

Meeting Agenda and Notice

**FACT Board of Directors Meeting**

**March 26, 2015, 9:00 am**

Poinsettia Room, Encinitas City Hall

505 S. Vulcan Avenue, Encinitas, CA 92024

**AGENDA**

**Meeting call to order 9:00 a.m.**

1. Introductions
2. Approval of February 5 Board meeting minutes p-2 ACTION
3. Public Comment INFORMATION
4. Report on donation of 10 retired MTS vehicles p-15 ACTION
* Report on usage of 10 MTS vehicles donated in 2013
1. City of Oceanside - survey of clients served by FACT p-18 INFORMATION
2. Review of FTA grant proposal – Healthcare Access Mobility p-20 ACTION

 Design Challenge

1. Report on FACT owned vehicles p-22 INFORMATION
2. Finance Committee Report p-24 INFO/ACTION
* FY 2013-14 Financial audit follow-up
* Update on 2015 SANDAG & Caltrans grants
* 5-yr Ride projections
* 5 yr-revenue & expense projections
* preliminary FY 15-16 DRAFT Budget discussion
* Issues related to growth of contracted services
1. FACT services updates p- 29 ACTION
* Monthly services update
* Service Development Committee’s recommendations
* Rider Acknowledgement
* Board approval for New Service (Elder Help Program)
1. Monthly Financial reports INFORMATION

11. Executive Director’s report p-33 INFORMATION

12. Board member comments/proposed agenda items INFORMATION

**ADJOURNMENT**

# FACT’s Mission *Assist San Diego County residents with barriers to mobility to achieve independence through coordination of transportation services*

.

