



County of Orange MEMO

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CLERK OF THE BOARD
ORANGE COUNTY
BOARD OF SUPERVISORS
March 10, 2006

To: Darlene Bloom, Clerk of the Board

From: Supervisor Chris Norby

**SUBJECT: Supplemental Item for March 14, 2006 Board Meeting
Discussion and Possible Action Regarding Health Care Agency**

534D

I request that an item be placed on the March 14, 2006, agenda for Board discussion and possible action regarding the Health Care Agency's monitoring of the spending of Ryan White CARE Act money for HIV services, including discussion and possible action regarding the March 2, 2006, letter from Health Resources and Services Administration.

Bill Campbell



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Resources and Services Administration

Rockville, Maryland 20857

MAR -- 2 2006

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

RECEIVED
3-6-06

Ms. Donna Fleming
Division Manager, Disease Control and Epidemiology
County of Orange Health Care Agency
P.O. Box 6099
1725 West 17th Street
Santa Ana, California 92706

Reference Number: 09-06-003PD
Claim Number: 14060405

Re: Title I Review of the County of Orange Health Care Agency

Dear Ms. Fleming:

This letter is to advise you that the questioned costs cited in the subject report are unallowable because they do not meet the requirements of OMB Circular A-87. Although your office has had numerous communications and correspondences with my staff from May 2005 until the present in an effort to resolve those costs, the documentation your office has provided, such as the Final Expenditure and Revenue Report, does not support those costs. Considering the lack of sufficient documentation and in consultation with our HIV/AIDS Bureau, we have determined that the costs are unallowable. Accordingly, Orange County must return \$ 143,328 to the Health Resources and Services Administration (HRSA).

We request that you submit a check in the amount of \$ 143,328 made payable to the Department of Health and Human Services. Please note that the funds used to cover this payment must be from non-Federal sources. Reference the Claim Number 14060405 on your check and mail it to:

Department of Health and Human Services
Program Support Center
Division of Financial Operations
Collection Officer
Parklawn Building, Room 16A-12
5600 Fishers Lane
Rockville, MD 20857

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This is the final decision of HRSA unless within 30 days after receiving this decision, you deliver or mail (you should use registered or certified mail to establish the date) a written notice of appeal to:

Executive Secretary
Departmental Appeals Board
Department of Health and Human Services
Cohen Building, Room G-644, Mail Stop 6127
330 Independence Avenue SW
Washington, D.C. 20201

Also send a copy of your appeal to the undersigned official. The request for review must be consistent with 45 C.F.R. Part 16. You shall attach to the notice a copy of this decision, note that you intend to appeal, state the amount in dispute, and briefly state why you think the decision is wrong. You will be notified of further procedures.

In accordance with 45 C.F.R. § 30.12, payment of this indebtedness is required within 30 days of the date of this letter. Be advised that, if the check is not received within the specified period, interest at the rate of 12.25 percent will be added to the overdue amount until the entire indebtedness including interest is paid. Failure to make payment of this debt within 30 days from the due date will result in an administrative charge of \$20 for each full 30-day period that the account remains delinquent.

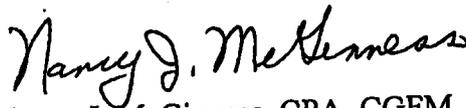
If you elect to appeal, the interest will not accrue during the period of appeal. However, if your request for review is denied or if the Government's position is subsequently sustained, in whole or in part, interest at the rate quoted in this letter will continue to accrue beginning as of the date of this letter and continue up to the date of the repayment.

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The finding and recommendation relative to the above-cited issue will remain open until a check in the amount of \$ 143,328 is received.

If you have any questions please call me at (301) 443-3524.

Sincerely,



Nancy J. McGinness, CPA, CGFM
Associate Administrator
Office of Federal Assistance Management
Health Resources and Services Administration

cc:

Patricia Reese, OFAM
Gary Cook, HAB
Beth Henson, HAB
Lorenzo Taylor, HAB
Susan Flickinger, OFAM
Pam Craig, PSC