



Memo

To: Commissioners, First 5 Ventura County

From: Jennifer Johnson, Director of Operations (On behalf of the Administration/Finance Committee)

Date: January 20, 2011

Re: Recommendation to authorize executive director to approve direct payments when a contracting agent fails to make payments defined in the contract

Background

The Commission contracts with service providers to deliver services to achieve the goals defined in the Commission's strategic plan. The Commission authorizes the Executive Director to enter into an agreement with the contract agency based on the approved scope of work within the approved allocation. If a contract agency fails to make payments defined in the contract, there is an unmet obligation for which the Commission may desire to pay directly.

Procedures

- Upon notification that a contracting agent has failed to make payments defined in the contract, staff will obtain information from the parties to substantiate the amount owed.
- If there is a payment due, staff will attempt to resolve the issue with the contract agency.
- If a reasonable amount of time, as determined by the Executive Director, has passed and such payment has not been made and/or if the contract agency is unable to make the payment due to extenuating circumstances, then Commission staff would make the payment directly to the organization (e.g., subcontractors) or individual (e.g., participants in training events) that are eligible for payments according to the terms of the contract.
- Direct payments made by the Commission would be deducted from the total amount authorized in the contract and would be only for work defined within the scope of the contract.

Recommendation

The recommendation is to authorize the Executive Director to approve direct payments to organizations (e.g., subcontractors) or individuals (e.g., participants in training events) that are eligible for payments according to the terms of the contract, in accordance with the procedures defined above.