Item # 2

**FACT Board of Directors’ Meeting Minutes**

**FACT Board of Directors’ Annual Meeting Minutes**

February 5, 2015

County of San Diego Operations Center, Rm 172

5560 Overland Avenue, CA 92123

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| Board Members Attending | Hon. Dave Roberts, Phil Monroe, LaVonna Connelly, Bob Campbell, Hon. John Aguilera, Hon. George Gastil, Susan Hafner |
| TAC Members Attending | Danielle Kochman-SANDAG, Lois Knowlton-ADHCC |
| Board Members Absent | Norine Sigafoose, Hon. Tony Kranz  |
| Staff Attending | Arun Prem, Meagan Schmidt, Budd Anderson, Oswaldo Perez |
| Public/Guests | See sign in sheet |
| Introductions | Chair Dave Roberts called the meeting to order at 12:00PM. He welcomed guests to the San Diego County Operations Center (COC). Introductions were made. Referencing the FACT Board attendance sheet, Dave highlighted the consistent attendance of the Board in 2014 and thanked members for their ongoing service and dedication. He stated FACT’s mission to “assist San Diego County residents with barriers to mobility to achieve independence through coordination of transportation services”. Dave and Bob complimented the Retreat Planning Committee and staff for their work. Bob thanked Dave and County staff for allowing FACT to use the facility. He said he was proud of the accomplishments of Arun and staff. He said FACT’s success would not be possible without the help of partners, vendors, Council on Access and Mobility (CAM), and Technical Advisory Committee (TAC).  |
| Public Comment | Inna Stens, Sonnenberg & Co. discussed the internal audit report recommendation to provide Board Officers access to online banking information in order to review bank statements and images of canceled checks. She provided a handout that included examples of why a check registry was not sufficient in preventing fraud such as check forgery. She explained that the check register was created by internal accounting software (QuickBooks) which could be easily modified. She said popular non-profit accounting schemes included CPA’s issuing checks to themselves, but changing the name of the payee to a frequently used venders in QuickBooks once the check was issued. Bank statements were the most reliable source of information and should be reviewed by Board officer along with the check registry. She said the recommendation was not a finding suggestion. She said physical bank statements could be reviewed if online monitoring was an issue. Another alternative would be to return to the process of having Board Members sign checks. Arun mentioned that the recommendation was not a result of concerns related FACT’s financials. The recommendation was not binding and was proposed as an additional safe guard to prevent fraud. LaVonna asked who currently reconciled the bank statements. Arun said Dennis Randall (FACT CPA) conducted the reconciliation which he reviewed and approved. Susan Hafner suggested that the topic be reviewed by the Finance Committee. She felt that Inna’s feedback should be taken into consideration and the committee could form a recommendation for Board review. Dave agreed and said the audit recommendation would be referred to the Finance Committee for further review. Arun said he invited Cynthia Sanders from CityLink to provide an update on the procedure for becoming a Non-Emergency Medical Transportation (NEMT) vendor. Cynthia said she had applied to become a NEMT vendor, but had yet to receive notice regarding the application status. The application process took anywhere from 90 to 180 days. The application required a National Provider Identifier (NPI) which was a unique 10-digit identification number issued to health care providers by the Centers for Medicare & Medicaid Services (CMS). A NPI was required under Health Insurance Portability and Accountability Act (HIPPA). She said it took about 10 days to receive a NPI. The next step was to apply for Medi-Cal certification as a NEMT provider. Any amendments to the original application including driver and vehicle information could take an additional 90 to 180 days to process. She said this would be problematic for FACT because all brokerage vehicles and drivers would have to be certified and any changes would require additional processing time. She felt that the certification process was a deterrent for a lot of providers. She said she tried to find out whether a brokerage like FACT was eligible, but she could not get a direct answer. Arun thanked Cynthia for the update. He said since FACT did not operate vehicles or employ drivers directly it put FACT one step removed from the provider process.  |
| Approval of December 16, 2014 Annual Board Meeting Minutes  | **Motion to approve the December 16, 2014 Annual Board Meeting minutes made by George Gastil. Second by Phil Monroe. The motion passed unanimously.**  |
| Community Enhancement Grant Application | Arun said there was an opportunity to apply for a Community Enhancement (CE) grant. He indicated that FACT was successful in applying for CE funding last year. The County of San Diego offered CE funding to organizations for activities that promote and generate tourism and/or economic development at the regional and community level. He said preliminary ideas for the use of the funding included FACT hosting a mobility management event/forum. Staff requested the Board for authorization to submit one grant proposal for FY 2015-16 CE funding and approval of Board resolution to accompany the grant application. He said the finalized proposal would be sent to the Board for review prior to submitting the application. Bob asked if a CSUSM Senior Experience Team project to perform a study on customer satisfaction would qualify under the grant. Arun said he was not clear on the evaluation process. **Motion for authorization to submit one grant proposal for FY 2015-16 Community Enhancement funding and approval of Board resolution to accompany grant application made by Susan Hafner. Second by Bob Campbell.** Bob suggested using the funding to market FACT’s services in information resources designated for tourism such as hotel resource guides. Arun indicated that Accessible San Diego had been promoting accessible transportation information in a similar manner and had applied for grants for this purpose. He said he would determine if they were still active and if there was an opportunity for FACT to collaborate. LaVonna asked if FACT’s funding was in line with providing rides for visitors. Arun said FACT’s mission only acknowledged San Diego County residence, but FACT had not excluded visitors. George added that a large portion of San Diego’s visitor industry was related to people visiting local residents. He said FACT’s services benefited residents by providing transportation for their out of town guests. Arun agreed with George and mentioned that he was informed by the Veterans Affairs (VA) Director that there was an unmet need for transportation that served relatives visiting local veterans. **The** **motion passed unanimously.**  |
| MTS vehicle donations and lease of FACT owned vehicles | Oswald Perez explained that Metropolitan Transit System (MTS) had offered to collaborate on donation of 10 used vehicles (small buses) to nonprofit agencies operating in the MTS service area. He said MTS recently provided an update indicating that only 7 vehicles would be available for donation. He outlined the procedure for soliciting applicants, evaluating applications, and selecting recipients. He said there was also a FACT owned minivan that staff proposed leasing to brokerage provider Renewing Life. Staff requested authorization from the Board to Donate 7 small buses to nonprofits as per the recommendation of the review committee and lease one FACT owned minivan to Renewing Life. Dave asked if there was a list of applicants for the donated vehicles. Oswaldo said Coordinated Fleet Services, Dominion Center Church of San Diego, Fraternity House Inc., Renewing Life, Passion 4 K.I.D.S, and Home of Guiding Hands had submitted applications. Arun said FACT was trying to expedite the process because MTS would like the vehicles removed from their lot as soon as possible. He said after Board authorization the review committee would review applications and select recipients. He noted that the review committee would include MTS and SANDAG staff. John Aguilera asked if all the rides performed on the vehicles had to be within MTS’s service area. Arun explained that MTS would like the recipients to perform trips that alleviate demand on their Access paratransit service. MTS preferred recipients to be nonprofits that serve persons with disabilities within the MTS service area. Phil stated that the recipient organizations would use the vehicles to serve their own populations and asked if the populations they served currently used MTS Access. Arun said there was overlap between programs because some clients qualified for several programs. He explained that these nonprofits provided limited transportation, so clients may use MTS Access when trips cannot be performed by the organization. The donated vehicles would increase the recipients’ capacity, which would take demand off MTS Access and potentially decrease ADA applicants. Phil asked if the vehicles could be used to serve riders who were not ADA certified as long as they were a person with a disability. Arun confirmed. Phil said the usage of past donated vehicles was unknown due to lack of response by vehicle recipients. He asked if FACT would track the usage of this round of donated vehicles. Arun said MTS required reporting on the usage of the vehicles and past data was available. He explained that the vehicle donations Phil was referring to were from FACT’s fleet and there were no contracts or reporting requirements associated with the vehicles. He said since then the Board approved FACT to donate 10 retired MTS vehicles which included agreements with recipients that established reporting requirements. FACT had received usage data from recipients which indicated good utilization of the vehicles; the data was sent to MTS. Phil requested that the data be presented at the next Board Meeting. Arun said he would include the reporting on the next agenda. LaVonna asked if Renewing Life would be able to fill some of FACT’s service gaps with the leased vehicle. Arun explained that Renewing Life was a nonprofit brokerage provider based in Chula Vista that provided specialized transportation. He said leasing the vehicle to Renewing Life would increase their capacity to perform FACT trips. He explained that Renewing Life would owe FACT trips at a standard rate that would draw down on the price of the vehicle until the vehicle passed its useful life, at which time the ownership would be transferred to Renewing Life. He noted that Renewing Life had received one of the past donated MTS vehicles which they were currently operating. **Motion to approve donating 10 small MTS buses to nonprofits as per the recommendations of the review committee and to lease one FACT owned minivan to Renewing Life made by Bob Campbell. Second by George Gastil. The motion passed unanimously.**  |
| New RideFACT video | Arun reviewed a FACT flyer from 2009 that illustrated the type of service FACT planned to provide including transportation for shopping, medical appointments, and social activities. He said he was pleased that FACT was currently providing these services. FACT’s finalized video was presented. A cake was served to celebrate FACT’s services approaching 50,000 rides; the cake said “50k in ‘15”. LaVonna said the video was a great marketing piece that really depicted the people FACT served. Arun said AAA Transport and CityLink volunteered their vehicles and drivers to help with the video. He said all the riders in the video were actual RideFACT users. He thanked Bob and Dave for their endorsements included in the video. He indicated that Budd Anderson managed and coordinated the video project.  |
