

September 10, 2019

**Mike Pettit**  
Assistant County Executive Officer

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**Kaye Mand**  
County Chief Financial Officer

**Shawn Atin**  
Assistant County Executive Officer/  
Human Resources Director  
Labor Relations

**SUBJECT: Approve a \$1.5 million Grant Agreement with the Westminster Free Clinic to Provide Social Programs in West County Over a Three-Year Period (Supervisory District 5)**

**RECOMMENDATION:**

Staff requests that your Board:

1. Approve a \$1.5 million grant agreement for social programs with the Westminster Free Clinic (Westminster) payable over a three-year period to establish a free clinic for providing basic health care and health supporting services to the Oxnard/Ventura communities and provide a youth health care job skills development program for Western Ventura County youth (Exhibit 1).
2. Authorize the County Executive Officer (CEO), or his designee, to establish a joint account with Westminster for the disbursement of the \$1.5 million in funds to Westminster, and designate the CEO, or his designee as authorized signatory on the account.
3. Authorize the Auditor-Controller's Office to process a payment to Westminster for deposit in a joint bank account with Westminster.

**FISCAL IMPACT**

Funds for this action were approved by the Board of Supervisors in the FY 2019-20 budget.

Mandatory:	No
Source of Funding:	General Fund
Funding Match Required:	No
Impact on Other Departments:	None

**BACKGROUND**

Since 1994, the Westminster Free Clinic (Westminster) has provided free medical care (including laboratory, diagnostic testing, and medication) to the uninsured and working poor in east county communities. The organization's main goals are to provide easy access to free medical care to hard-to-reach populations facing transportation, language, cultural and

financial barriers to care and to provide high school and college students with a pathway to careers in health through exposure and hands-on training in the delivery of health care. Westminster is a nonprofit health and human services organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code). During the year ended December 31, 2018 over 8,500 local people were served, 62% of which were women and children.

### **DISCUSSION:**

In early May 2019 the County received a proposal from Westminster to expand its east county program and provide similar services to the Oxnard/Ventura communities, at a total cost of \$1.5 million over three years. This proposal would initially serve approximately 5,000 clients and 70 high school and college students in the first year, which would increase by five percent each year over the three-year period. The intent is for this initial investment to provide Westminster suitable operating funds while they acquire grant funding as it becomes available thereby ensuring a self-sustainable program for the future.

On May 21, 2019 your Board directed the County Executive Office to analyze the opportunity to include \$1.5 million in funding for the proposal in the FY 2019-20 budget and to establish agreements with Westminster and the Ventura County Community Foundation (VCCF) once funds have been budgeted. The \$1.5 million was to be transferred to VCCF, then VCCF would allocate the funds based on performance milestones through the first three years of the program.

On June 17, 2019 analysis was presented to your Board and \$1.5 million was approved to be appropriated in the FY2019-20 budget. The Board also approved the disbursement of the \$1.5 million to Westminster in the following manner; \$600,000 in year one, \$500,000 in year two, and \$400,000 in year three. However, following a review of Westminster's proposed business plan for the West County clinic, our office recommends an amended disbursement plan of \$600,000 for year one; \$600,000 for year two; and \$300,000 for year three. This amended plan will better equip Westminster with the timely resources necessary to be successful.

It is anticipated that after the initial three years, Westminster's operations in western Ventura County will become financially self-sustainable. According to Westminster, many of Westminster's current funding partners have expressed interest in funding a clinic in western Ventura County. In addition, Westminster's current partners will absorb these new patient costs under existing agreements and discounts. Further, since Westminster will be operating two clinics, overhead and operating costs will be shared by the two clinics, which will result in overall lower cost to provide these services.

Although the Board had also directed staff to establish an agreement with VCCF to facilitate the disbursement of funds, after legal review, this process was deemed legally infeasible; and therefore, a more direct arrangement with Westminster was identified. As a result, to administer the disbursement of the \$1.5 million in funding to Westminster over

three years per the proposed agreement, the County and Westminster will establish a joint account with the County depositing \$1.5 million after the proposed agreement has been executed. As Westminster achieves each respective milestone as outlined in the agreement, the County, serving as a co-signer on the account, will approve the disbursement of the specified funds.

According to County policy, the Auditor-Controller and Treasurer-Tax Collector is required to approve new accounts that include County funds. The CEO has requested, and the Auditor-Controller and Treasurer-Tax Collector has approved the establishing of this account.

Provided a suitable donated clinic site is found, Westminster anticipates commencing free services by January 2020.

#### Agreement

The proposed agreement with Westminster is a grant agreement for social programs authorized under state law (Government Code section 26227). It requires Westminster to establish and operate its proposed programs in western Ventura County in exchange for the withdrawal of County funds held in a joint account. This agreement provides standard protections in favor of the County to ensure the money is used for programs in western Ventura County. The agreement includes performance measures related to the provision of services and establishment of ongoing funding sources by certain milestone dates. The agreement also includes a timeline for the releasing of funds and timely reporting of financial information, and programmatic outcomes.

This item has been reviewed by County Counsel and the Auditor-Controller's Office. If you have any questions, please contact Scott Powers at 677-8761.

Sincerely,



Scott Powers  
Deputy County Executive Officer



Michael Powers  
County Executive Officer

Exhibit 1 – Agreement with Westminster Free Clinic.