REPORT
ON THE
LIMITED AUDIT

COUNTY OF SOLANO
HEALTH AND SOCIAL SERVICES DEPARTMENT
FAIRFIELD, CALIFORNIA

HOSPITAL PREPAREDNESS PROGRAM
HPP FUNDING GRANT AGREEMENT
CFDA NO. 93.889

FISCAL PERIOD
SEPTEMBER 1, 2005 THROUGH AUGUST 31, 2006
EXTENDED THROUGH AUGUST 31, 2007

Audits Section – Richmond
Financial Audits Branch
Audits and Investigations
Department of Health Care Services

Section Chief: Louise Wong
Audit Supervisor: Sandra Garcia
Auditor: Edmund Yee

State of California—Health and Human Services Agency
Department of Health Care Services

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

April 18, 2011

Michael W. Stacey, MD
Interim Public Health Officer
County of Solano Health and Social Services Department
275 Beck Avenue
P.O. Box 4090
MS 5-240
Fairfield, CA 94533-6804

Dear Dr. Stacey:

The claims for expenditures for services provided by County of Solano Health and Social Services Department under the Hospital Preparedness Program, HPP Funding Grant Agreement, and Federal Domestic Assistance Number: 93.889, for the fiscal period of September 1, 2005 through August 31, 2006, have been audited by the Financial Audits Branch of the Department of Health Care Services.

Except as set forth in the following paragraph, our audit was made in accordance with generally accepted government auditing standards as promulgated by the Comptroller General of the United States. Accordingly, our audit included such tests of the accounting records and other audit procedures, as we considered necessary under the circumstances.

The financial statements of County of Solano for the year ending June 30, 2006, were examined by other auditors whose report dated October 20, 2006 expressed an unqualified opinion on those statements.

The scope of our review was limited to specific contract or program requirements relating to financial compliance and did not include sufficient work to determine whether the financial statements present fairly the financial position and the results of the financial operations. We have not duplicated the work performed by the other auditors.

As noted in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the financial position referred above.

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The exit conference was held on August 19, 2010 at which time the results of the engagement were discussed.

This Audit Report includes the:

1. Executive Summary of Findings
2. Contract/Grant Compliance
3. Line Item Budget Expenditures
4. Financial Schedules

The report concludes that no additional amount is due the Federal government or Contractor.

Emergency Preparedness Office may require a corrective action plan in response to the findings in this report. If so, please send a copy of the corrective action plan to:

Richard Martin
Contract Manager
Planning and Policy Unit
Emergency Preparedness Office
California Department of Public Health
1615 Capitol Avenue, Suite 73.373
P.O. Box 997413, MS 7002
Sacramento, CA 95899-7413

If you should have any further question, please contact Richard Martin, Contract Manager, Planning and Policy Unit, Emergency Preparedness Office at (916) 445-2103.

Original Signed by

Louise Wong, Chief
Audits Section – Richmond
Financial Audits Branch

Certified

cc: Betsey Lyman
Deputy Director

Susan Fanelli
Assistant Deputy Director

Richard Martin
Contract Manager
Planning and Policy Unit

Emergency Preparedness Office
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1615 Capitol Avenue, Suite 73.373
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COUNTY OF SOLANO
HOSPITAL PREPAREDNESS PROGRAM
HPP FUNDING GRANT AGREEMENT
FISCAL PERIOD SEPTEMBER 1, 2005 THROUGH AUGUST 31, 2006
EXTENDED THROUGH AUGUST 31, 2007

I. EXECUTIVE SUMMARY OF FINDINGS

The following information is a summary of our findings:

CONTRACT/GRANT COMPLIANCE

1. The Hospital Preparedness Program (HPP) approved an extension of the budget year end date to the California Department of Public Health (CDPH) for the Year 4 award to August 31, 2007. This was done to allow the counties to complete emergency response activities approved by Emergency Preparedness Office (EPO). (See Section IV.A)

2. The HPP grant to the County awarded up to a total of $362,055 of federal funds to implement HPP critical benchmarks. The County claimed HPP expenditures totaling $305,998. Under the grant agreement, the actual funds being requested may be less than the maximum allocation for the county. Unexpended federal program funds totaled $56,057, representing 15% of the $362,055 federal funds awarded. (See Section IV.B)

3. The County met the grant requirement to obtain prior approval from EPO for the redirection of funds from critical benchmark to other critical benchmarks. A budget revision was granted by EPO on October 11, 2007. (See Section IV.C)

4. The grant agreement requires that the County not use the HPP funds to supplant existing levels of services in the County. During the course of our review, we did not detect any situations in which funds from this agreement were used to fund other pre-existing programs or other new programs. (See Section IV.D)

5. The grant agreement requires the County to submit written interim and final progress and expenditure reports to document their activities and expenditures of funds. The grant agreement stated the submission of the data for the Surge Data Survey was substituted for the interim progress report. The data for the survey was due to CDPH no later than March 1, 2006. Our review disclosed the County submitted the Surge Data Survey as required under the grant agreement by the due date. However, our review did not find that the final progress report was submitted by the February 1, 2008 due date. (See Section IV.E)

LINE ITEM BUDGET EXPENDITURES

1. Our review of grant line item budget expenditures to supporting documentation did not disclose any material exceptions. (See Section V)

