



# County of Santa Cruz

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## HUMAN RESOURCES AGENCY

Cecilia Espinola, Administrator

1000 Emeline Avenue, Santa Cruz, CA 95060

(83 1) 454-4130 or 454-4045 FAX: (83 1) 454-4642

June 12, 2001

Agenda: June 19, 2001

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, California

### APPROVAL OF IN-HOME SUPPORTIVE SERVICES CONTRACT EXTENSION

Dear Members of the Board:

As you may recall, the Human Resources Agency contracted with **Addus HealthCare Inc.**, of Palatine, Illinois to provide In-Home Supportive Services (IHSS) during FY 00/01. In August, 2000, your Board approved a new contract with **Addus HealthCare** for the period of October 1, 2000 through June 30, 2001. **Addus HealthCare** was awarded the contract based on a new procurement process. In accordance with the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Section 23-622, the County has the option of renewing the IHSS contract for a period of one year, to provide services in FY 01/02.

Based on the contractor's satisfactory performance during FY 00/01, the Human Resources Agency recently entered negotiations with **Addus** to exercise the one-year renewal option. Based on its actual expenditures, **Addus** requested an increase of the hourly rate for IHSS from the FY 00/01 rate of \$13.68 per hour to the proposed FY 01/02 rate of \$14.85 per hour. HRA has reviewed **Addus's** documentation of its expenses and concluded that this increase is reasonable. Therefore, at this time **HRA** is requesting your Board's approval of the attached contract amendment, which extends the contract with **Addus HealthCare** through June 30, 2002, and increases the contract rate for FY 01/02 to \$14.85 per hour. Under the proposed amendment, HRA may purchase up to 170,000 service hours for a maximum contract amount of \$2,524,500. Funds for IHSS services have been included in **HRA's** proposed budget for FY 01/02.

IT IS THEREFORE RECOMMENDED that your Board:

1. Approve the amendment to the IHSS contract for the period of July 1, 2001 through June 30, 2002 for a maximum of \$2524,000 to purchase up to 170,000 service hours at the rate of \$14.85 per hour, and

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2. Authorize the Human Resources Agency Administrator to sign the amendment, contingent upon the approval of HRA's recommended FY 01/02 budget.

Very truly yours,

*Cecilia Espinola (et)*

CECILIA ESPINOLA  
Administrator

CE/DA

RECOMMENDED:

*Sma*

Susan A. Mauriello  
County Administrative Officer

cc: County Counsel  
Auditor-Controller  
California Department of Social Services  
Seniors Commission  
Long Term Care Interagency Commission  
Human Services Commission  
Commission on Disabilities  
Addus HealthCare, Inc. – Capitola office  
Addus Health Care, Inc. – Palatine, Illinois office

AMENDMENT to IHSS CONTRACT # 01716

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The **COUNTY OF SANTA CRUZ HUMAN RESOURCES AGENCY**, hereinafter referred to as "COUNTY" and **ADDUS HEALTHCARE INC.**, hereinafter referred to as "CONTRACTOR", hereby modify Contract number 017 16 which provides In-Home Supportive Services (IHSS) to eligible aged, blind and disabled individuals who are unable to remain safely in their own homes without this assistance. The purpose of the Amendment is to extend the term of the contract for an additional year pursuant to Welfare and Institutions Code (WIC) Section 1302.1 and increase the amount (cost/rates) of the contract as follows:

Section VI. A "TERM OF AGREEMENT" is amended to add the following:

The term of this contract shall be extended from July 1, 2001 through June 30, 2002

Items 1 and 2 of Section V.A. "Cost/Rates" are amended to add the following:

1. The maximum amount of this contract for the period July 1, 2001 through June 30, 2002 shall not exceed \$2,524,500.00. This amount will purchase a maximum of 170,000 service hours at a fixed rate of \$14.85 per hour.
2. The rate is supported by the revised Contract Budget and Budget narrative, EXHIBIT "A", which is attached and incorporated herein by this reference.


