



AGENDA

KERN COUNTY HOSPITAL AUTHORITY COMMUNITY HEALTH CENTER BOARD OF DIRECTORS

**Community Health Center
Administrative Office
900 Truxtun Avenue, Suite 250
Bakersfield, California 93301**

Regular Meeting
Wednesday, April 22, 2026

11:30 A.M.

BOARD TO RECONVENE

Board Members: Avila, Behill, Kemp, Lopez, Martinez, Nichols, Sandoval, Smith, Williams
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY COMMUNITY HEALTH CENTER STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2)) –

ITEMS FOR CONSIDERATION

CA

- 3) Minutes for the Kern County Hospital Authority Community Health Center Board of Directors regular meeting on March 25, 2026 –
APPROVE

CA

- 4) Proposed approval of Kern County Hospital Authority Community Health Center's Finance policies to update the federal procurement citations –
APPROVE; AUTHORIZE CHARIMAN TO SIGN
- 5) Report on Kern County Hospital Authority Community Health Center Patient Experience for Quarter 1 2026 –
RECEIVE AND FILE
- 6) Report on the Kern County Hospital Authority Community Health Center Quality Update for Quarter 1 2026 –
RECEIVE AND FILE
- 7) Report on the Kern County Hospital Authority Community Health Center Health Center Service Utilization Report for March 2026 –
RECEIVE AND FILE
- 8) Report on the Operational Site Visit finding regarding the Sliding Fee Discount Program –
RECEIVE AND FILE
- 9) Report on the Kern County Hospital Authority Community Health Center financials for February 2026 –
RECEIVE AND FILE
- 10) Proposed preliminary approval of the Kern County Hospital Authority Community Health Center budget for the fiscal year period July 1, 2026 through June 30, 2027 –
APPROVE; REFER TO KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS FOR FINAL APPROVAL
- 11) Kern County Hospital Authority Community Health Center Executive Director Report –
RECEIVE AND FILE

ADJOURN TO WEDNESDAY, MAY 27, 2026 AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT (Government Code Section 54953.2)

The Community Health Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Community Health Center Board of Directors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.



SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY COMMUNITY HEALTH CENTER BOARD OF DIRECTORS

**Community Health Center
Administrative Office
900 Truxtun Avenue, Suite 250
Bakersfield, California 93301**

Regular Meeting
March 25, 2026

11:30 A.M.

BOARD RECONVENED – Director Martinez convened the meeting of the Board at 11:30 A.M., and established a quorum was present.

Board Members: Avila, Behill, Kemp, Lopez, Martinez, Nichols, Sandoval, Smith, Williams
Roll Call: 7 Present; 2 Absent – Lopez and Nichols

NOTE: The vote is displayed in bold below each item. For example, Smith-Behill denotes Director Smith made the motion and Director Behill seconded the motion.

CONSENT AGENDA: AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: AS INDICATED BELOW WITH A "CA" WAS REVIEWED, DISCUSSED, AND APPROVED AS ONE MOTION.

BOARD ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda.
NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2)) – **NO ONE HEARD**
- CA
3) Minutes for the Kern County Hospital Authority Community Health Center Board of Directors regular meeting on February 28, 2026 –
APPROVED
Smith - Williams: 7 Ayes; 2 Absent — Lopez and Nichols
- CA
4) Minutes for the Kern County Hospital Authority Community Health Center Board of Directors special meeting on March 18, 2026 –
APPROVED
Smith - Williams: 7 Ayes; 2 Absent — Lopez and Nichols
- CA
5) Proposed resolution to adopt the agreements entered into by the Kern County Hospital Authority on behalf of the Kern County Hospital Authority Community Health Center –
APPROVED; ADOPTED RESOLUTION
Smith - Williams: 7 Ayes; 2 Absent — Lopez and Nichols
- CA
6) Proposed updated Kern County Hospital Authority Community Health Center Outpatient Sliding Fee Discount Schedule –
APPROVED
Smith - Williams: 7 Ayes; 2 Absent — Lopez and Nichols
- CA
7) Proposed updated Health Resources and Services Administration Health Center Program Form 5A: Services Provided –
APPROVED
Smith - Williams: 7 Ayes; 2 Absent — Lopez and Nichols
- CA
8) Proposed updated Kern County Hospital Authority Community Health Center Organizational Chart –
APPROVED
Smith - Williams: 7 Ayes; 2 Absent — Lopez and Nichols
- 9) Report on the Kern County Hospital Authority Community Health Center Quality Summary for Calendar Year 2025 –
INTERIM MEDICAL DIRECTOR DR. GLENN GOLDIS MADE THE PRESENTATION REGARDING THE PATIENT SAFETY DATA FOR CALENDAR YEAR 2025. THE QUALITY COMMITTEE TRACKED MEDICINE RECONCILLATION COMPLETION, PROTECTED HEALTH INFORMATION USAGE, AND PROPER HAND HYGEINE. UNFORTUNATELY, DR. GOLDIS REPORTED THAT NOT ALL CLINICS TRACKED MEDICINE RECONCILLATION FOR

