

Special Report on Outreach and Escort Inc. Contracts

Prepared for the Board of Supervisors of the
County of Santa Clara

October 23, 2018



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October 23, 2018

Supervisor S. Joseph Simitian, Chair
Supervisor Cindy Chavez, Vice Chair
Board of Supervisors' Finance and Government Operations Committee
70 West Hedding Street
San Jose, CA 95110

Dear Supervisors Simitian and Chavez:

We have completed this Special Report on Outreach and Escort Inc. contracts (FY 2013-14 through FY 2016-17). The study was a referral from the Office of the County Executive. The primary purpose of the study was to determine whether there was duplication in the billing of paratransit rides between the County and the Santa Clara Valley Transportation Authority (VTA) by Outreach. As outlined in the report, we selected and examined relevant data and Outreach's billings, which did not show duplication in billings. We would like to thank Outreach for their cooperation and assistance throughout this review. We would also like to thank the Social Services Agency for their helpful feedback to various drafts of this report.

Respectfully submitted,



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Table of Contents

Executive Summary	1
Section 1: Senior Nutrition Mobility Management Program	7
Section 2: Measure A – Senior Transportation Program	17
Section 3: Senior Outreach Program	25
Section 4: CalWORKS Family Transportation Services Program	29
Attachments 1-7	37
Outreach & Escort Inc. Response to Special Report	53

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Executive Summary

Pursuant to a request from the County Executive, we conducted a review of four County contracts for transportation services provided by Outreach and Escort Inc. (a nonprofit) to Social Services Agency (SSA) clients. The four contracts covered transportation services provided over four years beginning FY 2013-14 through FY 2016-17. Transportation services included bus passes, gas cards, van rides, mileage reimbursement, taxi service as well as subsidies for Americans with Disabilities Act (ADA) paratransit rides. The County terminated all four contracts with Outreach on December 12, 2016, upon being notified by Outreach that it was no longer able to provide the services.

The Santa Clara Valley Transportation Authority (VTA) and the City of San Jose also contracted with Outreach for transportation services for their clients during the four-year period.

On June 24, 2016, VTA issued an audit that suggested that Outreach may have “double charged” VTA and the County for the same paratransit rides. Following the audit, VTA sued Outreach. The litigation is ongoing. We sought but did not receive records from VTA pertaining to the paratransit rides in question in an effort to substantiate its claim that charges may have been billed to or paid by both the County and VTA for the same rides.

The objectives of this review were to determine:

1. Whether there was duplication in the billing of paratransit rides between the County and VTA by Outreach and;
2. Whether the services that the County paid for were in fact received by the intended beneficiaries and charges for services were appropriate and consistent with the contracts; and,
3. Whether Outreach adhered to the provisions of the contracts with the County.

On the first question, regarding duplicated billing, given that we were unable to obtain VTA’s records, we sought a sample of records from Outreach to assess the controls in place to reduce or eliminate the potential for duplicate billing of paratransit rides. Assessing whether there could be duplicated charges for rides is complicated by the fact that some paratransit rides are paid for by multiple parties, including some rides paid for by both VTA and the County. This is because the County provided a partial subsidy for paratransit rides. It worked as follows:

- Outreach tracked paratransit rides with a ride number.
- Outreach billed VTA for the total cost of the ride.
- On the bill, Outreach gave VTA a credit for the amount of subsidy provided by third parties, including the City of San Jose and the County of Santa Clara.
- VTA was charged the amount of the ride cost, based on the cost furnished by the ride provider, less the credit for funds received from other parties, including the County.

Because unique rides were in fact paid for by multiple parties, the same ride was in some cases funded by the City, the County and VTA. However, this does not mean that charges for rides were duplicated. In the sample records provided by Outreach,

we found no evidence of duplicated charges between the City of San Jose, the County of Santa Clara, and/or VTA. We did find evidence that each party covered a share of the total cost of the rides. This may have appeared to be a duplicate charge because each entity was paying towards the same ride. Again, without the data that VTA has, we could only assess the material furnished by Outreach. An example of how the charges were assessed and credited is explained in Attachment 1 through 5.

On the second question, we traced random samples of transportation services furnished by Outreach across the contracts. Based on the documentation furnished by Outreach, every service that the County purchased from Outreach that appeared in our samples was furnished to a person who qualified for the service. For example, we gathered documentation that bus passes, gas cards and paratransit rides were in fact provided to specific individuals, and that those individuals were in fact registered with SSA's Senior Nutrition Mobility Management Program or its Measure A-Senior Transportation Program. We tracked that Outreach met its goals to assist a minimum number of seniors with applying for assistance benefits each year, and to present information on SSA's Senior Outreach Program to a minimum number of seniors each year. We tracked that car seats, car repairs and bicycle purchases were in fact provided to eligible individuals, and that Outreach was able to document in detail all of the costs for which the County was charged under SSA's CalWORKS Family Transportation Services Program . We found only immaterial discrepancies in charges in the samples.

On the third question, that of adherence to the terms of the contracts with the County, we determined that for two of the four years, Outreach did not verify income status of SSA program applicants as required by the contracts. During the second two years of the contracts, that requirement was removed. Therefore, although it did not adhere to all of the terms initially, the requirement that was not met was subsequently eliminated altogether.

Introduction

Of the four contracts reviewed, one was for the Senior Nutrition Mobility Management Program, which helped low-income seniors to gain access to meals at Senior Nutrition Program (SNP) sites through various mobility options such as bus passes, gas cards and paratransit rides.

A second contract was for the Measure A – Senior Transportation Program, which helped low-income seniors access nutrition sites as well as other destinations such as grocery stores and doctors' appointments. Services included bus passes, gas cards, ADA paratransit rides, safe walking groups, older adult bicycles/tricycles and older driver safety classes.

A third contract was for the Senior Outreach Program which provided staff to help low-income seniors and persons with disabilities in applying for various types of benefit programs.

A fourth contract was for the CalWORKS Family Transportation Program which helped CalWORKS clients and their families to get to work, school or training through options such as free rides via Outreach vehicles, minor car repairs and family bicycles and safety helmets.

Over the four-year period from FY 2013-14 through FY 2016-17, Outreach was paid a combined total of \$5,017,554 for transportation services rendered under the four contracts. This was \$998,933 less than SSA's maximum financial obligation of approximately \$6,016,487 under the contracts, as shown in Figure I.1.

**Figure I.1: Comparison of Outreach & Escort Contract Authority with Actual Payments
FY 2013-14 to FY 2016-17**

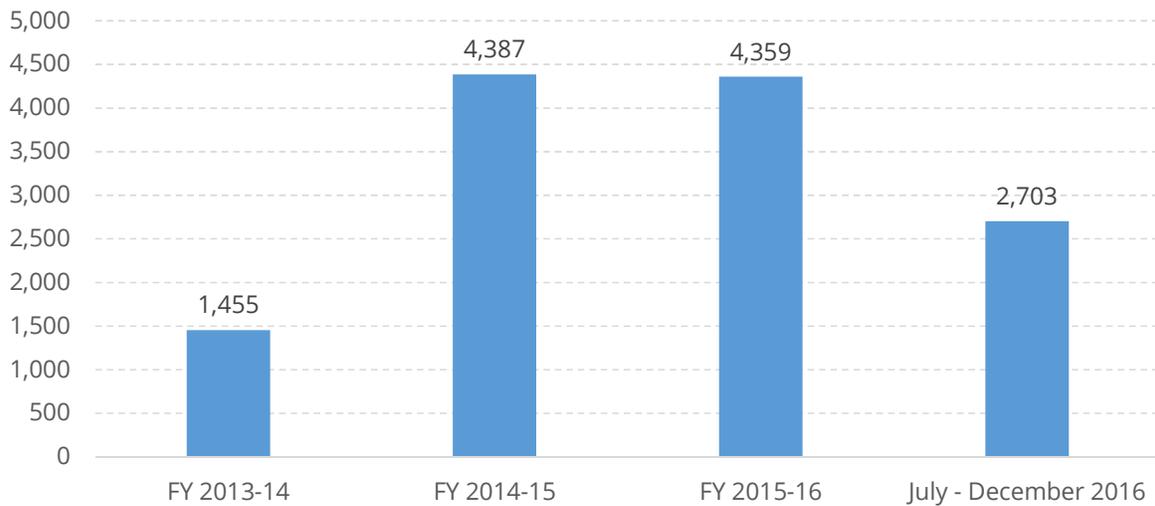
Fiscal Year	Mobility Management¹	Measure A Program	Senior Outreach²	CalWORKS Program³	Total
<u>FY 2016-17</u>					
Total Contract Amount	\$ 273,514	\$ 750,000	\$ 70,636	\$ 599,999	\$ 1,694,149
Actual County Payments	137,251	353,187	29,297	213,542	733,277
Unexpended Contract Amount	136,263	396,813	41,339	386,457	960,872
<u>FY 2015-16</u>					
Total Contract Amount	265,548	750,000	68,579	599,999	1,684,126
Actual County Payments	265,535	748,891	68,064	587,973	1,670,463
Unexpended Contract Amount	13	1,109	515	12,026	13,663
<u>FY 2014-15</u>					
Total Contract Amount	257,189	750,000	66,420	599,999	1,673,608
Actual County Payments	257,189	750,000	66,420	585,359	1,658,968
Unexpended Contract Amount	-	-	-	14,640	14,640
<u>FY 2013-14</u>					
Total Contract Amount	250,120	n/a	64,485	649,999	964,604
Actual County Payments	250,120	n/a	63,696	641,030	954,846
Unexpended Contract Amount	-	n/a	789	8,969	9,758
<u>4-Year Total</u>					
Total Contract Amount	\$ 1,046,371	\$ 2,250,000	\$ 270,120	\$ 2,449,996	\$ 6,016,487
Actual County Payments	910,095	1,852,079	227,477	2,027,903	5,017,554
Unexpended Contract Amount	\$ 136,275	\$ 397,921	\$ 42,643	\$ 422,093	\$ 998,933

1. The value of the FY 2013-14 Mobility Management contract was increased once.
2. The value of the Senior Outreach FY 2013-14 contract was increased twice, and the FY 2015-16 contract was increased once.
3. The value of the FY 2013-14 contract for CalWORKS was increased once, and the FY 2015-16 contract was increased once.

Mobility Management and Measure A Total Beneficiaries and Service Utilization

Figure I.2 and Figure I.3 on page 4 show the total number of distinct seniors served by the Senior Nutrition Mobility Management Program and the Measure A program as well as the total number of benefits issued during the audit period for these two programs. While the graphs below provide total beneficiaries and services issued across both programs, Sections 1 and 2 of this report detail each of the two programs separately.

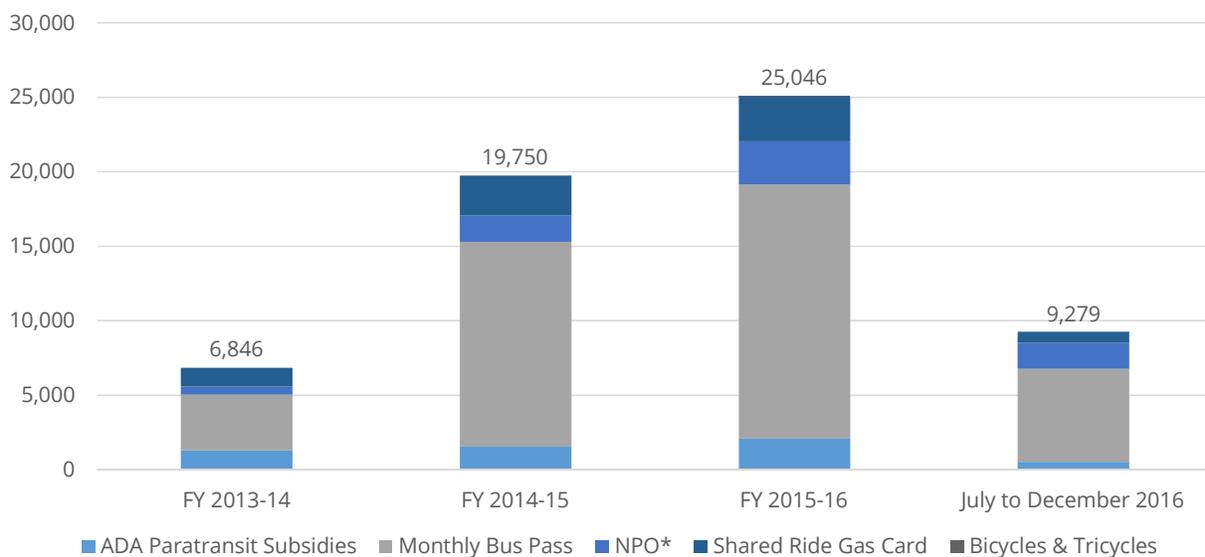
Figure I.2: Total Number of Seniors Served By Mobility Management and Measure A Programs



Source: Outreach and Escort, Inc. records.