COUNTY OF SOLANO
HOSPITAL PREPAREDNESS PROGRAM
HPP FUNDING GRANT AGREEMENT
FISCAL PERIOD SEPTEMBER 1, 2005 THROUGH AUGUST 31, 2006
EXTENDED THROUGH AUGUST 31, 2007

II. INTRODUCTION

A. DESCRIPTION OF PROGRAM

The Hospital Preparedness Program (HPP, formerly Health Resources and Services Administration (HRSA), is funded by the U.S. Department of Health and Human Services under the authority of Section 2802(b) of the Public Health Services (PHS) Act, as amended by the Pandemic and All-Hazards Preparedness Act (P.L. 109-417). The purpose of this program is to enable award recipients to improve surge capacity and enhance community and hospital preparedness for public health emergencies. Funds from HPP are used to build medical surge capability through planning, personnel, equipment, training and exercise capability at the State and local levels. These efforts are intended to support the National Preparedness Goal established by the Department of Homeland Security in 2005 and the goals outlined in Section 319C-2 of the PHS Act.

B. DESCRIPTION OF AGENCY

The County of Solano Health and Social Services Department is a local governmental agency, which is a part of the Solano County government. The Health and Social Services Department provides direct medical services and community health services to all residents of Solano County. Programs include Family Health Services, Public Health Services, County Medical Services Program, Mental Health Managed Care, Mental Health Services, Substance Abuse, Tobacco Prevention and Education, Public Guardian, and Public Authority for In-Home Supportive Services.

The County of Solano Public Health Department strives to improve the health and quality of life for people in the community by promoting health and safety, and prevention of disease, injury, and premature death through individual and population-based services.

The County of Solano (County) has a Hospital Preparedness Program (HPP) grant agreement with the California Department of Public Health (CDPH [formerly CDHS]), to receive federal HPP funding.

C. SITE LOCATION

County of Solano Public Health Administration is located at 275 Beck Avenue, Fairfield, CA 94533.

D. FUNDING SOURCES

The following is a summary of the County of Solano's expenditures of federal awards for the fiscal year ended June 30, 2006.

	Expenditures
U.S. Department of Health and Human Services	$93,950,775
U.S. Department of Agriculture	27,393,901
U.S. Department of Labor	4,164,419
U.S. Department of Homeland Security	3,167,880
U.S. Department of Housing and Urban Development	2,879,667
U.S. Department of Transportation	2,698,547
U.S. Department of Justice	979,661
Environmental Protection Agency	275,945
National Foundation on the Arts and the Humanities	105,944
U.S. Department of Commerce	97,933
U.S. Department of Interior	66,482
Total Expenditures of Federal Awards	$135,781,154

Hospital Preparedness Program Grant Funding

Hospital Preparedness Program (HPP) local funding awarded for the project period, September 1, 2005 through August 31, 2006, totaled $362,055. HPP expenditures are included as part of U.S. Department of Health and Human Services expenditures line above.

E. GRANT GOALS AND OBJECTIVES

The Hospital Preparedness Program (HPP) has developed Critical Benchmarks (CBM) designed to measure activities to assist hospitals and supporting health care systems to deliver coordinated and effective care to victims of terrorism and other public health emergencies.

A Cooperative Agreement between the federal, state, and local entities was used to support HPP program collaboration. The purpose of the HPP Cooperative Agreement is to build upon the planning, infrastructure development, and implementation that began in fiscal year 2002. The HPP requires the State and local entities to address critical benchmarks within priority areas.

Through the grant agreement, the funds are to implement the HPP Critical Benchmarks in accordance with the funding application, plan, and budget as approved by CDPH. The grant agreement's HPP priority areas and critical benchmarks parallel the Federal HPP priority areas and critical benchmarks. (Refer to Schedule 2 of this audit report for the Glossary of HPP Priority Areas

and Critical Benchmarks.)

The County of Solano was contracted to address the following priority areas and critical benchmarks:

Priority Area # 1: Administration
Critical Benchmark # 1: Financial Accountability

Priority Area # 2: Regional Surge Capacity for the Care of Adult and Pediatric Victims of Terrorism and Other Public Health Emergencies
Critical Benchmark # 2-1: Surge Capacity: Beds
Critical Benchmark # 2-2: Surge Capacity: Isolation Capacity
Critical Benchmark # 2-5: Surge Capacity: Pharmaceutical Caches
Critical Benchmark # 2-6: Surge Capacity: Personal Protective Equipment
Critical Benchmark # 2-7: Surge Capacity: Decontamination
Critical Benchmark # 2-10: Surge Capacity: Communications and Information Technology

Priority Area # 5: Education and Preparedness Training
Critical Benchmark # 5: Education and Preparedness Training

Priority Area # 6: Terrorism Preparedness Exercises
Critical Benchmark # 6: Terrorism Preparedness Exercises

F. REGULATIONS

This program is governed by the following regulations:

- Public Health Service Act, Section 319C (42 USC 247 d-3)
- 45 CFR Part 92 (Under the Public Welfare section) (Under the Grant requirements for State, Local and Tribal Governments)
- OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations)
- California Health and Safety Code, Sections 101315 to 101320

