



# Board Agenda Item 69

DATE: June 22, 2021

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

SUBJECT: MOU with the California VACS Association

RECOMMENDED ACTION(S):

- 1. Make a finding that 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 VACS 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 VACS Association for shared ongoing software maintenance, system enhancements, and telephone support with member counties for the Ventura Automated Collection System, effective July 1, 2021 through June 30, 2022, total not to exceed \$13,942.**

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 Ventura Automated Collection System (VACS) for recording and collecting debts that result from public assistance overpayments and overissuances. The 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 and future eligibility benefits determination systems (CalWIN and CalSAWS).

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department requests to suspend the competitive bidding process consistent with Administrative Policy No. 34 as the California VACS Association (CVA) through the County of Ventura is 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 (\$13,942) will be fully offset with State and Federal Social Services Funds (\$12,000), 2011 Realignment (\$1,219) 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 (\$615), and the required Net County Cost (\$108) 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 2021-22 Recommended Budget.

DISCUSSION:

The County of Fresno is a member of the CVA, which is a consortium of California counties that share expenses associated with 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 MOU with the CVA has historically been executed annually as a procurement agreement since it is a non-complex purchase of services with cost below the maximum limit for Purchasing authorization. After reviewing last year, on August 4, 2020, your Board approved Agreement No. 20-0753 given that it is an MOU with another governmental agency. The current MOU expires on June 30, 2021.

The MOU deviates from the County's standard contract language and does not include insurance or indemnity provisions.

The recommended MOU is effective July 1, 2021 through June 30, 2022. 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.

REFERENCE MATERIAL:

BAI #52, August 4, 2020

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