*The Measure A program was not active in FY 2013-14 and data is only available for 9 months during FY 2014-15.

Figure I.3: Total Number of Service Units Provided By Mobility Management and Measure A Programs



Source: Outreach and Escort, Inc. records.

*The Measure A program was not active in FY 2013-14 and data is only available for 9 months during FY 2014-15.

Contracts Compliance Review Findings

The following summarizes our contracts compliance review of the four County contracts with Outreach and Escort Inc. More detailed information is included in the attached report.

1. Senior Nutrition Mobility Management Program (MM) contract:

During the first two years of the MM contract (FY 2013-14 and FY 2014-15) Outreach did not verify the low-income status of applicants, as required by the contract. Nor did the Social Services Agency hold Outreach accountable for not verifying low-income. The contract was subsequently amended to allow applicants to self-report their income during the last two years of the contract (FY 2015-16 and FY 2016-17).

Neither the original nor amended contract specified the portion of the contract award that was supposed to be expended for income verification. Therefore, we were unable to estimate how much of the payment to Outreach was expended for services that were not performed. Notwithstanding the absence of income verification, we determined, based on our evaluation of a random sample of services issued during Calendar Year 2016, that Outreach delivered all reported services to MM participants who met the meal site attendance requirements specified in the contract.

2. Measure A – Senior Transportation Program contract:

Just as Outreach did not verify the low-income status of Mobility Management applicants, it did not verify the low-income status of Measure A applicants, as required by the contract. Nor did SSA hold Outreach accountable for not verifying low-income. The Measure A contract was not amended like the Mobility Management contract was amended to allow applicants to self-certify their income. Therefore, under the Measure A contract, Outreach received payment for services that were not performed. However, we were unable to estimate how much of the payment to Outreach was expended for services that were not performed.

Notwithstanding the absence of income verification, we determined, based on our evaluation of a random sample of services issued during Calendar Year 2016, that Outreach delivered all reported services to eligible Measure A participants except one who may have not met the meal site attendance requirements specified in the contract.

3. Senior Outreach Program contract:

During the four-year period, from FY 2013-14 through FY 2016-17, Outreach provided the services for which the County was charged. Specifically, based on our review of 11 months of invoices, across the 36-months to be audited, we verified that Outreach met its goals to assist a minimum number of unduplicated clients with applying for benefits each year, and to present information on the program to a minimum number of seniors at Community Benefit Workshops each year.

4. CalWORKS Family Transportation Program contract:

During the four-year period, from FY 2013-14 through FY 2016-17, Outreach provided the services for which the County was charged. However, we noted that information on some subsidized rides to clients was not available in Outreach's own database, because the rides were provided by subcontractors.

Discussion of these findings follows, first in relation to the Mobility Management Program contract and then for the other three County contracts with Outreach and Escort Inc.

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Section 1: Senior Nutrition Mobility Management Program

The Social Services Agency (SSA), on behalf of the County of Santa Clara, contracted with Outreach and Escort Inc. from July 2013 to December 2016 for transportation services to eligible seniors. Transportation services included monthly bus passes, gas cards, nonprofit van rides, mileage reimbursement, urgent need taxi service, as well as subsidies for Americans with Disabilities Act (ADA) paratransit rides. All of these services were funded entirely by County funds.

We determined that during the first two years of the contract (FY 2013-14 and FY 2014-15) Outreach did not verify the low-income status of Senior Nutrition Mobility Management Program (MM) applicants, as required by the contract with the County. Nor did the Social Services Agency hold Outreach accountable for not verifying low-income. The contract was subsequently amended to allow applicants to self-report their income during the last two years of the contract (FY 2015-16 and FY 2016-17).

The contract in place during FY 2013-14 and FY 2014-15 did not specify the portion of the contract award that was supposed to be expended for income verification. Therefore, we were unable to estimate how much of the payment to Outreach was expended for services that were not performed. Notwithstanding the absence of income verification during the first two years of the contract, we determined, based on our evaluation of a random sample of transportation services issued during Calendar Year 2016, that Outreach delivered all reported services to MM participants who met the meal site attendance requirements specified in the contract.

Overview of Mobility Management Program Contract

The purpose of the Senior Nutrition Mobility Management (MM) Program was “to provide individual-based transportation services to eligible seniors with transportation barriers in order to facilitate access to meals at the available County of Santa Clara Senior Nutrition Program sites.”

The County of Santa Clara’s Senior Nutrition Program (SNP) administrators in the Social Services Agency (SSA) contracted directly with Outreach and Escort Inc. (Outreach), a nonprofit, for several transportation options, including monthly bus passes, gas cards, nonprofit van rides, mileage reimbursement, urgent need taxi service, as well as subsidized ADA paratransit rides for eligible seniors.

The Senior Nutrition Program is funded with federal, state, and local funds, while the Senior Nutrition Mobility Management Program is funded entirely by the County.

Maximum Financial Obligation

SSA’s maximum financial obligation under the MM contract with Outreach was \$250,120 in FY 2013-14, \$257,189 in FY 2014-15, \$265,548 in FY 2015-16, and \$273,514 in FY 2016-17. In total, SSA’s maximum financial obligation was \$1,046,371.

Actual Spending

For services rendered under the MM contract, SSA paid Outreach a total of \$910,095, as shown in Figure 1.1 on page 8. The total unexpended contract amount was \$136,257, or about 13.0 percent less than SSA’s \$1,046,371 maximum financial obligation under the contract described above.

Figure 1.1: Mobility Management Program Contract Spending by Fiscal Year Programs

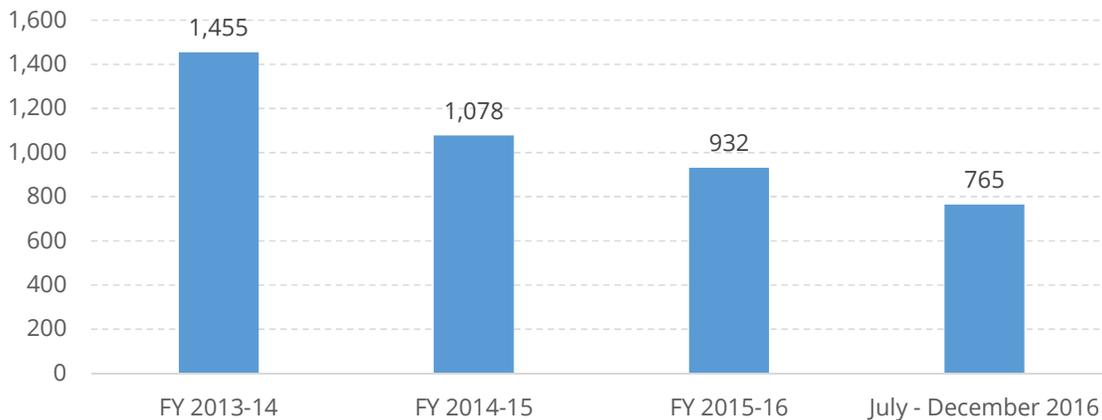
<u>Fiscal Year</u>	<u>Max Fin Obligation</u>	<u>Actual County Pyts</u>	<u>Unspent Contract Amt</u>
FY 2016-17	\$ 273,514	\$ 137,251	\$ 136,263
FY 2015-16	\$ 265,548	\$ 265,535	\$ 13
FY 2014-15	\$ 257,189	\$ 257,189	\$ -
FY 2013-14	\$ 250,120	\$ 250,120	\$ -
Total	\$ 1,046,371	\$ 910,095	\$ 136,275

Source: The County's SAP financial system.

Service Levels

Based on summary client data obtained from Outreach, we determined that over the 42-month period from July 2013 to December 2016 the number of distinct seniors served by Outreach decreased by about 35.9 percent from 1,455 in FY 2013-14 to 932 in FY 2015-16, as shown in Figure 1.2 below.

Figure 1.2: Number of Distinct Seniors Served by Outreach's Mobility Management July 2013 - December 2016

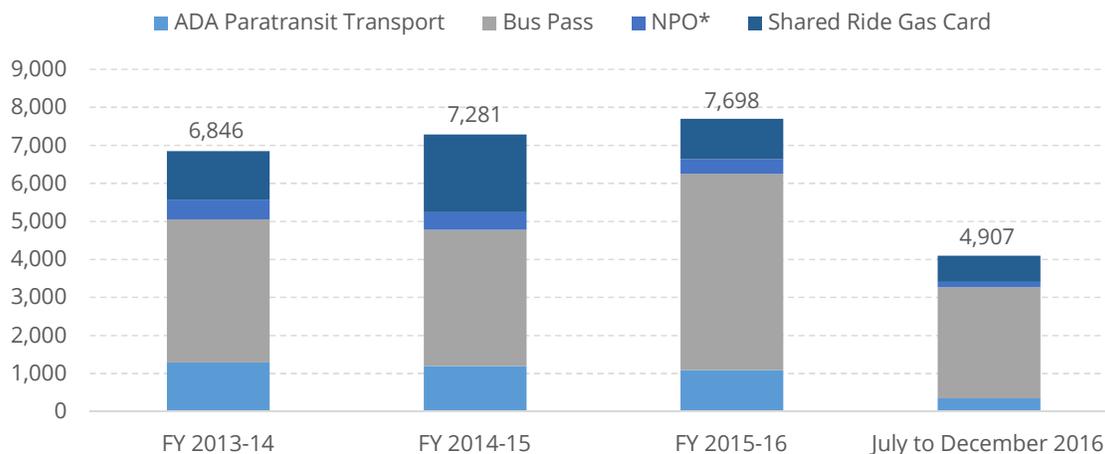


Source: Outreach & Escort Inc. participant records.

Although the number of distinct seniors served went down over the 42-month period, the number of service units provided to each senior increased by about 11 percent from 6,846 in FY 2013-14 to 7,698 in FY 2015-16, as shown in Figure 1.3 on page 9. Thus, over time Outreach provided a higher level of service to a fewer number of seniors.

Neither the MM contract nor any of its subsequent amendments set service levels or goals. For example, the contract did not specify how many distinct seniors should be served each year, nor how many service units (by mobility option) should be provided each year. Thus, the County did not have a basis of comparison for measuring actual services delivered.

Figure 1.3: Total Service Units Provided by Outreach July 2013 - December 2016



Source: Outreach & Escort Inc. participant records.
*NPO: Nonprofit provider of transportation services.

SSA terminated this and other Outreach contracts on December 12, 2016, following Outreach's notification that they were no longer able to perform the contractually required services.

Methodology

Because monthly bus passes and gas cards were the most frequently distributed benefits under this contract (see Figure 1.3), we focused much of this review on the provision of these two services.

To evaluate Outreach's delivery of these services, we selected a random sample of transportation services (366) from all services (7,645) provided during Calendar 2016, using a 95 percent confidence level and a 5 percent margin of error.¹ We chose Calendar 2016 as it was the most recent year of service delivery.