G. ABBREVIATIONS IN THIS REPORT

CBM	Critical Benchmark
CDC	Centers for Diseases Control and Prevention
CDHS	California Department of Health Services
CDPH	California Department of Public Health (formerly CDHS)
CFDA	Catalog of Federal Domestic Assistance
EPO	Emergency Preparedness Office (California Department of Public Health Program Office)

HIPAA	Health Insurance Portability and Accountability Act
HPP	Hospital Preparedness Program (formerly HRSA)
HRSA	Health Resources and Services Administration
HVA	Hazards Vulnerability Analysis
OMB	U.S. Office of Management and Budget

III. SCOPE OF AUDIT

The Financial Audits Section's review of the County of Solano (herein referred to as the County) was restricted to the Hospital Preparedness Program.

The audit consisted of the review of the financial records to ensure the existence of proper documentation and the propriety of claims submitted to the State for reimbursement. Such review included substantive testing:

- To determine that recorded and reported program funds awarded are expended in accordance with terms of the grant agreement with the CDPH;

- To determine that payments are for actual costs and reflect amounts billed to the State;

- To determine that payments are for services rendered;

- To determine that grant funds did not supplant existing levels of State and local funding for this program.

IV. CONTRACT/GRANT COMPLIANCE

The examination included a review to determine if the County conducted the Hospital Preparedness Program (HPP) in compliance with grant terms and applicable regulatory requirements. The following is a summary of findings relating to this portion of the audit.

A. HPP 2005/2006 GRANT BUDGET YEAR EXTENSION

The Hospital Preparedness Program (HPP) approved an extension of the budget year end date to the California Department of Public Health (CDPH) for the Year 4 award to August 31, 2007. CDPH coordinated the budget extension with the Federal HPP to allow the counties to complete emergency response activities.

B. FEDERAL HPP GRANT FUNDS

The HPP grant to the County awarded up to a total of $362,055 of federal funds to implement HPP critical benchmarks. The County claimed HPP expenditures totaling $305,998. Under the grant agreement, the actual funds being requested may be less than the maximum allocation for the county. Unexpended federal program funds totaled $56,057, representing 15% of the $362,055 federal funds awarded. The unexpended funds would be returned to HPP. The federal grant award is shown on Schedule 1A.

C. REDIRECTION OF FUNDS

Grant agreement, Exhibit B.8 – Budget Detail and Payment Provisions, Allowable Line Item Shifts, states that:

A. Redirection of funds within a critical benchmark of an amount of a cumulative threshold of 25% requires prior approval by CDHS.

B. Redirection of funds less than the prior approval threshold within a critical benchmark requires that local entity inform CDHS of the details of the redirection to ensure proper documentation and accountability.

C. Redirection of funds from one critical benchmark to another requires prior approval by CDHS regardless of the amount.

The County met the grant requirement to obtain prior approval from EPO for the redirection of funds from critical benchmarks to other critical benchmarks. A budget revision was granted by EPO on October 11, 2007. The County redirected funds from Critical Benchmark #2-1: Bed Capacity to Critical Benchmarks #2-5: Pharmaceutical Cache and #2-10: Communications and Information Technology. (See Schedule 1B for redirection of funds by critical

benchmarks.)

D. SUPPLANTING OF FUNDS

Grant agreement, Exhibit A.7.A – Scope of Work, Expenditure and Program Requirement, states "In accordance with the signed conditions of funding form submitted by all recipients of HRSA funds as part of the funding application, plan, and budget, funds shall not be used to supplant funding for existing levels of services and will be only be used for the purposes designated herein."

EPO performed a review in part to determine if supplanting of funds might occur prior to acceptance and approval of the County's agreement application. During the course of our review, we did not detect any situations in which funds from this agreement were used to fund other pre-existing programs or other new programs.

E. REPORTING REQUIREMENTS

Grant agreement, Exhibit A.6 – Scope of Work, Reporting Requirements, states "Written progress reports and expenditure reports must be submitted as shown below. The purpose of the progress and expenditure reports is to document activities and expenditures of funds.

The grant agreement stated the submission of the data for the Surge Data Survey was substituted for the interim progress report. The data for the survey was due to CDPH no later than March 1, 2006. Our review disclosed the County submitted the Surge Data Survey as required under the grant agreement by the due date. However, our review did not find that the final progress report was submitted by the February 1, 2008 due date.

Recommendation:

The County should establish a checklist for all program reports required to be submitted to the State with a due date of each report to ensure that all reports are submitted timely to comply with the requirements of the grant agreement.

F. SINGLE AUDIT

In accordance with OMB Circular A-133, Non-Federal entities that expend $300,000 ($500,000 for fiscal years ending after December 31, 2003) or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part.

We were provided with the Single Audit Reports for Fiscal Year Ended June 30, 2006, issued by Macias Gini & O'Connell, LLP, whose report was dated October

20, 2006. The independent auditor's opinion was that the County complied, in all material respects, with OMB A-133 compliance requirements to each of the major federal programs. However, the results of their auditing procedures disclosed an instance of noncompliance with those requirements applicable to the Medical Assistance Program (CFDA number 93.778). No exceptions were disclosed in the Single Audit Reports regarding the Hospital Preparedness Program (CFDA number 93.889).

