



# Board Agenda Item 77

DATE: June 21, 2022

TO: Board of Supervisors

SUBMITTED BY: Sanja Bugay, Director, Department of Social Services

SUBJECT: Memorandum of Understanding with the California Ventura Automated Collection System Association

RECOMMENDED ACTION(S):

1. **Make a finding that it is in the best interest of the County to suspend the competitive bidding process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances as California Ventura Automated Collection System Association through the County of Ventura is the sole entity that maintains the Ventura Automated Collection System and is a governmental agency; and,**
2. **Approve and authorize the Chairman to execute a Memorandum of Understanding with the California Ventura Automated Collection System Association to share ongoing software maintenance, system enhancements, and telephone support with member counties for the Ventura Automated Collection System, effective July 1, 2022 through June 30, 2023, total not to exceed \$14,569.**

There is no Net County Cost associated with the recommended actions. Approval of the recommended actions will allow the Department of Social Services continued use of the California Ventura Automated Collection System (VACS) Association (CVA) for recording and collecting debts that result from public assistance overpayments and overissuances. The recommended agreement will be funded with State and Federal Social Services Funds, 2011 Realignment, 1991 Social Services Realignment, and budgeted Net County Cost, which offsets the General Relief Program share of cost. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, the Department's options would be to develop and maintain a system internally or seek out a debt collection system from a vendor to obtain the same level of services, which would incur additional costs for implementation, training, resources, and expertise in welfare overpayments as well as integration with the Department's current eligibility benefits determination system, CalWIN.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department's request to suspend the competitive bidding process is consistent with Administrative Policy No. 34 as the CVA results from the County of Ventura being the sole entity that maintains VACS. Additionally, the recommended Memorandum of Understanding (MOU) is considered a contract with other local governmental agencies. The Internal Services Department - Purchasing Division concurs with the Department's request to suspend the competitive bidding process.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum cost of the recommended agreement (\$14,569) will be fully offset with State and Federal Social Services Funds (\$12,559), 2011 Realignment (\$1,325) in lieu of State General Funds for Child Welfare Services and Adult Protective Services Programs that were realigned to counties through Assembly Bill 118 (Chapter 40, Statutes of 2011), 1991 Social Services Realignment (\$567), and the required Net County Cost (\$118) which offsets the General Relief Program share of cost. There are no pending invoices pertaining to this MOU. Sufficient appropriations and estimated revenues will be included in the Department's Org 5610 FY 2022-23 Recommended Budget.

DISCUSSION:

The County of Fresno is a member of CVA, which is an unincorporated association of 13 California counties that operate through an annual MOU (a joint powers agreement), with Ventura County IT Services as its fiscal agent. This item is the annual MOU for FY 2022-23. The CVA shares expenses for maintaining and enhancing VACS, a common, centrally maintained, welfare-specific collections system developed by the County of Ventura. Member counties pool their resources, experience, and expertise to improve the system's accuracy and usefulness. The Department's Finance Division utilizes VACS for the recording and collection of debts that result from public assistance overpayments and overissuances.

The recommended MOU requires your Board's approval since it is an agreement with another governmental agency. Agreement No. 21-0482 was approved on June 22, 2021 and expires on June 30, 2022. The recommended MOU is effective July 1, 2022, through June 30, 2023. Written notice of termination of membership must be provided to the CVA no later than 60 days prior to the end of the MOU term.

The MOU deviates from the County's standard contract language and does not include insurance provisions. Risk Management advised that the MOU does not cover liability in the event of default by other members of the CVA and there are no limitations to indemnity. The Department believes that the benefits outweigh the risk due to very low likelihood of default and minimal exposure per CVA member compared to the cost of implementing a viable alternative.

REFERENCE MATERIAL:

BAI #69, June 22, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request  
On file with Clerk - MOU with CVA

CAO ANALYST:

Sonia M. De La Rosa