For this analysis, we obtained the following data and information:

- Monthly Senior Nutrition Mobility Management (MM) Program participant lists from Outreach for July 2013 through December 2016;
- Monthly MM bus pass mailing lists from Outreach for Calendar 2016;
- Monthly MM gas card mailing lists from Outreach for Calendar 2016;
- Corresponding monthly MM invoices from Outreach to the County for Calendar 2016;
- Data on pick-up and drop-off locations for a random sample of MM participants who received County-subsidized ADA paratransit rides in Calendar 2016;

¹ These services were provided to 311 distinct seniors. Each service represents the type of service provided to a senior in a particular month and not the number of times the senior used the service per month. For example, a senior might use a bus pass six times per month but that service is listed only once in the monthly data.

- Senior Nutrition Program attendance data for a random sample of MM participants from July 2013 through December 2016; and,
- Copies of completed MM enrollment forms from Outreach for a random sample of MM participants in Calendar 2016.²

Notes about the Data

We obtained most of the above data from Outreach. Although we could not independently verify the accuracy of the data provided, much of our analysis is based on that data. The accuracy of our analysis is therefore dependent on the accuracy of the underlying data provided by Outreach.

We obtained the SNP attendance data from the Area Agency on Aging (otherwise known as Sourcewise).³ In addition to using Sourcewise attendance data, Outreach collaborated with Senior Nutrition Program site staff to verify participants' eligibility for benefits each month. Attendance at meal sites is recorded using barcode scanners which read SNP cards issued to seniors. Outreach staff cross referenced that data with sign in sheets maintained by meal site managers to determine whether MM participants met their monthly SNP attendance requirements, which are described in detail below.

Outreach's Senior Nutrition Mobility Management Program enrollment form required seniors to disclose several details including their full name, address, telephone number, date of birth, SNP identification number, among other details.

Documentation of Participant Enrollment & Invoiced Services to the County of Santa Clara

Required Reporting

Under the MM contract, Outreach was required to submit to the County both:

- Monthly invoices; and,
- Monthly reports detailing statistical information for the services provided during the preceding month.

The monthly invoices were required by contract to include 1) the name of each MM participant, 2) the SNP number of each participant, 3) the type of service issued and corresponding unit cost, and 4) the total number of services issued and total cost of services during the invoice month.

The monthly reports were required by contract to include 1) total number of distinct seniors served by MM option; 2) total number of service units issued by MM option; 3) total number of enrollment requests, including approved and denied requests (and reason for denial if available); 4) total number of seniors on waitlists by MM option; and 5) a list of distinct seniors served by name, address and zip code.

² A copy of the MM enrollment form is Attachment 6 to this audit report.

³ Sourcewise tracks how many times MM participants attend Senior Nutrition Program sites each month. Outreach used this information to help determine whether MM participants met their monthly Senior Nutrition Program attendance requirements and seniors' eligibility for continuing MM benefits.

Outreach provided us with copies of all monthly invoices and detailed monthly reports for the 37-month period from July 2013 to July 2016 (similar information for the last six months of 2016 was unavailable at the time we conducted this analysis) and we verified that they included all of the above-noted contractually-required information on senior participants and services.

Participant Enrollments

Under the MM contract, Outreach was required to use contractually prescribed criteria to determine eligibility for services. Eligibility criteria for the available services were as follows:

1. ADA paratransit subsidy: 16 one-way trips/month
 - Low income (based on the Elder Index for Santa Clara County);
 - ADA-certified by Outreach;
 - Must be a County resident;
 - Must be a registered SNP participant; and
 - Live within five miles of a SNP site (or closest site).*

2. Monthly bus pass, gas card, mileage reimbursement or urgent need taxi service
 - 65 years of age or older for a monthly bus pass;
 - 60 years of age or older for all other mobility options;
 - Low income (based on the Elder Index for Santa Clara County);
 - Must be a County resident;
 - Must be a registered SNP participant;
 - Have a transportation barrier;
 - Attend the SNP at least four times per month;** and
 - Live too far from a SNP site to walk.

3. Nonprofit van ride
 - Attend a nonprofit SNP site with an approved van service;
 - 60 years of age or older;
 - Low income (based on the Elder Index for Santa Clara County);
 - Must be a County resident;
 - Must be a registered SNP participant;
 - Have a transportation barrier;
 - Attend the SNP at least four times per month;** and
 - Live too far from a SNP site to walk.

* The meaning of this phrase “or closest site” is unclear. It may have been written to address the scenario of a senior that lives more than five miles from all sites; in which case, he or she would be provided transportation to the closest site.

** As of July 2016, seniors were required to attend SNP sites at least eight times per month to qualify for benefits in the subsequent month.

Seniors were allowed to request any of the available services, but under the MM contract, Outreach was required to determine the type of service most suitable for each senior.

We identified the first 20 seniors who had received services within our random sample of all Mobility Management services provided by Outreach during 2016, and then obtained from Outreach copies of actual enrollment forms for those 20 seniors.

We verified that the forms for all 20 seniors were completed, and that each form included all of the above-noted contractually-required information on eligible seniors, with the exception of the self-reporting of income, which is discussed in Part D below.

Verification of Low-Income Status of Mobility Management Applicants

The term of the original MM contract was one fiscal year from July 1, 2013 to June 30, 2014. Thereafter SSA and Outreach agreed to six contract amendments including three contract extensions for three additional one-year periods (FY 2014-15, FY 2015-16 and FY 2016-17).

During the first and second contract years (FY 2013-14 and FY 2014-15), Outreach was responsible for determining eligibility for services. Eligibility determination included verifying low-income status of applicants using the Elder Index for Santa Clara County. During the course of our audit fieldwork, we found that Outreach did not verify low-income status. Verifying low-income was not explicitly defined in the contract. However, Outreach did not request paystubs, W2 forms, bank statements, or other similar documents. We also found that the Social Services Agency did not hold Outreach accountable for not verifying low-income. However, beginning in the third contract year (FY 2015-16) and continuing through the fourth contract year (FY 2016-17), SSA and Outreach amended the contract to allow applicants to “self-certify” their income on the MM enrollment form (see Attachment 6).⁴ This self-certification process was not explained further in either the amended contract or enrollment form, but the enrollment form shows that applicants were required to check one of three boxes, each of which represented an income level that met eligibility requirements (based on the Elder Index for Santa Clara County). Applicants were also required to sign the form.

We conclude that Outreach did not verify the low-income status of applicants during the first two years of the contract (FY 2013-14 and FY 2014-15), as it was contractually required to do. During the same two-year period, the Social Services Agency did not hold Outreach accountable for not verifying low-income. The contract in place at the time did not specify the portion of the contract award that was supposed to be expended for income verification. Therefore, we were unable to estimate how much of the payment to Outreach was expended for services that were not performed.

Delivery of Services to Reported Participants

We conducted a series of tests to verify that the services reported as delivered by Outreach under the MM contract were in fact delivered to seniors.

Delivery of Bus Passes

Using the audit sample pulled from calendar year 2016, we verified that all seniors listed on Outreach’s monthly bus pass mailing lists were also listed on Outreach’s monthly participant lists during calendar year 2016. For this analysis, we assumed that if seniors were listed on monthly mailing lists then they received their transportation benefit. We also verified that there were no seniors listed on participant lists that were not listed on bus pass mailing lists.

⁴ Fourth Amendment to the Master Contract Between the County of Santa Clara and Outreach & Escort, Inc. regarding the Mobility Management Program. Effective July 1, 2015.

We completed cross-checks to evaluate whether clients logged as receiving bus passes were also included in the gas card mailing lists and there were no such cases.

Delivery of Gas Cards

Using the audit sample pulled from calendar year 2016, we verified that all seniors listed on Outreach's monthly gas card mailing lists were also listed on Outreach's monthly participant lists during the same year. In addition, we verified that there were no seniors listed on participant lists that were not listed on gas card mailing lists.

We completed cross-checks to evaluate whether clients logged as receiving gas cards were also included in the bus pass mailing lists and there were no such cases.

Delivery of ADA Paratransit Subsidies

We verified that all seniors receiving ADA paratransit subsidies in our random sample of services in 2016 were also listed in the ADA paratransit trip data provided by Outreach for that year. As previously mentioned, eligible seniors received up to 16 one-way ADA paratransit trips per month. We noted that the trip data came from two different electronic systems (Trapeze and TripNet). Outreach staff advised us that in 2016, they used both systems to track the trip data.⁵

We also compared pick-up and drop-off addresses recorded in the trip data to the County's 38 SNP site addresses. About 60 percent of these addresses matched with SNP sites. The remaining 40 percent did not match with any SNP site. We surmised that these unmatched addresses were the home addresses of participating seniors since ADA paratransit rides were typically round-trip. While we could not verify each senior's home address, we confirmed that all drop-off addresses were in fact located in the County of Santa Clara, based on our review of 20 percent of all drop-off addresses.

We note that Sourcewise tracked SNP attendance by month, and not by specific date. Therefore, we were unable to match SNP attendance to ADA paratransit rides on specific dates.

Only Eligible Participants Continued to Receive Mobility Management Services

Under the MM contract, Outreach was responsible for ensuring that only eligible seniors received transportation services. To qualify for services, seniors were required not only to be enrolled in the County's SNP, but also as of July 2016 to attend the SNP at least eight times per month. Prior to July 2016, seniors were required to attend four times per month. Outreach staff used SNP attendance data (as tracked by Sourcewise) to determine any given senior's eligibility for service during the following month.

To verify that only eligible seniors received transportation services, we compared the MM participants in our random sample of services during Calendar 2016 to Sourcewise's attendance data at SNP sites during the same year. The results of this analysis are as follows:

⁵ Trapeze is the primary tracking system, while TripNet was used from March 2016 to September 2016 during an IT system transition.

Bus Passes

Of the 257 bus passes issued to MM participants in our random sample of services in 2016, there were 16 cases where a bus pass was mailed to a senior who did not attend the SNP the contractually required number of times during the preceding month.

Of these 16 cases:

- Seven cases (2.7 percent) occurred because, according to Outreach, it mailed out bus passes (and gas cards) during the third week of each month, making it impossible for Outreach to review SNP attendance through the end of each month, while ensuring that seniors received their bus passes by the start of the following month.
- The remaining nine cases (3.5 percent) occurred as a result of malfunctioning barcode scanners. Outreach management explained that due to malfunctions with card scanners, the Sourcewise attendance data did not always capture a participant's attendance to SNP sites. Meal site managers maintain sign in sheets as a secondary record of attendance, and Outreach management explained that it would e-mail meal site managers, on a monthly basis, to confirm the attendance of anyone that the scanners had recorded as not attending. Based on copies of these emails provided by Outreach, we verified that participants in all nine cases attended the meal sites the required number of times in the preceding months.

Gas Cards

Of the 64 gas cards issued to MM participants in our random sample of services in 2016, there were eight cases where a gas card was mailed to a senior who did not attend the SNP the contractually required number of times during the preceding month.

Of these eight cases:

- Three (4.7 percent) occurred because, as previously mentioned, Outreach mailed out gas cards during the third week of each month, making it impossible to review SNP attendance through the end of each month, while ensuring that seniors received their bus passes by the start of the following month.
- The remaining five cases (7.8 percent) occurred as a result of malfunctioning barcode scanners. Outreach management explained that due to malfunctions with card scanners, the Sourcewise attendance data did not always capture a participant's attendance to SNP sites. Meal site managers maintain sign in sheets as a secondary record of attendance, and Outreach management explained that it would e-mail meal site managers, on a monthly basis, to confirm the attendance of anyone that the scanners had recorded as not attending. Based on copies of these emails provided by Outreach, we verified that participants in all nine cases attended the meal sites the required number of times in the preceding months.

ADA Paratransit Rides

Of the 29 Americans with Disabilities Act (ADA) one-way rides in our random sample of services in 2016, there was one case where a senior did not attend a SNP site at all in 2016 and received ADA rides. However, the ADA ride data shows that this particular senior was transported to a SNP site several times during 2016. Outreach explained that the machines used to scan seniors' SNP cards sometimes malfunction and do not register the bar code on seniors' SNP cards. This explanation accounts for why this particular senior's attendance record was not captured in the Sourcewise attendance data for SNP site.