| Contracted services updates, new services proposals | Arun reviewed existing contracted services including the City of Oceanside, San Diego County Office of Education (SDCOE), Poway Adult Day Healthcare Center (ADHCC), and First Transit (FT). For each service Arun reviewed the parameters, clients, brokerage providers, the number of trips provided by FACT, and compensation. John asked if the other vendors providing the SDCOE service were FACT brokerage providers. Arun said Sol Transportation was providing the service, but was no longer a FACT brokerage provider. Phil asked why FACT would want to continue providing the SDCOE service in light of the painstaking driver and vehicle certification requirements. Arun said the service was now in place and CityLink was performing the service successfully. FACT was not consulted on why the contract was split between 3 vendors. He noted that FACT had not received any complaints from SDCOE and the service appeared to be going well. Phil said there must have been some reason for SDCOE to take on the burden of contracting with 2 additional agencies. Meagan Schmidt said it may have been a result of FACT amending its rates to include a charge for deadhead miles. She explained that CityLink was located in Spring Valley, so SDCOE had to compensate FACT for the deadhead mileage related to transporting students located in North County. She said from her understanding it appeared that Sol and ALC were performing trips in North County and may not charge SDCOE for deadhead miles. Arun explained that before the contract amendment, FACT was losing money on the service due to its North County provider withdrawing from the service. Bob asked why the trip levels related to the FT contract were volatile. Arun said it was a result of FT’s efforts to maintain costs at a certain level and NCTD’s willingness to help FT with capital equipment and assets. He said NCTD took advantage of opportunities to purchase vehicles, which were leased free of charge to FT. He explained that FT had the capacity to perform all the NCTD LIFT trips in-house, but the trips that were not cost effective were sent to FACT. Arun reviewed the impacts of contracted services - improved perceptions of FACT, greater awareness of FACT’s services, increased interest from transportation providers and agencies needing transportation, greater leverage in new contract negotiations, and increased capacity of FACT’s brokerage. He discussed the cumulative impact of contracted services and reviewed the revenue, cost of trips, allocated overhead, net revenue, and percentage of net return for each service. He said actual allocation was not feasible, but after consulting with Dennis it was determined fair to allocate an estimated 15% of total overhead to contracted serves and 15% to RideFACT. He said the data could be fine-tuned, incorporate more detail, and be more proportionate, but he wanted to provide the Board some information regarding the benefit of performing contracted services. John asked why the cost of trips for the Poway service was zero (0). Arun explained that FACT was reimbursed by SANDAG for the cost of trips performed for Poway ADHCC. He said for example if FACT spent $21 for a Poway trip, then $21 would be billed to SANDAG for reimbursement. If FACT charged Poway $10 as an administration fee, this would become FACT’s Net Revenue since the cost of trip was covered by SANDAG. Danielle Kochman explained that the grant dollars paying for the trips covered the net cost of the project. She said the only way to factor the revenue from Poway and not lower the net cost of the project was to separate the fee from the service that was being provided. LaVonna asked if the negative net return for the SDCOE contract was a result of trips performed before the rate adjustment and whether FACT expected improvement. He explained that each contract had start up issues mainly as a result of not being able to utilize FACT owned 5310 vehicles as planned due to issues with the lessee, Sol Transportation. He said a majority of the contracted trip costs were planned to be absorbed by the use of 5310 vehicles. He said since Sol reneged on using the 5310 vehicles for contracted service, FACT had to purchase transportation at a premium rate from Sol because they were the only provider with the capacity to accommodate the contracted trips. Due to this situation FACT’s revenue was affected significantly. He said the vehicles were recalled from Sol and leased to other brokerage providers with stricter contract requirements. He said the new lessees have been performing trips on FACT leased vehicles without any issues and as a result revenue was expected to improve for each contract. Bob asked if the City of Oceanside had conducted a staff report on the benefit of contracting with FACT. Arun said he was not aware of any report, but could ask the City of Oceanside. Bob said this would be a great marketing piece to educate municipalities about the cost savings from contracting with FACT. Arun reminded the Board of a survey that the City of Oceanside conducted indicating that customer perceptions of the service were outstanding. LaVonna asked if there was potential to apply the Poway ADHCC service arrangement with other institutions. She wondered if this was feasible and how SANDAG felt about additional arrangements. Arun said it could be good or bad depending on how it impacted RideFACT. He explained that as an agency that tried to help individuals, FACT did not want to dedicate most of its resources to organizations. He said he discussed with SANDAG implementing this type of arrangement for the City of Oceanside and First Transit contracts, but since the City of Oceanside received grant funding and LIFT users were not all seniors, the arrangements were not feasible. Lois Knowlton noted that unlike the Poway ADHCC, other centers have their own staff and preferred not to contract with a brokerage. Bob mentioned that the City of San Marcos provide taxi vouchers. Danielle said the vouchers were partially funded by SANDAG. Meagan added that other cities such as Oceanside offered taxi vouchers as well. Arun said FACT under bid on Oceanside and SDCOE in order not to lose the contracts. He said FACT’s bid for the FT contract was close to the right mark because it was an open competitive bid and FACT was able to secure the contract. He explained that FACT’s allocation of expenses was complicated due to the various services FACT provided. He explained that FACT was in the second year of a 5 year lease for its facility. Since the building ownership had changed, FACT was not sure if it would be able to remain in the facility after the lease term expired. FACT may need to expand to a larger facility and hire additional full time personnel depending on future growth and new contracts. He said in his opinion there was a growing need for a full time accountant to manage additional contracts. He explained that Dennis Randal worked about 20 hours a week, his rate was reasonable, and he currently handled all FACT’s accounting needs. He said FACT was awarded funding from SANDAG for the next 2 years, but lacked long term funding commitments. FACT was also facing a situation where it did not have enough brokerage providers. He said a lot of vendors were interested in working with FACT, but there were very few agencies FACT could depend on to provide quality service with safe operations. FACT used AAA Transport and CityLink for a majority of the trips and a few other providers occasionally. Backup providers were needed in case one of these agencies were no longer available. LaVonna asked if FACT could help develop transportation agencies and educate them on how to become a competent service provider. Arun said FACT tried to engage vendors by leasing them vehicles, but apparently the assistance was not enough to overcome the barriers. He said it was not an easy process, but FACT needed to create more awareness regarding the opportunities. Phil asked if FACT had looked into working with Uber and how it would fit in with FACT service. Arun said the topic was included in a later section of the agenda and FACT had been in discussion with Uber staff. He said FACT needed to identify additional revenue sources and pursue the Medicaid and dialysis trip reimbursement. LaVonna asked if FACT would advocate for changes in policy if FACT was denied as a Medicaid vendor. Arun felt that FACT would not qualify as a Medicaid vendor due to the State’s straight forward requirements of operating vehicles and employing drivers. He said he wasn’t sure how much leverage the State had in changing the program. A more practical approach would be to work with Medicaid providers so that they benefit from FACT’s service demand and in return providers could pass along a % of the Medicaid reimbursement to FACT. Danielle said from SANDAG’s perspective, FACT’s main job was mobility management as opposed to being a transportation provider. She said FACT should connect Medicare and Medicaid transportation providers with individual’s beneficiaries. Arun discussed potential new contracted services. He said there was a preliminary inquiry from Poway ADHCC regarding FACT providing an additional 280 trips per week. The contract would generate up to approximately $200,000 a year in fees. FACT determined that brokerage providers had capacity to provide the additional trips and could accommodate Farsi speaking drivers as required by the center. He said CAM had begun discussing Uber and a representative from Uber provided a presentation. Uber was interested in the brokerage and willing to sign FACT up as a vendor. Uber was a growing international conglomerate that was on track to compete with every type of transportation service. He indicated that Uber was implementing a transportation service for seniors and persons with disabilities, but accessible vehicle capacity was limited. Uber proposed that FACT dispatch accessible trips as a subcontractor. Arun felt that FACT could collaborate with them in order to have vehicles on standby to respond to trips for seniors or persons with disabilities. He said a different cost structure would need to be implemented and additional capacity would need to be developed to accommodate real-time service. Phil asked if Uber had a presence at SANDAG and if they were expected to apply for funding. Danielle said she was not aware of any interest from Uber. Arun reviewed Uber’s app and explained how the service worked. He highlighted UberWAV, a service for people requiring accessible vehicles and Uber Assist, a service for individuals who need extra assistance from a trained driver. He discussed several issues Uber was facing including liability related to low insurance coverage by subcontractors, negative media coverage, limited accessible vehicles, limited driver background checks, and city regulations that limit the service. Phil asked if it was feasible for Uber or Uber subcontractors to obtain FACT own vehicles. Arun explained that Uber did not operate vehicles, but Uber subcontractors could apply for vehicles. He said potential options could be worked out. Another issue was how providers billed FACT and collected cash fare from riders compared to how Uber collected payment at the time of service via credit card.A preliminary discussion was initiated by MTS staff in late 2014 regarding FACT providing transportation for their Access paratransit service as a subcontractor to FT. The service provided by FACT for NCTD’s LIFT program may have contributed to MTS’s interest in working with FACT. MTS’s projections showed the likelihood of a significantly higher than average increase in paratransit demand. In order to cost effectively meet the growth in demand, MTS was considering FACT’s brokerage as a means to limit cost. FACT had provided MTS information on the brokerage such as insurance, safety requirements, and vehicle capacity. FACT had been in discussion with brokerage providers in order to gauge interest and determine capacity. He indicated that informal discussions were ongoing, but a definitive response had not been received from MTS. Arun said the City of San Diego and County of San Diego had taxi and accessible transportation related regulations. He said there appeared to be little enforcement, but FACT providers not licensed under MTS and City of San Diego regulations could receive violations for operating in the area. The licensing was very costly ($6,000 per agency and $600 per vehicle/per year) and FACT had little leverage to require brokerage providers to obtain the licensing because trip demand was not guaranteed. Due to the risk of receiving a citation, some providers were unwilling to provide service in San Diego. He said FACT had been in discussion with MTS’s Taxi Administrator and the City of San Diego’s ADA administrator regarding the regulations. He said FACT needed to address the issue at the City, County, and State level and perhaps advocate for a waiver for the CTSA. He noted that a brokerage provider, Care4UMobilty received a ticket from an MTS taxi cab inspector while performing a FACT trip. He explained that FACT was not liable for contractor citations because the brokerage contract required providers to comply with all local and state regulations. However, FACT did provide a letter for Care4UMobilty to present to the judge explaining FACT’s services; the ticket was dismissed without explanation. Susan asked for clarification on what aspect of transportation the regulations applied to and what type of operating authority was needed, a taxi permit or NEMT permit. Arun said a NEMT permit was required, but he wasn’t sure what constituted NEMT. He said Care4UMobility’s citation was the first he had heard of, but it caused concern amongst providers. He explained that some providers were trying to use the citation as an excuse not to operate FACT leased vehicles in that area. Danielle noted that SANDAG worked with several non-profit agencies that provide transportation in the City of San Diego without a permit. Arun said further discussion was needed with the City of SD and MTS. Susan recommended discussing the issue with the regulatory agency, MTS before the policy agency, the City of San Diego. The Board requested SANDAG’s help with addressing the issue. Dave appointed John (lead), Bob, and Susan to a subcommittee to discuss issues related potential growth of contracted services. Arun said this was essentially the Finance Committee and recommended combining the discussion with other Finance Committee related topics.  |
