



Facilitating Access to Coordinated Transportation

Meeting Agenda and Notice  
**FACT Annual Board of Directors Meeting**  
**December 16, 2014, 8:30 am\***  
County Administration Center, Rm 302  
1600 Pacific Highway, San Diego, CA 92101

**AGENDA**

**Informal meet & greet, refreshments**  
**8:30am\***

**Annual Meeting Call to Order**  
**9:00am**

1. Introductions
2. Approval of November 20 Board Meeting minutes p-2  
ACTION
3. Public Comment  
INFORMATION
4. Board Chair's Report  
PRESENTATION
  - 2014 Year in review
  - New RideFACT video
  - 2014 Annual Report
5. Keynote Address p-11  
PRESENTATION  
Gregory E. Knoll, Esq., Executive Director and Chief Counsel  
Legal Aid Society of San Diego
6. FACT Annual Financial Audit and SANDAG/TDA Audit for FY 2014 p-12  
ACTION
7. Annual Board of Directors Retreat - proposed date and location p-14  
ACTION
8. Executive Director's Report p-15  
INFORMATION
9. Board Officer Elections p-16  
ACTION
10. Board Member Comments; closing remarks  
INFORMATION

**ADJOURNMENT**

**Informal meet & greet, refreshments**

**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**

November 20, 2014

Encinitas City Hall

505 S. Vulcan Avenue, Encinitas, CA 92024

Board Members Attending	Susan Hafner, Phil Monroe, Hon. Tony Kranz, LaVonna Connelly, Bob Campbell, Hon. John Aguilera
TAC Members Attending	Lois Knowlton-Friends of Adult Day Health Care, Danielle Kochman-SANDAG
Board Members Absent	Hon. Dave Roberts, Norine Sigafoose, Hon. George Gastil
Staff Attending	Arun Prem, Meagan Schmidt, Budd Anderson, Oswaldo Perez
Public/Guests	Mark Maloney-First Transit, Bruce McGrath-AAA Transport, Cynthia Sanders-CityLink, Mike Steele-CSUSM Senior Experience Team, Sachiko Kohatsu-County of San Diego, Camey Christenson-211 San Diego
Introductions	Vice Chair Bob Campbell called the meeting to order at 9:00AM. Phil Monroe led the group in the Pledge of Allegiance. Introductions were made. Sachiko discussed her experience as a policy advisor to County of San Diego Supervisors Pam Slater Price and Dave Roberts and announced her retirement effective December 2014. Bob thanked Sachiko for her wonderful public service and support for FACT.
Approval of September 25, 2014 Board Meeting minutes	<b>Motion to approve the September 25, 2014 Board Meeting minutes made by Tony Kranz. Second by John Aguilera. The motion passed unanimously.</b>
Public Comment	Bob discussed California State University San Marcos's (CSUSM) Senior Experience program. He introduced Mike Steele from the Senior Experience Team assigned to FACT. Mike provided a summary of the team and the scope of their project. The team's on campus presentation was scheduled for December 2, 2014 and the Senior Experience trade show was scheduled for December 11, 2014. Bob said the Senior Experience program provided great value for the students and sponsor organizations. Arun and Bob thanked Mike for providing an update on the project. Arun explained that the team was drafting a policies and procedures handbook as well as a rider acknowledgement statement. Signing the acknowledgement statement would indicate that the rider was aware of FACT's policies and procedures. Arun said when finalized the handbook and rider acknowledgement statement would be provided for Board review. He said the team was very impressive and he looked forward to seeing the final product.