THE ENTIRE YEAR. CALENDAR YEAR 2026 WILL HAVE MORE COMPLETE DATA FROM ALL OF THE CLINICS. THE DATA PRESENTED SHOWS THAT THERE IS ROOM FOR IMPROVEMENT IN THIS METRICS. DR. GOLDIS REVIEWED THE CHALLENGES TO HAVING A MEDICINE RECONCILIATION COMPLETED AND THE IMPORTANCE OF HAVING THE RECONCILIATION COMPLETED FOR THE SAFETY OF THE PATIENT. HE EMPHASIZED THE RISING SAFETY ISSUE OF DRUG INTERACTIONS WITH MULTIPLE PRESCRIBERS. DIRECTOR MARTINEZ ASKED IF PATIENTS ARE ASKED TO BRING THEIR PRESCRIPTION MEDICINE BOTTLES TO THEIR APPOINTMENT. INTERIM MEDICAL DIRECTOR RESPONDED THAT THEY ARE AT THE TIME THAT THE APPOINTMENT IS MADE. EXECUTIVE DIRECTOR RENEE VILLANUEVA ADDED THAT PATIENTS ARE REMINDED TO BRING THEIR PRESCRIPTIONS IN THE ORIGINAL BOTTLES WHEN STAFF DOES THEIR WARM CALLS TO REMIND THEM OF THEIR APPOINTMENTS NURSING ADMINISTRATOR ALICIA GAETA FURTHER ADDED THAT STAFF DOES REMIND PATIENTS TO TAKE THEIR PRESCRIPTION BOTTLES TO THEIR APPOINTMENT AND THEY ALSO ASK PATIENTS WHAT MEDICATION THEY ARE CURRENTLY TAKING, THEIR CURRENT PHARMACY, AND STAFF UPDATES THE MEDICAL RECORD. DIRECTOR SMITH ASKED IF THE MEDICAL RECORD ALLOWED FOR PRE-SCREENING OF CURRENT MEDICATIONS? THE EXECUTIVE DIRECTOR RESPONDED THAT THE ELECTRONIC HEALTH RECORD DOES NOT CURRENTLY ALLOW FOR A PRE-SCREEN OF MEDICATIONS BUT STAFF DOES ASK WHEN MAKING PRE-APPOINTMENT CALLS. DIRECTOR WILLIAMS COMMENTED THAT THERE MUST BE CHALLENGES WITH PATIENTS UNABLE TO REMEMBER THEIR MEDICATIONS. DR. GOLDIS AGREED WITH DIRECTOR WILLIAMS THAT THIS IS AN ISSUE BUT THAT THE TRACKED DATA FOCUSES ON PHYSICIANS RECONCILING THEIR PATIENT'S MEDICATION, SO IT DOES NOT TRACK WHETHER THE PATIENT KNEW THEIR MEDICATIONS AND/OR BROUGHT THEM IN, BUT WHETHER THE PHYSICIAN WENT OVER THE MEDICATIONS LISTED IN THEIR MEDICAL RECORD. DR. GOLDIS ALSO NOTED THAT OCCURRENCE REPORTS ARE TRENDING DOWNWARD MEANING POTENTIAL SAFETY ISSUES ARE BEING CAUGHT EARLY.

RECEIVED AND FILED

Avila - Behill: 7 Ayes; 2 Absent — Lopez and Nichols

- 10) Report on the Kern County Hospital Authority Community Health Center Health Center Service Utilization Report for February 2026 –
NURSING ADMINISTRATOR ALICIA GAETA MADE PRESENTATION. MS. GAETA REVIEWED DATA SHOWING THAT NEW, FORMALLY UNIQUE, PATIENT NUMBERS ARE ON THE RISE AND NO SHOW APPOINTMENTS HAS DROPPED BY 2%. DIRECTOR SMITH REQUESTED THAT A SLIDE BE REMOVED AS IT FELT DUPLICATIVE AND REPLACED WITH MORE MONTH TO MONTH COMPARISONS WITH THE PERCENTAGE OF CHANGE. DIRECTOR MARTINEZ COMMENTED THAT THE NO SHOW SLIDE NEEDED TO BE PERCENTAGES AND NOT WHOLE NUMBERS. DIRECTOR SMITH ASKED THAT SIGNIFICANT CHANGES BE HIGHLIGHTED IN THE FUTURE. NURSING ADMINISTRATOR MADE THE NOTE AND WOULD MAKE SURE NEXT MONTH'S PRESENTATION WOULD INCLUDE THIS INFORMATION. SHE THEN HIGHLIGHTED THAT BASED ON THE DATA COLLECTED, TUESDAYS AND THURSDAYS CONTINUED TO BE THE BUSIEST DAYS BUT FRIDAY APPOINTMENTS HAVE BEEN STEADILY INCREASING. STAFF IS REALLY FOCUSING ON MAKING PATIENTS AWARE OF THE AVAILABILITY OF SATURDAY AND SUNDAY APPOINTMENTS. THE NUMBERS LOOK INSIGNIFICANT BUT THERE IS ONLY A FEW PRACTITIONERS SO THE CAPACITY IS SMALL BUT CONSISTENT. DIRECTOR SANDOVAL COMMENTED THAT THE WEEKEND APPOINTMENTS ARE A GREAT DAY TO GO, BUT THEY ARE LIMITED IN THE NUMBER OF APPOINTMENTS. MS. GAETA STATED