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Section 2: Measure A – Senior Transportation Program

The Social Services Agency (SSA), on behalf of the County of Santa Clara, contracted with Outreach and Escort, Inc. from October 2014 to December 2016 for transportation services to eligible seniors under the Measure A – Senior Transportation Program. Services included but were not limited to bus passes, gas cards, nonprofit van rides, ADA paratransit subsidies, safe walking groups, and older adult bicycles/tricycles.

We determined that Outreach did not verify the low-income status of Measure A applicants, as required by the contract with the County. Nor did the Social Services Agency hold Outreach accountable for not verifying low-income. The contract did not specify the portion of the contract award that was supposed to be expended for income verification. Therefore, we were unable to estimate how much of the payment to Outreach was expended for services that were not performed. Notwithstanding the absence of income verification, we determined, based on our evaluation of a random sample of transportation services issued during Calendar Year 2016, that Outreach delivered all reported services to eligible Measure A participants except one who may have not met the meal site attendance requirements specified in the contract. However, due to the uncertainty regarding this participant's attendance at meal sites, SSA may not wish to seek reimbursement from Outreach.

Overview of the Measure A – Senior Transportation Program

The purpose of the Measure A – Senior Transportation Program was “to use Outreach & Escort, Inc.'s mobility management service model to provide low-income seniors with mobility options to attend daily lunch programs at Senior Nutrition Sites and access to other destinations (e.g., health care appointments, service providers, grocery shopping, etc.).”⁶ This program supplemented the services provided by the Senior Nutrition Mobility Management (MM) Program.

For the Measure A program, the Santa Clara County Social Services Agency (SSA) contracted directly with Outreach and Escort, Inc. (Outreach), a nonprofit, for individual-based transportation services to eligible seniors. Services provided by Outreach included but were not limited to bus passes, gas cards, nonprofit van rides, ADA paratransit rides, safe walking groups, and older adult bicycles/tricycles.

Maximum Financial Obligation

SSA's maximum financial obligation under the Measure A contract was \$750,000 in each fiscal year from FY 2014-15 through FY 2016-17. In total, SSA's maximum financial obligation under the three-year contract was \$2,250,000.

Actual Spending

For services rendered under the Measure A contract, SSA paid Outreach a total of \$1,852,079, as shown in Figure 2.1 on page 18. The total unexpended contract amount was \$397,921, or about 18 percent less than SSA's \$2,250,000 maximum financial obligation under the contract.

⁶ The Measure A program derives its name and all of its funding from the Sales Tax Increase, Measure A, which was approved by County voters on November 6, 2012. Measure A increased the sales tax paid on the purchase of goods and services within the County by one-eighth of a cent for 10 years.

Figure 2.1: Measure A – Senior Transportation Program Contact Spending by Fiscal Year

<u>Fiscal Year</u>	<u>Max Fin</u> <u>Obligation</u>	<u>Actual County</u> <u>Pyts</u>	<u>Unspent</u> <u>Contract Amt</u>
FY 2016-17	\$ 750,000	\$ 353,187	\$ 396,813
FY 2015-16	\$ 750,000	\$ 748,891	\$ 1,109
FY 2014-15	\$ 750,000	\$ 750,000	\$ -
FY 2013-14	\$ -	\$ -	\$ -
Total	\$ 2,250,000	\$ 1,852,079	\$ 397,921

Source: The County's SAP financial system.

Service Levels

Unlike the MM contract, the Measure A contract specified a service goal of serving at least 1,500 senior County residents each year.⁷ As shown in Figure 2.2, Outreach fulfilled the minimum service requirements even in partial years.

Figure 2.2: Number of Distinct Seniors Served by Fiscal Year October 2014 – December 2016

<u>Fiscal Year</u>	<u>Seniors</u>
FY 2016-17 (6 months)	1,938
FY 2015-16	3,427
FY 2014-15 (9 months)	3,309

Source: Outreach & Escort, Inc. participant records.

Figure 2.3: Distribution of Services Provided by Outreach October 2014 - December 2016

<u>Fiscal Year</u>	<u>Bus</u>		<u>Nonprofit</u>		<u>Gas</u>		<u>ADA</u>		<u>Bicycles/</u>	
	<u>Passes</u>	<u>%</u>	<u>Van Rides</u>	<u>%</u>	<u>Cards</u>	<u>%</u>	<u>Subsidies</u>	<u>%</u>	<u>Tricycles</u>	<u>%</u>
FY 2016-17 (6 months)	3,322	64%	1,605	31%	64	1%	191	4%	0	0%
FY 2015-16	11,878	68%	2,517	15%	1,939	11%	1,012	6%	2	0.01%
FY 2014-15 (9 months)	10,155	81%	1,335	11%	620	5%	359	3%	0	0%
All 27 Months	25,355	72%	5,457	16%	2,623	7%	1,562	4%	2	0.01%

Source: Outreach & Escort, Inc. participant records.

Over the 27-month period from October 2014 through December 2016, the most frequently requested services under the Measure A contract were bus passes, nonprofit van rides, and gas cards as shown in Figure 2.3 above.⁸ Collectively, these services represented 95 percent of all services provided by Outreach under the contract over the entire 27-month period.

⁷ Outreach was also required to provide services year-round Monday through Friday during normal business hours, except holidays.

⁸ Figure 2.3 reflects a count of the service that each distinct senior received each month. It does not reflect the number of times each senior used a particular service in a month. For example, seniors were recorded as receiving a bus pass in a given month, not how frequently the bus pass was used each month.

SSA terminated this and other Outreach contracts on December 12, 2016, following Outreach's notification that they were no longer able to perform the contractually required services.

Methodology

To evaluate Outreach's delivery of services, we selected a random sample of services (373) from all transportation services (11,770) provided during Calendar 2016, using a 95 percent confidence level and a 5 percent margin of error.

We chose Calendar 2016 as it was the most recent year of service delivery. We chose to review the issuance of monthly bus passes, gas cards, and nonprofit van rides because they were the most frequently distributed benefits under this contract.

For this analysis, we obtained the following data and information:

- Monthly Measure A participant lists from Outreach for October 2014 through December 2016;⁹
- Monthly Measure A bus pass mailing lists from Outreach for Calendar 2016;
- Monthly Measure A gas card mailing lists from Outreach for Calendar 2016;
- Corresponding monthly Measure A invoices from Outreach to the County for Calendar 2016;
- Data on pick-up and drop-off locations for our random sample of Measure A participants who received nonprofit van rides in Calendar 2016;
- Senior Nutrition Program (SNP) attendance data for our random sample of Measure A participants from October 2014 through December 2016; and,
- Copies of completed Measure A – Senior Nutrition Program enrollment forms from Outreach for a random sample of Measure A participants in Calendar 2016.

Notes about the Data

We obtained most of the above data from Outreach. Although we could not independently verify the accuracy of the data provided, much of our analysis is based on that data. The accuracy of our analysis is therefore dependent on the accuracy of the underlying data provided by Outreach.

We obtained the SNP attendance data from the Area Agency on Aging (otherwise known as Sourcewise). In addition to using Sourcewise attendance data, Outreach collaborated with Senior Nutrition Program site staff to verify participants' eligibility for benefits each month. Attendance at meal sites is recorded using barcode scanners that read SNP cards issued to seniors. Outreach staff cross referenced that data with sign-in sheets maintained by meal site managers to determine whether Measure A nutrition participants met their monthly SNP attendance requirements, which are described in detail below.

For the Measure A – Senior Transportation Program, Outreach re-used the Mobility Management (MM) enrollment form to enroll nutrition clients, and the Senior Transportation and Resources (STAR) enrollment form to enroll non-nutrition clients.¹⁰ Nutrition clients were required to provide their SNP identification number. Non-

⁹ These participant lists were also included as attachments to Outreach's monthly invoices to the County.

¹⁰ A copy of the STAR enrollment form is Attachment 7 to this audit report.

nutrition clients were required to submit proof of age. Nutrition clients were not asked for proof of age presumably because they had previously established their age under the SNP whose only requirement is that participants be 60 years of age or older.

Documentation of Participant Enrollment & Invoiced Services to the County of Santa Clara

Required Reporting

Under the Measure A contract, Outreach was required to submit the following to the County:

- Monthly invoices;
- Monthly reports; and,
- Quarterly progress reports.

The monthly invoices were required by contract to follow a proscribed template and include the following information: 1) monthly program costs including both direct and indirect costs; 2) program expenditures to date; and, 3) program balances available.

The monthly reports were required by contract to include the following information:

- Total number of distinct seniors served separated by:
 - Measure A – Senior Transportation Program (non-nutrition)
 - Senior Nutrition Program (SNP);
- Total number of service units issued separated by:
 - Measure A – Senior Transportation Program (non-nutrition)
 - SNP;
- Total number of enrollment requests separated by:
 - Number of approved requests
 - Number of denied requests; and
- Total number of seniors on the waitlist(s) separated by:
 - Measure A – Senior Transportation Program (non-nutrition)
 - SNP
 - Other mobility management options.

The quarterly progress reports were required by contract to follow a proscribed template and include the following information: 1) program/project name; 2) status summary; 3) activities and progress; 4) budget overview; 5) performance measures and outcomes; 6) program/project achievements and/or issues; 7) issues and challenges; 8) next steps; and, 9) other information.

Outreach provided us with copies of all monthly invoices, monthly reports, and quarterly progress reports for the 27-month period from October 2014 through December 2016, and we verified that they included all of the above-noted contractually required information on seniors and services.

Participant Enrollments

Under the Measure A contract, Outreach was required to determine eligibility for services, based on the following contractually proscribed criteria:

- **Eligibility Criteria**
 - Low income (based on the Elder Index for Santa Clara County, adjusted for transportation costs);
 - Have a transportation barrier;
 - Must be a County resident;
 - 60 years of age or older; and
 - Priority for services must be given to eligible individuals who use services to attend the County’s Senior Nutrition Program (SNP) and meet the program’s SNP attendance requirements.

Seniors were allowed to request any of the available services, but under the Measure A contract, Outreach was required to determine the type of service most suitable for each senior.

We identified the first 20 seniors who had received services within our random sample of all Measure A services provided by Outreach during 2016, and then obtained from Outreach copies of actual enrollment forms for those 20 seniors. We verified that the forms for all 20 seniors were completed, and that each form included all of the above-noted contractually-required information on eligible seniors. However, the forms allowed for the self-reporting of income, which is discussed in Part D below.

Verification of Low-Income Status of Measure A Applicants

The Measure A contract was in effect for three fiscal years from FY 2014-15 through FY 2016-17. During this three-year period, Outreach was responsible for determining eligibility for services. Like under the Mobility Management contract discussed in the previous section of this report, eligibility determination under the Measure A contract included verifying low-income status of applicants using the Elder Index for Santa Clara County. However, during the course of our audit fieldwork, we found that Outreach did not verify low-income status of Measure A applicants. Instead it allowed Measure A applicants to “self-certify” their income just as it allowed Mobility Management applicants to self-certify their income. We also found that the Social Services Agency did not hold Outreach accountable for not verifying low-income status (i.e., requesting paystubs, W2 forms, etc.) We note that the Measure A contract was not amended like the Mobility Management contract was amended to allow applicants to self-certify their income. Therefore, it is our conclusion that under the Measure A contract, Outreach received payment for services that were not performed. However, because the Measures A contract does not specify the portion of the contract award that was supposed to be expended for income verification, we were unable to estimate how much of the payment to Outreach was expended for services that were not performed.

Delivery of Services to Reported Participants

We conducted a series of tests to verify that the services reported as delivered by Outreach under the Measure A contract were in fact delivered to seniors.