FACT Board Meeting Calendar Year 2015	<p>Arun reviewed proposed Board Meeting dates for 2015 and requested Board feedback. Bob highlighted the importance of the Board Retreat which was tentatively scheduled for March 26, 2014. Arun said confirmation of the dates was needed to reserve rooms and begin planning. He said in the past a Board Retreat Planning Committee was appointed to help with the preparation. He said if recommended, the committee should be formed soon to begin planning. Bob asked Board members to contact Arun if they had any issues or schedule conflicts with the proposed meeting dates. Arun said the Board Retreat was typically held from 8:30AM to 1:00PM. Phil asked which topics needed to be discussed at the retreat. Arun said several service development issues needed to be addressed. Bob added that the retreat provided an opportunity to reflect on FACT's growth and review the organizations primary goals. Danielle Kochman indicated that she would not be available in March, but was available in February or April. Arun recommended approval of the 2015 FACT Board Meeting calendar and indicated that the retreat date could be determined later.</p> <p><b>Motion to approve the 2015 FACT Board Meeting calendar made by John Aguilera. Second by Phil Monroe. The motion passed unanimously.</b></p>
Caltrans 5310 grant application, Board Resolution	<p>Oswaldo Perez said there was \$13 million available statewide for Section 5310 projects. Projects were capped at \$300,000 for a 2 year grant. FACT would apply for \$240,000 with a \$60,000 match to be funded by toll credits. He said the funds would be used to support FACT's mobility management services and call center operations focused on rural areas. The draft proposal was due to SANDAG on December 1, 2014. SANDAG would score the applications and forward them to Caltrans for final scoring. Staff requested Board approval to submit a grant application and resolution for Caltrans FY 13-14 Section 5310 Program funds.</p> <p>Phil asked for clarification on the project being funded by the grant. Oswaldo explained that the funds would be used to continue mobility management services and evaluate feasibility of expansion into rural areas, particularly the rural north and east part of the County identified in SANDAG's Coordinated Plan. This would include continued management of FACT's brokerage and the solicitation of vendors willing to provide transportation in rural areas. Phil asked if the funds could be used to provide transportation. Oswaldo said the funds could be used to administer transportation and outreach, but not to purchase transportation.</p> <p>LaVonna asked for clarification on the funding source because she was</p>

	<p>under the impression that 5310 funds were used to purchase vehicles. Oswaldo explained that under new Federal legislation, Map 21 merged the New Freedom and 5310 Section programs. Eligible projects under New Freedom were now part of the new Section 5310 program. Arun said there has always been a provision under Map 21 to use a portion of capital funds as operation funds for mobility management services. He indicated that California chose not to use that option in the past, but with the merger of the programs it has become a universal option. Since FACT was facing a potential deficit, administrative funds were a priority over vehicles. He noted that it was difficult to find vendors willing to lease and operate the 5310 vehicles. LaVonna asked if it was possible for applicants to acquire 5310 vehicles and funding to operate the vehicles under the new program. Arun felt that it was not possible, but indicated that Danielle might be better suited to answer the question. Danielle said the funding was merely consolidated under one name, but the type of projects eligible had not changed. She said based on the apportionment for the region, there was actually less funding available. She indicated that past applicants have obtained vehicles through Section 5310 and operating funds through SMG or New Freedom. Tony asked if the standard agreements were expected to be signed around February 2016. Oswaldo confirmed and indicated that the timeline was taken from the Caltrans FACT sheet.</p> <p><b>Motion for approval to submit a grant application and resolution for Caltrans FY 13-14 Section 5310 Program funds made by Tony Kranz. Second by Phil Monroe. The motion passed unanimously.</b></p>
<p>Board Officers Nominating Committee Report</p>	<p>Bob said the Board appointed a committee including LaVonna, Tony, and himself to nominate FACT Board Officers for 2015. LaVonna was Chair of the committee. LaVonna announced the committee’s recommendation to re-nominate current officers - Dave Roberts as Chair, Bob Campbell as Vice Chair, Susan Hafner as Treasurer, and LaVonna Connelly as Secretary.</p> <p><b>Motion to approve the Board Officers Nominating Committees recommendation for 2015 FACT Board Officers made by John Aguilera. Second by Phil Monroe. The motion passed unanimously.</b></p> <p>Bob said the officers would be confirmed by a Board vote at the Annual Meeting. LaVonna encouraged Board Members to consider their level of interest in serving on Board committees or as a Board Officer in the future. Tony thanked Board Officers for their continued service. Arun thanked the committee for their assistance with the nominations. Bob indicated that he would not serve as Chair or Vice Chair in 2016 and felt that it was time</p>