THAT STAFF HAS BEEN WORKING ON GETTING PROVIDERS TO BE AVAILABLE ON THE WEEKEND AND CURRENTLY, FAMILY MEDICINE APPOINTMENTS ARE CURRENTLY THE ONLY OPTION BUT WORKING ON ADDING PEDIATRIC AND WOMEN'S HEALTH APPOINTMENT AS WELL. NURSING ADMINISTRATOR ANNOUNCED THAT IN FEBRUARY, THERE WERE A TOTAL OF 317 PATIENTS SEEN FOR A SATURDAY APPOINTMENT WHICH MEANS THAT THOSE 317 PATIENTS DID NOT GO TO URGENT CARE OR AN EMERGENCY ROOM. EXECUTIVE DIRECTOR REITERATED THAT THEY ARE CURRENTLY WORKING ON ADDING MORE PROVIDERS FOR THE WEEKEND APPOINTMENTS AND THAT THE WEEKEND CLINICS ALSO TAKE WALK-INS. MS. GAETA CONCLUDED WITH AREAS WHERE PATIENTS RESIDED HAS STAYED CONSISTENT WITH VERY LITTLE CHANGE.

RECEIVED AND FILED

Denise - Kemp: 7 Ayes; 2 Absent — Lopez and Nichols

- 11) Report on the Kern County Hospital Authority Community Health Center financials for January 2026 –

FINANCE ADMINISTRATOR ANDREW CANTU PRESENTED THE FINANCIALS FOR JANUARY 2026. HE COMMENTED ON WHY THE CASH AMOUNT WAS LESS THAN WHAT WAS POSTED FOR THE MONTH OF DECEMBER BY REMINDING THE DIRECTORS THAT CASH IS NOT REALIZED UNTIL THE CORRESPONDING CHARGES ARE ALSO POSTED. FINANCE ADMINISTRATOR ALSO POINTED OUT THAT ACCOUNTS RECEIVABLES HAVE BEEN HOLDING STEADY. DIRECTOR MARTINEZ ASKED IF THE GROSS PATIENT REVENUE AMOUNT ON THE TRENDED INCOME STATEMENT CHART REFLECTS THE PROFESSIONAL FEES ONLY OR IF THE AMOUNT INCLUDED THE FACILITY FEES COMBINED WITH THE PROFESSIONAL FEES. FINANCE ADMINISTRATOR RESPONDED THAT THE PROFESSIONAL FEES AND FACILITY FEES ARE COMBINED IN THAT AMOUNT. DIRECTOR MARTINEZ THEN ASKED WHEN THE CHARGES ARE APPROVED DOES THE NUMBER REFLECT THE CASH OR THE CHARGES. MR. CANTU RESPONDED WITH THE CASH RECEIVED. DIRECTOR MARTINEZ THEN ASKED HOW FINANCE DID NOT KNOW THE COST OF A FIXED RENT? MR. CANTU RESPONDED THAT THE ALLOTMENT IS DONE AT THE BEGINNING OF THE BUDGET YEAR BUT SINCE THE CHC IS STILL IN ITS FIRST YEAR, THE RENT WILL BE REEVALUATED FOR NEXT YEAR'S BUDGET.

RECEIVED AND FILED

Avila - Williams: 7 Ayes; 2 Absent — Lopez and Nichols

- 12) Kern County Hospital Authority Community Health Center Executive Director Report – EXECUTIVE DIRECTOR THANKED THE BOARD MEMBERS AND ALL THE STAFF WHO ATTENDED AND PARTICIPATED IN THE HRSA OPERATIONAL SITE VISIT. EXECUTIVE DIRECTOR ANNOUNCED THAT HRSA WILL SEND A CONCLUSION REPORT AND TECHNICAL ASSISTANCE TOOL (TA) WITHIN 60 DAYS THAT WILL PROVIDE A SUMMARY OF THE UNMET HEALTH CENTER PROGRAM REQUIREMENTS AND ACTION STEPS REQUIRED TO ADDRESS THOSE FINDINGS. SHE STATED THAT THERE WERE A TOTAL OF THREE CHAPTERS WITH FINDINGS. CHAPTER 2 FOCUSES ON UPDATING THE FORM 5A WHICH WAS APPROVED BY YOUR BOARD TODAY. CHAPTER 7 FOCUSES ON UPDATING THE SLIDING FEE DISCOUNT SCHEDULE TO THE CURRENT SCHEDULE. THE CURRENT SLIDING FEE DISCOUNT SCHEDULE WAS APPROVED TODAY BY YOUR BOARD AND STAFF HAVE BEEN INSTRUCTED TO REVIEW PATIENT ELIGIBILITY AND ADJUST ANY INCONSISTENCIES FOR PATIENTS SEEN BETWEEN JANUARY 1 AND MARCH 18, 2026. THE THIRD DEFICIENCY WAS FOUND IN CHAPTER 10 CONCERNING THE PROCUREMENT POLICIES. THESE POLICIES WILL BE UPDATED AND BROUGHT BACK FOR THE BOARD'S APPROVAL. AFTER RECEIPT OF THE CONCLUSION REPORT,

