefit information to asylees as well as refugees and victims of trafficking to facilitate their acculturation and transition to self-sufficiency. The service plan was to serve 50 asylees, 254 refugees, and all identified trafficking victims in Orange County. As of September 2003, 68 Asylees,

259 Refugees and 8 Trafficking Victims have been served. FSS has established coordination with agencies serving asylees to facilitate outreach, providing information and referral for asylees to access cash assistance, Food Stamps, Medi-Cal, Refugees Services and health assessment services provided by HCA. Decentralization of the Refugee Cash Assistance Program as of 9/1/03 is providing easier access for refugees, asylees, and trafficking victims to apply for benefits. FSS is currently working with the Office of Refugee Resettlement (ORR) to track trafficking victims from America Samoa who were relocated to Orange County. SSA is working with victims and sponsors to resolve various issues.

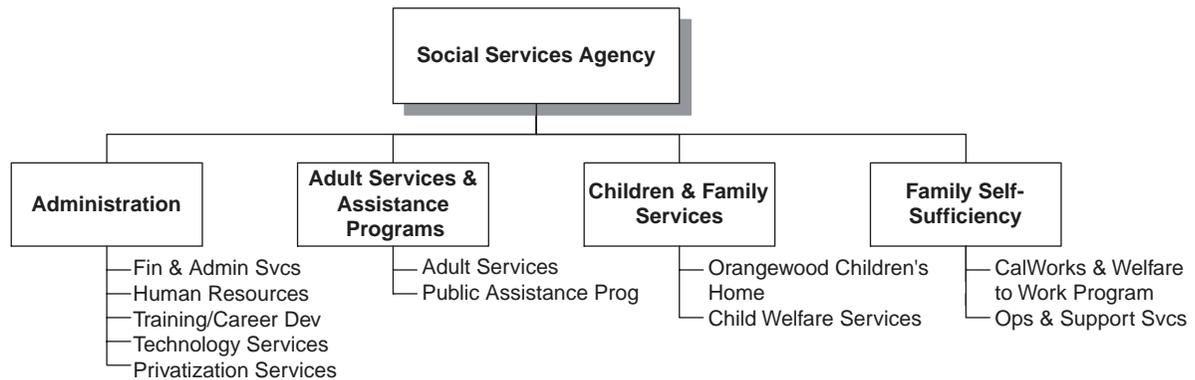
- SSA has continued staff participation on the various Workforce Investment Board Youth Councils to obtain and share information regarding youth employment programs. SSA holds Partner Meetings monthly with the WIBs. FSS serves on the steering committee of the O.C. Workforce Development Committee, which actively supports youth programs.
- Emancipation Services Program (ESP) has doubled the number of youth scheduled each month for Vocational Assessments. ESP has membership on two of the three Workforce Investment Board (WIB) Youth Councils and is seeking membership on the Anaheim WIB Youth Council. Over 282 foster youth have been referred to all 3 WIB Youth Councils' contact services. Independent Living Coaches are assigned to 127 youth, including parenting and emancipated youth. According to a report from the SHPERE Institute in January 2003, 93% of all former Orange County foster youth are enrolled in continuing Medi-Cal benefits. In a query completed September 25, 2003, there were 200 current emancipated foster youth Medi-Cal recipients residing in Orange County.
- The CGT Database was converted to Oracle 9.i and the second phase of Oracle Discoverer training has been completed for all divisions.
- Community-based organizations have been approved to receive Medi-Cal Administrative Activities and Targeted Case Management funding. HCA will establish contracts with those grantees to sustain programs beyond Proposition 10 contract periods. Prop. 10 and SSA have concluded a study group to prioritize recommendations for services to children 0-5 years old in the child welfare system; and these recommendations have been accepted by Prop. 10. Planning for program development includes identifying opportunities for leveraging funding. A contract is currently being drafted to match Orange County Department of Education residual Foster Youth Services funding with Title IV-E funds to re-establish foster youth education progress, tracking services for foster youth age 14 through emancipation.
- FaCT was awarded \$231,686 by the Children and Families Commission of Orange County for 17 months that began 7/01/03, to provide administrative oversight of the Bridges II Program that connects families of newborns with community-based resources including Family Resource Centers (FRCs). FaCT applied for a \$600,000/3 year federal grant offered by the Department of Health and Human Services and other agencies. On 9/24/03, SSA received notification of a full award beginning FY 2003/04. This program is a caregiver relationship-building program primarily targeting child welfare services families and integrating the services with those offered by the FRCs.
- On 9/30/03, the Orange County Board of Supervisors approved nine contract agreements to provide FRC services at \$2,250,000 per year plus an agreement from contractors to match this amount with \$225,000 per year. This includes Family-to-Family Team Decision Making services at four of these FRCs - two each in Santa Ana and Anaheim.
- Health Care Agency provides mental health services to dependent youth in five residential settings and five community based clinics. In September 2003, services were provided to more than 1,193 children. Emancipation Services Program is collaborating to establish Service Learning tutors for foster youth at some of the FRCs. Foster youth tutoring referrals to the Friendly Center in Orange began on 10/01/03, and it is hoped that other FRCs will also be able to provide space for this activity.
- Children and Family Services has developed some effective alternatives to group home placement. As of September 2003, 200 foster children have participated in the Wraparound program. HCA and SSA are implementing a California Institute of Mental Health project to develop Multidimensional Treatment Foster Care foster homes. UC Davis provided additional Family Group Decision Making (FGDM) training to Independent Living Program staff and Independent Living Coaches to expand the pool of ILP coordinators. Increased services are now available to "at risk" group home children. Twenty-seven FGDM meetings were held with children who are in group home placements. Twenty-two of these meetings

addressed the youth's emancipation plans. A second apartment complex has been established for the Olive Crest contract for Transitional Housing Placement Program (THPP), bringing the current placement count to twelve youth in the two facilities. Two other group home organizations have expressed an interest in converting their facilities to THPP contracts.

- Children and Family Services has improved its use of the CWS/CMS system. Ad hoc reports track data entry of selected data elements for the Health and Education Passport. Currently, the percentage of placement cases with health data entered is 96% and the percentage of placement cases of children 5 years of age and older with education data entered is 85%. CFS Management identified a goal of contact data entry within 7 business days. The Program Development Unit developed an interim Policy and Procedure and several supporting documents to assist staff in entering the required data. As of September 2003, 81% of all compliance contacts were being entered within the 7-business-day goal. The contact data entry goal is 90% or better.
- The social behavior of the youth housed at Orangewood Children's Home (OCH) has improved. Since the implementation of the Orangewood Active Teaching Therapeutic Approach. (O.A.T.T.A.) program, there has been a significant decrease in the number of Special Incident Reports; in the number of youth requiring removal from school; the number of situations requiring use of the Emergency Intervention Program; and the number of youth requiring psychiatric hospitalization. The success of the O.A.T.T.A. program is most apparent in the Adolescent Girls Cottage, where, in addition to the above-mentioned indicators, there has been a decrease in the number of youth requiring frequent placement changes returning to the cottage, and stability in placements outside Orangewood for a core group of youth. The Intermediate and Adolescent Youth regularly complete Exit Interviews and Youth Opinion Surveys, which are administered by Boys and Girls Town staff. The youth indicate, through these surveys, that they are being taught beneficial social skills and that these skills will be useful to them once they leave OCH. To date, there have been 373 staff trained in the O.A.T.T.A. Program. The current focus of Orangewood Administration and Boys and Girls Town staff is on technical support to assist Orangewood with becoming autonomous. Orangewood training staff has assumed full responsibility for presenting the initial 40-hour Managing Youth in Short Term Care (MYSTIC) workshop.
- Children and Family Services has implemented the provisions of the Adoptions and Safe Family Act (ASFA). The California Department of Social Services has issued the directives for county compliance with the new process to approve relatives to care for dependent children. CFS program development staff has provided continuous direction to deputies/staff as to the need for full compliance to protect the Agency's funding streams. A Title IV-E audit of foster care eligibility cases was completed on 6/4/03. Cases reviewed were found to be in compliance with ASFA regulations. Program Improvement Plan (PIP) activities are in progress in preparation for another audit in 2005. Seven training sessions to CFS staff were completed with emphasis on correct utilization of federal funding. Orange County passed the Federal Title IV-E audit with 100% compliance.
- Children and Family Services continues its foster and adoptive family recruitment and retention efforts. The Foster Parent Conference funded with HCA funds allowed over 500 foster parents to update training on May 17, 2003. Sixteen potential foster parents attended the conference. Nine families are either enrolled or plan to enroll in classes this year. Foster Parent Support Services has identified over 30 community classes that will qualify for the annual training required for foster parents.
- Children and Family Services continues to integrate Structured Decision Making (SDM) into the provision of child welfare services. Web based Structured Decision Making (SDM) was implemented on October 1, 2003. This version of SDM requires supervisor review and approval for every completed assessment. All users of SDM completed refresher training in 2003.
- Children and Family Services staff is improving outcomes for dependent children as measured by the Adoption and Safe Families Act (ASFA) Federal Outcome Measures. CFS is in the process of implementing the required Adoption and Foster Care Analysis and Reporting System (AFCARS) reviews and updates at least once every six months in addition to the existing reviews at the time of case transfers, new placements, and case closures. This regular review is expected to improve the accuracy of AFCARS data elements that are measuring the outcomes of our services to dependent children.