| RideFACT Services update | Meagan reviewed RideFACT and contracted service data for FY 2014. She provided a service update for the FT, Poway, Oceanside, and SDCOE contracts. She reviewed the number of RideFACT trips, contracted trips, cancelled trips, no shows, average trip cost, and the average trip length for each month. FACT provided 11,311 RideFACT trips and 13,567 contracted service trips in 2014. A breakdown of RideFACT trips performed in each city for 2014 was provided. Arun said in December the average trip length increased to 13.2 miles and the average trips cost increased to $20.96. Meagan reviewed the amount of trips performed for each contracted service for the months of October, November, and December 2014. She explained that the trips provided in December were low due to the holiday season and facility closures. She indicated that FACT provided 3,906 dialysis related trips in 2014; 127 trips to DaVita Dialysis Centers and 3,779 to Fresenius Dialysis Centers. There were 122 unique riders served by 11,311 RideFACT trips and 3,906 of those trips were provided to 16 unique dialysis riders. Dialysis trips comprised 35% of RideFACT trips. Phil provided a statistical analysis on data related to trip requests, RideFACT trips, average trip cost, and each contracted services. He reviewed a control chart for each set of data. He discussed the Lower Control Limit (LCL), Upper Control Limit (UCL), and normal variation. The trip requests, RideFACT trips, average trip cost, Poway trips, and Oceanside trips data were experiencing normal variation and there was no root cause for the change or fluctuation. George said it was important to note that the data may have fluctuated from day to day, which would not be represented in the monthly reporting. Phil said the SDCOE and FT trip volumes were unpredictable and the fluctuation in data was not normal variation. Due to the unpredictable nature of these contracts, it was difficult for staff to plan. Phil said the data could be presented to FT to demonstrate how the service volatility made FACT less efficient. LaVonna asked the service inconsistency could be leveraged to renegotiate a rate tier structure correlated to a certain level of trips. Arun said it was possible to renegotiate, but FACT had to take its competitors into consideration. John asked if any brokerage provider rates had decreased as a result of lower gas prices. Arun said the topic had not been discussed, but since vendors did not renegotiate their rates when gas prices rose above $4, he was reluctant to bring up the topic. He noted that gas prices were unpredictable and it was unknown how long the prices would remain low. He said FACT had secured good rates from providers and was skeptical that lower rates could be obtained by renegotiating. Due to funding constraints, FACT anticipated limiting trip availability. On January 8, 2015 the Software and Service Development Committee met and continued discussion on plans to manage demand for RideFACT. The main question at hand was how to apportion the number of trips FACT could afford equitably amongst riders. The committee discussed limiting the number of trips per rider per month, a second tier fare structure for additional trips after a rider’s limit was met, managing cost per rider, managing service expectations, and measuring service quality. He said Danielle reviewed FACT’s capacity to provide trips based on the subsidy per trip available as per FACT’s projected grant revenues. Approximately 1,160 trips per month could be provided, which resulted in approximately 9 trips per unique rider per month; according to the most recent available data there were 127 unique RideFACT riders. The committee discussed making the limit an even number with 8 or 10 trips per month so that riders could more easily track their usage. Danielle said limiting trips to 10 per month per rider would impact 35% (dialysis rides) of FACT’s trips. She said some type of balance was needed in order to provide as many trips as possible without running out of funding prematurely or having to return leftover funding to SANDAG. She said setting trip limitations was needed in the near future, but at the moment it appeared that FACT could handle the current demand with available funding. Arun said the earliest service limitations could be implemented would be after brokerage software was purchased. He said this level of tracking would not be feasible without software. Bob said FACT may have reached an exposure plateau and may need to ramp up marketing efforts to educate populations who may need transportation, but are unaware of FACT’s services. Dave recommended holding a transportation symposium if FACT wanted to promote its services. He cautioned that FACT should not over publicize services that may not be available due to funding constraints. George said FACT should proceed cautiously and conduct activities that were likely to congruently increase demand and service capacity. He felt that FACT should promote services to specialized audiences such as local governments and nonprofits before promoting services to the general public. Bill York from 2-1-1 discussed implementing target marketing as opposed to mass marketing. He said community outreach and providing presentations to local groups helped 2-1-1 gain awareness without creating an overwhelming level of demand. He said a community development person would be beneficial for FACT. Susan said as a nonprofit FACT could develop and implement some type of fundraising plan. She discussed name recognition, awareness events, and the promotion of FACT’s vision to accommodate future community demand. Bob recommended attending the League of Cities to begin specialized outreach. Arun agreed that outreach should focus on building mobility resources and promoting awareness amongst another tier of potential partners and funding agencies. Phil noted that out of all the 18 San Diego Cities FACT served, transportation was being provided to only 122 unique riders. He said the dialysis trip situation needed to be addressed and suggested discussing the issue with Gary Gallegos, Executive Director of SANDAG. He said dialysis rides already comprised 35% of RideFACT trips and felt that the demand would rise with increased exposure. Dave said someone needed to provide transportation for these individuals and he did not see the issue with FACT accommodating their needs. George said it was only an issue if FACT did not have a reliable funding source. He said If FACT worked with the assumption that RideFACT was the most appropriate service for dialysis patients, then FACT should seek funding sources to help cover the cost of dialysis related trips. Arun said FACT needed to plan for a level of demand that would exceed projections based on available funding. He said the time would come were FACT would need to decide how to portion trips amongst riders. Lois Knowlton said Poway ADHCC’s TransMed program was faced with the same issue of deciding who would be served base on funding. Bob said there was an underserved population in San Diego that would continue to grow. He said FACT may have trouble obtaining funding in the future if a larger base of clients was not served. John said it would be great to expand the client base, but some of the funding appeared to be correlated to the demand for rides. He said FACT should provide as many trips as possible in order to demonstrate to SANDAG the demand for the service. Arun said because FACT did not prioritize trips, clients have begun calling FACT for all their transportation needs. He said another option would be to limit rides based on trip purpose, but this could lead to perceptions of unfair treatment based on quality of life needs. Dave said at some point all of the proposed ideas needed to be pulled together and transcribed on a whiteboard for review. He discussed potential funding opportunities including the Quality of Life tax, certification by the Regional Center to transport their clients, and 1% fee on all general County funds allocated to land acquisition. He said FACT needed to consider other funding options and may need to put something on a ballet proposition. He discussed the Regional Center, California’s obligation to assist persons with development disabilities, and his personal experience with getting a family member certified as a Regional Center beneficiary. FACT’s involvement in SANDAG’s Quality of Life Initiative was discussed. Susan said it would be beneficial to begin quantifying the impact FACT’s services have on the community and economy. She said it was important to highlight the other services FACT provided such as coordination and helping local governments and organizations save money on transportation. Dave said a brainstorming session was needed to review funding options and service limitations. Bob asked if it was feasible for a future California State University San Marcos (CSUSM) Senior Experience team to conduct an analysis on the benefit of FACT providing the Oceanside Van service. He said the teams report would be an excellent marketing piece to promote to other cities. |
| Discussion on current and potential collaboration with 2-1-1 | Bill York discussed FACT’s and 2-1-1’s technology collaboration related to the Veterans Transportation Community Living Initiative (VTCLI) project. He provided an update on the after hour FACT calls handled by 2-1-1’s call center. 2-1-1 had assigned FACT a phone number that routed calls related to the LIFT service to FACT during business hours and 2-1-1 during afterhours. A total of 1,321 calls were received from the assigned phone number, but this included all test calls related to setting up the line. He said 2-1-1 responded to 71 cancelations, 64 ETAs, 9 changes of rider addresses, 3 attempts to schedule new trips, and 6 add on trip attempts; 194 of these calls were after hours. He said 2-1-1 agents spent a total of 11.86 hours of talk time on FACT related calls with 248 toll minutes used at a cost of $65. He said part of the VTCLI funding would be used to upgrade FACT’s telephony system, resource directory, and Customer Relationship Management (CRM) system. With the approval of SANDAG, a Request for Qualifications (RFQ) was released by 2-1-1 to solicit vendors interested in building the technology related to the VTCLI project. He said 3 major vendors were interested and 2 vendors committed to attending the bidders conference; around 7 vendors were expected to respond to the RFQ. He said a Veterans Mobility Needs Assessment survey had been distributed and feedback was being received. He said a Source Selection Committee was formed to review vendor qualifications. He discussed FACT’s office space capacity, a 2-1-1 and FACT co-location option, and the option to have representatives work remotely via inContact. He said FACT’s brokerage dispatching software would be included in the grant, but a separate RFP would be developed. He discussed some of the inContact features including call routing options, call recording, wait and talk time monitoring, automated surveys, data reporting, chat and text options, etc. 2-1-1 built an inContact portal for FACT to begin experimenting with the system. 2-1-1 built a draft phone prompt system for FACT within inContact. 2-1-1 provided a call intake demo on how the inContact portal and prompt system operated. Bill discussed the Call Center Case Management platform used to populate and record caller information. He reviewed some of the additional inContact, Call Center Case Management platform, and Resource Database features. He said the system could track and produce reporting on each caller’s actions from the time they dialed the number to the time they hung up, “Cradle-to-Grave” system. Dave asked Bill for clarification on the distinction between the systems being discussed and what needed to be purchased. Bill said there were 3 pieces to the technology being discussed which consisted of upgrades to FACT’s telephony system (inContact), CRM (VisionLink), and the purchase of brokerage dispatching software. He explained that FACT would use the inContact to track call activity in conjunction with VisionLink that would be used to record and track client information; the systems interact with one another. FACT would work off of 2-1-1’s system, which would alleviate FACT from purchasing the software. He said the other part of the technology upgrades was the purchase of FACT’s brokerage dispatch software. The dispatch software would be a siloed system and would not connect to VisionLink or inContact. The brokerage software would be used solely by FACT to schedule and dispatch trips. LaVonna asked if FACT’s and 2-1-1’s portal was available to clients through the kiosks. Bill explained that the CRM portal was on the back end and was used by staff to record information. The back end portal would link information to a resource directory which could be accessed by the public via kiosks, website, or app. Bill said some programing, training, and installation of extensions was required before the system could be fully implemented. Bob asked how much the software would cost if FACT was unable to use 2-1-1’s account. Bill indicated that there was a licensing fee per agent per month, but the initial set up investment was $100,000. He said 2-1-1 recently purchased additional features costing $150,000. Dave thanked Bill and 2-1-1 staff for the presentation. LaVonna said she appreciated the partnership with 2-1-1 and thanked them for their great work. |
| Board member feedback | Based on discussions with Board member Norine Sigafoose, Dave said he was not sure if Norine would be able to continue serving on the Board. He announced that Board member Tony Kranz had resigned from the Board due to a scheduling conflict with another committee he served on. He said the Board should begin considering potential candidates. Arun noted that a new Board Meeting location may need to be identified if FACT was unable to use Encinitas City Hall due to Tony’s resignation. Dave requested that Board members inform Arun of any recommended Board candidates or meeting locations. He said two Board seats should probably be filled and one of the members needed to be an elected official in order to comply with the SANDAG CTSA contract. Phil asked Lois Knowlton to consider serving on the FACT Board. |
| Adjournment | Dave thanked the Retreat Planning Committee and staff for planning the retreat. He said it was great retreat and thanked guests for attending. Meeting adjourned at 4:25PM. |