THE COMMUNITY HEALTH CENTER HAS 30 DAYS TO PROVIDE A RESPONSE TO HRSA DOCUMENTING THAT THE LISTED FINDINGS OF NON-COMPLIANCE HAVE BEEN CORRECTED. A DETERMINATION WILL THEN BE MADE AS TO THE APPROVAL OF THE APPLICATION BASED ON THE COMMUNITY HEALTH CENTER'S COMPLIANCE WITH HEALTH CENTER PROGRAM REQUIREMENTS AS DEMONSTRATED IN THE APPLICATION, OSV FINDINGS, AND DOCUMENTATION SUBMITTED IN RESPONSE TO THE CONCLUSION REPORT. HRSA HAS UP TO 75 DAYS AFTER RECEIPT OF THE CHC'S RESPONSE TO FORMALIZE THE FQHC DESIGNATION. DIRECTOR MARTINEZ ALSO THANKED THE BOARD AND THE STAFF FOR ALL THEIR WORK ON THE OSV. DIRECTOR SMITH ALSO THANKED THE BOARD AND ADDED THAT THE HRSA SURVEYORS COMMITTED THAT DURING THE OSV BOARD MEETING, ALL THE DIRECTORS' RESPONSES WERE SPOT ON AND SHOWED HOW COMMITTED THE BOARD WAS TO SUPPORTING THE COMMUNITY HEALTH CENTER.

RECEIVED AND FILED

Smith - Behill: 7 Ayes; 2 Absent — Lopez and Nichols

ADJOURNED TO WEDNESDAY, APRIL 22, 2026 AT 11:30 A.M.

Motion: Smith

/s/ Marisol Urcid
Clerk of the Board of Directors

/s/ Elsa Martinez
Chairman, Board of Directors
Kern County Hospital Authority Community Health Center

**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Proposed approval of Kern County Hospital Authority Community Health Center's Finance policies to update the federal procurement citations

Recommended Action: Approve; Authorize Chairman to Sign


Summary:

The KCHA CHC Board has oversight responsibilities for reviewing and approving policies applicable to KCHA CHC. The following proposed revised Finance policies are required to show compliance with federal procurement standards.

Policy	Policy #
Financial Management System	LAL-FIN-01
Record Management and Retention	LAL-FIN-03
Fixed Assets	LAL-FIN-12
Competitive Bidding	LAL-IM-01
Procurement to Payment	LAL-IM-03

Therefore, it is recommended that your Board approve the proposed revised Finance policies to reflect the updated federal procurement standards.

Kern County Hospital Authority Community Health Center

Department: Finance				
Policy No.	Effective Date	Review Date:	Page	
LAL-FIN-01	March 2025	March 2028	1 of 3	
Title: Accounting and Financial Management System				

POLICY: It is the policy of Kern County Hospital Authority Community Health Center (KCHA CHC) to utilize a financial management and internal control system that reflects Generally Accepted Accounting Principles in the United States (US GAAP). KCHA CHC has designated its co-applicant, KCHA, to provide such services. KCHA will maintain appropriate accounting and internal control systems over, and accountability for, all funds, property, and other assets through adequate segregation of functions and safeguarding of assets. To this end, KCHA will maintain a professional accounting system to track KCHA CHC's finances and uses an accounting system that can produce all standard accounting reports and a chart of accounts that categorizes all transactions in a manner that is consistent with US GAAP.

PROCEDURE: KCHA CHC currently utilizes the Cerner Millennium Electronic Health Record (EHR) to record patient billing, patient accounts receivable, and patient cash collections transactions. KCHA CHC uses the PeopleSoft software system as its financial management system to record all general ledger accounting transactions. Cerner and PeopleSoft are both used to create the following reports for KCHA:

- Chart of Accounts
- Income or Expense Account
- Accounts Payable Aging Summary
- Open Invoices
- Cash Flow Report
- Accounts Receivable Aging Summary
- Profit and Loss Report
- Balance Sheet Report
- Comparisons of Budget vs. Actuals

The Cerner and PeopleSoft software systems are remotely backed up daily.

KCHA maintains a double entry accounting system on an accrual basis and tracks revenue and expenditures by cost center and grant number with a comprehensive record keeping system including a general journal, a general ledger, a cash receipts journal, a cash disbursements journal, and individual payroll records. The general ledger, journals and payroll records are posted at least monthly. KCHA, on behalf of KCHA CHC, specifically identifies and accounts for all federal awards received and expended in its accounting as is required per 2 CFR 200.302.