All other provisions of said contract shall remain the same

COUNTY OF SANTA CRUZ

By: \_\_\_\_\_  
Cecilia Espinola, Administrator  
Human Resources Agency

Date: \_\_\_\_\_

CONTRACTOR

By:   
Contractor's Authorized Representative

Date: 6/6/01

Address: 2401 S. Plum Grove Road, Palatine, Illinois 60067

Phone Number: (847) 303-5300

TAX ID Number: 42- 10 14070

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APPROVED AS TO FORM

By: Jane M. Scott  
County Counsel

Date: 6-7-01

APPROVED AS TO INSURANCES

By: Janet McKinley  
Risk Management

Date: 6-6-2001

Distribution: County Administrative Office  
County Counsel  
Auditor-Controller  
Human Resources Agency  
California Department of Social Services  
Contractor

Attachment: EXHIBIT A

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## REQUIRED CONTRACT BUDGET

County: Santa Cruz County Date: June 6, 2001  
 Contractor Addus HealthCare, Inc.  
 Period Beginning: July 1, 2001 Period Ending: June 30, 2002  
 Total Service Hours for Period: 170,000 Hourly Rate: 14.8500

	TOTAL COST	HOURLY RATE
<b>IHSS Provider Wages</b>		
Full Time.. .. .	<u>1,369,843.78</u>	<u>8.0579</u>
Part Time.. .. .	<u>0</u>	<u>0.0000</u>
<b>IHSS Provider Employment Taxes</b>		
Social Security (FICA) .....	<u>120,795.62</u>	<u>0.7106</u>
Federal Unemployment Ins. (FUTA) ....	<u>12,632.22</u>	<u>0.0743</u>
State Unemployment Ins. (SUI) .....	<u>12,632.22</u>	<u>0.0743</u>
State Disability Ins. (SDI) .....	<u>0</u>	<u>0.0000</u>
<b>IHSS Provider Worker's Compensation ...</b>	<u>130,269.79</u>	<u>0.7663</u>
<b>IHSS Provider Employment Benefits</b>		
Vacation .....	<u>68,492.19</u>	<u>0.4029</u>
Sick Leave .....	<u>33,561.17</u>	<u>0.1974</u>
Holiday .....	<u>59,950.81</u>	<u>0.3527</u>
Health Insurance .....	<u>194,967.00</u>	<u>1.1469</u>
Dental Insurance .....	<u>0</u>	<u>0.0000</u>
<b>IHSS Provider Travel Costs</b>		
Travel Wages .....	<u>29,653.09</u>	<u>0.1744</u>
Mileage .....	<u>79,820.00</u>	<u>0.4695</u>
<b>IHSS Provider Orientation/Skill Development Training</b>		
Training Wages .....	<u>17,526.70</u>	<u>0.1031</u>
Training Staff/Consultants . . . . .	<u>0</u>	<u>0.0000</u>
Other Training Costs (specify) . . . . .	<u>0</u>	<u>0.0000</u>
<b>Administrative Salaries</b>		
Local Administration .....	<u>48,000.00</u>	<u>0.2824</u>
Clerical .....	<u>16,640.00</u>	<u>0.0979</u>
IHSS Supervisors .....	<u>124,800.00</u>	<u>0.7341</u>
Salaries to Owners/Officers/Directors..	<u>0</u>	<u>0.0000</u>
<b>Administrative Taxes</b>		
Social Security (FICA) .....	<u>14,492.16</u>	<u>0.0852</u>
Federal Unemployment Ins. (FUTA) . . . . .	<u>1,515.52</u>	<u>0.0089</u>
State Unemployment Ins. (SUI) . . . . .	<u>1,515.52</u>	<u>0.0089</u>
State Disability Ins. (SDI) .....	<u>0</u>	<u>0.0000</u>
<b>Administrative Worker's Compensation . .</b>	<u>3,068.93</u>	<u>0.0181</u>

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**REQUIRED CONTRACT BUDGET**