V. LINE ITEM BUDGET EXPENDITURES

The following is a discussion of the fiscal findings relating to our examination of the County's line item expenditures. The details of these amounts are included on Schedules 1 and 1A of this report.

A. Subcontractor (Contractual) - $45,733

The County's revised budget requested a total of $45,861 associated with Critical Benchmark (CBM) # 2: Surge Capacity for FirstWatch Bio-Surveillance System and satellite phone service subscription. The County claimed $45,733 in subcontractor expenditures. Our review of all subcontractor expenditures claimed did not disclose any material exceptions. The County's expenditures were consistent with items on their revised budget justification.

B. CDPH-Purchased Equipment and Supplies - $9,759

The County's revised budget requested $28,202 for equipment and supplies which were to be directly purchased by CDPH and delivered to the entities named in the County's approved plan. CDPH purchased equipment and supplies were associated with CBM # 2: Surge Capacity for items such as generator, wheel kit, heater, and radiation detector, and pharmaceutical cache.

During the 05/06 grant period, the only CDPH direct purchases were for pharmaceutical cache totaling $9,759. The pharmaceutical cache inventory was not very large and was maintained at a County facility. Our review did not disclose any material exceptions.

C. Non-CDPH-Purchased Equipment and Supplies - $157,793

The County's revised budget requested a total of $187,967 for non-CDPH-purchased (direct County purchased) equipment and supplies associated with CBM # 2: Surge Capacity for disaster cache, Intravenous (IV) poles, ventilators, fluid warmers, rapid infusers, portable monitors, pharmaceutical caches, satellite phones, batteries, chargers, and short-wave radios. The County claimed $157,793 in Non-CDPH-Purchased Equipment and Supplies expenditures. Our review of all the claimed equipment and supplies expenditures did not disclose any material exceptions. The County's expenditures were consistent with items on their revised budget justification.

D. Personnel (Implementation) Costs - $52,800

The County's revised budget requested a total of $52,800 for a Local HPP Coordinator to aid in the implementation of the HPP grant requirements. The County claimed salaries and benefits expenses for the Local HPP Coordinator up to the grant budget amount of $52,800. Our review of the County's payroll records and general ledger did not disclose any material exceptions.

E. Administrative Costs - $39,913

Grant agreement, Exhibit B.6 – Budget Detail and Payment Provisions, Amounts Payable, states in part that "In addition, this Agreement awards an administrative fee to the local entity, based on "Local Entity Purchases". The approved budget for the administrative fees is identified as "Local Entity Administrative Fees". The grant agreement budgeted up to 15% as the Local Entity Administrative Fee. The County's revised budget requested $47,225 for the administrative fees. The County claimed $39,913 as the administrative fees.

Further, based on our examination, nothing came to our attention to indicate that the County has not complied with the material terms and conditions of the grant beyond the findings noted above.

VI. SYSTEMS AND PROCEDURES

The management of the County of Solano is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance the assets are safeguarded against loss, from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

We did not review the County of Solano's overall internal control structure. We limited our internal control review to the County's procedures to account for Hospital Preparedness Program funds, and the County's preparation of the required filing of the program reports.

Further, the CPA's Comprehensive Annual Financial Report (CAFR) of the County of Solano disclosed no material weaknesses related to the overall internal control structure.

VII. SCHEDULES

Schedules of financial data have been included in this report to summarize the amounts claimed and paid under the grant agreement as presented on Schedules 1 through 1B.

VIII. CONTRACTOR'S RESPONSE TO AUDIT FINDINGS

The audit findings were discussed at the exit conference on August 19, 2010. The Contractor accepted the findings without comment.

IX. PROGRAM'S RESPONSE TO AUDIT FINDINGS

The Local Management Unit within Emergency Preparedness Office (EPO) has no further comments or response to the audit findings.

SCHEDULE 1

COUNTY OF SOLANO
HOSPITAL PREPAREDNESS PROGRAM
HPP FUNDING GRANT AGREEMENT
FISCAL PERIOD SEPTEMBER 1, 2005 THROUGH AUGUST 31, 2006
EXTENDED THROUGH AUGUST 31, 2007