KCHA CHC Accounting and Financial Management procedures are designed to establish a uniform accounting system that:

- Ensures that all costs of operation can be adequately accounted for.
- Provides for the functional classification of expenses in terms of grant and appropriate cost center.
- Ensures that all revenues and expenses are reported monthly and on an accrual basis.
- Provides financial records that clearly reflect and identify the cost of each type of service for which reimbursement is claimed.

Source documentation is maintained as a voucher package to support all entries made into the general ledger. Voucher information includes a purchase requisition, an invoice approved by the appropriate department manager, a receiving document, and a contract and/or purchase order if applicable. KCHA CHC uses PNC Bank's Integrated Payables system to process vendor payments and cash disbursements. Accounts payable pay cycles are run at least once a week to pay all invoices that have been properly approved for payment and have the appropriate support documents electronically attached. Vendor pay cycle files generated in PeopleSoft are electronically sent to PNC for processing. PNC processes the payments by Automated Clearing House (ACH) direct deposit if requested by vendors or by printing and mailing paper checks. Remittance information supporting payments is automatically emailed to vendors as set up in the Integrated Payables system. All cash disbursement and voucher information are saved and maintained electronically on the KCHA network and accounted for in monthly bank reconciliations (**see Month-End Close Policy and Procedure**).

Payroll registers are also saved and maintained electronically to support salary and benefit expenses. Grant information is also maintained in a digital file. Tracking of authorizations, obligations, and unobligated balances of grant programs is maintained in an excel spreadsheet, updated by the Finance Administrator and retained on the KCHA CHC network in the KCHA Finance Department digital file.

Chart of Accounts

A chart of accounts shall be maintained by the Finance Director to safeguard assets and assure they are used solely for authorized purposes in accordance with the terms and conditions of the Health Center Program award/designation. The Finance Director and/or Finance Administrator shall authorize any changes to the chart of accounts structure.

All transactions are coded to a department/cost center and funding source, as appropriate. KCHA CHC's chart of accounts categorizes transactions into the following major classifications of accounts:

- Assets
- Liabilities
- Equity
- Revenue
- Expenses

All asset accounts shall begin with 1, all liability and equity accounts shall begin with 2, all revenue accounts shall begin with 3 or 5, and all expense accounts shall begin with 6 or 7.

In addition to the major classification codes described above, all transactions are coded to a department/cost center as appropriate for the reporting structure currently being utilized. The account code is designed with 18 digital codes (main code: 8 digits, facility: 5 digits, cost center: 5 digits).

KCHA, on behalf of KCHA CHC, will establish a separate account within the chart of accounts for each federal program it participates in. This allows for detailed reports of all transfer of funds from the PMS system and funds expensed under the federal program. Each federal grant program has its own account number within the chart of accounts and all transactions are recorded to the appropriate account. This allows the running of reports of revenue and expenditures by federal grant (consolidated) and by each federal program.

Maintaining the General Ledger

The general ledger is automated and maintained by KCHA. All inputs and balancing are the responsibility of the Finance Director with the final approval by the Finance Administrator. GAAP is followed when recording information into the general ledger. The Finance Director reviews the general ledger on a monthly basis and analyzes variances between budget and actual amounts. The Finance Director presents the analysis to the Finance Administrator. The Finance Administrator presents the financials to the Executive Director, Board of Directors, and then the Board of Governors.

Cost Allocations

It is the policy of KCHA CHC to allocate costs in a consistent, fair, and accurate manner to the proper site or grant based on the relative benefits received. Only costs that are allowable in accordance with OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Section 200) can be allocated to benefiting sites and programs.

Shared administrative costs that are not directly charged to health center sites are allocated based on an appropriate allocation methodology at month-end and included in site specific management reports. Allocation procedures are reviewed at least yearly by the Finance Department and revised if necessary.

Capturing Accounting Data:


All accounting transactions must be verified by written evidence called a source document.

Source documents are written records of formal financial transactions. All source documents must be sent to the KCHA Finance Department for proper recording and coding. Source documents are filed and maintained. They include, but are not limited to:

- Receipt Vouchers (Grant Contracts, Client Collections, Remittance Advice, Inter-Account Loans Memorandum, Loan Contracts, Cash Receipts, Bank Deposit Slips, etc.)
- Disbursement Vouchers (Vendor Invoices, Service Contracts and Invoices, Petty Cash Vouchers, Time Sheets, Employee Advances, Employee Status Form, Purchase Orders and Cancelled Checks).

OWNERSHIP (Committee/Department/Team) Finance	
ORIGINAL MAR 2025	
REVIEWED, NO REVISIONS	
REVISED APR 2025, MAR 2026	
APPROVED BY COMMITTEE MAR 2025, APR 2025	
DISTRIBUTION	
REQUIRES REVIEW MAR 2028	
04/22/2026	04/22/2026
Executive Director Signature of Approval Date	Signature of Approval Date

Kern County Hospital Authority Community Health Center

Department: Finance				 KernMedical Outpatient Health
Policy No.	Effective Date	Review Date:	Page	
LAL-FIN-03	March 2025	March 2028	1 of 3	
Title: Record Management and Retention				

POLICY: This policy provides for the systematic review, retention, and destruction of documents received or created by Kern County Hospital Authority Community Health Center (KCHA CHC) in connection with the transaction of organization business. In accordance with federal and state laws and regulations, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, KCHA, on behalf of KCHAA CHC, maintains guidelines for how long certain documents should be kept and how records should be destroyed (unless under a legal hold). This policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate KCHA CHC's operations by promoting efficiency and freeing up valuable storage space.