	TOTAL COST	HOURLY RATE
<b>Administrative Benefits</b>		
Vacation .....	Included in Salaries	0.0000
Sick Leave .....	Included in Salaries	0.0000
Holiday .....	Included in Salaries	0.0000
Health Insurance .....	18,792.00	0.1105
Dental Insurance .....	0	0.0000
<b>Administrative Travel</b>		
Travel Wages .....	Included in Salaries	0.0000
Mileage .....	3,120.00	0.0184
<b>insurance and Bonding</b>		
Liability Insurance .....	8,505.89	0.0500
Automobile Insurance .....	Included Above	0.0000
Fidelity Bond .....	Included Above	0.0000
Performance Bond .....	N/A	0.0000
Letter of Credit .....	Included in Other Costs	0.0000
<b>Off ice Expense</b>		
Rent .....	24,000.00	0.1412
Maintenance/Janitorial .....	660.00	0.0039
Utilities .....	3,500.00	0.0206
Equipment (new) .....	0	0.0000
Equipment Maintenance .....	1,200.00	0.0071
Equipment Deprec. ( <i>purcahsed prior</i> ) .....	0	0.0000
Accounting and Data Processing .....	Included in Other Costs	0.0000
Telephone .....	7,200.00	0.0424
Postage .....	2,000.00	0.0118
Photocopying/Printing .....	1,500.00	0.0088
Supplies .....	9,000.00	0.0529
Personnel Advertising .....	900.00	0.0053
<b>Other Costs (see Budget Narrative) .....</b>	100,000.00	0.5882
<b>Profit (<i>proprietary firms</i>) .....</b>	-54.62	-0.0003
<b>Audit Costs .....</b>	4,000.00	0.0235
<b>TOTAL COSTS .....</b>	<b>2,524,500.00</b>	<b>14.8500</b>
<b>HOURLY RATE .....</b>		<b>14.8500</b>

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**Santa Cruz County**  
**July 1, 2001 to June 30, 2002**  
**BUDGET NARRATIVE**

**IHSS Provider Wages**

The following are the minimum wage rates for each classification of worker and worker seniority. The composite wage rate is based upon the current years rate of turnover and employee movement on the wage scale outlined below. The proposed budget is in full compliance with all city, local, state, and federal guidelines.

**Wage and Benefit Package**

July 1, 2001 - June 30, 2002					
Step	Homemaker I	Homemaker II	Homemaker III	Estimated Hours	Estimated Salaries/Cost
Entry	7.00	7.00	7.00	19,850	138,950
6 months	7.00	7.15	7.15	17,735	125,901
1 year	7.10	7.15	7.25	17,540	125,429
2 years	7.10	7.20	7.25	12,989	93,229
3 years	7.15	7.35	7.40	22,817	165,971
4 years	7.25	7.50	7.75	12,815	94,927
6 years	7.35	7.70	7.90	14,855	125,762
8 years	7.50	7.85	8.05	14,828	126,254
10 years	7.65	8.00	8.20	17,315	148,597
12 years	7.85	8.10	8.35	19,256	167,584
Overtime/ Lockout					51,000
Shop Steward	1.00	1.00	1.00	0	6,240
Total				170,000	1,369,844

**Composite Wage**

Composite Wage rate is calculated by estimating the number of workers in each wage category and factoring wage increases, staff turnover and new hires to support additional units of service.

$$\begin{array}{rclclcl} \text{Composite wage:} & & 8.0579 & \text{per hour} & & \\ 8.0579 & \times & 170,000 & = & 1,369,844 & \text{Total Cost} \end{array}$$

**IHSS Provider Employment Taxes**

Taxes have been computed on a base composed of:

Provider Wages .....	\$1,369,843.78
V a c a t i o n . . . .	\$68,492.19
Sick Leave .....	\$33,561.17
Holiday .....	\$59,950.81
Travel Wages. ....	\$29,653.09
Training Wages.....	\$17,526.70
Total .....	\$1,579,027.75

**Social Security (FICA):**

Reflects the federally mandated level of taxable wages. The amount of taxable wages equals the amount of total provider wages for this workforce.

$$\begin{array}{rclclcl} 7.65\% & \times & 1,579,027.75 & = & \$120,795.62 & \text{total cost} \\ \$120,795.62 & \div & 170,000 & = & 0.7106 & \text{per hour} \end{array}$$

**Federal Unemployment Insurance (FUTA):**

Reflects the federally mandated level of taxable wages. The amount of taxable wages equals the amount of total provider wages for this workforce.

$$\begin{array}{rclclcl} 0.80\% & \times & 1,579,027.75 & = & \$12,632.22 & \text{total cost} \\ 12,632.22 & \div & 170,000 & = & 0.0743 & \text{per hour} \end{array}$$

**State Unemployment Insurance (SUI):**

Reflects the rate set for our company by the State. We recognize that only a portion of the annual wages of some direct service employees is taxable for SUI, however, because we, nor any provider of such service, can predict with total accuracy the longevity of any particular holder of any position. We have based our calculation upon the total wages and the rate quoted to us by our carrier.