**ITEM #4**

**TO:                           BOARD OF DIRECTORS**

**FROM:                     Arun Prem, Executive Director and Oswaldo Perez, Grants Management Analyst**

**RE:                            Report on donation of 10 retired MTS vehicles; Update on 2013 Donations**

**ISSUE:**

1. Update for Board members re. MTS vehicle donation committee recommendations from March 2015, and
2. Report on the usage of 10 MTS vehicles donated in March 2013.

|  |  |
| --- | --- |
| **Recommended recipient** | **Number of vehicles** |
| Home of Guiding Hands | 4 |
| Coordinated Fleet (CF) Services | 4 |
| Renewing Life | 2 |

**BACKGROUND:**

Part 1: Award of Retired Vehicles

In January, MTS and FACT boards approved the collaboration between MTS and FACT to donate 10 retired vehicles from MTS’s Access fleet.  The vehicles are 2006 and 2008 El Dorado National Type B, gasoline powered and run on the Ford E450 chassis.  They seat up to 16 passengers and accommodate up to 4 passengers in wheelchairs.  MTS plans to replace the vehicles with new ones.

MTS would like to donate the vehicles to agencies in their service area for transporting ADA-eligible clients.  FACT as asked to invite applications to identify the potential service providers for ADA eligible clients and help prioritize the requests. MTS and FACT staff worked on a draft agreement, application form and a timeline and process for donations.

A review committee was formed to assist with the selection of recipients – Todd Lordson (MTS), Lisa Madsen (SANDAG) and Oswaldo Perez (FACT). FACT posted an announcement on its website and issued the applications via email notification on January 23, 2015.  Several agencies contacted FACT to express interest in the vehicles.

The completed applications were received on February 3, 2015.  Seven (7) agencies submitted applications, and a total of 15 vehicles were requested.  The agencies that submitted applications include: Coordinated Fleet Services, Home of Guiding Hands, Renewing Life, Dominion Center Church of San Diego, Fraternity House Inc., New Vision Christian Fellowship, and Passion4Kids. The applicant agencies proposed providing 25 to 800 trips a month using the donated vehicle(s). The review committee met on March 6th to review applications and prioritize the requests.  All 7 applicants mentioned that they can provide services within the MTS service area and mentioned persons with disabilities, among other disabilities/barriers to mobility, in the client profile.

The committee decided to prioritize those agencies that currently offered services to persons with disabilities in the MTS Access service area and could ease peak demand from MTS.  Agencies that were larger and had proven capability of operating large vehicles and vehicle fleets were awarded additional vehicles.

Recipients will sign agreements to keep donated vehicles in service for two years and provide statistics on usage to FACT at the end of each calendar quarter.  At MTS’s request, FACT will ensure that donated vehicle are repainted prior to being redeployed.

FACT will forward the recommended recipient list and the information to MTS for the actual transfer of vehicles.

Part 2: Report on Previously Awarded Vehicles

*Report on the usage of 10 MTS vehicles donated in March 2013*

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **VIN** | **Agency** | **Jun-Sep 13** | **Oct-Dec 13** | **Jan-Mar 14** | **Apr-Jun 14** | **Jul-Sep 14** | **Oct-Dec 14** | **Jan-Mar 15\*\*** | **TOTAL** |
| 62251 | CityLink  | 1,928 | 526 | 1,714 | 1,664 | 572 | 0 | 0 | **6,404** |
| 62254 | CityLink  | 1,785 | 336 | 252 | 768 | 1,672 | 2,112 | 0 | **6,925** |
| 78726 | CityLink  | 1,328 | 368 | 1956 | 2,046 | 704 | 0 | 0 | **6,402** |
| 00128 | CityLink  | 1,444 | 408 | 1958 | 2,046 | 704 | 0 | 0 | **6,560** |
| 53864 | St. Madeleine’s | 938 | 775 | 789 | 806 | 821 | 738 | 0 | **4,867** |
| 78722 | St. Madeleine’s | 593 | 571 | 540 | 372 | 439 | 502 | 0 | **3,017** |
| 96131 | Home of Guiding Hands | 230 | 0 | 0 | 0 | 440 | 917 | 400 | **1,987** |
| 96133 | Home of Guiding Hands | 0 | 0 | 110 | 881 | 1,074 | 958 | 146 | **3,169** |
| 00124 | Home of Guiding Hands | 0 | 180 | 532 | 1088 | 1,187 | 1,101 | 399 | **4,487** |
| 00126 | Renewing Life | 38 | 89 | 63 | 197 | 207 | 177 | 140 | **911** |
|  | **TOTAL** | 8,284 | 3,253 | 7,914 | 9,868 | 7,820 | 6,505 | 1,085 | **44,729** |

|  |
| --- |
| *\* Provider reported that mechanical issues for vehicle 96131 during Oct 13 - Jun 14; vehicle 00124 began service in Nov 13; vehicle 96133 began service in Feb 14* |
| *\*\* Trips reported as of 3/17/15 by Home of Guiding Hands and Renewing Life for the Jan-Mar 15 quarter.* |

**RECOMMENDATION:**

**Staff requests the Board to approve the award recommendations made by the MTS vehicle donations review committee.**

|  |  |
| --- | --- |
| **ITEM #5****TO: BOARD OF DIRECTORS****FROM: Arun Prem, Executive Director, Meagan Schmidt,** **RE: City of Oceanside - survey of clients served by FACT** **ISSUE:**This update in response to a request from Board members. **BACKGROUND:** In February 2015 Board members requested information pertaining to FACT’s performance on the Oceanside Senior Van service. The City of Oceanside recently conducted a survey of the Van Service provided by FACT February 2014-December 2014. 194 Surveys were mailed, 94 completed surveys were returned (48% response rate).The findings form the survey are presented on the following page. **RECOMMENDATION****None**Survey Questions |  |
| **How do you rate the ride reservation process?** | **%** |
| **Excellent** | **60%** |
| **Good** | **35%** |
| **Fair** | **3%** |
| **Poor** | **2%** |
| **Were you picked up on time?** |  |
| **Excellent** | **64%** |
| **Good** | **26%** |
| **Fair** | **6%** |
| **Poor** | **4%** |
| **Did you arrive at your destination on time?** |  |
| **Excellent** | **76%** |
| **Good** | **15%** |
| **Fair** | **6%** |
| **Poor** | **3%** |
| **Was the driver courteous?** |  |
| **Excellent** | **76%** |
| **Good** | **21%** |
| **Fair** | **2%** |
| **Poor** | **1%** |
| **Was the vehicle clean?** |  |
| **Excellent** | **77%** |
| **Good** | **23%** |
| **Fair** | **0%** |
| **Poor** | **0** |
| **Was the driver helpful assisting you on/off the van?** |  |
| **Excellent** | **62%** |
| **Good** | **31%** |
| **Fair** | **2%** |
| **Poor** | **5%** |
| **Overall, how would you rate your experience with this**  |  |
|  **transportation program?** |  |
| **Excellent** | **72%** |
| **Good** | **26%** |
| Fair | 1% |
| Poor | 1% |
| **Would you be willing to pay a co-pay of?** |  |
| **$5**  | **72%** |
| **$7**  | **14%** |
| **$10**  | **14%** |
| **Are you willing to share rides with other seniors?** |  |
| **Yes** | **83%** |
| **No** | **17%** |

**ITEM # 6**

**TO:                      BOARD OF DIRECTORS**

**FROM:                Arun Prem, Executive Director, Oswaldo Perez, Grants Management Analyst, and Meagan Schmidt, Service Development Manager**

**RE:                       Review of FTA grant proposal – Healthcare Access Mobility Design Challenge**

**ISSUE:**

In February 2015 the NCMM (National Center for Mobility Management) issued a grant availability notice. Proposals are due on March 27, 2015.

Federal Transit Administration (FTA) is funding the grants through the federal *Ladders of Opportunity Initiative*; one aim of the initiative is to leverage healthcare and transportation partnerships to improve individual and family health, and reduce healthcare costs.

**BACKGROUND:**

The National Center for Mobility Management (NCMM) is a national technical assistance center created to facilitate communities in adopting mobility management strategies. The NCMM is funded through a cooperative agreement with the FTA, and is operated through a consortium of three national organizations—the American Public Transportation Association (APTA), the Community Transportation Association of America (CTAA), and Easter Seals.

The NCMM is seeking eight community teams across the US to design innovative solutions to common transportation challenges related to healthcare, including:

* Access to preventive care, primary care, and/or health education opportunities
* Access to ongoing dialysis treatment for people with end stage renal disease
* Access to post-hospitalization doctor’s appointments, rehabilitation therapy, and other services to help people avoid re-hospitalization
* Access to behavioral health treatment

Each multidisciplinary team, competitively selected to participate in the six-month Design Challenge, will receive grant funds of up to $25,000 and technical assistance to take potential solutions from concept to impact.