- The Community Partnership Program designed to identify, recruit, and enroll local organizations to assist SSA caseworkers in providing essential resources to families in need has been implemented. The goal is to solicit and recruit community organizations and SSA Caseworkers for this program. Caseworkers are then matched with these community organizations to provide essential resources to families in need. We have a total of 174 CFS and FSS caseworkers participating in the Community Partnership Program, with 162 currently matched with an organization.
- The agency collaborated with community partners and other agencies to ensure that staff in outstationed assignments were effectively utilized so that services to clients were maximized. Specifically, quarterly meetings were held with the Hospital Association of Southern California, Family Resource Centers and County Island partners to discuss facility issues and plan strategies for increased application referrals. One new strategy at County Island sites included taking Food Stamp applications in addition to Medi-Cal applications. Another strategy implemented was the development of a monthly report that tracks application levels below 85% of target at individual facilities.
- Children and Family Services provided technical assistance to both SSA-funded and non-funded Family Resource Centers to improve their effectiveness and capacity to provide child abuse prevention and family support services. In 2003, SSA provided fourteen hours of training to 231 FRC staff and their community partners in five different workshops and an additional 38 hours of training to 754 participants in twelve workshops and one all-day conference. Participants gave the workshops an overall rating of 4.5 out of 5.
- Monthly volunteer orientation and training sessions were conducted in 2003 to promote the involvement of the community in a variety of programs that are especially vital in a period of funding reductions.
- SSA is partnering with the Health Care Agency and other community partners to expand the Child Abuse Services Team (CAST). A SSA/HCA workgroup comprised of fiscal, program and contract staff met biweekly to solidify a leveraged fiscal plan using government and community funds. The Hoag Foundation donated \$500,000 and contract negotiations have begun to expand the Child Abuse Services Team (CAST).
- Adult Protective Services has continued to utilize the expertise of private and public experts in the community to address abuse of elder and dependent adults through participation in multidisciplinary case conferences, including Financial Abuse Specialist Team (FAST), Multidisciplinary Team (MDT), and the Vulnerable Adults Specialist Team (VAST). APS has chaired 10 MDT meetings and has presented a total of 180 cases at FAST/VAST/MDT meetings.
- Plans have been developed for the transformation of business processes to gain maximum value for the Agency and all of its collaborative partners from the implementation of CalWIN. These plans include clerical and reception services, Intake and Initial Services, Continuing and Ongoing Services, Employment/Welfare-To-Work and General Relief /Work Program services as well as Fiscal Services. A redesigned organizational structure has been formed to begin the complex process of refining and implementing the plans. These efforts are being coordinated with the appropriate labor groups (AFSCME and OCEA).
- On May 8, 2003, SSA's 888 N. Main Street building was successfully linked to the County's Enterprise ATM network. Evaluation and further implementation is being considered.
- Continue data sharing efforts in support of the County's annual homeless needs assessment. When appropriate, work with County agencies to research options to link regional data systems. In all cases, SSA is ensuring that data sharing efforts are in compliance with all federal, state, and local confidentiality and data sharing requirements.

Organizational Summary



ADMINISTRATION - Supports the goals of the agency by implementing, facilitating, and coordinating administrative services and projects through fiscal management, human resources, accounting, systems, training, research, privatization services, strategic planning, legislative analysis, and program integrity functions.

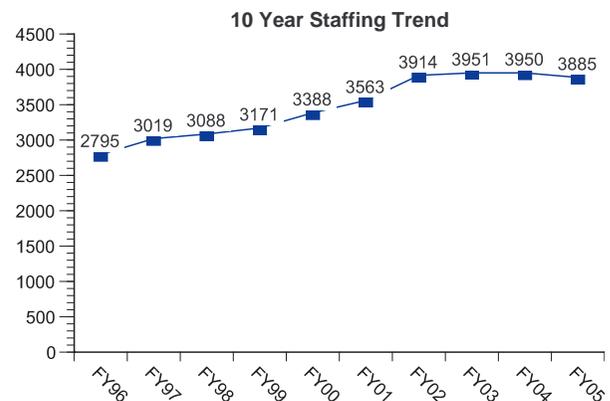
ADULT SVCS & ASSISTANCE PRGRM - Protects the aged and disabled from abuse and exploitation so that they may live in a safer environment. Administers Federal, State and County mandated assistance programs including Medi-Cal, Food Stamps, and General Relief.

CHILDREN & FAMILY SERVICES - Protects children through the prevention or remedy of conditions which may result in abuse and promotes maintaining families so that children can remain in or return safely to their homes.

FAMILY SELF-SUFFICIENCY - Administers Federal, State and County mandated Refugee Cash Assistance program and CalWORKs program to enable disadvantaged individuals and families to become self-sufficient through employment.

DIRECTOR - Supports the goals of the agency by directing all agency programs and operations.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- SSA staffing levels have decreased from FY 02 to present due to deletion of long term vacant positions and an early retirement incentive offered in FY 03.
- SSA staffing levels increased from FY 98 to FY 02 due to the following:
 - Medi-Cal, Food Stamps, Adult Protective Services, In-Home Supportive Services, Multipurpose Senior Services, Foster Care, Child Welfare Services Caseload Growth
 - Governor's Adoptions Initiative
 - County Restructuring
 - Welfare Reform
 - Orangewood Children's Home (AB 1197)



- Technology Support for Mandated Systems
- Placement Resources and Support
- Transfer of Multipurpose Senior Services Program from CSA
- Independent Living Program
- Child Welfare Services Workload Relief
- Transfer of Welfare Fraud Investigation Staff from District Attorney
- Transfer of Proposition 10 positions to SSA

Changes Included in the Recommended Base Budget:

Reduction in Adult Protective Services, CalWORKs, Food Stamps, Child Welfare Services, and Medi-Cal programs due to no state funding for the increased cost of doing business.

Retirement rate increases.

Health and other insurance rate increases.

Reduced costs in areas which would have a minimal impact on services to clients including vacancy factor, temporary help, office expense, contracted services, facility maintenance, and equipment to absorb net county cost increases.

Deferral of capital projects and candidate systems.

Budget Summary

Plan for Support of the County's Strategic Priorities:

SSA has developed strategic priorities plans for Child Welfare Services, Food Stamp Fiscal Sanction, and In-Home Supportive Services, Public Authority, Wage Increase and Caseload.

Requested Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
IHSS Public Authority Amount:\$ 652,614	Based on proposed State Budget cuts, this funding would allow for the continued function of the P.A.	To continue operations of the IHSS Public Authority, providing training and information to clients.	063-749
Additional requirement to maintain IHSS current level of wages Amount:\$ 8,176,773	This will provide funding to backfill for the State's proposed budget reduction to provider wages.	Continue to provide current contract wages to IHSS providers	063-746
Additional requirement to maintain IHSS Residual Program Amount:\$ 4,599,435	To provide funding to continue the IHSS residual program.	Continue to fund the IHSS Residual Program.	063-747
Add CalWIN Training Staff (FY 04-05) Amount:\$ 704,006	Funding and positions to provide training for staff on the new CalWIN Project.	This will provide training on the CalWIN system to 2,605 SSA staff and 1000 staff in other agencies.	063-606
CWS Workload Relief (FY 04-05) Amount:\$ 2,722,952	This BAR will provide workload relief by filling 32 vacant positions to be dispersed in nine units.	This will also result in increased efficiencies to the Child Abuse Registry.	063-568
Level of Service for IHSS after Proposed State Reductions Amount:\$ 1,175,269	Provide funding to continue the IHSS program is all State proposed reductions are realized.	Provide current level of service to IHSS clients.	063-392

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Positions	-	3,889	3,889	3,885	(4)	-0.10
Total Revenues	353,636,210	364,888,277	353,487,218	362,285,580	8,798,362	2.49
Total Requirements	369,749,216	393,247,370	384,682,063	387,931,080	3,249,017	0.84
Net County Cost	16,113,006	28,359,093	31,194,845	25,645,500	(5,549,345)	-17.79

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Social Services Agency in the Appendix on page 486.

Highlights of Key Trends:

- Consistent with the State budget, assumes funding allocations from the State for administration of most SSA programs will be at FY 03/04 level.

Budget Units Under Agency Control

No.	Agency Name	Administration	Adult Svcs & Assistance Prgrm	Children & Family Services	Family Self-Sufficiency	Director	Total
063	Social Services Agency	47,792,273	94,802,475	133,301,254	111,841,401	193,677	387,931,080
065	Calworks Family Group / Unemployed Parents	0	0	0	108,822,507	0	108,822,507
066	Aid To Families With Dependent Children - Foster C	0	0	123,625,160	0	0	123,625,160
067	Aid To Refugees	0	0	0	317,373	0	317,373
068	Case Data System	0	0	0	0	0	0
069	General Relief	0	1,276,818	0	0	0	1,276,818
14T	Facilities Development And Maintenance	0	0	7,800,540	0	0	7,800,540
590	In-Home Supportive Services Public Authority	0	836,684	0	0	0	836,684
	Total	47,792,273	96,915,977	264,726,954	220,981,281	193,677	630,610,162

065 - CALWORKS FG/U

Operational Summary

Description:

This program provides financial assistance to families with dependent children when one of the parents is absent from the home, incapacitated, or when the principal wage earning parent is unemployed and program and income eligibility requirements are met.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	114,638,779
Total Recommended FY 2004-2005 Budget:	108,822,507
Percent of County General Fund:	4.41%
Total Employees:	0.00

Budget Summary

Changes Included in the Recommended Base Budget:

CalWORKs caseloads are projected to be level with FY 03/04. And, in accordance with the November subvention of the State budget, assumes grants are reduced 5 percent.

