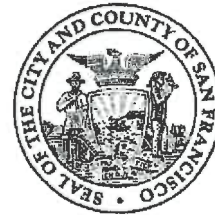


HEALTH COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
Department of Public Health



MEMORANDUM

TO: Health Commissioners

FROM: Steven Tierney, Ed.D.
Budget Committee Chair

DATE: April 22, 2008

RE: Health Commission Finance Committee

The Budget Committee members have met with staff over a number of weeks to discuss a new committee structure that would allow the Committee to take a more proactive role in reviewing and approving the annual budget, engage in policy discussions of fiscal issues and review contracts and grants when appropriate, again from a policy level. The new committee's structure is outlined below. We recommend that this new structure be implemented for six months after which time it will be reviewed and modified if necessary. We request the Commission's approval of the new structure.

Part I – Contract/Contractor Review and Approval

Three types of contracts would be presented to and accepted by the Committee.

1. Contracts for a new programs or services, or with a new contractor.
2. Contractors who are or who are about to be subject to a Corrective Action Plan as well as a contract with significant Needs Improvements scores.
3. Best practice contractors and civil service programs, to be recommended by staff.

The Contracts Office will prepare a monthly report summarizing contracts that would have previously gone to the Health Commission that were finalized the previous month. The Health Commission will no longer approve grants. The Department's Fiscal Office will be tracking all grants that would have gone to the Health Commission for approval and prepare a semi-annual report to the Finance Committee. The Finance Committee will accept these reports.

Part II – Budget Review

The Budget Committee will focus much of its time on an on-going review of the Department's Budget and provide a forum for policy level discussion on fiscal policies and procedures. The goal is to focus the Commission on high level fiscal policy as well

as allow for earlier planning and discussion of the annual budget. Potential discussion areas include:

- Policy level questions that are of a financial nature
- Funding mix
- Revenue opportunities
- A place to vet program changes and reductions
- Budget/program prioritization

Part III – Other Items reported to the Committee

- Requests for Proposals – Staff will report to the committee when it is considering issuing an RFP in terms of the rationale for the RFP and goals for the RFP. Staff will update the committee on the results after the process is completed.
- Gift Acceptance – The annual gift report and gift acceptance resolutions will be presented to the Finance Committee and reported to the Health Commission during Committee Reports.
- Fee proposals would be approved by the Finance Committee and be reported to the Health Commission during Committee Reports.
- Site Approvals – The Budget Committee will hold site approval hearings held pursuant to Proposition I and DPH Policy Directive 15.

The Committee will meet on the 1st Tuesday of each month, 2:00 p.m., 101 Grove Street, Room 302.