PROCEDURE: Records include, but are not limited to originals and copies of:

1. Paper documents.
2. Films, microfilms, photographs, x-rays.
3. Electronic documents, e-mails, scanned images, structured data, etc., regardless of storage location:
4. Network drives.
5. Electronic database programs.
6. Desktop and laptop hard drives.
7. Mobile devices (telephones, personal digital assistants, etc.).
8. Hard Drives.
9. CDs and DVDs.
10. USB drives.
11. iPhones and similar devices.

Financial records include but are not limited to:

- All originating documents such as grant letters, payment requests and invoices deposit documents; purchase orders, invoices and receiving reports, time reports and other payroll documents; journal vouchers and other financial transaction record.
- All fiscal reports including fund balance sheets; statements of support, revenue and expenses; statements of functional expenses; fiscal reports to grantors; inventory records and reports and audit reports.
- All accounting books, journals and ledgers.
- Miscellaneous documents such as tax exemption requests, corporate legal documents, bank statements and property deeds.

Record Retention

KCHA, on behalf of KCHA CHC, maintains records—including financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a federal award—in accordance with 2 CFR 200.334 and current versions of HHS Grants Policy Statements.

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

Records that must be retained for 7 years:

- Payroll:
 - Form 1099R
 - Form 941 & Support
 - Form W-4
 - Payroll Check Registers
 - Payroll Summaries
 - Timecards
 - Garnishments/tax levies/release
- Accounting:
 - AP Check Requests, Manual Checks, Purchase Orders (POs), Wires, Canceled Checks
 - Deposit Slips
 - General Ledgers & Support
 - Monthly reconciliations including bank reconciliations
 - Positive Pay & ACHs
 - Form 1099 MISC and 1099-NEC

Records that must be retained permanently:

- Payroll:
 - Form W-2
- Financials:
 - Tax Returns
 - Audited Financial Statements
- Other:
 - Articles of Incorporation
 - By-Laws
 - IRS Determination Status Letter
 - Application for Exempt Status
 - Notice of Revocation of Tax-Exempt Status
 - Actuarial Reports (Workers Compensation, LTD, Health Plans)
 - Unclaimed property filings and supporting documentation

In the event that KCHA CHC ceases operations, all funding sources will be contacted regarding the requirements for storage and retention of the accounting records.

Specific Record Retention Guidance

- Personnel Services: Payroll records; time and attendance records are electronically signed by the employee and supervisor for each payroll (including employee name, number of hours worked, rate of pay, and pay period covered); time distribution records by program (accounting for total work time on a daily basis). These records shall be maintained for all employees.
 - Written authorization should be on file for all employees, covering rates of pay, withholding and deductions and all salary and wage rate changes.
 - Records on file should include documentation for Federal and State payroll taxes withheld.
- Consultant Services: Copies of contracts and billings. Depending upon the type of contract, the following may be required to support consultant services: time records, travel vouchers detailing

- purpose, time and location of travel, and invoices for supplies.
- Travel: Travel expense vouchers showing location, dates and time of travel; purpose of trip and rates claimed; vehicle mileage logs showing dates, destination, and purpose of trip and mileage.
- Operating Expenses: documents such as invoices, receiving reports, bills of lading, lease agreements, contracts, etc.

KCHA, on behalf of KCHA CHC, maintains supporting documentation for services provided and revenues collected as follows:

- Encounter Forms: Copies of original encounter documents for each patient visit to record patient's name and ID, services provided, name of provider, diagnosis, and charges.
- Monthly Patient Billings: Aged trial balance reports for accounts receivable including individual patients billed, amounts collected, and balance due.
- Third Party Receipts: Remittance advices for all third-party payments to show amount billed, amount paid, and disallowed amounts.

Record Storage and Disposal

All records are stored in a manner that provides for appropriate security and privacy of information, preserves records from physical damage, and allows for easy access and retrieval within a reasonable amount of time when required. Stored records exceeding their retention period will be identified for disposal on an annual basis and will be destroyed in a manner to safeguard the privacy of the data. A certificate of destruction shall be required as appropriate.

All supporting documentation for program expenditures and revenues, or for services billed under fee-for-service, are filed in a systematic and consistent manner. Support documents are filed as follows:

<u>Checks</u>	Numerically
<u>Invoices</u>	Batched by check-run date
<u>Receipts</u>	date/monthly
<u>Service Records</u>	All patient encounter forms are filed by site, source number and date of service, so that it is possible to trace from monthly billing summaries (under fee-for-service) back to original service record documentation.