	to begin developing new Board leadership.
Software and Service Development Committee Report	<p>Arun said the Software and Service Development Committee met on October 23, 2014 to review the status of software procurement and options for managing service demand. Attendees included Peter Battistel, Todd Lordson, Danielle Kochman, LaVonna Connelly, Bob Campbell, and FACT Staff. He said the software would be funded by the VTCLI project and a tentative amount was included in the VTCLI budget. He said 2-1-1 had previously agreed to FACT's request to build some flexibility into the MOU in case the actual cost of the software varied from the estimated cost. 2-1-1 recently hired IT Optimizers, a consulting firm to assess the compatibility of FACT's telecommunication system and 2-1-1's InContact system. He said FACT met with the consultants on October 20, 2014 and a follow up meeting was anticipated in the near future to review FACT's services, operations, and technology. Arun said from his understanding, the dispatch software would be treated as a separate product because it did not align with 2-1-1's system. He indicated that the IT consultant would advise FACT and 2-1-1 on how to integrate the software with 211's system. Since the VTCLI funds were from USDOT, he recommended an open competitive procurement process to select a software vendor.</p> <p>Demand management - RideFACT demand was growing, but funding was static and limited. Arun said FACT would need to determine how to limit the availability of RideFACT trips in order to remain within the funding constraints. The committee discussed capping trips per rider based on mileage, cost, or total number of trips. Some limit/parameters were difficult to track and may be perceived as unfair based on individual rider needs. The committee discussed a two tier price structure that would allow riders additional trips after their limit was met by paying a higher fare to offset the cost. He said the committee had a good discussion, but did not come to any conclusions to offer a recommendation. The committee requested additional statistics on ridership - the average number of trips per rider and the average cost per one way trip. The committee discussed how many vendors should be contacted before a trip was denied. Arun explained that certain areas had limited coverage, especially for non-ambulatory trips and in some cases there was a huge price jump from one vendor to the next. He said a consistent price differential cap maybe needed to justify not being able to provide certain trips. He recommended that the Software and Service Development Committee reconvene in the near future, and continued discussion during the Board Retreat. He said hopefully the committee could meet in early</p>

	<p>January. Bob encouraged Board Members to participate in the meeting.</p> <p>Phil requested that a histogram be developed to include the number of trips and the cost spread. Danielle offered SANDAG’s assistance with analyzing the data. Susan said the Board may need to form a policy that identified the subsidy amount per trip and allowed riders the option to pay the difference over the subsidy. Bob said he liked the idea of giving clients options instead of turning them away. Phil asked to see the provider rates in order to further understand the price differentials. Arun said FACT did not disclose the provider rates, but they were available for Board review. Phil wondered if the contracts should be public information since FACT was a public agency. Arun said from his understanding the contracts would only be open to the public if they were subject to Board review where the rates would be disclosed at the time the contracts were approved. He said the contracts were not open to a bid process and the brokerage rates were options offered by the providers. Providers signed an agreement and separately provided their rates. The documents may be subject to disclosure rules, but so far no requests had been made. Bob asked Susan if she had any insight on the topic. Susan said there were a lot of variables involved and she was not in a position to provide a clear understanding. She said as FACT grew the process should be consistent, but it was difficult to compare a non-profit like FACT to a public entity like MTS. She said if in doubt it was better to error on the public information side. Bob suggested referencing SANDAG, the County of San Diego, NCTD, and local cities for policy examples.</p> <p>For the months of July, August, and September 2014 Arun reviewed the number of one way trips, unique riders, ambulatory riders, non-ambulatory riders, average miles per one-way trip, average cost per one-way trip, and the average number of one-way trips per rider. He explained that the figures did not include contracted services. Bob asked Meagan Schmidt what the highest number trips were for one rider. Meagan indicated that some riders traveled five (5) times (10 one-way trips) a week to dialysis treatment. Phil asked how many brokerage providers were involved in the data presented. Arun said around 5 or 6 providers. Phil requested a breakdown of the cost spread amongst the providers for an average one-way trip. He asked if FACT’s data included the date, rider, distance, cost, and reason for each trip. Meagan said the information was available, but each trip would have to be compiled for each unique rider. Arun said a lot of data was available, but separating and analyzing it according to certain specification took time. He said once the software was in place data analysis would be more efficient.</p>
FACT owned	Arun explained that FACT had terminated all agreements with Sol