Requested Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
Restore CalWORKs Child Support Revenue Reductions (FY 04-05) Amount:\$ 0	Funding for the loss of child support revenue that is proposed to be withheld by the State.	N/A	065-592

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	109,902,082	110,922,065	111,772,810	106,101,944	(5,670,866)	-5.07
Total Requirements	112,181,120	113,766,221	114,638,779	108,822,507	(5,816,272)	-5.07
Net County Cost	2,279,038	2,844,156	2,865,969	2,720,563	(145,406)	-5.07

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Calworks FG/U in the Appendix on page 489.

Highlights of Key Trends:

- CalWORKs caseloads are projected to be level with FY 03/04.



066 - AFDC - FOSTER CARE

Operational Summary

Description:

This program pays for the care and supervision of children in foster care. Such placements may be voluntary but are primarily in situations of dependency or ward status. This budget also includes the Adoption Assistance Program, Wraparound Program, placement costs for seriously emotionally disturbed children, and special services for medically needy children.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	115,310,227
Total Recommended FY 2004-2005 Budget:	123,625,160
Percent of County General Fund:	5.01%
Total Employees:	0.00

Budget Summary

Changes Included in the Recommended Base Budget:

Caseloads are projected to be fairly level with FY 03/04 with the exception of Adoption Assistance and Seriously Emotionally Disturbed programs which are projected to continue to increase. This budget assumes no cost of living adjustment consistent with the Governor's budget.

Requested Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
Restore Child Care Support Revenue Reductions (FY 04-05) Amount:\$ 0	Funding for the loss of child support revenue that is proposed to be withheld by the State.	N/A.	066-588

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	88,724,923	98,790,613	88,932,867	95,987,076	7,054,209	7.93
Total Requirements	112,336,396	126,243,244	115,325,644	123,625,160	8,299,516	7.20
Net County Cost	23,611,473	27,452,631	26,392,777	27,638,084	1,245,307	4.72

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: AFDC - Foster Care in the Appendix on page 490.

Highlights of Key Trends:

- Caseloads are projected to be fairly level with FY 03/04 with the exception of Adoption Assistance and Seriously

Emotionally Disturbed programs which are projected to continue to increase.

067 - AID TO REFUGEES

Operational Summary

Description:

This program provides financial assistance to recipients eligible under Refugee Cash Assistance (RCA).

At a Glance:	
Total FY 2003-2004 Projected Expend + Encumb:	284,533
Total Recommended FY 2004-2005 Budget:	317,373
Percent of County General Fund:	0.01%
Total Employees:	0.00

Budget Summary

Changes Included in the Recommended Base Budget:

Caseloads are projected to be fairly level with FY 03/04.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	287,526	309,044	284,533	317,373	32,840	11.54
Total Requirements	287,764	309,044	284,533	317,373	32,840	11.54
Net County Cost	238	0	0	0	0	0.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Aid to Refugees in the Appendix on page 491.

Highlights of Key Trends:

- Caseloads are projected to be fairly level with FY 03/04.



068 - CASE DATA SYSTEM

Operational Summary

Description:

As part of the Case Data/GIS System, this is a "clearing account" for processing public assistance payments (aid payments) as well as payments for CalWORKs supportive services and child support pass-on/disregards. The appropriations are fully offset by cost application to the aid payments agencies (Agencies 065, 066, 067, 069) and Social Services Operations (Agency 063) for CalWORKs.

Budget Summary

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Requirements	0	0	0	0	0	0.00
Net County Cost	0	0	0	0	0	0.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Case Data System in the Appendix on page 492.

069 - GENERAL RELIEF

Operational Summary

Description:

This program provides financial assistance to those persons who are ineligible for any federal or state programs which provide cash assistance. It is largely an emergency assistance program when other resources are not available to meet the needs of the applicant(s).

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	1,043,381
Total Recommended FY 2004-2005 Budget:	1,276,818
Percent of County General Fund:	0.05%
Total Employees:	0.00

Budget Summary

Changes Included in the Recommended Base Budget:

Caseloads are projected to be fairly level with FY 03/04.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	938,455	806,541	917,794	860,200	(57,594)	-6.28
Total Requirements	927,069	1,223,159	1,043,381	1,276,818	233,437	22.37
Net County Cost	(11,386)	416,618	125,587	416,618	291,031	231.74

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: General Relief in the Appendix on page 493.

Highlights of Key Trends:

- Caseloads are projected to be fairly level with FY 03/04.



14T - FACILITIES DEVELOPMENT AND MAINTENANCE

Operational Summary

Description:

This fund was established to budget and account for facilities projects approved in the County's Strategic Financial plan.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	7,955,401
Total Recommended FY 2004-2005 Budget:	7,800,540
Percent of County General Fund:	N/A
Total Employees:	0.00

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	13,787,185	13,946,400	15,218,690	7,800,540	(7,418,150)	-48.74
Total Requirements	230,819	13,946,400	7,990,201	7,800,540	(189,661)	-2.37
Balance	13,556,365	0	7,228,488	0	(7,228,488)	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Facilities Development and Maintenance in the Appendix on page 564.

Budget Summary

Plan for Support of the County's Strategic Priorities:

SSA established the Facilities Development and Maintenance Fund (14T) to budget and account for facilities projects approved in the County's Strategic Financial Plan.

Changes Included in the Recommended Base Budget:

Planning and development for the Tustin MCAS and El Toro MCAS facilities have been placed on hold.

590 - IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY

Operational Summary

Description:

This fund was established to budget and account for the In-Home Supportive Services Public Authority administration costs.

At a Glance:	
Total FY 2003-2004 Projected Expend + Encumb:	488,039
Total Recommended FY 2004-2005 Budget:	836,684
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

SSA established the In-Home Supportive Services (IHSS) fund (590) to budget and account for the administration costs of the IHSS Public Authority.

Changes Included in the Recommended Base Budget:

Fund 590 includes funds to cover the administration costs of the In-Home Supportive Services Public Authority.

Requested Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
IHSS Public Authority Amount: \$ 652,614	Funding to continue the IHSS PA if State cuts are realized.	Continuation of the IHSS Public Authority.	590-748

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	71,619	1,102,155	467,825	836,684	368,859	78.85
Total Requirements	91,832	1,102,155	488,039	836,684	348,645	71.44
Balance	(20,214)	0	(20,214)	0	20,214	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: In-Home Supportive Services Public Authority in the Appendix on page 694.



13N - ORANGE COUNTY TOBACCO SETTLEMENT

Operational Summary

Description:

To administer the use of the County's share of the national Tobacco Settlement in accordance with the conditions set forth in a local initiative, Measure "H", approved by the voters on November 7, 2000.

On November 23, 1998 the major American cigarette manufacturers agreed to a settlement (Master Settlement Agreement, MSA) of litigation brought by the Attorneys General of 46 States (including California), five U.S. territories and the District of Columbia. In addition to restrictions related to cigarette advertising and underage smoking, the MSA requires that the tobacco companies pay the participants an estimated \$206 Billion over the next 25 years. After certain adjustments the payments are distributed on a population basis, with California estimated to receive (2000 census) about 12.0%. California's share is split 50-50 between the State and the eligible cities and Counties. Orange County's portion of the local share is about 8.4%.

Although there are not any conditions placed on the use of TSR local share by the MSA or State statute, Measure "H", which takes effect on July 1, 2001 restricts the use of TSR to specific health and public safety initiatives. Measure "H" which has been upheld in the Superior Court, requires the use of TSR be restricted to specific health related categories, 80% and public protection programs, 20%. The specific categories are described herein at the Activity level.

Due to the possibility that tobacco companies could fall into bankruptcy as the result of having to make large payments with litigants, there was a doubt as to whether all dollars budgeted will be fully received in FY 03-04. The actual FY 03-04 payments as of April 30, 2004 were \$181K more than the budgeted amount (\$30.1 million).

Measure "H" applies only to TSR received after July 1, 2001. Please see Fund 14X in program VII for TSR received by the County prior to July 1, 2001.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	44,504,563
Total Recommended FY 2004-2005 Budget:	36,111,293
Percent of County General Fund:	N/A
Total Employees:	0.00

Strategic Goals:

- Administer the County's share of Tobacco Settlement Revenue received on or after July 1, 2001, in strict accordance with the requirements of voter approved Measure "H".

SENIORS & PERSONS WITH DISABILITIES - 19% is allocated to this Measure "H" category.

EMERGENCY ROOM PHYSICIANS & SPECIALISTS - 23% is allocated to this Measure "H" category.