State Unemployment Rate Determination Letter is attached as required.

$$\begin{array}{rclclcl} 0.80\% & \times & 1,579,027.75 & = & \$12,632.22 & \text{total cost} \\ \$12,632.22 & \div & 170,000 & = & 0.0743 & \text{per hour} \end{array}$$

**IHSS Provider Worker's Compensation:**

Workers Compensation reflects the most recent rate quoted to us by our carrier.

$$\begin{array}{rclclcl} 8.25\% & \times & 1,579,027.75 & = & \$130,269.79 & \text{total cost} \\ \$130,269.79 & \div & 170,000 & = & 0.7663 & \text{per hour} \end{array}$$

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12 month period	Manual Rate used per \$100 of wages	Total amount to WC insurance reserve	Actual WC Losses Experienced *	Surcharge *	EX MOD	Net <Loss> or gains for period
4/93-3/94	17.73	201,271	118,302	45,901	1.13	37,068
4/94-3/95	17.73	211,939	70,650	27,130	1.05	114,159
4/95-3/96	17.73	231,164	202,810	67,536	1.18	(39,182)
4/96-4/97	17.73	58,867	713	205	1.41	57,949
4/97-4/98	7.44	0	0	0	1.35	0
4/98- 6/98	7.09	7,530	38,158	10,684	1.27	(41,312)
6/98-6/99	7.09	101,502	75,034	21,010	1.27	5,458

The surcharge consists of charges by the workers compensation insurance carrier for various costs including claims administration, administrative costs, and their profit

Worker's compensation rates are based upon our current policy costs and an estimate for subsequent years.

The current policy period is from July 1st through June 30th. Due to a change in insurance carrier for the current policy year, the company was able to receive very favorable pricing. It is management's belief, that in future years the pricing will increase to reflect closer to the company's actual experience.

Workers Compensation supporting documentation as required is attached.

Since we are not self-insured, the additional requested self-insured information is non-applicable.

### IHSS Provider Employment Benefits

Based upon our experience in the current year and the union benefit package, the amounts budgeted for IHSS provider benefits have been estimated using formulas set forth in the package for each benefit

Full time employees are employees who work 20 or more hours per week.

#### Vacation:

Direct service workers shall accrue paid vacation based upon the following formula:

Years of Service	Paid Vacation per year
0-3	1 hour for every 50 hours worked
4-10	2 hours for every 50 hours worked
10+	3 hours for every 50 hours worked

Homemakers must work an average of 20 hours per week to qualify for vacation.

Accrued Hours 8,500 x 8.0579 = \$ 68,492.19 total cost  
 \$ 68,492.19 ÷ 170,000 = 0.4029 per hour

#### Sick Leave:

All direct service workers shall accrue paid sick leave based upon the following formula:

1 hours for every 40 hours worked

Based upon experience 98% of workers use sick leave benefits

Estimated Hours worked by homemakers 170,000  
 170,000 / 40 = 4,250 x 98% = 4,165.00 sick hours  
 4,165.00 x 8.0579 composite wage = \$ 33,561.17 total cost  
 \$ 33,561.17 ÷ 170,000 = 0.1974 per hour

#### Holiday:

Holiday pay is based upon the following formula:

All employees are eligible for paid holidays based upon time worked.

13 paid holidays

Holiday pay is based upon the actual hours scheduled to work and

260 work days

Estimated Hours eligible for holiday benefits

5,580

\$ 59,950.81 ÷ 170,000 = \$ 59,950.81 total cost  
 7,440 x 8.0579 = 59,950.81  
 \$ 59,950.81 ÷ 170,000 = 0.3527 per hour

#### Health Insurance:

Health insurance coverage is available to all homemakers who work an average of twenty hours per week. The company pays 100% of the monthly premium for full-time employees who opt for coverage. Number of employees covered is based upon the current coverage and the change in contract requirements during this contract period.

195.75 Total Monthly Premium Cost 83 Full time Employees receive health insurance.

83 x 195.75 x 12 = \$194,967.00  
 \$194,967.00 ÷ 170,000 = 1.1469 per hour

### IHSS Provider Travel Costs

#### Travel Wages:

Based upon our experience in the current year in the county, we estimate that provider travel wages will increase. Providers are compensated for actual time, there is no limit on the travel time between client homes. Travel time is audited by the employee's supervisor.