SUMMARY OF AUDITED PROGRAM EXPENDITURES

Budget Categories		Audit Adjustment No.	2005/2007 Expenditures		
			As Reported	Audit Adjustments	As Audited
1.	**Contractual**				
A.	Critical Benchmark 2-1, Bed Capacity		$0		$0
B.	Critical Benchmark 2-2, Isolation Capacity		$0		$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches		$0		$0
D.	Critical Benchmark 2-6, Personal Protective Equipment		$0		$0
E.	Critical Benchmark 2-7, Decontamination		$0		$0
F.	Critical Benchmark 2-10, Communication and Information Technology		$0		$0
G.	Critical Benchmark 5, Education and Preparedness Training		$45,733		$45,733
H.	Critical Benchmark 6, Terrorism Preparedness Exercises		$0		$0
	Total Contractual		**$45,733**		**$45,733**
2.	**CDPH-Purchased Equipment and Supplies**				
A.	Critical Benchmark 2-1, Bed Capacity		$0		$0
B.	Critical Benchmark 2-2, Isolation Capacity		$0		$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches		$9,759		$9,759
D.	Critical Benchmark 2-6, Personal Protective Equipment		$0		$0
E.	Critical Benchmark 2-7, Decontamination		$0		$0
F.	Critical Benchmark 2-10, Communication and Information Technology		$0		$0
G.	Critical Benchmark 5, Education and Preparedness Training		$0		$0
H.	Critical Benchmark 6, Terrorism Preparedness Exercises		$0		$0
	Total CDPH-Purchased Equipment and Supplies		**$9,759**		**$9,759**
3.	**Non-CDPH Purchased Equipment And Supplies**				
A.	Critical Benchmark 2-1, Bed Capacity		$148,216		$148,216
B.	Critical Benchmark 2-2, Isolation Capacity		$0		$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches		$5,639		$5,639
D.	Critical Benchmark 2-6, Personal Protective Equipment		$0		$0
E.	Critical Benchmark 2-7, Decontamination		$0		$0
F.	Critical Benchmark 2-10, Communication and Information Technology		$3,938		$3,938
G.	Critical Benchmark 5, Education and Preparedness Training		$0		$0
H.	Critical Benchmark 6, Terrorism Preparedness Exercises		$0		$0
	Total Non-CDPH Purchased Equipment And Supplies		**$157,793**		**$157,793**

SCHEDULE 1

COUNTY OF SOLANO
HOSPITAL PREPAREDNESS PROGRAM
HPP FUNDING GRANT AGREEMENT
FISCAL PERIOD SEPTEMBER 1, 2005 THROUGH AUGUST 31, 2006
EXTENDED THROUGH AUGUST 31, 2007

SUMMARY OF AUDITED PROGRAM EXPENDITURES

Budget Categories	Audit Adjustment No.	2005/2007 Expenditures		
		As Reported	Audit Adjustments	As Audited
4. **Personnel (Implementation)**				
A. Critical Benchmark 2-1, Bed Capacity		$26,400		$26,400
B. Critical Benchmark 2-2, Isolation Capacity		$0		$0
C. Critical Benchmark 2-5, Pharmaceutical Caches		$0		$0
D. Critical Benchmark 2-6, Personal Protective Equipment		$0		$0
E. Critical Benchmark 2-7, Decontamination		$0		$0
F. Critical Benchmark 2-10, Communication and Information Technology		$26,400		$26,400
G. Critical Benchmark 5, Education and Preparedness Training		$0		$0
H. Critical Benchmark 6, Terrorism Preparedness Exercises		$0		$0
Total Personnel (Implementation)		**$52,800**		**$52,800**
5. **Administrative Costs (Not To Exceed 15%)**				
A. Critical Benchmark 2-1, Bed Capacity		$26,192		$26,192
B. Critical Benchmark 2-2, Isolation Capacity		$0		$0
C. Critical Benchmark 2-5, Pharmaceutical Caches		$2,310		$2,310
D. Critical Benchmark 2-6, Personal Protective Equipment		$0		$0
E. Critical Benchmark 2-7, Decontamination		$0		$0
F. Critical Benchmark 2-10, Communication and Information Technology		$11,411		$11,411
G. Critical Benchmark 5, Education and Preparedness Training		$0		$0
H. Critical Benchmark 6, Terrorism Preparedness Exercises		$0		$0
Total Administrative Costs		**$39,913**		**$39,913**
GRAND TOTAL		**$305,998**		**$305,998**

SCHEDULE 1A

COUNTY OF SOLANO
HOSPITAL PREPAREDNESS PROGRAM
HPP FUNDING GRANT AGREEMENT
FISCAL PERIOD SEPTEMBER 1, 2005 THROUGH AUGUST 31, 2006
EXTENDED THROUGH AUGUST 31, 2007