TOBACCO PREVENTION & CONTROL - 12% is allocated to this Measure "H" category.

CHILDREN & FAMILY HEALTH SERVICES - 20% is allocated to this Measure "H" category.

COMPREHENSIVE EMERGENCY ROOM SERVICES/ TRAUMA CNTRS - 6% is allocated to this Measure "H" category.

PUBLIC SAFETY PROGRAM & SERVICES - 20%, is allocated to this Measure “H” category. Of the total in the public safety category, \$1,531,921 will be budgeted for the operation of the 64 bed secured substance abuse program at the Theo Lacy Branch Jail. The remainder of the public safety category, \$4,559,864 is allocated to the Theo Lacy Branch Jail Expansion, Phase III (Building “B”).

Ten Year Staffing Trend Highlights:

- This agency has no staff.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	53,453,958	50,156,930	50,156,930	36,111,293	(14,045,637)	-28.00
Total Requirements	33,422,033	50,156,930	44,504,563	36,111,293	(8,393,270)	-18.86
Balance	20,031,925	0	5,652,367	0	(5,652,367)	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Orange County Tobacco Settlement in the Appendix on page 541.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The revenue in this fund will be used in accordance to Measure “H” and will reimburse the Health Care Agency and the Sheriff-Coroner for applicable costs.



15G - HOUSING AND COMMUNITY SERVICES

Operational Summary

Mission:

To work in partnership with and advocate for Orange County's diverse communities, improve lives by supporting and providing needed community services, strengthen economic viability, and preserve and expand affordable housing opportunities; thereby enhancing the quality of life for our community.

Strategic Goals:

- Increase and preserve affordable housing opportunities, especially for those most in need.
- Enhance the livability of the County's target neighborhoods.

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
REDUCE PERCENT OF AFFORDABLE HSG OPPORTUNITIES NEEDED AS ID BY THE REGIONAL HOUSING NEEDS ASSESSMENT What: AHO's include creating new and preserving existing affordable housing units and adding housing vouchers. Why: Increasing affordable housing opportunities will help bridge the gap in the OC housing market.	HCS achieved record lease up of vouchers to assist 9,600-10,000 households each month. HCS also saw seven grand openings funded through 2000 and 2001 NOFA processes and three ground-breakings in FY 03/04.	HCS will continue with the NOFA process and will issue one NOFA for \$5 million. HCS will also be submitting an application to HUD for additional Section 8 Rental Assistance vouchers, if available.	Since 2000, HCS increased the number of households leased with vouchers by over 2,500 and ground has been broken on housing developments that include over 1,500 affordable units. HCS expects to produce over \$270 million of affordable housing construction with a County investment of \$24.6 million.
LEVEL OF COMMUNITY SATISFACTION WITH NEIGHBORHOOD IMPROVEMENT RESULTING FROM COUNTY REHAB EFFORTS. What: The effect of rehabilitation efforts on a neighborhood in terms of community satisfaction. Why: Home and neighborhood enhancement contributes to higher levels of community satisfaction and pride.	HCS completed the rehabilitation of 27 mobile homes and 3 single-family homes; 2 improvements to community centers including general improvements and upgrades; 1 six-unit transitional shelter improvement; and 2 multi-family rental complex rehabilitations.	HCS targets include providing low interest loans through the Neighborhood Preservation Program to repair 50 mobile homes and 40 single family homes for Seniors and working families countywide and completing the construction of 5 public works projects worth over \$1M in capital improvements.	HCS is doing well as it continues to revitalize the unincorporated communities with the goal of eventual annexation of all County islands. In recent years, HCS has rebuilt the credibility of the rehab program and regained the trust of the community, the cities, and the Board of Supervisors.

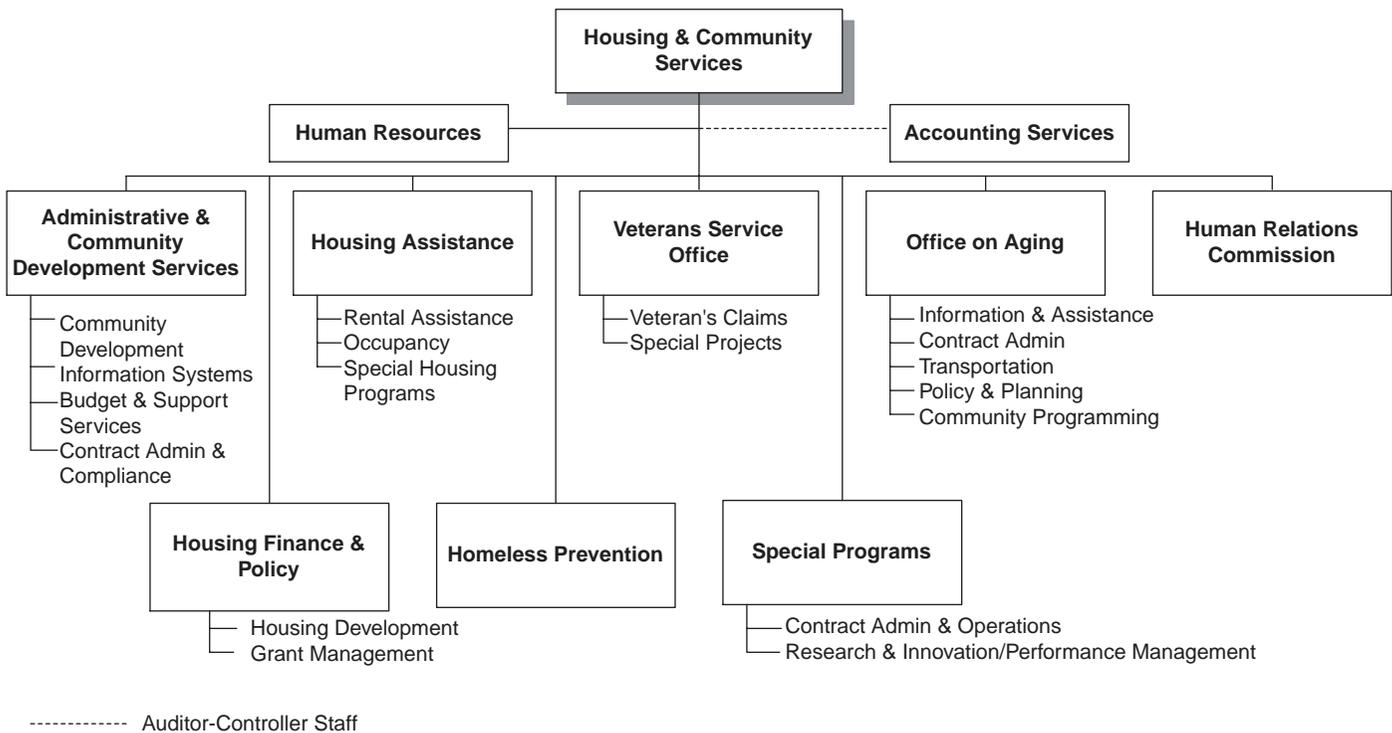
At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	23,038,067
Total Recommended FY 2004-2005 Budget:	41,086,679
Percent of County General Fund:	N/A
Total Employees:	152.00

FY 2003-2004 Key Project Accomplishments:

- In 2003, Housing and Community Services (HCS) held four Grand Openings of affordable housing developments: Vintage Shores, Talega Phase I, Westminster Senior Apartments, and Linbrook. These provided a total of 403 new affordable units. HCS issued one Notice of Funding Availability (NOFA) early in the year for \$5,000,000 to fund 360 new affordable housing units, and a second NOFA in October.
- HCS approved six Cal Home First Time Homebuyer loans and two loans for the HIRE program (Home Ownership Incentive for the Recruitment and Retention of Employees in Orange County).
- HCS completed rehabilitation on 27 mobile homes, three single family homes, and two multifamily rental complexes. HCS also rehabilitated and then transferred a six-unit transitional housing facility to a non-profit owner.
- The Housing Assistance Division at HCS provided monthly rental assistance to 10,000 households. By aggressively optimizing funding flexibilities, the division was able to assist between 100-350 additional households per month over the targeted maximums, as well as remain within Federal funding limits.

Organizational Summary



EXECUTIVE ADMINISTRATION - Plans, organizes, administers and directs all functions related to the implementation of policies, programs and projects developed under legal authority granted to the Orange County Housing Authority, Community Development Block Grant and other similar federal, state and Orange County Development Agency funded programs. This activity includes Human

Resources which is responsible for establishing an appropriate framework within the department so it can competitively attract and retain the best qualified employees while meeting appropriate laws and regulations and provides assistance in employee relations to ensure personnel standards and quality assurance.