<p>vehicle update; lease recommendations</p>	<p>Transportation. Sol returned the seven (7) 5310 vehicles FACT had leased to them. He said FACT had the vehicles inspected before they were returned. FACT's attorney sent him a final mutual release. Once all pending transactions were cleared, FACT would sign the release and conclude the process.</p> <p>Arun said FACT was currently in possession of nine (9) vehicles - seven (7) 2013 accessible Dodge Minivans and two (2) 2013 Ford small buses. Parking was arranged for the vehicles until they were leased to selected vendors. During the August meeting the Board amended the vehicle lease policy to prioritize FACT objectives in the selection of vehicle lessees. He explained that CityLink was the only brokerage provider interested in the 2 small buses. CityLink had the ability to support the large vehicles which required commercial B class driver's licenses. CityLink would use the vehicles to support FACT's transportation services. He reminded the Board that they authorized staff to proceed with lease agreements for the 2 small buses and indicated that he was working with CityLink on an agreement. He said Safety First, Renewing Life, AAA Transport, and CityLink expressed interested in leasing the Dodge Minivans. Out of the 4 providers FACT staff felt that CityLink and AAA Transport had the capacity and were reliable for maintaining, operating, and reporting on the vehicles. He indicated that CityLink requested 4 minivans and AAA Transport requested 3 minivans. The providers would use the vehicles to help support and expand FACT's services. Once the agreements were concluded the vehicles would be removed from FACT's insurance policy.</p> <p>Arun said that MTS had approached FACT to explore the option of subcontracted transportation for MTS. He said hopefully FACT would be able to ramp up its capacity to meet the level of demand. He said 2 large 2014 Dodge vans and 1 medium Ford bus were ready to be delivered to FACT. FACT applied for these vehicles several years ago from Caltrans to be used for rural transportation. Once the vehicles were received, staff would review lease recommendations with the Board.</p> <p>Staff requested Board authorization to proceed with negotiations for the lease of seven (7) 2013 minivans. Arun said that Bruce McGrath from AAA Transport and Cynthia Sanders from CityLink were present to answer any questions from the Board. He said the market value of each vehicle was being determined and both vendors have agreed to a per mile rate that would draw down on the market value of the vehicles. He said FACT would utilize the lease arrangement to perform trips that were occasionally denied. The agreements have been revised to allow FACT to terminate agreements for cause/ convenience.</p>
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	<p>Bruce McGrath said it was a good and fair program that would help expand services. He said due to the growing need for accessible transportation, the minivans were an attractive resource to accommodate a different segment of their business. He said FACT and AAA Transport had thoroughly discussed the needs of both parties and felt that they had reached a good agreement. Cynthia Sanders said the lease terms were strict, but after some negotiations with Arun regarding CityLink’s service hours and service area she walked away feeling comfortable with the agreement.</p> <p><b>Motion to authorize staff to proceed with negotiations and agreements with brokerage vendors for the lease of seven (7) 2013 minivans made by Phil Monroe. Second by John Aguilera. The motion passed unanimously.</b></p> <p>Bob said it was important that the agreements were mutually beneficial for both parties. He thanked CityLink and AAA Transport for working with FACT. He noted that John had to leave the meeting early and asked him if there was a particular item he wanted reviewed before he departed. He congratulated John on being reelected as a Vista City Council member. John thanked Bob and said he would like to review the Budget.</p>
<p>Monthly Financial reports</p> <ul style="list-style-type: none"> <li>• Audit update</li> </ul>	<p>Arun said the regular monthly financial reports which included a copy of the check registry were available for Board review. He said FACT’s legal fees had gone up significantly as a result of the vehicle lease dispute. The expense statement showed unexpected increases in healthcare and benefit costs. The benefits were not budgeted at the correct level. He said there were several budget items that would require amendments in the future when grants were approved. John asked if Arun knew the cost of staff healthcare for next year. Arun indicated that healthcare was a fixed cost and explained that FACT employees receive a \$200 medical allowance per month. Phil asked for clarification on the check issued to Meagan for \$1,064. Arun explained that the payment was a travel expenses reimbursement. Staff sometimes paid for expenses and were reimbursed by FACT later. Bob asked if FACT worked on a per diem allowance basis. Arun said staff was entitled to approximately \$50 per diem allowance per day for out of town business exceeding more than a half day.</p> <p>Arun said a Finance Committee meeting needed to be scheduled before the next year’s budget planning process began. He indicated that both the Internal Audit and TDA Audit have been completed. The Internal Audit report was complete and there were no recommendations. As FACT’s operations grew more complex, the audits were becoming increasingly</p>