NCMM will support communities as they develop, test, and prepare ready-to-launch healthcare transportation access solutions. Local teams will use their grant funds to develop and strengthen broad-based coalitions including members from healthcare, transportation, consumer advocacy organizations, technology, consumers, caregivers, and others with valuable skills, experiences, and perspectives.

*Before applying, NCMM expects prospective teams to use design thinking principles and techniques to:*

* Implement research to deeply understand the experience of patients and others affected by healthcare access barriers within the chosen challenge area. This research will supplement existing research already conducted within the community.
* Explore a wide range of ideas, then narrow down those ideas to at least two proposed concepts they believe might solve the access barriers identified.

During the Challenge period, teams will strengthen the concepts through engagements with customers and other stakeholders, selecting one concept to prepare for implementation. The goal is for each community to show that their proposed solution 1) is wanted and will be used by customers – both riders and customers from the healthcare system, 2) is operationally and technologically feasible, and 3) is financially viable and sustainable.

**STATUS**

FACT has assembled a coalition of interested parties, including CAM members, who represent:

Lisa Madsen, SANDAG

Debbie Mejia, Sharp Memorial Hospital

Judi Bonilla, We Get Around

Carolyn King, Fresenius Medical Care - Dialysis Services

*The proposal is in development at this time.  FACT and the partners are reviewing the four transportation challenge areas listed above to select one are which will be the core focus of FACT’s proposal.  The proposal objectives will be presented during the Board meeting.*

**RECOMMENDATION**

**Staff requests the Board for authorization to submit an application for $25,000 for the Healthcare Access Mobility Design Challenge grant.**

**ITEM # 7**

**TO: BOARD OF DIRECTORS**

**FROM: Arun Prem, Executive Director and Meagan Schmidt, Service Development Manager**

**RE: Report on FACT owned vehicles**

**ISSUE**

This item reviews the status of all FACT owned vehicles and preliminary feedback on future lease arrangements.

**BACKGROUND**

Currently, all vehicles owned by FACT are leased to providers in the brokerage. The table below shows active (currently under lease agreements) vehicles and “pending” vehicles that are earmarked for FACT based on recently awarded grants:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Status** | **Grant** | **Vehicle Type** | **Quantity** | **Condition** | **Lessee/Provider** |
| ACTIVE | 5310 | Minivan | 3 | New | AAA Transport |
| ACTIVE | 5310 | Minivan | 4 | New | CityLink |
| ACTIVE | 5310 | Minivan | 1 | New | Renewing Life |
| ACTIVE | 5310 | Small Bus | 2 | Used | CityLink |
| ACTIVE | 5310 | Type I Bus | 1 | Used | Home of Guiding Hands |
| **Pending** | **NF** | **Medium Bus** | **1** | **Used** | **TBD** |
| **Pending** | **NF** | **Minivan** | **1** | **New** | **TBD** |
| **Pending** | **5310** | **Minivan** | **7** | **New** | **TBD** |
| **Pending** | **5310** | **Minivan** | **12** | **New** | **TBD** |
|  |  | **TOTAL** | **32** |  |  |

**FACT’s POLICY ON LEASING**

In August 2014, the Board amended the vehicle lease policy to make it possible to prioritize FACT objectives in the selection of vendors for lease of vehicles.

**DEMAND FOR VEHICLES AND PREFERRED OPTIONS**

The 5-seat accessible minivans are the most popular vehicle for paratransit services and there have been requests from several vendors for these vehicles. The vehicles are also suited for ADA paratransit trips due to the limited seating, smooth rider experience, and lower cost of operations.

FACT staff recommends leasing these vehicles to brokerage vendors who are involved in the LIFT service and other contracted services, and who have also shown interest in participating in other potential ADA paratransit trips.

It is anticipated that some of these vehicles will be recommended as replacements for FACT owned vehicles currently leased to vendors.

**RECOMMENDATION**

**STAFF seeks Board feedback on vehicles’ status as well as authorization to begin preliminary vehicle lease related discussions.**

**ITEM # 8**

**TO: BOARD OF DIRECTORS**

**FROM: Board Finance Committee (Hon. John Aguilera, Susan Hafner, Phil Monroe)**

**Arun Prem, Executive Director**

**RE: Finance Committee Report – March 18 meeting**

**ISSUE**

The Finance Committee met with FACT staff and Dennis Randall on March 18. A report on the discussion follows.

**Background:**

1. FY 2013-14 Financial audit follow-up – Internet access for Finance Committee Members to FACT’s banking information. This item was assigned to Finance Committee for review and to make a recommendation to the Board.

The auditor Inna Stens attended the February meeting at the Board’s request. She explained that the recommendation that Finance Committee members have access to FACT’s Banking information was not a finding and did not have to be addressed. In response to Board member queries she stated the oversight recommended by her was not an unusual process. The Board requested the Finance committee to look at the issue.

Phil felt the check register was adequate for financial control and fraud prevention; Susan committee enquired about SANDAG’s process for oversight over checks (Danielle had expressed confidence in the check register review proposed by FACT’s Board member during discussion). John asked whether the audit recommendation was a result of discontinuing two signatures on checks. Staff felt the two issues were related by the auditors. The committee asked Dennis if the recommended procedure was commonly used by non profits similar to FACT – Dennis related his experience at larger non profits and said is was very unusual for an agency the size of FCAT to subject to such scrutiny. The committee asked about the audit contractor (Sonnenberg & Co.) and the audit staff – Inna was the auditors during the two most recent audits. Dennis also mentioned that FACT was subject to another detailed audit by SANDAG – the annual TDA Audit which was for review of CTSA expenses but since they were matched by other grants, practically all of FACT’s expenses were subject to the TDA audit. The committee felt that the oversight provided by the audits and the check register was adequate. It was also felt that the FACT Board was comprised of volunteers who were not required to have finance related qualifications and it was an undue requirement to be placed on board members given other controls that were in place.

1. Update on Year 2015 SANDAG & Caltrans grants – an update on recently approved SANDAG grants for mobility management and ride reimbursements as well as vehicles; and Caltrans grants for mobility management and vehicles.

On March 27 the SANDAG Board of Directors **approved** the funding recommendations for the Section 5310 and *TransNet* Senior Mini-Grant programs.

|  |  |  |  |
| --- | --- | --- | --- |
| **SANDAG GRANTS** | **YEAR 1** | **YEAR 2** | **TOTAL** |
| **SMG MOBILITY MGT** | $400,000 | $400,000 | $800,000 |
| **SMG RIDEFACT** | $385,000 | $300,000 | $685,000 |
| **5310 vehicles** | $115,714 | $154,286 | $270,000 |
| **TOTAL** | **$900,714** | **$854,286** | **$1,755,000** |

* + FACT received the largest award of all the applicants
	+ All 3 projects proposed by FACT were funded in this cycle; trip reimbursement and vehicles were awarded 100% of the requested funds. Admin (Mobility Management) was awarded at 86% of the requested amount.
	+ All projects are 100% funded – there is no requirement for matching funds
1. 5-year ride projections – updated ride projections based on new grants from SANDAG and Caltrans.

It is expected that FACT will provide a total of 44,368 one-way trips during FY 2015-16. This projections are 12, 915 (41%) more than the current year projections of 31, 453 one way trips.

The projections include approx. 14,000 one-way contracted trips.

While other contracted services continue to operate predictably, the First Transit ridership is still volatile. FACT has provided the service for nearly a year at this time. First Transit demand will be updated based on running averages.

Phil recommended restructuring some of the rows of data to show the rides funded by the same grants in one area of the table. He asked staff to present the information more clearly. A revised table will be presented during the Board meeting.

1. 5 yr-revenue & expense projections – The projections were updated to include the recently approved SANDAG grants.

This set of projections compares FACT’s fixed expenses and the funding that has been confirmed (approved grants and annual CTSA funds) to meet the expenses. This analysis is an indicator of FACT’s ability to maintain its current level of fixed expenses, including salaries and benefits at the current levels, over the next 5-year period.

Based on current funding commitments it appears that FACT has sufficient funds to maintain current levels of overheads and fixed expenses over the next 2 fiscal years – FY 2015-16 and FY 2016-17. In FY 2017-18 the deficit is $12,412. In year 2018-19 the deficit will grow to $455,352.

This trend has been consistent throughout FACT’s history. FACT is generally assured of funds for 2 years into the future.

