

Audit / Finance Committee Meeting

Kern Regional Center

February 25, 2015

5:30pm

MINUTES

1) Approval of Committee Minutes of January 21, 2015

The committee reviewed and voted to approve the minutes dated January 21, 2015 as written.

2) Financial Report – Jon Gusman

The committee was not able to meet with CFO Jon Gusman.

3) Contract Review – Cherylle Mallinson

BARC Access Now PK5126 – contract tabled from last month

This contract is a 24 month contract to 6/30/2016. This contract was tabled from last month, the vendor has submitted a letter detailing how the profit from this contract is used to supplant other services and programs provided by BARC that are underfunded. The Community Services Department was pleased with the feedback from the vendor. The committee reviewed in detail and recommends Board approval of the contract.

Contract Packet:

1) Bakersfield ARC (BARC) – Transportation – Supported Employment HK2622

This is a 36 month contract to 6/30/2017. The vendor was originally vendored in 1986, they transport 58 consumers, the rate is \$1.54 per route mile and they run 13 routes to and from work sites. The committee discussed and reviewed in detail and they recommend this contract for Board approval.

2) Express Transit – Transportation HK2973

This is a 36 month contract to 6/30/2017 and vendored in 2007. They transport 750 clients to and from day programs and afterschool programs on 29 routes with a rate of \$65.65 vehicle service hour. After what happened last week with the Public Utilities Commission pulling the license of Express Transit, the committee recommended tabling this contract but in light of the reinstatement of Express Transit's license within two days and having them up and running again, we put this decision before the Board.

3) Mercies Day Program, Inc. – Transportation HK2632

This is a 36 month contract to 6/30/2017 and vendored in 2001. They transport 42 adults to and from Mercies Day Program on 6 routes with a rate of \$46.56 vehicle

service hour. The committee reviewed in detail and is recommending Board approval of this contract.

4) Mercies Day Program, Inc. – Transportation HK4234

This is a 36 month contract to 6/30/2017 and vendored in 2007. They transport 321 adults to various day programs serving areas such as Wasco, Frazier Park, Lebec, Pine Mountain, Tehachapi, California City, Rosamond and Stallion Springs. They also provide youth bus services to and from afterschool programs. The rate is \$60.00 per vehicle service hour. The committee reviewed this contract in detail and is recommending Board approval of this contract.

5) Routing Logistics – Transportation Broker Services HK4234

This is a 36 month contract to 12/31/2017 and vendored in 2006. They provide routing for all vendors providing services under subcode 880 and 875 at a monthly rate of \$21,750 a month and a onetime maintenance fee. They provide cost analysis, routing solutions for cost effectiveness, route planning and client pick up scheduling. After thorough discussion, the committee is recommending this contract for Board approval.

6) Better Way Services, Inc. – Supported Living Services (SLS) PK5096

This is a 36 month contract to 6/30/2017 and vendored in 2000. They serve 44 clients who reside in various living arrangements. The Community Services Department reports clients are well served by this vendor, but after review of supporting documents, the independent audit report came back qualified due to inadequate documentation, which does not impact services to consumers and vendor is working to resolve issues and implement policies and procedures for resolution. The committee recommends approving this contract for 2 years, until 6/30/2016 to allow the vendor to continue to serve our consumers and allow them time to offer KRC a resolution to the qualified audit.

7) California Spectrum Services – Early Start Specialized Therapeutic Services PK7678

This is a one year contract to address a great need for ongoing early start services for infants and toddlers ages 0-36 months in their natural environment. This service is still in the planning stages and is based on assumption of cost with an hourly rate which could allow the service contract to exceed \$250,000 depending on referrals and amount of clients served. The committee is recommending that the Board does not take action on this assumption contract, but rather pass this contract on to the CEO for approval for one year. If the contract rises above the threshold of \$250,000 after the first year, the Board will review an extension of the contract next year.

4) Adjourn

The next Audit/Finance Committee Meeting will be Wednesday, March 18, 2015 at 4:30PM.