	<p>difficult. At a prior meeting Arun informed the Board that FACT had spent over \$500,000 of Federal funds within one year which exceeded the threshold requiring a single audit. Shortly after FACT realized they owned SANDAG a \$23,000 refund for Oceanside contract related spending, which decreased FACT's spending to below the threshold. Due to the back and forth communications and additional investigations, FACT's audit costs increased by a couple thousand dollars. He said both audit reports would be available at FACT's Annual Meeting.</p> <p>John asked what the Community Outreach Budget line Item represented and why spending was down. Arun said FACT performed very little outreach due to limited staff, but the line item included marketing material such as rack cards, RideFACT Riders Guide, and the FACT Video. He indicated that there was \$3,000 of County funding available for the video.</p>
<p>FACT Services updates</p>	<p>Meagan reviewed monthly services updates. She explained the Oceanside and Poway contract trips were removed from the line graph, so the graph appeared to have a decrease in ridership. 857 RideFACT trips were provided in September 2014. Bob noted that if someone saw the graph without an explanation they would think ridership fell dramatically. He requested that a dotted line representing contracted trips be incorporated in the graph. Arun said staff planned to include contracted trips on the graph in future, and apologized for the incomplete data. Phil asked why Oceanside and Poway trips were being removed from the line. Arun explained that staff was working on representing RideFACT trips on a separate line from contracted trips. Phil suggested removing the contracted trips from the RideFACT line for the entire year in order to represent the data consistently. Bob and Phil said having a separate line for contracted trips, RideFACT trips, and total trips would be helpful. Meagan said a total of 13,399 trips were provided from January 2014 to September 2014. The average trip cost was \$19.21 and the average trip distance was 11.9 miles for September 2014. Bob asked if the spread between the fare and the cost was available. Arun explained that FACT paid providers net of the fare and the information was reported on provider invoices for each trip. He said going forward the data could be added to the chart.</p> <p>Meagan reviewed data on dialysis trips. Bob asked if staff was aware of any potential for FACT being reimbursed for dialysis trips. Arun indicated that there appeared to be a legal barrier in the dialysis industry prohibiting centers from paying for transportation. The centers were trying to work around this barrier by donating to nonprofit organizations. He said he was not sure how to access this funding or if FACT was eligible.</p>

LaVonna wondered if there was a kidney association that may be discussing the issue of dialysis transportation were FACT could join the dialogue. Phil asked what percentage of the budget funded dialysis trips. Arun said the percentage of dialysis trips was roughly in the range of 20% to 25%.

Cynthia asked where the dialysis riders were being referred from and whether their insurance covered transportation. Arun said the riders were mainly referred by the dialysis centers and Medicaid did not consistently cover transportation. Cynthia said her dad was on dialysis for years and his Medicare and Tricare coverage provided him free transportation. She said once her father was approved for dialysis, he was provided a list of certified transportation providers. Bob said it was a matter of understanding the insurance process and having riders pass on the benefit to FACT. Cynthia felt that riders may need to be educated on how to access their insurance benefits. Arun said it was difficult to access Medicaid services because of the approval process, so it was easier for case workers to refer client to FACT because there was no entry barrier. Phil wondered how many clients the dialysis centers saw each week and what percentage were FACT riders. Meagan said there were over 20 dialysis center locations under the various providers, so there was a limited number of riders traveling to each locations out of the 23 dialysis riders. Phil said clarifying the dialysis process would be a good CSUSM Senior Experience Project.