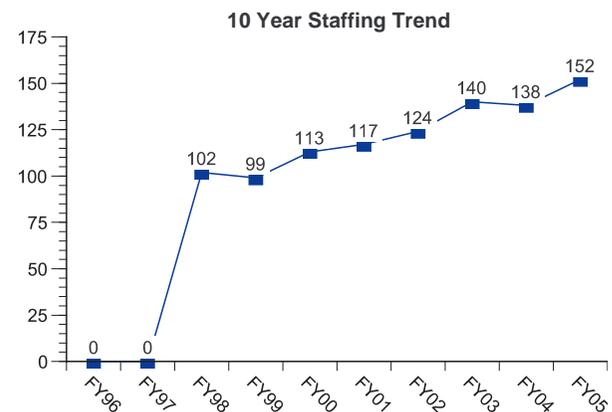
In March 2002, the Homeless Prevention Program was shifted from the CEO to HCS. As a result, HCS now centrally coordinates the preservation and expansion of the County's Continuum of Care System for the Homeless. Major components of focus include: 1) Homeless Prevention; 2) Outreach and Assessment; 3) Emergency Shelter; 4) Transitional Housing; 5) Supportive Services; and 6) Permanent Supportive Housing. In the FY 04-05 Budget, this program was moved from fund 15G to fund 100 at Agency 012.

ADMIN & COMMUNITY DEVELOPMENT SVCS - The Administrative & Community Development Services Division oversees departmental community relations activities as well as revitalization activities such as public works, infrastructure improvements, and housing rehabilitation. This Division also administers subrecipient contracts funded through the CDBG, HOME, ESG, and NDAPP. Additionally this Division is responsible for environmental services, purchasing, facilities management, budget, payroll, petty cash, computer services, and general support services. It is also responsible for overall HCS program compliance. The Division performs audit, compliance and legal notification procedures required by HUD for the department.

HOUSING FINANCE & POLICY - The Housing Finance & Policy division oversees new housing development in the creation of multi-family rental, transitional, and homeownership projects for lower income households. This Division is responsible for legislative analysis and grants management. Grants Management includes the Application Review and Homeless Assistance Programs application processes, which are competitive processes by which funding is allocated to projects.

HOUSING ASSISTANCE - The Housing Assistance Division performs the operations of the Housing Authority. The Housing Authority is responsible for the disbursement of approximately \$95 million in housing subsidies annually, which is not reflected in the County's budget figures. In addition, the Housing Assistance Division operated special programs such as Family Self-Sufficiency, Family Unification, and the special needs homeless individuals or families under the HUD Continuum of Care Program.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Prior to FY 97/98, the former H&CD was a division of EMA with all of the associated positions budgeted in EMA's budget.
- H&CD staff expanded in FY 99/00 due to an organizational assessment performed by the CEO and an outside consultant. Staff was added to the following sections: 13 to the Housing Assistance activity and 1 to the Program Support activity.
- H&CD staff increased by 4 in FY 00/01 due to the expansion of the Shelter Plus Care program (1), and the creation of CalWORKs program (3). Both of these programs are in the Housing Assistance Division.
- In FY 01/02 H&CD staff increased by 7 due to an award of 740 additional housing vouchers for the Section 8 program. Six staff members were added to the Housing Assistance section and 1 was added to the Program Support section.
- In September 2001 H&CD staff increase by 19 full time positions (12 new & 7 converted from extra help). This increase was due to an award of 820 additional housing vouchers for the Section 8 program and the implementation of a successful in-house inspection program. 17

of the staff members were added to the Housing Assistance section and 2 were added to the Administrative & Community Development Services section.

- In FY 02/03 4 positions are being deleted due to the rising costs of staff, the slight decline in block grant funding and the fixed amount of administration fees received from the Federal Government to administer programs such as the Section 8 program.
- Due to the rising costs of staff and the fixed amount of administrative fees received from the Federal Government, it was necessary for HCS to analyze work assignments, positions and position levels in the FY 03/04 Budget. As a result, a net of five positions are being deleted. Three of the positions are filled with limited term employees, one of the positions is vacant and one will be vacant when the incumbent is promoted to another position. An additional position is being deleted but is offset by an addition of a position to resolve a classification issue.
- As a result of the merger between CSA and H&CD, HCS has committed to analyzing each program area within all areas of the organization for efficiencies, regardless of funding source, in an effort to reduce costs. HCS has moved seven positions from agency 012 into fund 15G in the FY 04-05 budget. During FY 03-04, CEO transferred an Administrative Manager II from CEO/Strategic Affairs to HCS to oversee redevelopment and planning activities. Also during FY 03-04, HCS received six new positions to augment the growing Section 8 Rental Assistance Voucher Program. With the transfer of the Homeless Coordinator to agency 012, 15G is adding a net of 13 positions during this budget process. All of these positions existed or were approved during FY 03-04 and the augmentation to the budget is technical only.

Budget Summary

Plan for Support of the County's Strategic Priorities:

All FY 04-05 budget submissions are the same as the SFP (Strategic Financial Plan) submitted on February 10, 2004. Fund 15G continues to project a negative fund balance which is due, in part, to the reimbursement nature of this fund and to multi-year projects which are budgeted and encumbered at 100% in the first year. Examples of projects budgeted this way include those funded by the SuperNOFA Homeless Assistance grant process and the block grant programs.

Affordable housing development continues to be one of the Board of Supervisors' Top 10 Strategic Priorities. HCS supports this priority by allocating over \$2.3 million in block grant funding through the ARC process for FY 04-05. Combined with over \$2.5 million appropriated in fund 117 and the Redevelopment commitment to affordable housing development, over \$30 million is allocated to fund affordable housing projects. Of that amount, \$12 million has already been committed to projects. HCS will continue to solicit projects through a Request for Proposals (RFP) and Notice of Funding Availability (NOFA) for development of affordable rental housing. The goal of the RFP and the NOFA is to promote the development of permanent affordable rental housing for Orange County's very-low and low-income households by providing favorable financing.

Changes Included in the Recommended Base Budget:

HCS has moved seven positions from agency 012 into fund 15G in this budget submittal. During FY 03-04, CEO transferred an Administrative Manager II from CEO/Strategic Affairs to HCS to oversee redevelopment and planning activities. Also during FY 03-04, HCS received six new positions to augment the growing Section 8 Rental Assistance Voucher Program. With the transfer of the Homeless Coordinator to agency 012, 15G is adding a net of 13 positions during this budget process. All of these positions existed or were approved during FY 03-04 and the augmentation to the budget is technical only.

In FY 03-04, only requests for emergency payoffs were considered and approved by the HCS Director. In FY 04-05, HCS intends to reinstate its prior leave payoff policy.

The Proposed Budget includes \$7 million in new block grant funding and \$15.9 million in carry-forward block grant and SuperNOFA Homeless Assistance funding for projects currently in progress and not anticipated to be completed by the end of FY 03-04. With the large carry-forward into FY 04-05, HCS has reallocated, for one year only, old funding from affordable housing creation to public facilities and rehabilitation. This allocation is anticipated to make it easier to spend down funding so that the carry-forward is reduced and the HUD performance criteria are easier to achieve each year.

HCS continues to receive an allocation of Redevelopment funds for affordable housing development, public works projects and the rehabilitation program. Pending any impact on those funds by the State, HCS will continue to forecast projects using these funds. Project funds continue to be budgeted in the individual Redevelopment funds and not in fund 15G. The \$15.0 million allocated for rehabilitation and affordable housing development is budgeted throughout the various redevelopment funds and is slightly down from last year due to the closing of several affordable housing projects this fiscal year. Fund 15G only reflects the administrative and direct project costs that will be reimbursed to 15G from the various redevelopment funds over the year.

HUD has changed the manner in which excess administrative fees are used. There is now a cap placed upon the amount of excess fees that a Housing Authority can retain before HUD stops paying administrative fees. As a result, HCS has budgeted several operating expenses in fund 117 in order to commit the funding and thereby protect it from recapture. Fund 117 will also continue to fund Housing Supportive Service contracts, SuperNOFA Homeless Assistance application planning activities, and affordable housing monitoring.

HCS's budget submission also includes fund 15U, Strategic Priority Affordable Housing. This fund was created during FY 02-03 to account for the monies allocated by the Board of Supervisors to the creation of affordable housing. During FY 02-03, \$5 million was transferred into this fund from 15B, Single Family Housing. The budget for FY 04-05 reflects the \$5 million less administrative costs for FY 03-04 and 04-05. The administrative costs are budgeted in 15G, offset from 15U. The majority of the funds in this budget are already committed to projects.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Positions	-	145	145	152	7	4.83
Total Revenues	12,745,394	38,463,669	23,562,374	41,086,679	17,524,305	74.37
Total Requirements	17,824,373	38,479,217	26,365,044	41,086,679	14,721,635	55.84
Balance	(5,078,979)	(15,548)	(2,802,670)	0	2,802,670	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Housing and Community Services in the Appendix on page 574.

Highlights of Key Trends:

- Over the past decade, the County has been experiencing a severe shortage of affordable housing. By the year 2005, the Regional Housing Assessment Needs (RHNA) for the unincorporated areas of Orange County calls for 22,407 additional housing units, 7,034 of which should be made affordable to very-low and low-income households. The development and preservation of affordable housing stock is challenged not only by funding shortages, but also by market conditions such as escalating

rents, lack of appropriately zoned land, increased market demands, and community resistance. In the face of all these challenges, HCS will continue to pursue its goal of increasing and preserving affordable housing opportunities for lower income Orange County residents.

- The Section 8 Rental Assistance Voucher Program has experienced dramatic changes in 2003. HUD has reversed its decision to pay the costs associated with vouchers leased up in excess of 100%, and the Housing



Authority has had to stop issuing vouchers to lower the rate through attrition. However, the Housing Authority will continue to support the lease up levels of 100%.

