



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: September 11, 2013
Board Meeting Date: October 22, 2013
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

Subject: Amendment to agreement with Hardesty, LLC

RECOMMENDATION:

Adopt a Resolution waiving the Request for Proposals process and authorizing an amendment to the agreement with Hardesty, LLC for interim management services, extending the term through August 31, 2014, and increasing the amount by \$243,200 to an amount not to exceed \$343,200.

BACKGROUND:

On September 19, 2013, the Chief Executive Officer of the San Mateo Medical Center (SMMC) approved an agreement in the amount of \$100,000, with Hardesty, LLC (Hardesty) for an interim Controller due to the resignation of the SMMC Controller and the vacancies in a number of key financial management positions.

DISCUSSION:

Hardesty was able to provide a qualified local candidate on short notice with the experience needed to be interim Controller and oversee the seven sections in the finance unit. The interim Controller reports directly to the Chief Financial Officer to manage those units currently without a manager until the permanent positions can be filled. Additional duties will include formalizing the reporting process and monitoring critical deadlines for supplemental revenue programs.

The amendment and Resolution have been reviewed and approved by County Counsel as to form. Contractor meets insurance certification requirements.

SMMC also requests that your Board authorize the Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term

and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

This agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing for managerial support to the finance department until a permanent controller can be recruited. It is anticipated that the candidate will train, acclimate, coordinate 100% of the financial staff in compliance to standard accounting practices.

PERFORMANCE MEASURE:

Measure	FY 2013-14 Estimate	FY 2014-15 Projected
Train, acclimate and coordinate the financial staff in compliance to standard accounting practices	N/A*	100%

*New Measure

FISCAL IMPACT:

The term of this agreement is September 1, 2013 through August 31, 2014, increasing the amount by \$243,200 to an amount not to exceed \$343,200. Funds in the amount of \$286,000 are included in the SMMC FY 2013-14 Adopted Budget and funds in the amount of \$57,200 will be included in the SMMC FY 2014-15 Recommended Budget. Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.