Delivery of Bus Passes

To verify delivery of bus passes, we compared the list of seniors in our random sample who are recorded as receiving a bus pass to Outreach’s monthly bus pass mailing lists.¹¹ Initially, we found that 85 seniors in our sample were not listed on mailing lists. Of the 85 seniors, 70 were non-nutrition clients and 15 were nutrition clients. Only after we brought this matter to the attention of Outreach management staff did Outreach explain that in the early months of 2016 it created supplemental bus pass mailing lists to account for seniors whose eligibility for the Measure A – Senior Transportation Program was confirmed by contracted meal service providers at SNP sites after the original mailing lists were finalized. Outreach subsequently provided us with copies of completed enrollment forms and supplemental bus pass mailing lists, which accounted for the missing 85 seniors.

We completed cross-checks to evaluate whether clients logged as receiving bus passes were also included in the gas card mailing lists and there were no such cases.

Delivery of Nonprofit Van Rides

We verified that all seniors receiving nonprofit van rides in our random sample of services during Calendar 2016 were listed in the overall ride data provided by Outreach during the same year.

Delivery of Gas Cards

To verify delivery of gas cards, we compared the list of seniors in our random sample who are recorded as receiving a gas card to Outreach’s monthly gas card mailing lists. Like the above-noted seniors who were missing from bus pass mailing lists, we identified six seniors who were in our sample but not on gas card mailing lists. All six seniors were nutrition clients. Outreach again explained that in early 2016 it created supplemental gas card mailing lists to account for seniors whose eligibility for the program was confirmed only after the original mailing lists were finalized. Outreach provided us with copies of completed enrollment forms and supplemental gas card mailing lists, which accounted for the missing six seniors.

We completed cross-checks to evaluate whether clients logged as receiving gas cards were also included in the bus pass mailing lists and there were no such cases.

Only Eligible Participants Continued to Receive Measure A Services

Under the Measure A contract, Outreach was responsible for ensuring that only eligible seniors received transportation services.

As noted above, the Measure A contract states that to be eligible, **nutrition clients** were required to “meet the program’s SNP attendance requirements.” However, it is unclear what this phrase means because the County’s SNP has no attendance

¹¹ For this analysis, we assumed that if seniors were listed on monthly mailing lists for services then they received those benefits.

requirements and the Measure A contract does not specify any attendance requirements. Our recommendation is for the Social Services Agency to seek advice from County Counsel regarding the meaning of this phase. For this analysis, because eligibility for Measure A services was granted on the basis of SNP utilization, we assumed that if nutrition clients did not attend the SNP at least once during the preceding month, then they were not eligible for services in the following month.

There were no SNP attendance requirements for the eligibility of **non-nutrition clients**.

To verify that only eligible nutrition clients received services, we compared our random sample of nutrition clients who received bus passes or gas cards during Calendar 2016 to Sourcewise's attendance data at SNP sites during the same year. The results of this analysis are as follows:

Bus Passes

Of the 193 bus passes issued to nutrition clients in our random sample of services in Calendar 2016, there were 16 cases where a bus pass was mailed to a senior who had not attended a nutrition site at least once during the previous month, according to the attendance data provided by Sourcewise. Outreach management explained that these errors occurred because they mailed out bus passes (and gas cards) during the third week of each month, making it impossible for Outreach to review SNP attendance data through the end of the month, while ensuring that seniors received their bus passes by the start of the following month. Upon further analysis, we found that there was no attendance recorded two months before benefit issuance for three of the sixteen cases.

Outreach management subsequently explained that the three cases occurred as a result of malfunctioning barcode scanners. Meal site managers maintain sign in sheets as a secondary record of attendance, and Outreach management explained that it would e-mail meal site managers, on a monthly basis, to confirm the attendance of anyone that the scanners had recorded as not attending. Based on copies of these emails provided by Outreach, we verified that participants in two of three cases attended the meal sites the required number of times during the preceding months. Outreach was unable to provide a copy of attendance verification for the third participant and we were therefore unable to verify the attendance of the participant in the third case. However, Outreach contacted the participant in question, who reportedly said she attended the SNP several times in the months preceding her benefit issuance. Due to the uncertainty regarding her attendance at meal sites, SSA may not wish to seek reimbursement from Outreach for issuing monthly bus passes to this participant.

Gas Cards

Of the 32 gas cards issued to nutrition clients in our random sample of services in Calendar 2016, two were issued to seniors who had not attended a nutrition site for several months in advance of benefit issuance, according to the attendance data provided by Sourcewise. Outreach management provided us with copies of its emails to meal site managers, who used their sign in sheets to confirm that these two seniors attended the SNP the required number of times during the preceding months.

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Section 3: Senior Outreach Program

Outreach and Escort, Inc. (a nonprofit) contracted with the County to operate a Senior Outreach Program, providing senior citizens information on assistance programs for which they may be eligible, and assisting them with applying for these programs. The contract also required furnishing workshops. Outreach received approximately \$29,000 to \$68,000 annually under this contract during the four years reviewed. The contract primarily paid for staff costs to provide the assistance.

Detailed review of 11 months of invoices, across the 36-months to be audited, found that in one month, the County was undercharged by \$35, versus Outreach's documented costs for that month, and in another month the County was undercharged 0.79 cents. Outreach documented the number of seniors assisted in applying for services by providing copies of the applications they filled out. Outreach also documented the number of seniors who had attended workshops held by Outreach, as required by the contract. Based on our analysis, we verified that Outreach met its goals to assist a minimum number of unduplicated clients with applying for benefits each year, and to present information on the program to a minimum number of seniors at Community Benefit Workshops each year.

Senior Outreach Program

Under this contract, Outreach and Escort, Inc. provided staff to assist senior citizens in applying for various types of benefit programs. According to the FY 2016-17 work plan attached to the contract:

"Case Management/Benefits Consulting services are provided to program participants that consist of direct assistance with completing applications and with assembling documents required to qualify for benefit programs."

"Community Benefit Workshops are conducted to inform seniors and persons with disabilities about available services and benefits. These workshops are typically held at Senior Housing complexes or at locations where seniors congregate. Staff assist interested parties with the application/enrollment process for such benefits as a result of these workshops."

In FY 2014-15 and subsequent years, authority to renew the contract was delegated by the Board of Supervisors to the Social Services Agency as part of a master list of contracts.

Maximum Financial Obligation

SSA's maximum financial obligation under this contract with Outreach was \$64,485 in FY 2013-14, \$66,420 in FY 2014-15, \$68,579 in FY 2015-16, and \$70,636 in FY 2016-17. In total, SSA's maximum financial obligation was \$270,120.

Actual Spending

For services rendered under the Senior Outreach contract, SSA paid Outreach a total of \$227,477, as shown in Figure 3.1 on page 26. The total unexpended contract amount was \$42,643, or about 16 percent less than SSA's \$270,120 maximum financial obligation under the contract.

Figure 3.1: Contract Spending by Fiscal Year

<u>Fiscal Year</u>	<u>Max Fin</u> <u>Obligation</u>	<u>Actual County</u> <u>Pyts</u>	<u>Unspent</u> <u>Contract Amt</u>
FY 2016-17	\$ 70,636	\$ 29,297	\$ 41,339
FY 2015-16	\$ 68,579	\$ 68,064	\$ 515
FY 2014-15	\$ 66,420	\$ 66,420	\$ -
FY 2013-14	\$ 64,485	\$ 63,696	\$ 789
Total	\$ 270,120	\$ 227,477	\$ 42,643

Source: The County's SAP financial system.

Service Levels

According to the Transportation Manager for Outreach, who was the nonprofit's manager for this contract, the primary service seniors were provided was with applications for the Low Income Home Energy Assistance Program (LIHEAP), a federally-funded program to assist low-income residents in paying their heating and electricity bills.

The contract provided annual goals for the number of seniors to be assisted. In FY 2016-17, those goals were to assist at least 720 unduplicated clients with applying for benefits, and presenting information on the program to at least 240 seniors per year at Community Benefit Workshops. Both goals were separated into quarterly requirements, 180 unduplicated clients and 60 workshop attendees.

Based on our sample of 11 months selected for this review, we verified that Outreach met its goals 1) to assist a minimum number of unduplicated clients with applying for benefits each year, and 2) to present information on the program to a minimum number of seniors at Community Benefit Workshops each year.

Assessment of Compliance with Senior Outreach Program Contract

Fiscal Compliance. To assess Outreach and Escort's compliance with the fiscal terms of this contract, we first obtained and reviewed the monthly invoices submitted by the contractor to the County for Fiscal Years 2012-13, 2014-15 and 2015-16. Due to the fact that this contract was for counseling services to senior citizen clients, the primary cost charged to the County was for salaries of staff who worked on the contract. From the 36 monthly invoices, we selected 11 months for review, as shown in Figure 3.2.

Figure 3.2: 11 Months Selected for Review FY 2012-13, FY 2014-15 & FY 2015-16

Calendar Year	Months	Months Count
2013	July, December	2
2014	March, April, May, June	4
2015	May, June	2
2016	March, May, June	3
Total		11

These months were selected generally because they had higher personnel costs that occurred in other months during the period reviewed.

We then compared the charges for staff salaries on the invoices to the County with twice-monthly payroll information provided by Outreach's Chief Financial Officer (CFO) regarding the monthly salary costs for staff assigned to this contract. There were several complicating factors in the analysis, as follows:

1. To account for payroll timing differences versus the monthly invoices to the County, there were accrued salary amounts in each month, so that each month's transactions included accrual adjustments for payroll costs incurred but not yet charged to the County, and reverse accrual adjustments to take out previous accruals that were being paid. Those accrual amounts were provided in financial journal entries kept by the CFO, provided to Management Audit staff to make adjustments to the payroll data provided.
2. The City of Campbell, under a separate contract with Outreach, provided some funding for this program, to pay for presentations made by staff at senior housing complexes in that city. Those amounts were provided by the CFO, and were adjusted out of the gross pay information as part of the reconciliation to the County invoices.
3. During some months some staff were not assigned full-time to this particular program, and only had a portion of their salaries paid through it. Typically either 80 percent or 100 percent of a staff member's salary was paid from this program in a given month. The CFO provided monthly breakdowns of this information, showing the percentage of an employee's pay paid through this program. We double-checked this information using codes, included as part of the payroll information, which reflected the programs to which staff was assigned, as well as staff personnel folders which indicated the programs to which named staff members were assigned.
4. In selected months, Outreach chose not to charge the County the full amount of staff salaries devoted to this program, in order to stay within the program budget that was included as part of the annual contract. The CFO provided information on those amounts not charged.

Taking into account these various adjustments, of the 11 months reviewed, for nine months the amount charged to the County for salaries under this contract exactly matched the amounts reflected by the staff payroll information. For the remaining two months reviewed, we found:

- For one month, May 2016, the amount charged to the County was \$35 less than the amount shown in the payroll information, without an explanation of the difference. We found this difference, which was in the County's favor, to be immaterial, because of the small amount, and because similar differences in other months were documented as salary costs not charged to the County.
- For a second month, June 2016, the County was undercharged by 79 cents, an amount again deemed to be immaterial.

Based on our analysis, we concluded that the amounts charged by Outreach to the County for staff salaries, which were the principal cost of the contract, were backed by documentation showing those charges matched the amounts paid to the staff that provided the services.

Program Compliance

As previously described, the goals for the Senior Outreach contract, as contained in the annual work plan for that contract, included assisting individual low income senior citizen participants in applying for various types of benefits available to them, and in making presentations to groups of senior citizens about the benefits that may be available to them.

Application Assistance

Outreach provided SSA monthly reports that showed the number of unduplicated seniors who were provided assistance with benefit applications each month. Attached to the monthly report, and supporting the information on unduplicated clients provided in the monthly reports, was a list of the specific named individuals assisted, including addresses, phone numbers and other identifying information. We verified that Outreach met all of the above-noted contractually-required goals for unduplicated clients assisted with applying for benefits.

Community Benefit Workshops

The monthly report also provided information on the number of workshops held by Outreach at various locations to provide groups of seniors information on benefits for which they may qualify. Each monthly report included the name and address of the locations at which such workshops were held, and the number of people who attended. The work plan associated with this contract stated that the number of seniors who attended workshops should be documented by a sign-in sheet. Initially, no sign-in sheets were provided as part of the monthly reports, and the Program Manager reported that such sign-in sheets, if they were developed at the workshops, had not been retained in the contractor's records. However, at the exit conference for this audit, Outreach management furnished us with the sign-in sheets for the 11 months selected for this review documenting the number of clients attending the workshops. We verified that Outreach met all of the above-noted contractually-required goals for seniors presented with information on the program at Community Benefit Workshops.