SUMMARY OF PROGRAM EXPENDITURES

	Budget Categories	Approved Original Budget	Approved Revised Budget*	2005/2007 Expenditures	Total Unspent Funds
1.	**Contractual**				
A.	Critical Benchmark 2-1, Bed Capacity	$0	$0	$0	$0
B.	Critical Benchmark 2-2, Isolation Capacity	$0	$0	$0	$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches	$0	$0	$0	$0
D.	Critical Benchmark 2-6, Personal Protective Equipment	$0	$0	$0	$0
E.	Critical Benchmark 2-7, Decontamination	$0	$0	$0	$0
F.	Critical Benchmark 2-10, Communication and Information Technology	$44,960	$45,861	$45,733	$128
G.	Critical Benchmark 5, Education and Preparedness Training	$0	$0	$0	$0
H.	Critical Benchmark 6, Terrorism Preparedness Exercises	$0	$0	$0	$0
	Total Contractual	**$44,960**	**$45,861**	**$45,733**	**$128**
2.	**CDPH-Purchased Equipment and Supplies**				
A.	Critical Benchmark 2-1, Bed Capacity	$6,410	$6,410	$0	$6,410
B.	Critical Benchmark 2-2, Isolation Capacity	$0	$0	$0	$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches	$21,792	$21,792	$9,759	$12,033
D.	Critical Benchmark 2-6, Personal Protective Equipment	$0	$0	$0	$0
E.	Critical Benchmark 2-7, Decontamination	$0	$0	$0	$0
F.	Critical Benchmark 2-10, Communication and Information Technology	$0	$0	$0	$0
G.	Critical Benchmark 5, Education and Preparedness Training	$0	$0	$0	$0
H.	Critical Benchmark 6, Terrorism Preparedness Exercises	$0	$0	$0	$0
	Total CDPH-Purchased Equipment and Supplies	**$28,202**	**$28,202**	**$9,759**	**$18,443**
3.	**Non-CDPH Purchased Equipment And Supplies**				
A.	Critical Benchmark 2-1, Bed Capacity	$180,782	$177,082	$148,216	$28,866
B.	Critical Benchmark 2-2, Isolation Capacity	$0	$0	$0	$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches	$2,840	$5,639	$5,639	$0
D.	Critical Benchmark 2-6, Personal Protective Equipment	$0	$0	$0	$0
E.	Critical Benchmark 2-7, Decontamination	$0	$0	$0	$0
F.	Critical Benchmark 2-10, Communication and Information Technology	$5,246	$5,246	$3,938	$1,308
G.	Critical Benchmark 5, Education and Preparedness Training	$0	$0	$0	$0
H.	Critical Benchmark 6, Terrorism Preparedness Exercises	$0	$0	$0	$0
	Total Non-CDPH Purchased Equipment And Supplies	**$188,868**	**$187,967**	**$157,793**	**$30,174**

SCHEDULE 1A

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SUMMARY OF PROGRAM EXPENDITURES

	Budget Categories	Approved Original Budget	Approved Revised Budget*	2005/2007 Expenditures	Total Unspent Funds
4.	**Personnel (Implementation)**				
A.	Critical Benchmark 2-1, Bed Capacity	$26,400	$26,400	$26,400	$0
B.	Critical Benchmark 2-2, Isolation Capacity	$0	$0	$0	$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches	$0	$0	$0	$0
D.	Critical Benchmark 2-6, Personal Protective Equipment	$0	$0	$0	$0
E.	Critical Benchmark 2-7, Decontamination	$0	$0	$0	$0
F.	Critical Benchmark 2-10, Communication and Information Technology	$26,400	$26,400	$26,400	$0
G.	Critical Benchmark 5, Education and Preparedness Training	$0	$0	$0	$0
H.	Critical Benchmark 6, Terrorism Preparedness Exercises	$0	$0	$0	$0
	Total Personnel (Implementation)	**$52,800**	**$52,800**	**$52,800**	**$0**
5.	**Administrative Costs (Not To Exceed 15%)**				
A.	Critical Benchmark 2-1, Bed Capacity	$32,039	$31,484	$26,192	$5,292
B.	Critical Benchmark 2-2, Isolation Capacity	$0	$0	$0	$0
C.	Critical Benchmark 2-5, Pharmaceutical Caches	$3,695	$4,115	$2,310	$1,805
D.	Critical Benchmark 2-6, Personal Protective Equipment	$0	$0	$0	$0
E.	Critical Benchmark 2-7, Decontamination	$0	$0	$0	$0
F.	Critical Benchmark 2-10, Communication and Information Technology	$11,491	$11,626	$11,411	$215
G.	Critical Benchmark 5, Education and Preparedness Training	$0	$0	$0	$0
H.	Critical Benchmark 6, Terrorism Preparedness Exercises	$0	$0	$0	$0
	Total Administrative Costs	**$47,225**	**$47,225**	**$39,913**	**$7,312**
	GRAND TOTAL	**$362,055**	**$362,055**	**$305,998**	**$56,057**

* Revised budget approved by EPO on October 11, 2007.

SCHEDULE 1B

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REDIRECTION OF FUNDS BY CRITICAL BENCHMARKS

Critical Benchmark 2-1, Bed Capacity	**Approved Original Budget**	**Approved Revised Budget***	**Difference**
Contractual	$0	$0	$0
CDPH-Purchased Equipment and Supplies	$6,410	$6,410	$0
Non-CDPH Purchased Equipment And Supplies	$180,782	$177,082	($3,700)
Personnel (Implementation)	$26,400	$26,400	$0
Administrative Fee (Not To Exceed 15%)	$32,039	$31,484	($555)
TOTAL	$245,631	$241,376	($4,255)
25% cumulative threshold	$61,408		

Critical Benchmark 2-2, Isolation Capacity	**Approved Original Budget**	**Approved Revised Budget***	**Difference**
Contractual	$0	$0	$0
CDPH-Purchased Equipment and Supplies	$0	$0	$0
Non-CDPH Purchased Equipment And Supplies	$0	$0	$0
Personnel (Implementation)	$0	$0	$0
Administrative Fee (Not To Exceed 15%)	$0	$0	$0
TOTAL	$0	$0	$0
25% cumulative threshold	$0		

Critical Benchmark 2-5, Pharmaceutical Caches	**Approved Original Budget**	**Approved Revised Budget***	**Difference**
Contractual	$0	$0	$0
CDPH-Purchased Equipment and Supplies	$21,792	$21,792	$0
Non-CDPH Purchased Equipment And Supplies	$2,840	$5,639	$2,799
Personnel (Implementation)	$0	$0	$0
Administrative Fee (Not To Exceed 15%)	$3,695	$4,115	$420
TOTAL	$28,327	$31,546	$3,219
25% cumulative threshold	$7,082		

* Budget revision approved by EPO on October 11, 2007.