Bob asked Camey Christenson from 2-1-1 San Diego for her insight. Camey said 2-1-1 had a health navigation program that provided need assessments, care coordination, insurance information, and advocacy. She said 2-1-1 could discuss working with FACT on a special project to connect dialysis riders to the health navigation program. She said riders could be warm transferred to 2-1-1 or informed to call 2-1-1 for an insurance assessment. She said it was a matter of setting the riders expectations and informing them of the assessment process. Danielle questioned whether the process would jeopardize equal access to FACT's services. She felt that the process was an additional hurdle for dialysis patients only. Arun said FACT would provide transportation, but request that the rider go through the insurance assessment process to determine what options were available to them. Tony indicated that the Medicare website stated that "if you are in a Medicare Advantage Plan, the plan may cover some non-ambulance transportation to dialysis centers and doctors. Read your plan materials or call your plan for more information." Tony said FACT should invest the time to research insurance companies and request policy information from riders. Arun said when trip capping was

	<p>implemented, it would be a good time to educate riders on alternatives that could sustain their transportation in the future.</p> <p>Arun said he received a spreadsheet from 2-1-1 that quantified the assistance FACT received for afterhours support for the First Transit contract. Roughly from April through August 2014 there was less than 9 hours of 2-1-1 call center support. He said the service may not be as expensive as was anticipated. He said the spreadsheet provided FACT with an example of InContact’s data reporting capabilities. Bob said he appreciated 2-1-1’s support. Camey said the afterhours support was seamless and working great.</p> <p>Arun said FACT had a great working relationship with First Transit and the LIFT service was going well. He said there was a breakdown in the payment system at First Transit’s headquarters and despite their best intentions FACT had not received payments from First Transit since May 2014. FACT had been informed several times that payments were on the way, but did not materialize. In October, due to the backlog of payments from First Transit, FACT faced severe cash flow challenges. Danielle helped with expediting payments from SANDAG to help with cash flow. He said he informed First Transit that FACT could no longer continue providing transportation until overdue payments were received and future payments were made on a regular schedule. The amount outstanding from First Transit was \$82,000. Mark said on Tuesday First Transit released a check for \$32,000 and the remaining payments should be issued next week. He said he provided Arun a letter from First Transit’s Treasurer explaining that payments were late due to a software issue. First Transit implemented new software which should correct the issue and get things back on track. Arun said he wanted to bring the issue to the Board’s attention before FACT suspended service. FACT would put the service on hold at the end of November if the payments were not received.</p> <p>Phil requested that agenda items be arranged to accommodate guest schedules. Bob said the Executive Committee would take Phil’s request into consideration during the agenda planning meetings.</p>
<p>Annual Meeting prep</p>	<p>Arun said he recommended to the Executive Committee having brokerage vendors sponsor FACT’s Annual Meeting and cover the expenses. He said FACT spent approximately \$400 for refreshments and supplies. He said the sponsorship gave vendors the opportunity to be recognized during the Annual Meeting. He requested Board feedback. LaVonna asked if Arun had seen this type of sponsorship from other agencies. Arun and Susan noted that it was a common practice in the transit industry. Susan said it was fine as long as FACT was upfront regarding the costs and provided</p>

	adequate sponsor recognition. Arun felt that it was good value for the providers for the recognition.
Executive Director's Report	Arun highlighted several meetings with FACT's attorney regarding the vehicles lease dispute with Sol. He discussed a meeting with Jim Byrne and Todd Lordson regarding MTS interest in FACT performing transportation as a subcontractor. He said Bob, Dave, and himself met with Diane Eidam, SANDAG Consultant regarding an assessment of FACT's operations, needs, and sustainability issues. He said Diane requested some follow up information and was planning a site visit to FACT. Phil discussed The Deming Institute Conference that Meagan, Arun, and he attended. He said he was the keynote speaker at the conferences Saturday night banquet. Arun said attending the conference was a rewarding experience and he learned a lot about system improvements and data analysis. He mentioned that Phil had plotted FACT's monthly service data on a variance chart which staff would update and present to the Board.
Board member comments/proposed agenda items	Bob asked if Phil would share his Deming Institute presentation with the Board at the retreat. Phil said he wouldn't mind presenting at the retreat. Due to the date change, Susan said she would not be able to attend the Annual Meeting due to a schedule conflict. Bob said Susan may want to provide her comments regarding the audit that could be read on her behalf during the Annual Meeting. Bob encouraged guests to attend FACT's Annual Meeting on December 16, 2014.
Adjournment	The meeting adjourned at 11:20AM.