Section 4: CalWORKS Family Transportation Services Program

Outreach and Escort Inc. (a nonprofit) contracted with the County to provide various transportation services to CalWORKS clients, including subsidized rides to work, school or job interviews, child car seats and car repairs. Outreach received approximately \$210,000 to \$640,000 annually under this contract during the four years reviewed.

Review of six months of subsidized ride information, four months of car seat data, seven months of car repairs and eight months of bicycle purchases found that Outreach was able to document in detail all the costs for which the County was charged under the contract, including the eligibility of clients that received the services. The months reviewed were judgmental samples reflecting the months of highest charges to the County under the various contract programs.

Based on this analysis, we found that Outreach provided the services for which the County was charged. However, we noted that information on some subsidized rides to clients was not available in Outreach's own database, because the rides were provided by subcontractors.

CalWORKS Family Transportation Services

Under this contract, Outreach and Escort, Inc. provided transportation services to CalWORKS clients in order to reduce clients' barriers to getting to school, training or jobs. A 2016 staff report from the Social Services Agency (SSA) Director reported the program serving more than 1,200 clients annually. Outreach has had contracts for this program with the Social Services Agency since 1999.

The contract encompasses three separate programs, each of which was analyzed separately in this review. They are:

1. **Guaranteed Ride Home** - Provides CalWORKS families with rides, via Outreach vehicles or through subcontractors, to and from work, school and job interviews, and also allows participants to drop off their children age 12 or under and pick them up from school or daycare locations. It also provides free infant/toddler car seats or booster seats to parents who need them, which Management Audit staff also reviewed. This program is designed to provide up to 120 rides per participant, giving them time to develop alternative transit arrangements via carpools, buses, etc.
2. **Jump Start** - Provides CalWORKS families with vehicle diagnosis and minor car repairs, up to \$1,000, or the value of the vehicle, whichever is less.
3. **Bike to Work** - Provides CalWORKS adults, and their children age 13 to 18 who are working or attending school, a bicycle, lock, safety helmet and light set to use to commute to work or school locations. This program was also used to provide bicycles to teen participants in a separate summer teen-employment program.

In addition to monitoring the services and supplies costs of the individual programs, Management Audit staff also reviewed information regarding the staff costs of the programs, to verify that Outreach staff time billed to the County was properly documented.

Maximum Financial Obligation

SSA’s maximum financial obligation under this contract with Outreach was \$649,999 in FY 2013-14, \$599,999 in FY 2014-15, \$599,999 in FY 2015-16, and \$599,999 in FY 2016-17. In total, SSA’s maximum financial obligation under the contract was \$2,449,996.

The larger amount in FY 2013-14 is the result of unspent funds from the prior year being rolled over into that year, under an amendment to the CalWORKS contract.

Actual Spending

For services rendered under the CalWORKS contract, SSA paid Outreach a total of \$2,027,903, as shown in Figure 4.1. The total unexpended contract amount was \$422,093, or about 17 percent less than SSA’s \$2,449,996 maximum financial obligation under the contract.

Figure 4.1: Contract Spending by Fiscal Year

<u>Fiscal Year</u>	<u>Max Fin Obligation</u>	<u>Actual County Pyts</u>	<u>Unspent Contract Amt</u>
FY 2016-17	\$ 599,999	\$ 213,542	\$ 386,457
FY 2015-16	\$ 599,999	\$ 587,973	\$ 12,026
FY 2014-15	\$ 599,999	\$ 585,359	\$ 14,640
FY 2013-14	\$ 649,999	\$ 641,030	\$ 8,969
Total	\$ 2,449,996	\$ 2,027,903	\$ 422,093

Source: The County’s SAP financial system.

Assessment of Compliance with CalWORKS Family Transportation Services Contract

As previously described, this contract encompasses three different transportation programs operated by Outreach. To assess fiscal and program compliance with the contract, we first obtained invoices for this contract from SSA and/or Outreach for the four-year period assessed. We then selected certain months, usually the months with the highest expenditures for each of the programs, to review for fiscal and program compliance, based on documentation provided by Outreach. What follows is our assessment of each of the three programs encompassed by the contract, as well as the staffing costs.

Guaranteed Ride Home

To verify fiscal and operational compliance with the Guaranteed Ride Home program,

Figure 4.2: Six Months Selected for Review FY 2013-14, FY 2014-15 & FY 2015-16

Fiscal Year	Months	Count
FY 2013-14	May, June	2
FY 2014-15	April, May, June	3
FY 2015-16	June	1
Total		6

we reviewed information for six months of the period to be analyzed, as shown in Figure 4.2 on page 30.

We requested documentation from Outreach for the amount charged to the County for rides to clients in those months.

For each of those months, we received printouts tied to Outreach journal entries, and the journal entries totaled the cost of rides provided for that month. The printouts showed all the rides tied to a particular journal entry. For each ride, the information included pick-up time, the distance traveled, the starting and ending points for the ride, the drop-off time, and the fare cost of the ride for which Outreach was reimbursed. Of the total cost for rides each month, the County was charged only a portion, because Outreach had grants from other agencies to help pay for the Guaranteed Ride Home program. The County's share of the program's costs ranged from as low as 26 percent of monthly ride costs, to as much as 63 percent in the months reviewed, depending on third-party program funding.

For the six months we reviewed, the program provided 9,898 rides, based on the information in the detailed printouts. Based on the invoices billed to the County for this program for the months reviewed, the County paid an average of \$14.44 per ride for the 9,898 rides. In comparison, Outreach's Form 990 for FY 2015-16, which is a federal tax form completed by nonprofits, reports the total cost of the Guaranteed Ride Home program was \$1,116,979 to provide 22,596 passenger trips, or a total cost of about \$49.43 per trip, again indicating that Outreach had other funding sources besides the County.

To confirm independently that the rides reported on the printout forms had actually taken place, we selected a random sample of 370 rides for further review. This sample provided assurance that the results of the sample would be generalizable to the full population of 9,898 rides, with a 5 percent margin of error, at the 95 percent confidence level.

Of the 370 sample rides, 321 were provided by Outreach using its own vehicles. Equipment on the vehicles captures starting times, ending times, and pick up and drop off locations. This information is stored in Outreach's database. The remaining 49 rides were provided by cab company subcontractors and are not included in Outreach's database.

Outreach-Provided Rides

We reviewed information in the database for the 321 rides provided by Outreach. In addition to the time and location data for each ride, the database included the names of passengers and the identification numbers of rides.

Cab Company Subcontractor Rides

Out of our sample of 370 rides, 49 rides were not provided by Outreach directly, but were provided by two private cab companies with whom the firm subcontracts: Green Cab and United Cab. In those instances, Outreach prepared separate spreadsheets showing the identification numbers of the rides we had identified, and other information from its system, including the same information it had for its own vehicles' rides, but also including which cab company performed the trip. Outreach then sent the spreadsheets to representatives of the cab companies, who signed the spreadsheets and indicated they had confirmed in their own systems that the rides

had in fact occurred. Outreach provided us with a separate list of the 49 trips, which we compared to the information supplied by the cab companies to confirm which trips were performed by which company.

The 370 rides in our sample were received by 170 distinct clients, each of whom was identified by a unique identification number. We verified each client through their application forms, which included the client’s name, address, phone number and birthdate.

In our judgement, the application information and the data collected by Outreach is adequate to verify both the eligibility and existence of riders, as well as the occurrence of rides for which the County was billed.

Car Seat Distribution

As explained previously, because the Guaranteed Ride Home program also permits participants to use their transit service to drop off children under age 13 at school or childcare locations, the program provides infant/toddler car seats and/or child booster seats to parents that need them. According to Outreach’s Transportation Manager, clients needing the equipment are identified by SSA CalWORKS staff who refer them to the program.

To assess the documentation for this program, we reviewed car seat acquisition and distribution for four-months with significant seat expenditures, April and May 2014 and April and June 2016.

Figure 4.3: Four Months Selected for Review FY 2013-14 & FY 2015-16

Fiscal Year	Months	Count
FY 2013-14	April, May	2
FY 2015-16	April, June	<u>2</u>
Total		4

We obtained journal entries and invoices from Outreach’s Chief Financial Officer (CFO) covering the car seats purchased during that period. These totaled 45 seats in April 2014, 134 in May 2014, 80 in April 2016 and 162 in June 2016. The number of seats and the invoiced amount matched the cost information for car seats reported in Outreach’s invoices to the County. Outreach distributed the car seats over time as requested by clients. For example, the 242 seats purchased in April and June 2016 were actually distributed to clients from May 11, 2016 through November 17, 2016. The car seats and booster seats were given to the clients for their future use, and were not returned once the client left the program.

Outreach also provided us with lists of program participants for the months in question, and the number of car seats they received, as participants with multiple children received multiple seats. In total, the list included 49 participants in May 2014, 85 in June 2014, 113 in May 2016, and 85 in June 2016. The number of car seats supplied per these lists matched the number purchased per the invoices.

Outreach also provided copies of the application forms filled out by all program participants. Applicants filled out these forms with their name, address, contact information, their CalWORKS case number, and information on their children’s names, ages, height and weight, and whether they needed a car seat or a booster seat. We explained earlier in this report that Outreach staff had access to the CalWIN system

to check client eligibility for the CalWORKS-related transportation programs. In the case of the car seat program, attached to the client's application were printouts from the CalWIN system, apparently accessed by Outreach staff, confirming the client's eligibility, and also confirming that the client's family had children of the ages asserted in the client's application. Accompanying most of the forms was a copy of the client's driver's license or other identification, a liability waiver form they signed when they picked up the car seats, and a picture of the client standing with the car seat(s) they were picking up.

Based on the information provided, we conclude that Outreach has properly documented the purchase and distribution of car seats and booster seats as part of the Guaranteed Ride Home program, documenting that the services the County contracted for with Outreach were in fact provided.

Jump Start Program

As previously described, the Jump Start program provides initial diagnosis and car repairs, up to \$1,000 or the car's value, whichever is less, to CalWORKS clients who have a car and need repairs in order to use the car to travel to school, job interviews or new employment. According to Outreach's Transportation Manager, clients were referred to Outreach by CalWORKS staff.

Outreach staff would receive the referral, verify the client's eligibility for services, then provide the client's name and contact information to a vendor, who would contact the client to have the car brought in for diagnosis and repairs. The Transportation Manager said this was a program originally supervised directly by SSA, who asked Outreach to take it over as part of this contract due to liability concerns. Initially, Outreach used AAA Auto Care as the vendor, because that is who the County had used. Outreach subsequently conducted a bid process for its own vendor, and selected Rose Garden Auto Care.

To verify Outreach's compliance with its contract for this program, we reviewed program costs for seven different months of car repair charges, shown in Figure 4.4.

Figure 4.4: Seven Months Selected for Review FY 2013-14 & FY 2015-16

Fiscal Year	Months	Count
FY 2013-14	March, April, May, June	4
FY 2014-15	May, June	2
FY 2015-16	June	1
Total		7

For each month, Outreach provided a list of the clients who received services, and the cost of the each client's repair. The cost of the repairs for each of the months added up to the total cost charged to the County on Outreach's monthly invoice for the contract. For this program, as in some of the other programs paid for via this contract, County funds were not the only source of funding for Jump Start repairs. Outreach also received grants for the program from the California Department of Transportation, and from the Metropolitan Transportation Commission. For one month, May 2015, the County provided all funding for the program. By contrast, for April 2014, the County provided only 75.2 percent of Jump Start funding.

The seven months reviewed included 116 different repairs, all of which were reviewed in detail. Of the 116 repairs, in 12 instances, or about 13 percent, nothing was done

beyond the diagnosis, because the cost of the repair exceeded the value of the vehicle, or the car was not repairable.