- HCS continues to pursue its goal of enhancing the livability of the County's target neighborhoods. This goal is met by providing low-interest loans to home owners for rehabilitation, developing education and community programs for target areas, and communicating effectively with community residents.

Budget Units Under Agency Control

No.	Agency Name	Executive Administration	Admin & Community Development Svcs	Housing Finance & Policy	Housing Assistance	Total
012	Community Services Agency	15,129,230	0	0	0	15,129,230
117	O.C. Housing Authority - Operating Reserves	6,047,490	0	0	0	6,047,490
136	Community Social Programs	71,056	0	0	0	71,056
146	Workforce Investment Act	15,753,370	0	0	0	15,753,370
15G	Housing And Community Services	4,291,969	13,421,004	13,473,107	9,900,599	41,086,679
15U	Strategic Priority Affordable Housing	0	0	3,524,194	0	3,524,194
	Total	41,293,115	13,421,004	16,997,301	9,900,599	81,612,019

012 - COMMUNITY SERVICES AGENCY

Operational Summary

Mission:

To work in partnership with and advocate for Orange County's diverse communities, improve lives by supporting and providing needed community services, strengthen economic viability, and preserve and expand affordable housing opportunities; thereby enhancing the quality of life for our community.

At a Glance:	
Total FY 2003-2004 Projected Expend + Encumb:	17,940,193
Total Recommended FY 2004-2005 Budget:	15,129,230
Percent of County General Fund:	0.61%
Total Employees:	69.00

Strategic Goals:

- To provide leadership in addressing issues that relate to the health, well-being, independence, and dignity of older adults in Orange County.
- Match Orange County workforce skills and abilities with employer workforce needs.
- Ensure Orange County veterans, their survivors and dependents receive the benefits, recognition and assistance to which they are entitled.
- Promote inter-group understanding and eliminate prejudice, intolerance and discrimination and facilitate the peaceful resolution of disputes.
- Increase and preserve shelter and supportive services for at-risk and homeless residents of Orange County, including but not limited to victims of domestic violence and their children, the mentally ill and dually diagnosed, veterans, seniors, and other at-risk or homeless populations in Orange County.

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
ESTABLISH BASELINE FOR OLDER ADULTS' LEVEL OF SATISFACTION WITH CUSTOMER SERVICE AND STAFF SUPPORT. What: Survey measures the level of satisfaction with services provided by contract vendors for OoA. Why: Providing quality services for older adults is the responsibility of OoA.	Establishment of the baseline level of customer satisfaction with level of service provided by OoA.	OoA will continue to meet with service providers and will survey them again, with the objective of improving the level of customer service obtained in the baseline measure.	This is a new performance measurement.



Key Outcome Indicators: (Continued)

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
<p>EVALUATE CUSTOMER SATISFACTION WITH INFORMATION & ASSISTANCE SERVICES VIA QUALITY ASSURANCE MAILER.</p> <p>What: State-of-the-art Information & Assistance center which provides referral services to seniors.</p> <p>Why: A quality measurement tool will insure the highest level of customer service by I & A staff.</p>	Staff will receive at least a score of 3 out of 5 rating for service levels. Staff will identify strengths and weaknesses in its service levels as a result of survey.	Staff will continue to survey customers and will strive to have the aggregate rating for each staff member raised to a score of 3.5 out of 5. Staff will continue to identify strengths, weaknesses, and new methodologies to improve customer satisfaction.	This is a new performance measurement.
<p>PROVIDE GAP ANALYSIS COMPARING NUMBER OF ORANGE COUNTY JOB SEEKERS WITH NUMBER OF JOBS AVAILABLE.</p> <p>What: Compares the existing and projected demand of jobs against the supply of workers in the County.</p> <p>Why: It measures the workforce system efficiency in matching current/future job supply with demand.</p>	61,100	60,000	Orange County's unemployment rate continues to remain below the State of California's unemployment rate as the average demand for jobs has steadily decreased between FY 02/03 and FY 03/04.
<p>INCREASE NUMBER OF FILED BENEFIT CLAIMS FOR DISABILITY, FEDERAL, AND STATE BENEFITS TO 2,400.</p> <p>What: Provides a variety of benefits for veterans.</p> <p>Why: Enhances the quality of life for veterans, their survivors/dependents and stimulates the economy.</p>	2,400 claims filed.	2,400 to be filed.	Program is on target for meeting the goal.
<p>OBTAIN \$6,000,000 IN NEW VETERANS BENEFIT AWARDS FOR DISABILITY, FEDERAL AND STATE BENEFITS.</p> <p>What: Veterans' monetary benefits paid to veterans, their survivors, and dependents.</p> <p>Why: Enhances the quality of life for veterans, their survivors/dependents, and stimulates the economy.</p>	\$6,000,000	\$6,000,000	Program is on target for meeting the goal.
<p>MEASURE NUMBER OF HATE CRIMES PER 100,000 RESIDENTS IN ORANGE COUNTY.</p> <p>What: Criminal acts motivated by the victim's perceived race, ethnicity, religion, gender, etc.</p> <p>Why: It measures the level of prejudice and intolerance in the community.</p>	4 per 100,000.	4 per 100,000.	The number of hate crimes increased sharply after 9/11 and then came back down again. The 2002 statistics continue to show the general downward trend over the last five years.
<p>MEASURE PERCENT OF STUDENTS RESPONDING POSITIVELY TO EFFORTS TO REDUCE PREJUDICE AND DISCRIMINATION.</p> <p>What: Survey on students' attitudes on willingness to reduce prejudice/intolerance/discrimination.</p> <p>Why: Measures effectiveness of efforts to build understanding among diverse students in Orange County.</p>	78% responded positively.	78%	Positive results exceeded the anticipated results by 6%. This is a very positive indicator of the success of this intervention.

Key Outcome Indicators: (Continued)

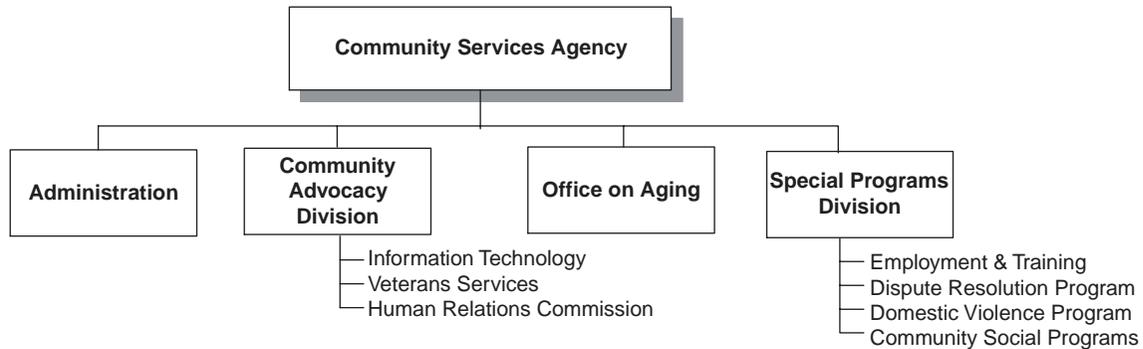
Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
MEASURE PERCENT OF CASES REFERRED FOR MEDIATION THAT RESULT IN SUCCESSFUL RESOLUTION. What: Dispute resolution services facilitate the settlement of disputes through mediation & conciliation. Why: It is a measure of success of the mediation process in helping community members resolve conflict.	70%.	70%.	Increased presence and collaboration with courts and community agencies has led to successful resolution rates.
MEASURE PERCENTAGE OF CLIENTS PLACED AND RETAINED IN JOBS. What: Percent of clients placed in jobs and the percent of those working nine months after placement. Why: It measures the success of services delivered to both businesses and job seekers.	Placed in jobs: 73% Retained in jobs: 86%	Placed in jobs: 75% Retained in jobs: 88%	The Orange County Workforce Investment Area is currently meeting State Performance Measures for percentage of clients placed in jobs and the percentage of those placed who are still working nine months after placement.