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REDIRECTION OF FUNDS BY CRITICAL BENCHMARKS

Critical Benchmark 2-6, Personal Protective Equipment	**Approved Original Budget**	**Approved Revised Budget***	**Difference**
Contractual	$0	$0	$0
CDPH-Purchased Equipment and Supplies	$0	$0	$0
Non-CDPH Purchased Equipment And Supplies	$0	$0	$0
Personnel (Implementation)	$0	$0	$0
Administrative Fee (Not To Exceed 15%)	$0	$0	$0
TOTAL	$0	$0	$0
25% cumulative threshold	$0		

Critical Benchmark 2-7, Decontamination	**Approved Original Budget**	**Approved Revised Budget***	**Difference**
Contractual	$0	$0	$0
CDPH-Purchased Equipment and Supplies	$0	$0	$0
Non-CDPH Purchased Equipment And Supplies	$0	$0	$0
Personnel (Implementation)	$0	$0	$0
Administrative Fee (Not To Exceed 15%)	$0	$0	$0
TOTAL	$0	$0	$0
25% cumulative threshold	$0		

Critical Benchmark 2-10, Communication and Information Technology	**Approved Original Budget**	**Approved Revised Budget***	**Difference**
Contractual	$44,960	$45,861	$901
CDPH-Purchased Equipment and Supplies	$0	$0	$0
Non-CDPH Purchased Equipment And Supplies	$5,246	$5,246	$0
Personnel (Implementation)	$26,400	$26,400	$0
Administrative Fee (Not To Exceed 15%)	$11,491	$11,626	$135
TOTAL	$88,097	$89,133	$1,036
25% cumulative threshold	$22,024		

* Budget revision approved by EPO on October 11, 2007.

SCHEDULE 1B

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REDIRECTION OF FUNDS BY CRITICAL BENCHMARKS

Critical Benchmark 5, Education and Preparedness Training	Approved Original Budget	Approved Revised Budget*	Difference
Contractual	$0	$0	$0
CDPH-Purchased Equipment and Supplies	$0	$0	$0
Non-CDPH Purchased Equipment And Supplies	$0	$0	$0
Personnel (Implementation)	$0	$0	$0
Administrative Fee (Not To Exceed 15%)	$0	$0	$0
TOTAL	$0	$0	$0
25% cumulative threshold	$0		

Critical Benchmark 6, Terrorism Preparedness Exercises	Approved Original Budget	Approved Revised Budget*	Difference
Contractual	$0	$0	$0
CDPH-Purchased Equipment and Supplies	$0	$0	$0
Non-CDPH Purchased Equipment And Supplies	$0	$0	$0
Personnel (Implementation)	$0	$0	$0
Administrative Fee (Not To Exceed 15%)	$0	$0	$0
TOTAL	$0	$0	$0
25% cumulative threshold	$0		

Budget Categories	Approved Original Budget	Approved Revised Budget*	Difference
Contractual	$44,960	$45,861	$901
CDPH-Purchased Equipment and Supplies	$28,202	$28,202	$0
Non-CDPH Purchased Equipment And Supplies	$188,868	$187,967	($901)
Personnel (Implementation)	$52,800	$52,800	$0
Administrative Fee (Not To Exceed 15%)	$47,225	$47,225	$0
TOTAL	$362,055	$362,055	$0

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GLOSSARY OF HPP PRIORITY AREAS AND CRITICAL BENCHMARKS

PRIORITY AREA #1: ADMINISTRATION

Critical Benchmark #1: Financial Accountability
Develop and maintain a financial accounting system capable of tracking expenditures by critical benchmark and by funds allocated to hospitals and other health care entities.

PRIORITY AREA #2: REGIONAL SURGE CAPACITY FOR THE CARE OF ADULT AND PEDIATRIC VICTIMS OF TERRORISM AND OTHER PUBLIC HEALTH EMERGENCIES

Critical Benchmark #2-1 Surge Capacity: Beds
Establish systems that, at a minimum, can provide triage treatment and initial stabilization, above the current daily staffed bed capacity, for the following classes of adult and pediatric patients requiring hospitalization within three hours in the wake of a terrorism incident or other public health emergency:

a. 500 cases per million population for patients with symptoms of acute infectious disease – especially smallpox, anthrax, plague, tularemia and influenza;
b. 50 cases per million population for patients with symptoms of acute botulinum intoxication or other acute chemical poisoning – especially that resulting from nerve agent exposure;
c. 50 cases per million population for patients suffering burn or trauma; and
d. 50 cases per million population for patients manifesting the symptoms of radiation induced injury – especially bone marrow suppression.

Critical Benchmark #2-2 Surge Capacity: Isolation Capacity
Ensure that all participating hospitals have the capacity to maintain, in negative pressure isolation, at least one suspected case of a highly infectious disease (e.g., smallpox, pneumonic plague, SARS, influenza and hemorrhagic fevers) or febrile patient with a suspect rash or other symptoms of concern who might be developing a highly communicable disease.