Outreach also provided its files showing the documentation for each client. Each file typically included a referral form from the client's CalWORKS employment counselor, which included the counselor's name and worker number, the client's name, CalWORKS case number, driver's license number and contact information, and information on the vehicle being requested for repair. The form also included a section where the Outreach representative could report the outcome of the referral, whether the vehicle was repaired or not.

Accompanying the referral form was a handwritten or computer-generated report from the car repair vendor, listing the repairs to be made and the estimated cost. When the repairs were close to the \$1,000 limit, the documentation also typically included a printout from the Kelley Blue Book showing the vehicle was worth more than the repair. In some instances, where repairs were slightly more than the \$1,000 limit, but worthwhile in relation to the vehicle's value, Outreach representatives would request and usually receive an exception to the limit from the SSA coordinator for the program. The 116 repairs reviewed included 36, about 31 percent, exceeding \$1,000. The average repair cost for all 116 repairs was about \$860.

When the repairs were completed, the Outreach staff member who primarily served as the vendor liaison would e-mail the SSA employment counselor that had made the referral to the program, confirming that the repairs had been completed. The SSA counselors would often e-mail back, thanking Outreach staff for their assistance to the clients.

Based on the extensive documentation that was provided, linking the amounts charged by Outreach to the County back to the cost of the repairs to client vehicles, we conclude that Outreach has demonstrated that the service for which the County paid, under the Jump Start program funded through the CalWORKS family transportation contract, was in fact received by program clients.

Bike to Work Program

This program provides a bicycle for transportation to school or work to CalWORKS participants who request one. Bicycles are also provided to the employed teenage children (ages 13 to 18) of clients. According to Outreach's Transportation Manager, participants are vetted by CalWORKS staff and then referred to Outreach, which gets information from the client on what size bicycle they need, based on gender and height. Participants are also provided a helmet, a bicycle lock, and lights installed on the front and rear of the bike.

Bicycles were generally picked up by clients either at Outreach offices, or at SSA's CalWORKS office on Senter Road in San Jose. The bikes were obtained by Outreach from a San Jose bicycle shop through a competitive bidding process.

To assess Outreach's documentation of the cost and services provided through this program, we reviewed its operations in detail for the months of greatest activity, as shown in Figure 4.5 on page 35.

We reviewed vendor invoices for the number of bicycles purchased by Outreach for the program. However, Outreach's CFO reported that the County was charged for bicycles only once they were distributed to clients, and maintained a small inventory

Figure 4.5: Eight Months Selected for Review FY 2013-14, FY 2014-15 & FY 2015-16

Fiscal Year	Months	Count
FY 2013-14	March, April, May, June	4
FY 2014-15	April, May, June	3
FY 2015-16	June	1
Total		8

at all times, in order to respond promptly to client requests. Consequently, we reviewed the inventory information maintained by the CFO for all months in the contract years in question, from July 2013 through June 2016, to match the number of bicycles purchased with the number distributed and the number retained in inventory at any point in time.

Our review found minor discrepancies, in that the number of bicycles of particular sizes inventoried did not always match the number of bicycles of different sizes purchased, based on vendor invoices. However, the overall numbers of bicycles, helmets, light sets and locks maintained in the inventory did match the total number purchased at any given time. Since the bicycle cost charged by the vendor did not vary based on bike size, we view these discrepancies as minor. The value of the bicycles distributed each month, according to the inventory, matched the amounts charged for this program on the monthly contract invoices Outreach provided to the County.

For the eight months we reviewed in detail, 110 bicycles were distributed. We received lists for each month from Outreach showing the clients receiving bicycles. The lists were generated by the Transportation Manager and his staff, and included the name of each recipient, their CalWORKS case number, their city of residence, and the number of bikes they received. For each month reviewed, the number of bikes distributed to clients matched the number of bikes distributed from the CFO's inventory.

Outreach also provided copies of the client files for this program. The files typically contained a copy of the referral form that a CalWORKS employment counselor filled out to refer a client to the program. That form included the client's height and gender, their name, address, phone number and CalWORKS case number, the counselor's name and contact information. There was also a section of the form the CalWORKS staff filled out to confirm that the bike and other equipment had been provided to the client. Accompanying the application form in each file was a CalWIN printout confirming the client's program eligibility, and a copy of a photograph showing the client with their new bicycle.

In May 2016, Outreach agreed to provide bicycles to participants in Teenworks, a summer youth employment program operated by SSA. For that program, in June 2016 Outreach purchased 102 boys and girls bicycles. Outreach provided Management Audit Division staff with application forms and other materials, similar to that for the adult participants, for all 102 youth who received bikes in the Teenworks program.

Based on the documentation provided, we conclude that Outreach has demonstrated, by being able to trace bicycles from vendor acquisition to distribution to clients that the services it provided in the Bike to Work program, under the family transportation contract paid for by the County, were in fact provided to clients.

Staff Costs

While most of the cost of this contract was in the form of direct services provided to clients, either rides, bicycles or car repairs, there were also staff assigned to administer the program. We reviewed staff costs for two months, as shown in Figure 4.6, when staff costs were particularly high.

Figure 4.6: Two Months Selected for Review FY 2015-16

Fiscal Year	Months	Count
FY 2015-16	August, March	<u>2</u>
Total		2

Outreach's Transportation Manager said there was some variation in staff costs during the year for this program, based on fluctuations in demand for services, and because the contract was billed monthly, with Outreach trying to make sure that between County funding and other sources, it did not run out of money before the end of the fiscal year. That resulted in there being more funding available later in the year, which translated into providing additional staff and more effort in trying to identify clients that could make use of the program's services.

During the months we reviewed, there were either two or three staff people paid for 100 percent from this contract, while other Outreach staff members split their time between this contract and other programs. For example, two staff members involved with fleet support, essentially managing Outreach's own vehicles, only had 7 percent of their pay funded through this contract, reflecting the fact that the contractor's vehicles were used for other programs other than transporting CalWORKS clients.

To assess Outreach's documentation of staff costs for this contract, we reviewed the invoices for the two months assessed, to determine staff costs billed under the contract. We then traced those amounts back through Outreach's financial records. We were able to match the amounts billed on the County invoices to the amounts calculated in the financial records. We also tied the salary amounts for the relevant staff back to Outreach's payroll register, which provided both the salary amounts paid to each staff member, and the number of hours they worked. We also tied the hours worked, according to the payroll register, back to copies of timesheets filled out by staff members. All of these documents were provided by Outreach's CFO.

We also checked that the named individuals were in fact working in this program, by reviewing codes included in the payroll register that showed the programs to which particular employees were assigned, and that the programs included this contract. We also compared the list of names paid for via this contract, according to the financial records, to the list of staff for this program provided in the annual work plans for Fiscal Years 2014-15 and 2015-16, which Outreach was required to provide to SSA under the contract. The names in the work plans matched those on the financial records.

Based on the documentation provided, we conclude that the staff services paid for by the County under the CalWORKS Family Transportation Services contract with Outreach were in fact provided as paid for.

Attachments 1-7

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Invoice Analysis Procedures Performed

We obtained from Outreach three separate invoices to 1) the County of Santa Clara, 2) the City of San Jose and 3) VTA for transportation services rendered to their respective clients in the month of August 2014.

The County's invoice totaled \$28,444.00 as shown in Attachment 2. There were multiple charges on the invoice. The charges for paratransit rides totaled \$7,420.00, based on the County's contractually-required "subsidies" of \$6.25 for each one-way ride, or \$10.00 for rides over 10 miles. The City of San Jose's invoice totaled \$29,213.41 as shown in Attachment 3. This invoice also contained multiple charges. The charges for nonprofit van rides (which are akin to paratransit rides, according to Outreach) amounted to \$15,863.41. Taken together, the County's charges (\$7,420.00) and San Jose's charges (\$15,863.41) totaled \$23,283.41, and make up all of the monies reported by Outreach as "Local Share: Nutrition" revenue on its statement of revenues and expenditures for the two months ended August 31, 2014, as shown in Attachment 4. We note that receipt of the \$23,283.41 by Outreach for the month of August 2014 was a part of the revenues confirmed by the independent auditor who prepared Outreach's FY 2014-15 financial statements.

Outreach advised us that it is a state-designated consolidated transportation services agency (CTSA), whose role is to identify the various social service transportation providers in the area and encourage consolidation of services.¹ Outreach also advised us that as a CTSA, it credited VTA for the \$23,283.41 it received from the County and City of San Jose, and for other revenues it received from other sources. These other sources of revenue are listed in Attachment 4 as "Program Income", "Fare Subsidies", "Cities", and "Allocation from OUTREACH". All of these revenues, including the \$23,283.41 received from the County and City of San Jose, amounted to \$249,417.71.

Attachment 5 is Outreach's invoice to VTA for the month of August 2014. The total amount due by VTA was \$1,313,819.02. However, as previously mentioned, Outreach "credited" VTA for the \$249,417.71 it received from other sources, including the County of Santa Clara and City of San Jose. Thus, the net amount due by VTA was \$1,064,401.31. Incidentally, Attachment 4 also shows that Outreach took advances from VTA for the month of August 2014. After accounting for these advances (\$1,054,630.72), the actual net amount due by VTA to Outreach was only \$9,770.59.

Based on our analysis of Outreach's invoices in the month of August 2014, we did not identify any indication of duplicitous billing in any of the records that we obtained from Outreach.

Outreach also furnished us with a letter from a third auditor which indicated that the auditor tested duplication and found none.²

¹ California Government Code, Title 2, Division 3, Part 13, Section 15950-15986. Otherwise known as the "Social Service Transportation Improvement Act" of 1979.

² Armanino, LLP. Independent Accountant's Report on Applying Agreed-Upon Procedures. October 13, 2016.

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County of Santa Clara August 14 INV 4726



INVOICE

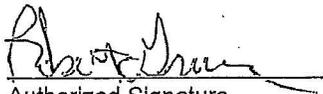
September 19, 2014

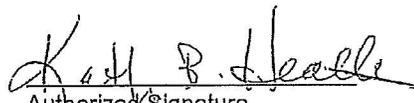
County of Santa Clara
 ATT ROBERT RUBY
 333 W JULIAN ST, 4TH FLOOR
 SAN JOSE, CA 95110

Invoice # 4726

County of Santa Clara	FY 2014-15	AMOUNT
August 2014		
Total Charges for the Month of August 2014		
Benefit	Unit Count	Rate
Paratransit Fare Subsidies	1184	\$ 6.25
Para Fare Subsidies Rides over 10 Miles	2	\$ 10.00
Bus Passes	572	\$ 25.00
Gas Cards	154	\$ 25.00
Non-Profit/Volunteer	44	\$ 25.00
Program Support Fee	1	\$ 1,774.00
Refer to Attachment for trip and charge detail.		
T O T A L		\$ 28,444.00


 Authorized Signature
 Paul Tatsuta, Program Manager


 Authorized Signature
 Robert Gruss, Controller


 Authorized Signature
 Kathryn Heatley, CEO

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SJNU August 14 INV 4727



OUTREACH

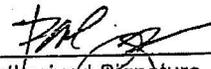
INVOICE

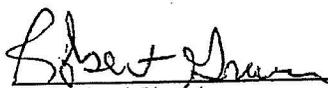
September 19, 2014

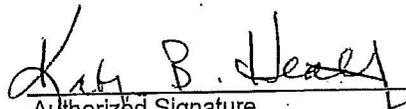
City of San Jose
 PO # OP 48989
 Tracey Gott, Recreation Supervisor
 City Hall, 9th Floor
 200 E. Santa Clara St.
 San Jose, Ca. 95112