FY 2003-2004 Key Project Accomplishments:

- Housing and Community Services (HCS) implemented an extensive marketing and outreach campaign in partnership with various organizations to inform older adults throughout Orange County of the services available to them.
- HCS improved the One-Stop System in an effort to provide more services to job seekers. HCS obtained funding for new programs for job seekers, such as the Orange County Telecommunications Project and the Technology-to-Teaching Program. HCS also obtained funding to continue the Rapid Response, Veterans, Community Services, Senior AIDES, Nurses Workforce Initiative programs, and National Emergency Grant programs. HCS also conducted a Gap Analysis to ascertain the needs of youth between the ages of 14 and 21. Based on the results comparing the needs with the youth services available, HCS conducted an RFP for the Workforce Investment Act for Youth Services.
- HCS filed 2,323 claims on behalf of the Veterans of Orange County, and facilitated the receipt of approximately \$6,000,000 in monetary benefits. HCS provided administrative and planning support for the establishment of a Military and Veterans Museum.
- HCS promoted police and community relations by organizing four collaborative meetings, training 240 police recruits in diverse community relations, conducting cultural diversity block training, and supporting hate crime victims through Heal the Hate program. HCS also conducted the BRIDGES School Inter-Ethnic Relations Program at 44 schools with 60,588 participants.
- The Domestic Violence program at the Human Relations Commission experienced a significant decrease in funding, resulting in a \$81,000 loss for the shelters and in the discontinuation of the Domestic Violence Hotline.
- HCS worked with public and private agencies to secure and/or coordinate the allocation of over \$16.9 million in federal, state, and local funds for shelters, permanent supportive housing, and supportive services for at-risk and homeless residents in Orange County.
- In June 2003, the Board of Supervisors approved an \$11,248,749 application to HUD for Continuum of Care Homeless Assistance. HCS subsequently submitted this application to HUD on behalf of 16 non-profit organizations and was ultimately awarded \$9.5 million.
- HCS Homeless Prevention program led to the following achievements in 2003: developed the County's first Homeless Court; 165 additional transitional units at MCAS El Toro and 200 at MCAS Tustin; obtained \$1.8 million dollars for Orange County schools for the education of homeless children and youth; worked with various partnerships and cities to plan the development of additional homeless shelters and programs; obtained \$886,813 for homeless prevention, domes-

tic violence, health care, and adult day care for older adults; continued working on the development of the countywide Homeless Management Information System (HMIS); and organized numerous forums and meetings to address homeless issues in Orange County.

Organizational Summary



ADMINISTRATION - This Division is responsible for purchasing, facilities management, budget, payroll, petty cash, and general support services.

COMMUNITY ADVOCACY - Veteran's Service Office-Provides advocacy services and assistance to Orange County veterans, survivors and dependents, focusing on Department of Veterans Affairs disability benefits and survivor benefits. This Division also promotes the understanding of the importance of its veterans and their contributions to our country.

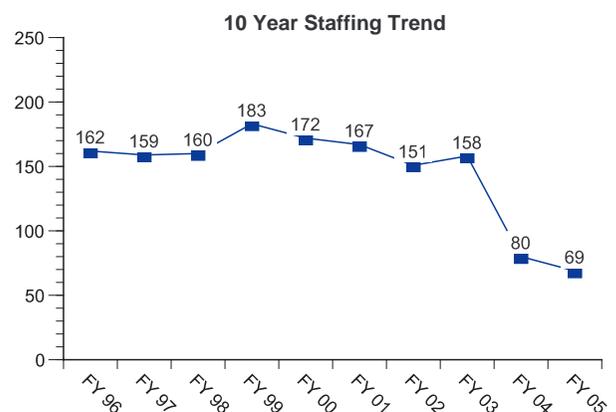
Human Relations Commission-Advocates mutual understanding among residents of Orange County and works to eliminate prejudice, intolerance, and discrimination. The Division along with its non-profit partner, the Human Relations Council, coordinates the Community Building, Dispute Resolutions, BRIDGES, and Leadership Development programs.

OFFICE ON AGING - Advocates, plans, and facilitates services as directed by Federal and State law for all Orange County older adults, their families, and caregivers, with a special focus on ethnic minorities and those with low incomes. This Division is the designated Area Agency on Aging for Orange County.

SPECIAL PROGRAMS - Administers State and Federally funded programs which include the Workforce Investment Act programs, the Domestic Violence and Dispute Resolution programs and the Senior AIDES (Alert, Industrious, Dedicated, Energetic Services) program. This Division also oversees all Orange County Workforce Investment Board functions.

EXECUTIVE MANAGEMENT - Not applicable.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- The Public Administrator/Public Guardian (PA/PG) was transferred by the Board of Supervisors to the Health Care Agency, effective March 11, 2003. After the transfer of PA/PG, the Board directed CEO Human Resources to conduct a study to determine the organizational place-



ment of the Human Relations Commission, Veterans Services Office, Office on Aging and Special Programs Division.

- On June 3, 2003, the Board of Supervisors adopted a resolution approving dissolution of the Community Services Agency and transfer of the Human Relations Commission, Office on Aging and Special Programs Division to the Housing and Community Development Department, effective July 1, 2003. Also, the Housing and Community Development Department was renamed to Housing and Community Services Department. On July 1, 2003, the Board of Supervisors voted to transfer the Veterans Services Office to the Housing and Community Services Department. Staff was directed to make necessary position transfers, budgetary and master position control adjustments and return to the Board first quarter FY 2003-04.
- HCS is moving all of the administrative and information technology positions remaining in agency 012 to fund 15G. Based on an analysis prepared by CEO/Information Systems, HCS is also reducing the IT staff by one during this transfer. HCS is moving the Homeless Prevention Program into agency 012 due to its funding source and the nature of the program.

Veterans' Service Office-In order to meet the net county cost target for 04/05 it was necessary to make substantial reductions. The limited amount of State funding this program receives is anticipated to remain level while the cost of business has increased dramatically. In addition to the rising staff costs, HCS and CEO staff changed the vacancy assumption to reflect a more accurate estimate for FY 04/05 causing an even larger deficit of \$83,381. HCS is submitting an augmentation to reinstate the proposed reductions to this program and is requesting that any restoration be rolled into the base NCC.

Human Relation's Commission (HRC)-Cutting costs, sharing resources, and soliciting donations has enabled the HRC to remain intact for FY 04/05. The step 2 reductions and increases to staff costs are so drastic that HRC will not be able to fund a program in future years. Although the 3 staff members are funded in FY 04/05, HCS will need to cut 2 positions in future years, as reflected in the Strategic Financial Plan.

Office on Aging (OoA)-With concurrence from the CEO, the Office on Aging implemented a reorganized structure in FY 03/04 which more accurately addresses the mission of the program, the step 2 reductions, and programmatic and administrative efficiencies. As a result, one position was deleted during FY 03/04 and HCS is recommending the deletion of a second position. HCS was able to meet the NCC for OoA in FY 04/05 with little disruption to the program and will strive to continue to do so in the future.

Special Programs Division (SPD)-The Special Programs Division budget reflects a reduction of 3 positions from FY 03/04. Two of these positions were deleted during the current fiscal year and the final position is being transferred to fund 15G. SPD also reduced its travel budget to a level comparable to other programs.

Funds 14W (Welfare to Work) and 136 (Community Social Programs)-HCS intends to close these funds at the end of 03/04.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Not applicable.

Changes Included in the Recommended Base Budget:

HCS is moving all of the administrative and information technology positions remaining in agency 012 to fund 15G. HCS is moving the Homeless Prevention Program into agency 012 due to its funding source and the nature of the program.

Requested Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
Restore Funding for the Veteran's Service Office Amount:\$ 83,381	Restore funding needed to provide staff to assist in filing state and federal assistance claims.	In 03/04 approximately 2,400 claims will be filed resulting in over \$6,000,000 in benefits.	012-550



Proposed Budget and History:

Sources and Uses	FY 2002-2003	FY 2003-2004	FY 2003-2004	FY 2004-2005	Change from FY 2003-2004	
	Actual	Budget As of 3/31/04	Projected ⁽¹⁾ At 6/30/04	Recommended	Amount	Percent
Total Positions	-	77	77	69	(8)	-10.39
Total Revenues	14,997,845	12,996,544	14,951,919	12,239,243	(2,712,676)	-18.14
Total Requirements	20,987,548	15,984,818	18,654,909	15,129,230	(3,525,679)	-18.90
Net County Cost	5,989,704	2,988,274	3,702,990	2,889,987	(813,003)	-21.96

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Community Services Agency in the Appendix on page 443.

Highlights of Key Trends:

- In view of the growing and increasingly diverse population of older adults, the Office on Aging (OoA) at Housing and Community Services is working to improve the following areas for seniors: access to information and services, nutrition, transportation, health care, and accessible and affordable housing. OoA will continue to work with various coalitions to increase its outreach functions and to ensure the most needy seniors in the community are being assisted. As part of this effort, OoA will actively promote its state-of-the-art Information & Assistance call center.
- One of the biggest challenges facing Orange County is the continued economic uncertainty at the local, State, and Federal levels. Orange County's unemployment rate was a low 3.5% in November 2003 but the high technology industry has continued to suffer due to the national economic slump. Workers who are laid off from this industry take approximately one year to find new employment. Additionally, the high cost of doing business in California has diminished the creation of new jobs. The HCS Workforce Investment Act (WIA) programs, funded through the Department of Labor, seek to meet these challenges by assisting the unemployed and the underemployed as well as businesses and employers. HCS will perform a gap analysis to compare the existing/projected demands on the labor market with the existing/project supply of jobs.
- Orange County's veteran population is growing older, and as it ages its needs change. The Veterans Service Office (VSO) at OoA participated in a statewide comprehensive veterans needs analysis study which helped define more sharply the needs of Orange County veterans. Based on these findings, VSO will implement new strategies targeted at improving the programs and services available to veterans and their dependents.
- In the weeks following the September 11, 2001, terrorist attacks, Orange County experienced an unprecedented number of hate crimes and incidents against people perceived to be of Arab or Muslim descent. The war in Iraq, the international terrorist threat, and the domestic threat of bio-terrorism have conspired to create a climate of fear and prejudice that endangers inter-group relations in schools and communities. The Human Relations Commission at HCS will continue to promote police/community relations, collaborate with diverse ethnic groups, conduct BRIDGES School Inter-Ethnic Relations programs, develop leadership through training, pursue fund-raising efforts, and allocate funds to dispute resolution programs.
- The homeless issue in Orange County is complex and multifaceted. According to the 2003 Homeless Needs Assessment, there are nearly 28,000 homeless people in Orange County, 19,563 of which are persons in families with children and 8,384 are individuals. The main reason for homelessness is that people simply cannot afford housing in Orange County. In order to assist this population, HCS will increase and preserve shelter supportive services for at-risk and homeless residents via the following strategies: secure additional sources of funding for the Continuum of Care (CoC) system; work with grant recipients in participating in the CoC program; identify additional resources for the County's Cold Weather Armory Shelter Program; and work with various organizations to find long-term solutions to end chronic homelessness.