During the last 3 years FACT has been able to add significantly to its reserve funds – the reserve has created the ability to cushion potential future deficits. The reserve funds are the result of:

* Reduced use of CTSA funds for Mobility Management expenses; the balance of the CTSA allocation converts to unrestricted assets
* Increased revenue from contracted services
* Most recent grants are 100% funded (No match requirement)
* New grant funded vehicles have made it possible to offer some contracted trips at no cost, thus improving the net revenue

|  |
| --- |
| **NET ASSETS AS PER FY 2014 FINANCIAL AUDIT** |
|  | **FY 2012-13** | **FY 2013-14** |
| **Unrestricted Assets** | $73,082 | $174,534 |
| **Temporarily Restricted** | $60,831 | $108,081 |
| **TOTAL Net Assets** | **$133,913** | **$282,615** |

As of June 30, 2014, FACT had an unrestricted fund balance (reserve) of $282,615. According to the January 2015 Balance Sheet the total net assets are $417,131

1. Preliminary discussion regarding FY 15-16 Budget – A review of issues and major expenses that will be reflected in the DRAFT FY 15-16 Budget:

Review of Budget vs. Actual expenses, and other issues:

According to the January 2015 Budget vs. Actual expenses – the total expenses were 9.57% under budget. There were 3 major individual line expenses that were over budget – vehicle insurance, legal fees and audit fees. While the expenditures were not large, the percentage increase in spending was high because all the expenses were unanticipated. Insurance and audit fees will need to be increased in the next budget. The legal expenses were high due to the dispute with Sol transportation – a non recurring event.

Most other expense categories will need to adjusted for CPI and growth in staff hours.

Potential new expenditure:

* Full time entry level accounting employee – a number of accounting duties - the invoicing for contracted services, audit of FACT’s contractor’s invoices, invoicing SANDAG, Caltrans and 211 for grant reimbursements and other compliance activities are currently being handled by several FACT staff and Dennis. In the next fiscal year 2015-16 it may be necessary to consolidate all the related activities in a new Accountant position.

The committee reviewed the budget vs actual expenses for January 2015 and discussed the need for an accountant position.

Currently FACT has 8 FTE employees. If the above positions are approved, it will increase the position count to 9.

FACT staff organization:

6. Issues related to growth of contracted services – during the Board discussion on enforcement of

 City of San Diego taxicab regulations, it was recommended that this item be reviewed by a committee, “Board member Susan Hafner recommended discussing the issue with the regulatory agency, MTS before the policy agency, the City of San Diego. The Board requested SANDAG’s help with addressing the issue. Dave appointed John (lead), Bob, and Susan to a subcommittee to discuss issues related potential growth of contracted services. Arun said this was essentially the Finance Committee and recommended combining the discussion with other Finance Committee related topics.”

Since the Board meeting SANDAG staff has informed FACT that they have initiated some discussions with MTS. SANDAG is interested on working with MTS to mitigate the impact of enforcement on FACT and similar nonprofit social/special needs services. FACT has initiated a dialogue with Thyme Curtis, Director of San Diego Office for Accessible Services. Thyme will attend FACT’s next CAM Meeting in April 2015 to discuss the City’s enforcement program.

The committee discussed the enforcement issue reported by a FACT vendor, and the organization of San Diego’s taxi regulation program as well as the impact of the enforcement on providers as well as clients.

Phil Monroe and Susan Hafner felt the issue required a legal review to understand the various regulations involved. They felt the CTSA mandate may exempt FACT from enforcement. It was recommended that the San Diego City Attorney be requested to review the issue and apprise FACT of the status of the regulations and whether they applied to FACT.

**RECOMMENDATION**

**Staff requests Board members to review the Finance Committee’s recommendations regarding the discussion items on the Committee’s recent agenda.**

|  |  |
| --- | --- |
| **ITEM # 9** |  |

**TO: BOARD OF DIRECTORS**

**FROM: Arun Prem, Executive Director and Meagan Schmidt, Service Development Manager**

**RE: FACT Services update**

**ISSUE:**

This item presents a monthly RideFACT and contracted services update.

**BACKGROUND:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Jan- 2015** |  | **Feb-2015** |
| **SERVICE** | **ONE- WAY TRIPS** | **SERVICE** | **ONE-WAY TRIPS** |
| **FT** | **52** | **FT** | **245** |
| **Poway** | **409** | **Poway** | **380** |
| **Oceanside** | **408** | **Oceanside** | **375** |
| **SDCOE** | **127** | **SDCOE** | **272** |
| **TOTAL** | **996** | **TOTAL** | **1,272** |

**City of Oceanside Senior Van Service:**

In August 2013, FACT was awarded a contract to provide transportation for the City of Oceanside’s Senior Van Shuttle. The contract amount is $ 66,150 for an 11-month contract ending June 30, 2014. This service is available to Oceanside residents for trips within the city and neighboring cities and some medical destinations. Approximately 1,400 clients are pre registered to use this service.

From September 2013 – February 2014, FACT has invoiced City of Oceanside for 5,231 trips for $70,409.03.

The feedback from the City of Oceanside staff has been positive. FACT staff recently met with Oceanside staff to review renewing the contract from July 1, 2014 – June 30, 2015 and provided a revised rate structure with a provision for payments for No-shows, and small adjustments to the rate. The contract extension was approved by the Oceanside City Council in August 2014. The contract amount is $73,500.

**SDCOE Foster Youth transportation contract**

The San Diego County Office of Education (SDCOE) contracted with FACT to provide transportation for eligible foster youth in December 2013. Service was implemented in February 2014.

The SDCOE received a grant that funds efforts to enable foster youth to continue to attend the “home” school after they are relocated to foster homes. The agreement between SDCOE and FACT involves getting drivers qualified for the special requirements and proving trips from home to school and back.

FACT planned to procure trips for this service from two brokerage vendors – CityLink and Crae4U Mobility. Care4U had difficulty with scheduling drivers for this contract.

FACT proposed a flat per mile rate for transportation based on quotes received from vendors with an add-on for FACT’s administrative expenses and overheads.

The value of the contract is $150,000 for a term ending in September 30, 2014. SDCOE and FACT staff met in July to review the extension of the contract through February 1, 2015. The feedback regarding the service has been positive.

At the direction of the Board, Arun sent an e-mail to SDCOE requesting an amendment to the contract to include reimbursement for deadhead mileage, driver availability expectations and payment terms. A meeting was requested if these terms were not accepted. An amendment from SDCOE with the revised terms was received and signed in early September. The amendment will go into effect October 1, 2014.

In late August, FACT received an RFP notice from SDCOE for a new contract term to provide transportation services to foster youth from October 1, 2014 – October 1, 2015 with up to four one-year options to renew. FACT submitted a proposal including the terms of the amendment on September 17th. On October 7th FACT received a letter naming it as one of the vendors awarded the contract for Foster Youth transportation. There are 2 other vendors who have also been awarded this contract.

From February 2014 - February 2015, FACT has invoiced SDCOE for 1,798 trips for $77,278.20.

**Poway Adult Day Health Care Transportation Service Contract**

In January 2013 FACT entered into an agreement with Poway ADHCC in order to provide transportation to approximately twenty four (24) of the Centers clients. The clients are all seniors who are unable to use other modes of public transportation due to varying degrees of physical and/or cognitive disabilities. The agreement involved transportation of clients from their homes to the Center in the morning and back home during the afternoon. Due to the large group of clients, FACT was able to work with a provider to group riders on a few buses in a cost effective manner.

This contract generated approx. $60,000.00 net revenue for FACT during the first completed year of service (calendar 2013). It is likely that the services provided under this contract will be extended to include new riders from Ramona. A total of 9,708 trips have been provided from January 2013 - February 2015, $134,134.87 has been invoiced. As of August 1, 2014 FACT has provided the service with the help of a new contractor, Safety First, who took over the service from Sol Transportation. FACT and SF are working with the Poway staff to ensure a smooth transition to a new vendor.

**Elderhelp Program - New Service Contract**

During February 2015 the Elderhelp Program based in San Diego (6150 Mission Gorge Road), approached FACT for contracted transportation services.  Elderhelp provides personalized services and information that help seniors remain independent and live with dignity in their own homes.  They provide transportation services – Seniors-A- Go-Go, as well as volunteer services.

Elderhelp was seeking approx. 20 one way trips a week to supplement the transportation they already provide.  The trips are in the southern San Diego County including City of San Diego.  FACT would provide individual rides from home to destination and back.  The request also included occasional group rides.

Elderhelp requested FACT to respond immediately to the request for a quote.  FACT consulted with vendors and prepared a proposal which would offer services using a FACT owned vehicle operated by Renewing Life (brokerage member).