Invoice # 4727

City of San Jose		AMOUNT															
August 2014 Purchase Order Number OP 48989 Vendor # 43154																	
	<table border="1"> <thead> <tr> <th>Units</th> <th>Rate</th> <th>Total Cost</th> </tr> </thead> <tbody> <tr> <td>337.52 Hours</td> <td>\$ 47.00</td> <td>\$ 15,863.41</td> </tr> <tr> <td>95 Gas Cards</td> <td>\$ 25.00</td> <td>\$ 2,375.00</td> </tr> <tr> <td>368 Bus Passes</td> <td>\$ 25.00</td> <td>\$ 9,200.00</td> </tr> <tr> <td></td> <td></td> <td>\$ 1,775.00</td> </tr> </tbody> </table>	Units	Rate	Total Cost	337.52 Hours	\$ 47.00	\$ 15,863.41	95 Gas Cards	\$ 25.00	\$ 2,375.00	368 Bus Passes	\$ 25.00	\$ 9,200.00			\$ 1,775.00	
Units	Rate	Total Cost															
337.52 Hours	\$ 47.00	\$ 15,863.41															
95 Gas Cards	\$ 25.00	\$ 2,375.00															
368 Bus Passes	\$ 25.00	\$ 9,200.00															
		\$ 1,775.00															
Senior Lunch Van																	
Gas Cards																	
Bus Passes																	
Program Support Fee																	
T O T A L		\$ 29,213.41															


 Authorized Signature
 Paul Tatsuta, Program Manager


 Authorized Signature
 Robert Gruss, Controller


 Authorized Signature
 Kathryn Heatley, CEO

151-4502-000
 105-4502-000

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SRE 14_15

Outreach & Escort
Vendor Operations (575-200)
Statement of Revenue/Expenditure
For the Two Months Ending August 31, 2014

09/04/18
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Account Number	Current Month	Year-to-Date	Budget Year-to-Date	Variance	Var %	Budget FY 14/15	YTD %
Revenues:							
4100	\$161,370.58	\$328,437.64	\$410,905.34	(\$82,467.70)	-20%	2,465,432	13%
4400	1,060,766.55	2,134,982.67	2,603,395.84	(468,413.17)	-18%	15,620,375	14%
4401	3,040.76	6,081.48	5,295.16	786.32	15%	31,771	19%
4444	594.00	1,180.00	0.00	1,180.00	0%	0	0%
4501	2,148.00	3,868.00	1,500.00	2,368.00	158%	9,000	43%
4502	23,283.41	49,193.41	35,000.00	14,193.41	41%	210,000	23%
4506	2,889.00	5,950.00	4,444.16	1,505.84	34%	26,665	22%
4702	59,726.72	119,261.79	0.00	119,261.79	0%	0	0%
Total Revenues	1,313,819.02	2,648,954.99	3,060,540.50	(411,585.51)	-13%	18,363,243	14%
Expenses:							
0360	108,014.73	224,014.73	268,063.50	(44,048.77)	-16%	1,608,381	14%
0560	1,132,796.37	2,288,907.41	2,621,791.84	(332,884.43)	-13%	15,730,751	15%
0615	1,372.00	1,372.00	3,333.34	(1,961.34)	-59%	20,000	7%
0705	4,223.81	8,560.86	18,170.00	(9,609.14)	-53%	109,020	8%
0709	61,680.72	114,908.63	133,333.34	(18,424.71)	-14%	800,000	14%
0715	119.63	119.63	833.34	(713.71)	-86%	5,000	2%
0721	2,571.00	4,990.25	9,720.00	(4,729.75)	-49%	58,320	9%
0988	3,040.76	6,081.48	5,295.16	786.32	15%	31,771	19%
Total Expenses	1,313,819.02	2,648,954.99	3,060,540.52	(411,585.53)	-13%	18,363,243	14%
Revenues less Expenditures	0.00	0.00	(0.02)	0.02	-100%	0	0%

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Statement

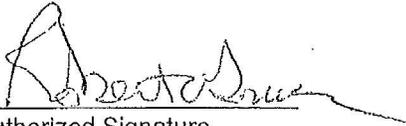
Statement for FY14/15

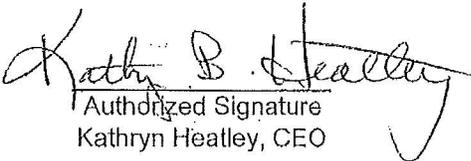
Valley Transit Authority
3331 N First Street, Building C
San Jose, CA 95134-1906

September 19, 2014
Statement No. 4731

FY 2014/2015 PARATRANSIT FUNDING	AMOUNT
Per Contract No. S13066 between the Valley Transit Authority and Outreach & Escort, Inc. for paratransit vendor services:	
Reimbursement for Vendor Payments for August 2014 per attached schedule:	
Sub-Total VENDOR OPERATING COST:	\$ 1,310,778.26
Capital (vehicles Amortization Cost only)	\$ 3,040.76
TOTAL VENDOR OPERATING COST:	<u>\$ 1,313,819.02</u>
Less: Program Income	\$ (249,417.71)
Net Vendor Cost for the month of August 2014:	<u>\$ 1,064,401.31</u>
Less: advances received for August 2014: Vendor payments (\$313,279.56+\$741,351.16)	\$ (1,054,630.72)
Sub-total, Under-payment for the month August 14:	\$ 9,770.59
Net cumulative Under-payment as of August 31, 2014.	<u>\$ 9,770.59</u>
AMOUNT DUE	\$ -

575-2120


Authorized Signature
Robert Gruss, Controller


Authorized Signature
Kathryn Heatley, CEO

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OUTREACH

926 Rock Avenue, Suite 10, San Jose, CA 95131

Fax to: (408) 382-0470

Senior Nutrition Safety-Net Mobility Management Enrollment Form

Last Name _____ First _____

Home Address _____ Apt. # _____

City _____ Zip _____

Phone _____ Birth Date _____

Please select the response that applies to you:

- I live alone and my monthly income is \$1,899 or less.
- I live with my spouse or partner and our total monthly income is \$2,530 or less.
- I live with other family members and our total monthly income is \$2,530 or less.

I attend the Senior Nutrition Program at: _____

My **Senior Nutrition Meal Program Number** is: _____

NOTE: you must be registered with the Senior Nutrition Program and attend the program at least 4 times per month to qualify for this project.

CERTIFICATION

I am unable to attend the Senior Nutrition Program at the site listed above because I am not able to walk to the Center and I cannot afford or do not have access to transportation that can take me to the Center. I declare that the information provided here is true and accurate. I understand that OUTREACH will determine my eligibility for this project.

Signature of Applicant _____ Date _____

EMERGENCY CONTACT Please provide the name of at least one person we can contact in the event of an emergency:

Name _____ Relationship _____

Home/Work phone _____ Cell _____

Reserved for Office Use

Received: _____

Reviewed By _____

Complete? Yes No

Approved Denied Wait Listed

Notes: _____



926 Rock Avenue, Suite 10, San Jose, CA 95131

Fax to: (408) 382-0470

Senior Nutrition Mobility Management Project Enrollment Form

This Project offers Mobility Options to help eligible seniors to participate in County's Senior Nutrition Program. Services are limited based on funding availability. You will be placed on a wait list if services are fully enrolled. Qualified seniors are eligible to receive only one type of benefit.

Monthly Bus Pass, you must be:

1. 65 years of age or older,
2. Registered with the Senior Nutrition Program,
3. Attend the Senior Nutrition Program at least 4 times per month,
4. Have a transportation or mobility barrier that makes it difficult for you to attend the Senior Nutrition Program, and
5. Low-Income.

Monthly \$25.00 Gas Card to help your driver pay for gas, you must be:

1. You must be 60 years of age or older,
2. Registered with the Senior Nutrition Program,
3. Attend the Senior Nutrition Program at least 4 times per month,
4. Have a transportation or mobility barrier that makes it difficult for you to attend the Senior Nutrition Program, and
5. Low-Income.

If you have any questions, OUTREACH's Mobility Management Center staff can be reached at:

(408) 436-2865

outreachmmc@outreach2.org

Submit your application:

- By Fax: 408-382-0470
- By Mail: OUTREACH
926 Rock Ave., Suite 10
San Jose, Ca. 95131



Senior Transportation and Resources

A program of Outreach & Escort Inc.'s *Together We Ride*
 Mobility Management Center for Santa Clara County.

The Senior Transportation and Resources (STAR) Program provides transportation assistance for Santa Clara County seniors.

PLEASE NOTE: this information **does not apply** to **ADA Paratransit Services** operated by OUTREACH. For information regarding ADA Paratransit Services, please call: (408) 436-2865 or visit www.outreach1.org

Eligibility Requirements

- You must be at least **65 years old** and a resident of **Santa Clara County**
- A simple one-page application form is required. **Proof of age** (e.g. copy of driver's license, etc.) must be submitted with application.
- Program participants must reapply annually. New applicants for services receive priority for enrollment in this program.
- Program benefits are limited and new enrollments may be suspended at any time without prior notice.

Services and Benefits

- Forty (40) one-way, **rides** (or 20 round-trips) to *basic needs* destinations – medical appointments, service providers, etc., or
- **Public transit rider's fare subsidies** for Paratransit and Public Transit Service (bus and lightrail) users, or
- Volunteer Driver/Shared Ride incentives, or
- Individualized **transportation plans** to promote the use of public transit.

Please note the following rules regarding shared rides,

- You may be **sharing** the vehicle with another program participant.
- Daily shared ride services have a **limited capacity** and we **may not** be able to meet your requested pickup times or ride requests due to this limited capacity.
- Long distance trips may result in a reduction in the total number of trips an individual may receive during the program year.

For more information, please call,
 (408) 436-2865, x275



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Please return this application to:	OUTREACH 926 Rock Avenue, Suite 10 San Jose, CA 95131	Any questions? Call: (408) 436-2865 Fax: (408) 382-0470
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PLEASE PRINT CLEARLY

First Name: _____	Last Name: _____
Address: _____	
City & Zip: _____	Phone: _____
Birth Date: _____	Number in Family: _____

IMPORTANT! Proof of your age must be submitted with this application to confirm your eligibility. Proof may be in the form of a copy of your driver's license or California ID, Medicare Card or any other legal document that lists your age or birth date.

Monthly Household Income: _____	Head of Household: <input type="checkbox"/> Yes <input type="checkbox"/> No
Source(s) of Income: <input type="checkbox"/> Social Security <input type="checkbox"/> SSI <input type="checkbox"/> Wages <input type="checkbox"/> Pension/Retirement	
<input type="checkbox"/> Other _____	

Do you have a disability that affects your daily activities? <input type="checkbox"/> Yes <input type="checkbox"/> No
Please check if you use a: <input type="checkbox"/> Wheelchair <input type="checkbox"/> Scooter <input type="checkbox"/> Walker/Cane
Are you enrolled in the Paratransit Program? <input type="checkbox"/> Yes <input type="checkbox"/> No ID# _____

GENDER <input type="checkbox"/> Male <input type="checkbox"/> Female	ETHNICITY: (This information is for reporting purposes only. Please check all that apply.) <input type="checkbox"/> White <input type="checkbox"/> Black/African American <input type="checkbox"/> Asian <input type="checkbox"/> Native American/Alaska Native <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> Other <input type="checkbox"/> Check if you are also Hispanic
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EMERGENCY CONTACT	
Name: _____	Relationship: _____
Phone#: _____	Cell Phone#: _____

I certify that the above information is true and accurate to the best of my knowledge and agree to provide documentation of my eligibility to OUTREACH, if requested. I understand that this information will be kept confidential and will only be shared, as required, with the program's funding source(s) and that my benefits under this program are subject to the availability of program funds.

Signature: _____ Date: _____



DATE: October 4, 2018

To: Gabe Cabrera, Contract Project Manager
County of Santa Clara Board of Supervisors

From: Kathryn Heatley, Outreach & Escort, Inc.

Subject: Response to County Special Report/Audit

“Draft Special Report on Outreach and Escort, Inc. Contracts” Prepared by the Management Audit Division of the Board of Supervisors County Government Building, October 2, 2018.

Outreach has read the audit report and does not have any requested changes.

We appreciate the time spent by the County’s Management Audit Division to perform this extensive audit.

It was our pleasure for decades to partner with the County of Santa Clara to offer social services, transportation and mobility options to participants of County sponsored programs.