117 - O.C. HOUSING AUTHORITY - OPERATING RESERVE

Operational Summary

Description:

To work in partnership with and advocate for Orange County's diverse communities, improve lives by supporting and providing needed community services, strengthen economic viability, and preserve and expand affordable housing opportunities; thereby enhancing the quality of life for our community.

Strategic Goals:

- Increase and preserve affordable housing opportunities, especially for those most in need.

FY 2003-2004 Key Project Accomplishments:

- In 2003, Housing and Community Services (HCS) held four Grand Openings of affordable housing developments: Vintage Shores, Talega Phase I, Westminster Senior Apartments, and Linbrook. These provided a total of 403 new affordable units. HCS issued one Notice of Funding Availability (NOFA) early in the year for \$5,000,000 to fund 360 new affordable housing units, and a second NOFA in October.
- HCS approved six Cal Home First Time Homebuyer loans and two loans for the HIRE program (Home Ownership Incentive for the Recruitment and Retention of Employees in Orange County).
- The Housing Assistance Division at HCS provided monthly rental assistance to 10,000 households. By aggressively optimizing funding flexibilities, the division was able to assist between 100-350 additional households per month over the targeted maximums, as well as remain within Federal funding limits.

O.C. HSE AUTHORITY/OPER RESERV - Operating Reserve funds may be used only for the cost of ongoing administration of Housing and Community Services' (HCS) current Section 8 rental assistance program or for other housing related purposes consistent with state and local law, including the development of affordable housing as approved by the Board.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	893,633
Total Recommended FY 2004-2005 Budget:	6,047,490
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

Affordable housing development continues to be one of the Board of Supervisors' Top 10 Strategic Priorities. HCS supports this priority by allocating over \$2.3 million in block grant funding through the ARC process for FY 04-05. Over \$30 million has been allocated to affordable housing projects, combining funds 117, 15G, and various redevelopment funds. Of that amount, \$12 million has already been committed to projects. HCS will continue to solicit projects through a Request for Proposal (RFP) and Notice of Funding

Availability (NOFA) for development of affordable rental housing. The goal of the RFP and the NOFA is to promote the development of permanent affordable rental housing for Orange County's very-low and low-income households by providing favorable financing.

Changes Included in the Recommended Base Budget:

HUD has changed the manner in which excess administrative fees are used. There is now a cap placed upon the amount of excess fees that a Housing Authority can retain before HUD stops paying administrative fees. As a result, HCS has budgeted several operating expenses in fund 117 in order to commit the funding and thereby protect it from recapture. Fund 117 will also continue to provide money for Housing Supportive Service contracts, SuperNOFA Homeless Assistance application planning activities, and affordable housing monitoring.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	7,685,882	6,620,901	6,830,692	6,047,490	(783,202)	-11.47
Total Requirements	2,272,113	6,620,901	1,449,893	6,047,490	4,597,597	317.10
Balance	5,413,769	0	5,380,799	0	(5,380,799)	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: O.C. Housing Authority - Operating Reserve in the Appendix on page 522.

Highlights of Key Trends:

- The Section 8 Rental Assistance Voucher Program has experienced dramatic changes in 2003. HUD has reversed its decision to pay the costs associated with vouchers leased up in excess of 100%, and the Housing

Authority has had to stop issuing vouchers to lower the rate through attrition. However, the Housing Authority will continue to support the lease up levels of 100%.



15U - STRATEGIC PRIORITY - AFFORDABLE HOUSING

Operational Summary

Description:

Fund 15U facilitates the expenditure of general funds and Single Family Housing funds that are dedicated to the creation and preservation of affordable housing in Orange County.

Strategic Goals:

- Increase and preserve affordable housing opportunities, especially for those most in need.

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
REDUCE PERCENT OF AFFORDABLE HSG OPPORTUNITIES NEEDED AS ID BY THE REGIONAL HOUSING NEEDS ASSESSMENT What: Affordable Housing Opportunities include creating new and preserving existing affordable housing units. Why: Increasing affordable housing opportunities will help bridge the gap in the OC housing market.	HCS saw seven grand openings of affordable housing projects and three ground-breakings.	HCS will continue with the NOFA process and will issue one NOFA for \$5 million.	Since 2000, ground has been broken for the development of over 1,500 affordable units. HCS expects to produce over \$270 million of affordable housing construction with a County investment of \$24.6 million.

FY 2003-2004 Key Project Accomplishments:

- In 2003, Housing and Community Services (HCS) held four Grand Openings of affordable housing developments: Vintage Shores, Talega Phase I, Westminster Senior Apartments, and Linbrook. These provided a total of 403 new affordable units. HCS issued one Notice of Funding Availability (NOFA) early in the year for \$5,000,000 to fund 360 new affordable housing units, and a second NOFA in October.

STRATEGIC PRIORITY AFFORDABLE HOUSING - This fund facilitates the expenditure of Single Family Housing funds that are dedicated to the creation and preservation of affordable housing in Orange County.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	1,628,163
Total Recommended FY 2004-2005 Budget:	3,254,194
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

Affordable housing development continues to be one of the Board of Supervisors' Top 10 Strategic Priorities. HCS supports this priority by allocating over \$2.3 million in block grant funding through the ARC process for FY 04-05. Combined with over \$2.5 million appropriated in fund 117 and

the Redevelopment commitment to affordable housing development, over \$30 million is allocated to fund affordable housing projects. Of that amount, \$12 million has already been committed to projects. HCS will continue to solicit projects through a Request for Proposals (RFP) and Notice of Funding Availability (NOFA) for development of affordable rental housing. The goal of the RFP and the NOFA is to promote the development of permanent affordable rental housing for Orange County's very-low and low-income households by providing favorable financing.

Changes Included in the Recommended Base Budget:

Fund 15U, Strategic Priority Affordable Housing, was created during FY 02-03 to account for the monies allocated by the Board of Supervisors to the creation of affordable housing. During FY 02-03, \$5 million was transferred into this fund from 15B, Single Family Housing. The budget for FY 04-05 reflects the \$5 million less administrative costs for FY 03-04 and 04-05. The administrative costs are budgeted under 15G offset from 15U. The majority of the funds in this budget are already committed to projects.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	5,000,000	4,882,357	4,882,357	3,254,194	(1,628,163)	-33.35
Total Requirements	117,643	4,882,357	1,628,163	3,254,194	1,626,031	99.87
Balance	4,882,357	0	3,254,194	0	(3,254,194)	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Strategic Priority - Affordable Housing in the Appendix on page 584.

Highlights of Key Trends:

Over the past decade, the County has been experiencing a severe shortage of affordable housing. By the year 2005, the Regional Housing Assessment Needs (RHNA) for the unincorporated areas of Orange County calls for 22,407 additional housing units, 7,034 of which should be made affordable to very-low and low-income households. The development and preservation of affordable housing stock is challenged not only by funding short-

ages, but also by market conditions such as escalating rents, lack of appropriately zoned land, increased market demands, and community resistance. In the face of all these challenges, HCS will continue to pursue its goal of increasing and preserving affordable housing opportunities for lower income Orange County residents.



136 - COMMUNITY SOCIAL PROGRAMS

Operational Summary

Description:

Provide Board of Supervisors-initiated grants to qualified non-profit and public organizations to support a variety of social programs providing human services such as literacy, battered women's shelters, counseling, child care, youth recreation, senior services, and the Orangewood Children's Home.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	368,331
Total Recommended FY 2004-2005 Budget:	71,056
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	952,402	439,067	517,045	71,056	(445,989)	-86.26
Total Requirements	523,336	439,067	446,989	71,056	(375,933)	-84.10
Balance	429,067	0	70,056	0	(70,056)	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Community Social Programs in the Appendix on page 535.



146 - WORKFORCE INVESTMENT ACT

Operational Summary

Description:

Provide for services through workforce investment systems that increase the employment, retention, and earnings of participants, and reduce welfare dependency.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	13,907,114
Total Recommended FY 2004-2005 Budget:	15,753,370
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Revenues	10,310,003	15,760,230	13,824,298	15,753,370	1,929,072	13.95
Total Requirements	11,784,814	15,760,230	14,759,059	15,753,370	994,311	6.74
Balance	(1,474,811)	0	(934,761)	0	934,761	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Workforce Investment Act in the Appendix on page 550.