**ITEM # 5****TO: BOARD OF DIRECTORS****FROM: ARUN PREM, EXECUTIVE DIRECTOR****RE: Keynote Address by Gregory E. Knoll, Esq., Executive Director/Chief Counsel for Legal Aid Society of San Diego****BACKGROUND**

Gregory Knoll has served as the Executive Director/Chief Counsel for Legal Aid Society of San Diego, Inc. since 1974. As the Chief Executive Officer of this nonprofit law firm, he has complete responsibility for the administration, management, and supervision of the legal work performed by an 80-person staff including 25 lawyers and 25 paralegals/advocates. The law firm provides a wide-range of free legal services to the indigent residents of San Diego County.

Mr. Knoll is also the Executive Director of Legal Aid Society's Consumer Center for Health Education and Advocacy, one of the first comprehensive education and advocacy centers for physical and mental health consumers eligible to receive healthcare from federal, state, and county programs. The Consumer Center opened in May of 1999 as a result of Mr. Knoll's efforts in establishing the Health Consumer Alliance, a collaborative effort of nine California legal services programs, the Western Center on Law & Poverty, and the National Health Law Program. In addition to serving as both member and as chair of various San Diego County boards, commissions, task forces, and stakeholder groups concerned with healthcare reform, Mr. Knoll was long time Chair and is current Vice Chair of the Oversight Committee for the San Diego County Geographic Managed Care Medicaid Program known locally as "Healthy San Diego".

Mr. Knoll is the Vice Chair of San Diegans for Health Care Coverage. While Mr. Knoll currently specializes in health policy and systemic change and quest lectures on these and other topics at various universities and medical schools, he also has extensive litigation experience and has been the recipient of the Loren Miller Attorney of the Year Award from the NAACP, the San Diego County Martin Luther King, Jr. Drum Major for Justice Award and the Cesar E. Chavez Social Justice Award.

Mr. Knoll is a graduate of Rutgers University School of Law in Newark, New Jersey.

**ITEM # 6**

**TO: BOARD OF DIRECTORS**

**FROM: ARUN PREM, EXECUTIVE DIRECTOR, DENNIS RANDALL,  
CONSULTANT**

**RE: FY 2014 ANNUAL FINANCIAL AUDIT, and SANDAG/TDA AUDIT**

**ISSUE:**

1. FACT bylaws require that an internal annual audit report, including the corporation's assets and liabilities, be provided to the Board of Directors within 180 days of the fiscal year end (June 30<sup>th</sup> 2014).
2. SANDAG conducts an external audit of TDA 4.5 expenses annually as part of CTSA contract oversight; this audit is conducted after the financial audit and the report is generally issued in December.

The DRAFT 2014 internal audit report prepared by Sonnenberg & Co., as well as preliminary feedback from the SANDAG TDA 4.5 audit performed by Mayer Hoffman McCann P.C. did not indicate any deficiencies or findings.

**BACKGROUND:**

The annual internal audit was conducted by Sonnenberg & Co. during September 2104. According to the DRAFT report, "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Full Access & Coordinated Transportation, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in conformity with the U.S. generally accepted accounting principles."

The TDA 4.5 Audit required by SANDAG was conducted during October 2014 and the DRAFT report is not yet available. According to preliminary information provided by the auditors, there do not appear to be significant findings or recommendations.

There were no findings in either report. The DRAFT internal audit report will be mailed under separate cover. A limited number of hard copies will be available during the meeting.

**FY 2014 Financial Audit - Recommendation for follow up:**

The FY 2014 Financial audit was more complex and detailed due to the increase in FACT's budget, increase in services provided and the corresponding increase in overall spending.

It is expected that in the current financial year (FY 2015) FACT will exceed the \$500,000 spending threshold for federal grants, which will trigger a requirement for a Single Audit, a more expensive and higher level audit requirement.

Due to the growth in amounts and frequency of payments to brokerage transportation providers, FACT staff requested the Board to waive the requirement to have each check signed by 2 individuals - the Executive Director and a Board member. The Board authorized the ED to sign all checks except those issued to the ED as of October 2014. A check register with a list and details of all checks issued is provided to the Board monthly. The financial audit report recommended that Board members be provided with internet access to FACT's bank accounts to ensure adequate oversight.