Due to the timing of the request (no Board meeting between Feb 5 and March 26), staff offered Elderhelp a temporary service contract (March 9 – April 9, 2015) which would be extended subject to review and approval by the Board.

Service began on March 12th. Approximately 20 one way trips have been provided.  Elderhelp is pleased with the quality of the service.  This service allows us to offer competitive prices because there is no cash reimbursement for the brokerage vendors and the revenue generated by this service will be net revenue except for the allocated overheads and fixed expense.

**Discussion with San Diego Regional Center**

On March 18th, Arun Prem and Meagan Schmidt met with Anthony Ferguson, Transportation Manager, at the San Diego Regional Center.  We discussed their transportation service model and the current transportation arrangements in place.  The SD Regional Center caters to the transportation needs of 9,000 clients a day.  The services are provided through coordination with transit, paratransit services as well as a number of transportation contracts with taxi cab services.  Mr. Fergusson explained that the Regional Center rates were capped by the State at a flat rate of approx. $6.50 per one way trip.  He explained that the trips/clients were assigned to transportation vendors in the order of their entry in the service, therefore a new vendor may not reach the level of trips needed to make the service feasible for a number of years.  The existing vendors who had long term contracts were serving large volumes of grouped rides, which made the service feasible for them.  We asked him to consider using FACT as a specialized contracted service similar to LIFT and ACCESS, which may allow the Regional Center to apply different rates for the service.  Mr. Ferguson was receptive to the idea and agreed to look into it.  We also discussed other coordination opportunities.  Mr. Fergusson provided us with referrals for several other vendors who were eligible for FACT’s brokerage.

**RideFACT Service statistics ytd for fiscal year July 2012 – February 2015**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **RideFACT + Contracted** | **RideFACT One way trip requests** | **Referrals-external** | **Referrals to** | **RideFACT + Contracted** | **RideFACTAv. trip cost** | **RideFACT Av trip** |
|
| **FISCAL YEAR 2012-13** |
| **SubTotal** | **14541** | **2242** | **12289** | **6623** |  |  |
| **Contracted** |  |  |  | **1051** |  |  |
| **FISCAL YEAR 2013-14** |
| **Jul-13** | **2,067** | **194** | **1,873** | **860** | **$16.74**  | **12.2** |
| **Aug** | **2,308** | **162** | **2,146** | **1,062** | **$16.95**  | **12.7** |
| **Sep** | **2,608** | **115** | **2,493** | **1,020** | **$20.43**  | **12.1** |
| **Oct** | **2,655** | **165** | **2,490** | **1,097** | **$21.06**  | **12** |
| **Nov** | **2,582** | **170** | **2,412** | **968** | **$21.39**  | **12.2** |
| **Dec** | **2,389** | **115** | **2,274** | **959** | **$20.77**  | **12.1** |
| **Jan-14** | **2,690** | **174** | **2,516** | **995** | **$16.31\*** | **11.7** |
| **Feb** | **2,570** | **140** | **2,430** | **944** | **$19.45**  | **11.7** |
| **Mar** | **2,725** | **120** | **2,605** | **996** | **$19.52**  | **12.2** |
| **Apr** | **2,711** | **151** | **2,560** | **956** | **$18.97**  | **12.1** |
| **May** | **2,970** | **154** | **2,816** | **1,057** | **$19.53**  | **11.7** |
| **June** | **3,009** | **214** | **2,795** | **1,008** | **$19.68**  | **11.5** |
|  |  |  |  |  |  |  |
| **Subtotal** | **31,284** | **1874** | **29,410** | **11,922** |  |  |
| **Contracted** |  |  |  | **9,361** |  |  |
| **FISCAL YEAR 2014-15** |
| **July** | **2,763** | **172** | **2,591** | **891** | **$19.13**  | **11.9** |
| **Aug** | **2,700** | **140** | **2,560** | **870** | **$18.15**  | **12.1** |
| **Sep** | **2,768** | **123** | **2,645** | **857** | **$18.75**  | **12.1** |
| **Oct** | **2,976** | **118** | **2,858** | **1,038** | **$19.63**  | **11.9** |
| **Nov** | **2,702** | **89** | **2,613** | **794** | **$20.36**  | **12.3** |
| **Dec** | **2,549** | **102** | **2,447** | **905** | **$20.96**  | **13.2** |
| **15-Jan** | **2,694** | **128** | **2,566** | **882** | **$17.99**  | **12.2** |
| **SubTotal**  | **19,152** | **872** | **18,280** | **6,237** |  |  |
| **Contracted** |  |  |  | **8,959** |  |  |
| **TOTAL** | **64,977** | **4988** | **59,979** | **44,153** |  |  |

**\*NOTES** As of January 2014 we are reporting the average per trip cost based only on trips that were purchased from the Brokerage at regular Brokerage rates; those trips comprise the majority of RideFACT trips. July ’13 onwards numbers were updated to reflect the new process.

**Updated version of the Rider Acknowledgement Form:**

FACT is a nonprofit agency operating within San Diego County.  We provide RideFACT transportation to assist seniors and occasionally others who are unable to find suitable transportation.

We began providing transportation in 2010.  So far, we have provided over 50,000 trips for medical, social or other purposes.

This document briefly explains our service.  We ask that you read this document and sign it if you would like to request transportation.

(All riders must sign this Acknowledgement to be able to request transportation after June 1, 2015)

Acknowledgement

I understand that RideFACT transportation is paid for by tax dollars –the fare paid by riders is a very small share of the cost.  Therefore RideFACT transportation is only offered to those individuals who have no other suitable means of transportation.

I also understand that FACT cannot guarantee that a trip will be available when I request it.  Occasionally trips that have been confirmed may arrive late or be canceled due to reasons beyond FACT’s control.

I understand that RideFACT is a shared ride service.

Code of Conduct:

“All RideFACT staff and riders shall act with respect towards others, observing their privacy and safety.  Physical or verbal harassment or abuse of any kind towards staff, contractors or riders will not be tolerated and will result in the participant being asked to leave the program.”

I have read the above statements.  I agree to comply with FACT’s policies and Code of Conduct.

Please Print Full Name                                                           Date

Signature

**RECOMMENDATION:**

**Staff seeks:**

* **Board’s feedback regarding the information presented in this item;**
* **Board’s authorization to extend the temporary Elderhelp service contract through March 9, 2016.**

**ITEM # 12**

**TO: Board of Directors**

**FROM: Arun Prem, Executive Director**

**RE: Executive Director Report**

**Meetings and Events 2/5/15 – 3/25/15**

 2/6 CalACT Board meeting

 2/10 CAM Meeting

 2/10 Meagan and Oswaldo attended VTCLI - One Call One Click Project Team Meeting

 2/12 Mtg. with Brian Selwyn, NCTD

 2/17 Leticia attended ADA Ride review group

 2/17 Conference Call: Mobility Management Conference Committee Route Meeting

 2/18 APTA Mobility Management Leadership Call

 2/18 NCTD - Drug & Alcohol Audit

 2/20 Annual 2-1-1 Connections Luncheon – Phil, LaVonna, Arun, and Meagan attended

 2/23 D&A Mtg with First Transit

 2/24 Oswaldo attended VTCLI Bidder's Conference

 2/24 Meagan and Arun met with NCTD and First Transit - D&A corrective action plan

 2/24 Mtg. with Julie Austin

 2/25 Meagan and Arun met with Renewing Life

 2/26 Meagan and Arun met with Elderhelp

 2/26 Meagan and Arun met with Ben Macias, Coordinated Fleet Services

 3/5 Leticia attended MTS Accessible Services Advisory Committee Mtg.

 3/6 Oswaldo attended MTS donated vehicle evaluation mtg.

 3/6 Oswaldo - grants debriefing at SANDAG

 3/11 Meagan, Budd, and Oswaldo participated in VTCLI - One Call One Click conf. call

 3/11 Arun attended Executive Health and Trans. /Rides Wellness Summit in Washington

 3/16 2-1-1 inContact training for FACT Staff

 3/16 Meagan attended SSTAC

 3/16 Board Agenda Planning Mtg.

 3/17 Meagan and Arun met with Fun, Love & Care

 **3/18 FACT Finance Committee Mtg.**

 **3/18 Meagan and Arun met with San Diego Regional Center**

 **3/19 Meagan met with Amanda Lasik from SD Foundation**

 3/20 Phone system SIP reconfiguration to allow FACT to use inContact

 **Upcoming Meetings and Events:**

4/14 CAM Meeting

 4/14 - 4/16 CalACT 2015 Spring Conference & EXPO

 4/23 FACT Board Meeting

 5/25 Office closed for Memorial Day