



County of Santa Cruz

HEALTH SERVICES AGENCY

P.O. BOX 962, 1080 EMELINE AVENUE
SANTA CRUZ, CA 95061
(831) 454-4066 FAX: (831) 454-4770

HEALTH SERVICES AGENCY ADMINISTRATION

July 24, 2001

AGENDA: August 14, 2001

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

**RE: APPROVAL OF SEPTEMBER, OCTOBER AND NOVEMBER, 2001 CONTRACT
ADVANCE PAYMENTS AUTHORIZATION**

Dear Members of the Board:

For many years, HSA's Mental Health and Substance Abuse Division has contracted with the Volunteer Center of Santa Cruz, Santa Cruz Community Counseling Center, Inc. and Front Street, Inc. to provide a wide variety of mental health services to County residents.

Each year, Mental Health reviews actual contractor service performance from the prior year to determine performance and financial terms for the new year's agreement. These reviews are completed in July for the majority of mental health contract providers. For the three contractors shown above, however, the process of negotiating final terms of their agreements is more complex and requires additional time. Negotiated rates for these contracted services cannot be established until the contractor's prior year cost report is completed and analyzed.

In order to provide these three contractors sufficient cash flow to continue to operate programs pending finalization and Board approval of their contracts, HSA requests that your Board authorize the Auditor-Controller to make advance payments on the three contracts for the months of September, October and November equal to the amounts advanced for July, 2001.

It is, therefore, **RECOMMENDED** that your Board:

1. Authorize the Auditor-Controller to make advance payments for September, October and November, 2001 on contracts with the Volunteer Center of Santa Cruz (CO10205) in the

amount of \$73,308, the Santa Cruz Community Counseling Center, Inc. (CO10129) in the amount of \$352,857, and Front Street, Inc. (CO10539) in the amount of \$275,875.

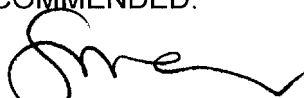
Sincerely,



Rami Khalsa, Ph.D.
Health Services Administrator t of

RK:NW:PS:ep

RECOMMENDED:



Susan A. Mauriello
County Administrative Officer

cc: County Administrative Officer
Auditor Controller
County Counsel
HSA Administration
Mental Health and Substance Abuse Administration