Accounting transactions posted can be cross-referenced to supporting documentation. For example, expenditure transactions can be cross-referenced to the invoice by vendor name and date as well as to the check-by-check number. Revenue transactions can be cross-referenced to receipt numbers.

Record Hold

The disposal of records will cease in the case of litigation, audit, or other qualifying event until appropriate resolution of the event has occurred.

OWNERSHIP (Committee/Department/Team).....	Finance
ORIGINAL	MAR 2025
REVIEWED, NO REVISIONS	
REVISED	APR 2025
APPROVED BY COMMITTEE	MAR 2025, APR 2025
DISTRIBUTION	
REQUIRES REVIEW	MAR 2028
04/22/2026	04/22/2026
Executive Director Signature of Approval Date	Signature of Approval Date

Kern County Hospital Authority Community Health Center

Department: Finance				
Policy No.	Effective Date	Review Date:	Page	
LAL-FIN-12	March 2025	March 2028	1 of 2	
Title: Fixed Assets				

POLICY: All capitalized assets shall be documented in a fixed asset property log. This log shall include a description, cost, purchase date, source of funding, location, and condition of each property item; this fixed asset inventory will be physically reconciled no less than every 18 months. Property purchased with government funds must be tagged, and a loss/theft safeguarding scheme must be documented and implemented.

Plant, Property & Equipment (PP&E) items acquired and put into service with a purchase price exceeding \$5,000 per unit are classified as Fixed Assets on the organization's financial statements. Items costing less than this threshold are expensed in the year of purchase. The total cost of individual items billed across multiple invoices should be combined and reported as a single item. Components of a system that are not useful to the organization without the entire system should be aggregated into one item if they share a similar useful life.

For the purposes of federal award accounting and administration, "supplies" shall include all assets with a unit cost equal to or lesser than \$5,000, the capitalization threshold utilized by Kern County Hospital Authority Community Health Center (KCHA CHC). All purchases of "supplies" with federal funds shall be approved, in advance and in writing, by the federal awarding agency.

Capitalized assets will be reported as expense for grants if they were included in the grant's approved application budget. However, for the organization's financial statements, these assets will be capitalized and depreciated, per this policy.

PROCEDURE:

All capitalized assets shall be recorded in a fixed asset property log. This log shall include the following information with respect to each asset:

- Date of acquisition
- Acquisition Cost
- Description (including model and serial number)
- Funding source of equipment, including the federal award number if applicable
- Location of assets
- Depreciation method
- Estimated useful life
- Condition of property

The fixed asset inventory recorded in this log will be reconciled at the end of each fiscal year. Any adjustments for impairment resulting from the reconciliation will require approval by the Finance Administrator.

Property includes equipment, furniture, and similar items valued at \$5,000 or more and expected to last more than one year under normal use. Group purchases totaling \$5,000 or more are capitalized only if the individual items exceed \$5,000 each.

Depreciation and Useful Lives

Capitalized assets shall be depreciated on a straight-line basis using the estimated lives and guidelines specified in American Hospital Association's latest "Estimated Useful Lives of Depreciable Hospital Assets" or any other reasonable method.

Repairs and Maintenance of PP&E

Repairs and maintenance for PP&E are capitalized when they meet specific criteria indicating that

they improve the asset's useful life, productivity, or capacity. If the repair extends the asset's life or improves its functionality beyond its original condition, it is typically capitalized. However, routine maintenance and repairs that simply maintain the asset in its current condition are expensed as incurred. The decision to capitalize repairs and maintenance should follow GAAP.

Disposals of PP&E

PP&E purchased, whether funded by federal or non-federal funds, shall remain on the books until sale, retirement or disposed. At that time, both the cost and related accumulated depreciation shall be removed from KCHA CHC books and any resulting gain or loss shall be recognized. KCHA CHC will follow the regulations under 2 CFR 200 Subpart D for disposition of property obtained with federal funds.

No property shall be sold, returned to any outside organization or retired without prior written authorization from the Finance Administrator.

When property is retired, all information should be noted in the fixed asset property log. When possible, some items may be traded for usable items, supplies, etc., In such cases, proper documentation and records must be maintained on all traded items and/or supplies.

Government Funds Use

Should any government funds be used to purchase property/equipment, such property will be appropriately tagged for identification.

Safeguarding of Property


All PP&E records are maintained in the Kern Medical finance department.

KCHA CHC PP&E should only be used in conjunction with the activities of KCHA CHC and shall not be removed from KCHA CHC without proper approval of Management. KCHA CHC premises are secured and alarmed for after hours. In the event of loss or theft of KCHA CHC property, the Finance Director and Finance Administrator should be notified in writing, describing property lost/stolen, date & time, loss or theft noticed and if applicable copy of a police report.

KCHA CHC Executive Director is responsible for administering this procedure, including updating it as required by changes in circumstances and responding to questions which arise concerning its implementation.