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$$\begin{array}{rclclcl} 3,680 & \text{est. hours} & \times & 8.0579 & = & \$29,653.09 & \text{total cost} \\ & \$29,653.09 & / & 170,000 & = & 0.1744 & \text{per hour} \end{array}$$

**Mileage**

Based upon our experience in the current year in the county, we estimate that provider mileage reimbursement will increase. Providers are compensated for actual mileage, there is no limit on the mileage reimbursed. Mileage is audited by the employees supervisor.

$$\begin{array}{rclclcl} 307,000 & \text{est. miles} & \times & 0.26 & = & \$79,820.00 & \text{total cost} \\ & \$79,820.00 & / & 170,000 & = & 0.4695 & \text{per hour} \end{array}$$

**IHSS Provider Orientation/Skill Development Training****Orientation/Skill Development**

Based upon the actual rate of turnover and new hires.

2 Initial Training Hours	6 Estimated new Hires per month
12 Skill Development Training Hours	155 Staff receiving skill development training
10 Personal Care Training Hours	19 Staff receiving Personal Care Training
6 new hires/mth x 2 hrs/mth = 12	
12 x 7.00 average starting wage = \$84.00	
84.00 x 12 months = \$1,008.00	

In addition, all homemakers receive skill development training.

$$155 \times 12 \times 8.0579 = \$14,987.70$$

In addition, homemakers may choose to attend personal care training.

$$\begin{array}{rclclcl} 19 \times 10 \times 8.0579 & = & \$1,531.00 \\ \$1,008.00 + \$14,987.70 + 1531.00 & = & \$17,526.70 & \text{Total Training Wages} \\ 17,527 & / & 170,000 & = & 0.1031 & \text{per hour} \end{array}$$

**Skill Development Training**

Included above in orientation/skill development training costs.

**Administrative Salaries****Local Administration:**

1 Branch Manager \$40,000.00 allocated at 100% of time to IHSS program.

Branch Manager Incentive Award, based on performance: \$ 8,000.00

$$\begin{array}{rclclcl} \$48,000.00 & \times & 100\% & = & \$48,000.00 & \text{Total Cost} \\ & 48,000 & / & 170,000 & = & 0.2824 & \text{per hour} \end{array}$$

**IHSS Supervisors:**

1 Supervisor for each	2500 hours of service.
6 Supervisor positions average wage of	\$10.00 per hour
170,000 / 12 / 2500 = 6	
\$10.00 x 40 hours week x 52 weeks = \$20,800.00	
20,800.00 x 6.00 employees = \$124,800.00	

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Supervisor Incentive Awards, based on service levels: \$ 7,200.00

Total Cost of Wages and Incentive Award: \$132,000.00

132,000 / 170,000 = 0.7765 per hour

**Clerical Support:**

1 Clerk/Receptionist allocated at 100% of time to IHSS program.  
 \$8.00 x 2,080.00 = \$16,640.00 Total Cost  
 16,640 / 170,000 = 0.0979 per hour

Taxes have been computed on a base composed of:

Local Administration.. . . . \$48,000.00  
 Clerical Support.. . . . \$16,640.00  
 IHSS Supervisors . . . . . \$124,800.00

Total..... \$189,440.00

**Social Security (FICA):**

Reflects the federally mandated level of taxable wages.

7.65% x \$189,440.00 = \$14,492.16 total cost  
 14,492 / 170,000 = 0.0852 per hour

**Federal Unemployment Insurance (FUTA):**

Reflects the federally mandated level of taxable wages.

0.80% x \$189,440.00 = \$1,515.52 total cost  
 1,516 / 170,000 = 0.0089 per hour

**State Unemployment Insurance (SUI):**

Reflects the rate set for our company by the State.

0.80% x \$189,440.00 = \$1,515.52 total cost  
 1,516 / 170,000 = 0.0089 per hour

A copy of the most recent state Unemployment Insurance rate determination letter has been attached

**Administrative Worker's Compensation:**

Workers Compensation reflects the most recent rate quoted to us by our carrier.

1.62% x \$189,440.00 = \$3,068.93  
 3,069 / 170,000 = 0.0181 per hour

12 month period	Manual Rate used per \$100 of wages	Total amount to WC insurance reserve	Actual WC Losses Experienced *	Surcharge*	EX MOD	Net <Loss> or gains for period
4/93-3/94	1.62	1,844	0	0	1.13	1,844
4/94-3/95	1.62	1,826	0	0	1.05	1,826
4/95-3/96	1.62	1,862	0	0	1.18	1,862
4/96-4/97	1.62	449	0	0	1.41	449
4/97-3/98	1.62	0	0	0	1.35	0
4/98-6/98	1.62	121	0	0	1.27	121
6/98-6/99	1.62	1,750	0	0	1.27	1,750

\* The "Actual WC Losses experienced" consists of the claims paid out and reserved and does not include any other costs. The surcharge shown above consists of charges other than for claims from our insurance carrier allocated as a percentage of claims. These charges consist primarily of the insurance carrier's administrative costs and profit, various taxes related to workers compensation insurance paid by the insurance carrier and the premium for a stop loss policy. Our Workers Compensation carrier does not separate claims between direct and administrative employees.