Awardees must identify at least one regional healthcare facility, in each awardee defined region, that is able to support the initial evaluation and treatment of at least 10 adult and pediatric patients at a time in negative pressure isolation within 3 hours post-event.

Critical Benchmark #2-3 Surge Capacity: Health Care Personnel
This benchmark has been incorporated into Critical Benchmark #2-4.

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GLOSSARY OF HPP PRIORITY AREAS AND CRITICAL BENCHMARKS

Critical Benchmark # 2-4 Surge Capacity: Emergency System for Advance Registration of Volunteer Health Professionals
Develop a system that allows for the advance registration and credentialing of clinicians needed to augment a hospital or other medical facility to meet patient/victim care and increased surge capacity needs.

Critical Benchmark #2-5 Surge Capacity: Pharmaceutical Caches
Establish a regional system that insures a sufficient supply of pharmaceuticals to provide prophylaxis for 3 days to hospital personnel (medical and ancillary staff), hospital based emergency first responders and their families -- in the wake of a terrorist-induced outbreak of anthrax or other disease for which such countermeasures are appropriate.

Critical Benchmark #2-6 Surge Capacity: Personal Protective Equipment
Each awardee must ensure adequate personal protective equipment (PPE) per awardee defined region, to protect current and additional health care personnel, during an incident. This benchmark is tied directly to the number of health care personnel the awardee must provide to support surge capacity for beds.

The level of PPE will be established based on the Hazards Vulnerability Analysis (HVA), and the level of decontamination that is being designed in CBM #2-7.

Critical Benchmark #2-7: Surge Capacity: Decontamination
Insure that adequate portable or fixed decontamination systems exist for managing adult & pediatric patients as well as health care personnel, who have been exposed during a chemical, biological, radiological, or explosive incident in accordance with the numbers associated with CBM #2-1.

Critical Benchmark #2-8: Surge Capacity: Behavioral (Psychosocial) Health
Enhance the networking capacity and training of health care professionals to be able to recognize, treat and coordinate care related to the behavioral health consequences of bioterrorism or other public health emergencies.

Critical Benchmark #2-9: Surge Capacity: Trauma and Burn Care
This benchmark has been incorporated into Critical Benchmark #2-1.

Critical Benchmark #2-10 Surge Capacity: Communications and Information Technology
Establish a secure and redundant communications system that insures connectivity during a terrorist incident or other public health emergency between health care facilities and state and local health departments, emergency medical services, emergency management

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GLOSSARY OF HPP PRIORITY AREAS AND CRITICAL BENCHMARKS

agencies, public safety agencies, neighboring jurisdictions and federal public health officials.

PRIORITY AREA #3: EMERGENCY MEDICAL SERVICES (EMS)

Critical Benchmark #3: Emergency Medical Services
Enhance the statewide mutual aid plan to deploy EMS units in jurisdictions/regions they do not normally cover, in response to a mass casualty incident due to terrorism.
This plan must ensure the capability of providing EMS triage, transportation and patient tracking for at least 500 adult and pediatric patients per million population within 3 hours post-event. In addition, for each metropolitan area or other region of the state for which a 40 predictable high-risk scenario has been identified during a HVA, the plan must describe a mechanism for transporting patients from an incident scene or from local hospitals to healthcare facilities in adjacent jurisdictions, to temporary healthcare facilities within or near the affected jurisdiction, and to nearby airports or rail stations for transport to more distant healthcare facilities. All scenarios documented by the applicant under Critical Benchmark #2-1 should be addressed in mutual aid plans for EMS.

PRIORITY AREA #4: LINKAGES TO PUBLIC HEALTH DEPARTMENTS

Critical Benchmark #4-1: Hospital Laboratories
Implement a hospital laboratory program that is coordinated with currently funded CDC laboratory capacity efforts, and which provides rapid and effective hospital laboratory services in response to terrorism and other public health emergencies.

Critical Benchmark #4-2: Surveillance
Enhance the capability of rural and urban hospitals, clinics, emergency medical services systems and poison control centers to report syndromic and diagnostic data that is suggestive of terrorism or other highly infectious disease to their associated local and state health departments on a 24-hour-a-day, 7-day-a-week basis.

PRIORITY AREA #5: EDUCATION AND PREPAREDNESS TRAINING

Critical Benchmark #5: Education and Preparedness Training
Awardees will utilize competency-based education and training programs for adult and pediatric pre-hospital, hospital, and outpatient health care personnel responding to a terrorist incident or other public health emergency.

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GLOSSARY OF HPP PRIORITY AREAS AND CRITICAL BENCHMARKS

PRIORITY AREA #6: TERRORISM PREPAREDNESS EXERCISES

Critical Benchmark #6: Terrorism Preparedness Exercises
As part of the state or jurisdiction's bioterrorism hospital preparedness plan, functional exercises will be conducted during FY 2006 and should be based on the Awardee HVA. These drills should involve several state agencies and implement the Incident Command Structure (ICS). To the extent possible, members of the public should be invited to participate. These exercises/drills should encompass, if possible, at least one biological agent. The inclusion of scenarios involving radiological and chemical agents as well as explosives may be included as part of the exercises/drills.