**FACT Bylaws Requirements Re. Annual Report:**

**SECTION 6.6. ANNUAL REPORT** The Executive Director will ensure that an annual report is furnished no later than one hundred and eighty (180) days after the close of the corporation's fiscal year to all directors of the corporation. This report shall contain the following information in appropriate detail:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;
- (e) Any information required by Section 6.7 of this Article.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

The annual report shall be approved by the Board of Directors.

**RECOMMENDATION:**

**Staff requests Board members approve the DRAFT 2014 Financial Audit Report, and review the audit recommendation regarding monitoring FACT's bank accounts by the Board.**

**ITEM # 7**

**TO: BOARD OF DIRECTORS**

**FROM: ARUN PREM, EXECUTIVE DIRECTOR**

**RE: Annual Board of Directors Retreat - proposed date and location for 2015**

**ISSUE:**

Staff requests Board feedback regarding the schedule for the Board Retreat for year 2015.

**BACKGROUND:**

During a meeting with the Executive Committee it was recommended that the meeting be held on Thursday, February 26, 2015, at the County Operations Center in San Diego. There is no cost for the use of this facility.

The FACT Board of Directors' Retreat is an annual event designated for detailed review of strategic issues, business plan updates, and agency goals. The Board Retreat/meeting is expected to last 5 hours - the proposed schedule is 8am - 1pm. A light breakfast and working lunch will be served during the retreat.

There was also a recommendation to appoint a Board committee to plan for the retreat.

**RECOMMENDATION:**

**Staff requests the Board to:**

- **review the feasibility of holding a Board Retreat on Thursday, February 26**
- **approve the proposed location for the Retreat**
- **make the Retreat Planning Committee appointments**

**ITEM # 8**

**TO: BOARD OF DIRECTORS**  
**FROM: ARUN PREM, EXECUTIVE DIRECTOR**  
**RE: Executive Director Report**

**Meetings and Events 11/20/14 - 12/15/14**

11/25	APTA Mobility Management Committee: Integrated Mobility
Working Group Call	
12/2	Oswaldo attended CSUSM Senior Experience Team presentation
12/9	CAM Meeting
12/9	CalACT Board Meeting - Conference call
12/10	Caltrans 5310 - on-site vehicle inspection
12/10	Agenda planning Mtg. with Dave Roberts and Bob Campbell

**Upcoming Meetings and Events**

12/25, 26	FACT Closed for Christmas
1/1/ 15	FACT Closed on New Years Day
1/22	Board Meeting
2/10	CAM Meeting

**ITEM # 9**

**TO: BOARD OF DIRECTORS**

**FROM: ARUN PREM, EXECUTIVE DIRECTOR**

**RE: ELECTION of BOARD OFFICERS for YEAR 2015**

**ISSUE:**

FACT bylaws specify that Board Officer elections be held during the Annual Board of Directors meeting; the new Officers will serve January 1 - December 31, 2015.

The following slate of Officers was presented by the nominating committee and approved by the Board during November 2014:

Hon. Dave Roberts	Chair
Bob Campbell	Vice chair
LaVonna Connelly	Secretary
Susan Hafner	Treasurer

**BACKGROUND:**

During the September 2014 Board meeting a Nominating Committee (Board members LaVonna Connelly (Chair), Bob Campbell and Hon. Tony Kranz) was appointed to accept nominations and prepare a slate for Board Officer elections.

Portions of FACT bylaws that address Board officer elections are shown below:

**ARTICLE 4  
OFFICERS OF THE BOARD**

**SECTION 4.1. NUMBER OF OFFICERS** The officers of the corporation shall be a Chairperson of the Board (or President), one or more Vice Chairperson (or Vice Presidents), a Secretary, and a Treasurer. The corporation may also have, as determined by the board of directors, assistant secretaries, assistant treasurers, or other officers. Any number of offices may be held by the same person except that neither the secretary nor the treasurer may serve as the president or chairperson of the board. The Executive Director will not be an Officer of the Board.

**SECTION 4.2. QUALIFICATION, ELECTION, AND TERM OF OFFICE** Only authorized members of the Board may serve as officers. Officers shall be elected by the board of directors at the Annual Meeting. There are no term limits for officers. **SECTION 4.3. SUBORDINATE OFFICERS** The board of directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the board of directors.

**RECOMMENDATION:**

**Staff requests the Board to elect Board Officers for year 2015.**