Workers Compensation supporting documentation as required is attached.

Since we are not self-insured, the additional requested self-insured information is non-applicable.

**Administrative Benefits:****Vacation, Sick Leave, Holiday**

Vacation, Sick Leave and Holiday benefits are included in salary calculation. Amounts accrued and paid will be those averaged in administrative salaries. Current staff will retain their current level of benefits.

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**Health Insurance**

Health insurance coverage is available to all full-time administrative staff. The company pays 80% of the monthly premium for these employees. All full time administrative staff are expected to elect health insurance coverage. Health Plan for Administrative Staff is PacifiCare.

$$\begin{array}{r r r r r r r r r} 8 & \text{employees} & \times & 195.75 & \times & 12 & = & \$18,792.00 & \text{total cost} \\ & 18,792 & / & 170,000 & = & & & 0.1105 & \text{per hour} \end{array}$$

**Administrative Travel****IHSS Administrative Travel Wages**

Administrative travel wages are included in salary calculation since regular travel will be a part of each administrative persons job and will be paid for the actual time traveled at each person's regular rate of pay, as outlined in the administrative salaries section. Management functions required to carry out the contract which involve travel include client monitoring, provider training, initial service visits, general recruiting, and meetings with the County and/or general public, and will be performed by staff at all levels.

**IHSS Administrative Mileage**

Based upon our experience as the current provider in the county, and using the reimbursement rate of

$$\begin{array}{r r r r r r r r r} 0.26 & \text{per mile} & \text{our estimate has been calculated as follows:} & & & & & & \\ 12,000 & \text{miles} & \times & 0.26 & = & \$3,120.00 & \text{total cost} & & \\ & 3,120 & / & 170,000 & = & & 0.0184 & \text{per hour} \end{array}$$

**Insurance and Bonding****Liability Insurance, Automobile Insurance, Fidelity Bonding**

Coverage's include all required by contract. Coverage is based upon employee wages.

Field Wages	\$1,369,843.78					
Administrative Wages	\$189,440.00					
Total Wages	\$1,559,283.78					
	\$1,559,283.78	X	0.5455%	=	\$8,505.89	total cost
	8,506	/	170,000	=		0.0500 per hour

**Office Expense****Rent**

Based upon current rental costs for all offices in the service area.

$$\begin{array}{r r r r r r r r r} \text{Projected at} & \$24,000.00 & \text{total cost} & & & & & & \\ & 24,000 & / & 170,000 & & & 0.1412 & \text{per hour} \end{array}$$

**Maintenance/Janitorial**

Based upon current costs for routine facility maintenance.

$$\begin{array}{r r r r r r r r r} \text{Projected at} & \$660.00 & \text{total cost} & & & & & & \\ & 660 & / & 170,000 & & & 0.0039 & \text{per hour} \end{array}$$

**Utilities**

Based upon current costs for ugas, water, and electricity.

$$\begin{array}{r r r r r r r r r} \text{Projected at} & \$3,500.00 & \text{total cost} & & & & & & \\ & 3,500 & / & 170,000 & & & 0.0206 & \text{per hour} \end{array}$$

**Equipment**

No new equipment will be purchased under this contract.

**Equipment Maintenance**

Based upon current office equipment maintenance agreements and for repairs not covered by maintenance agreements. Equipment includes Copier, Telephones, Fax and Computers.

$$\begin{array}{r r r r r r r r r} \text{Projected at} & \$1,200.00 & \text{total cost} & & & & & & \\ & 1,200 & / & 170,000 & & & 0.0071 & \text{per hour} \end{array}$$

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**Equipment Depreciation**

Non-applicable.

**Accounting and Data Processing**

Included in Other costs.

**Telephone**

Based upon current costs for use and maintenance of regular lines and long distance service.

Projected at	<b>\$7,200.00</b>	total cost		
	7,200	I	170,000	0.0424 per hour

**Postage**

Based upon current costs for stamps, postal services, and messenger services/express mail.

Projected at	<b>\$2,000.00</b>	total cost		
	2,000	I	170,000	0.0118 per hour

**Photocopying/Printing**

Based upon current costs copier, forms, general photocopying expenses and factors for outside printing.

Projected at	<b>\$1,500.00</b>	total cost		
	1,500	I	170,000	0.0088 per hour

**Supplies**

Based upon current costs for checks, paper, envelopes, note pads, calculators, and miscellaneous office supplies. Supplies are recorded in total and not itemized separately for accounting records.

Projected at	<b>\$Q,000.00</b>	total cost		
	9,000	I	170,000	0.0529 per hour

**Personnel Advertising**

Based upon current costs for placing ads in local newspapers, distributing flyers and making contacts with potential recruitment referral sources.

Projected at	<b>\$900.00</b>	total cost		
	900	I	170,000	0.0053 per hour

**Other Costs**

Based upon current costs for data processing, accounting, legal, claims, damages, consultants, letter of credit, temporary help, licenses, taxes, small miscellaneous expenses. Includes cost of regional management and home office expense. Also includes additional costs for compliance with DOL OSHA 29 CFR Part 1910.1030: Occupational Exposure to Blood-Borne Pathogens and employee identification badges.

Estimated at	<b>\$100,000.00</b>	total cost		
	100,000	I	170,000	0.5882 per hour

**Profit**

Projected at -0.0022% of the net total.

Estimated at	<b>-\$54.62</b>	total cost		
	-55	I	170,000	-0.0003 per hour

**Independent Audit**

Estimated cost of required audit based upon current year's audit expense.

Projected at	<b>\$4,000.00</b>	total cost		
	4,000	I	170,000	0.0235 per hour

**Total Cost**

Projected at	<b>\$2,524,500.00</b>	total cost		
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**Hourly Rate**

<b>\$2,524,500.00</b>	<b>I</b>	<b>170,000</b>	<b>=</b>	<b>14.8500</b>	hourly rate
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COUNTY OF SANTA CRUZ  
REQUEST FOR APPROVAL OF AGREEMENT

0195

TO: Board of Supervisors  
County Administrative Officer  
County Counsel  
Auditor-Controller

FROM:

Human Resources Agency

(Dept.)

*Francis [Signature]* (Signature) 6/2/01 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the County of Santa Cruz Human Resources Agency (Agency)  
and, Addus HealthCare Inc., 2401 Plum Grove Rd. Palatine. IL 60067 (Name & Address)
2. The agreement will provide In-Home Supportive Services to elderly and disabled recipients  
of IHSS residing in Santa Cruz County
3. The agreement is needed TO AMEND CONTRACT to provide services at a rate of \$14.85 per hour AUD EXTEND  
TERM OF CONTRACT TO JUNE 30, 2002
4. Period of the agreement is from July 1, 2001 OCT. 1, 2001 to June 30, 2002
5. Anticipated cost is \$ 2,524,500 FY 01/02 (Fixed amount; Monthly rate; Not to exceed)
6. Remarks: Maximum contract amount: \$2,524,500 FY 01/02 AMENDMENT TO  
EXTEND <sup>TERM</sup> Contract to be approved at Board meeting June 19, 2001
7. Appropriations are budgeted in 392100 (Index#) 4545 (Subobject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations are available and have been encumbered. Contract No. 1.00 6 Date 6-1-01  
FY 01-02 will be  
GARY A. KNUTSON, Auditor - Controller  
By P. Silbaugh Deputy.

Proposal reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the  
HRA Administrator to execute the same on behalf of the

Human Resources Agency (Agency).

Remarks: [Signature] (Analyst) [Signature] County Administrative Officer 6/11/01 Date

Agreement approved as to form. Date \_\_\_\_\_

Distribution:

Bd. of Supv. - White  
Auditor-Controller - Blue  
County Counsel - Green \*  
Co. Admin. Officer - Canary  
Auditor-Controller - Pink  
Originating Dept. - Goldenrod

\* To Orig. Dept. if rejected.

State of California )  
County of Santa Cruz ) ss

I \_\_\_\_\_ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,  
State of California, do hereby certify that the foregoing request for approval of agreement was approved by  
said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered  
in the minutes of said Board on \_\_\_\_\_

\_\_\_\_\_ 19 \_\_\_\_\_ By \_\_\_\_\_ County Administrative Officer  
\_\_\_\_\_ Deputy Clerk

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