OWNERSHIP (Committee/Department/Team) Finance	
ORIGINAL.....	MAR 2025
REVIEWED, NO REVISIONS.....	
REVISED.....	APR 2025
APPROVED BY COMMITTEE..... MAR 2025, APR 2025	
DISTRIBUTION.....	
REQUIRES REVIEW..... MAR 2028	
04/22/2026	04/22/2026
Executive Director Signature of Approval	Signature of Approval
Date	Date

Kern County Hospital Authority Community Health Center

Department: Supply Chain Management				
Policy No.	Effective Date	Review Date:	Page	
LAL-IM-01	March 2025	March 2028	1 of 2	
Title: Supply Chain Management				

POLICY STATEMENT: It is the policy of Kern County Hospital Authority Community Health Center (KCHA CHC) to utilize competitive bidding where appropriate to ensure cost-effective procurement processes. KCHA CHC has delegated all purchasing procedures to the co-applicant, KCHA. All procurement transactions will be conducted in a manner that maximizes best quality of goods and services at the lowest cost to the best extent possible. This will be accomplished as deemed appropriate through open market inquiry, cost analysis including lease versus purchase options, request for proposal, and/or competitive bidding.

PURPOSE: KCHA CHC shall use cost-appropriate competitive bidding and contracting processes for procurement.


PROCEDURE:

1. The KCHA Purchasing Department shall govern all competitive bidding and contracting processes for routine commodities, equipment, and services agreements.
2. The KCHA Purchasing Department shall obtain competitive quotations for products whenever deemed appropriate, considering market conditions, pricing, and other relevant factors.
3. KCHA CHC may belong to one or more Group Purchasing Organizations (such as the Vizient GPO, which KCHA CHC currently belongs to as an affiliate of UCLA), and may utilize agreements available from said GPO(s) as deemed most advantageous for current needs, provided the GPO uses a competitive bidding process for contract award of the respective products that considers all relevant vendors, is conducted in an open and competitive manner, and is awarded to the vendor(s) of best value, price, quality, and other relevant factors considered.
4. Cost or price analysis shall be made and documented in the procurement files in connection with every procurement action above \$10,000 (micro-purchase threshold) in value.
5. Informal requests for quotation and/or competitive bids are encouraged for purchases of less than \$100,000, either in aggregate or individual, as is most appropriate for current business needs.
6. Informal requests for quotation or competitive bids are required for purchases exceeding \$100,000. At least three (3) quotations shall be obtained. The award or purchase shall be granted to the bidder offering the best advantage for KCHA CHC, considering price, service, and product quality.
7. All procurement actions that exceed the Simplified Acquisition Threshold (which may be periodically adjusted and is currently defined as \$350,000) must incur a formal cost analysis and competitive bidding process. Each Request for Quote (RFQ) or Request for Bid (RFB) shall include the formal development of specifications and scope of service, solicitation to vendors capable of providing responsible and responsive bids, and cost analysis of all bids received including financial evaluation and compliance with specifications.

- a. Formal bidding will be addressed in a manner appropriate for the commodity or service involved.
 - b. End user management shall be involved in creating sufficiently detailed specifications and scope descriptions that intending bidders are able to accurately and adequately prepare proposals or quotations as directed in the request documents.
 - c. Request documents shall address the scope of equipment, commodities, and/or services, specifications, terms and time frames, and other business- appropriate factors for consideration in award and contract.
 - d. Recommendations for award shall include an analysis of all up-front investments and ongoing costs, conformance to stated scope and specifications, and other factors relevant to the award decision. All recommendations for award shall be approved in accordance with the KCHA CHC policy LAL-IM-02 Approval Levels for Requisitions and Invoices.
 - e. Formal contract and award shall be accomplished in a time effective manner and shall be communicated to all bidders of record.
 - f. Award Protests: Bidders may notify Materials Management of a protest of any intended award within ten (10) days of notification of award. The protest shall be in letter form and shall describe the reasons the bidder believes the award is not in the best interests of KCHA CHC. Protests shall be reviewed and a final determination made by the Executive Director and/or Finance Administrator.
8. Exceptions to the competitive bid requirements shall be made on an as appropriate basis, subject to administrative approval at the level of expenditure involved. Examples include real estate purchases, insurance services, and professional services, as well as additions to existing systems, compatibility with existing equipment, and availability of post purchase support.

OWNERSHIP (Committee/Department/Team)Materials Management							
ORIGINAL	MAR 2025						
REVIEWED, NO REVISIONS							
REVISED	MAY 2025						
APPROVED BY COMMITTEE	MAR 2025, MAY 2025						
DISTRIBUTION							
REQUIRES REVIEW	MAR 2028						
<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; text-align: right;">04/22/2026</td> <td style="width: 50%; text-align: right;">04/22/2026</td> </tr> <tr> <td style="text-align: right;">Executive Director Signature of Approval</td> <td style="text-align: right;">Signature of Approval</td> </tr> <tr> <td style="text-align: right;">Date</td> <td style="text-align: right;">Date</td> </tr> </table>		04/22/2026	04/22/2026	Executive Director Signature of Approval	Signature of Approval	Date	Date
04/22/2026	04/22/2026						
Executive Director Signature of Approval	Signature of Approval						
Date	Date						

Kern County Hospital Authority Community Health Center

Department: Supply Chain Management				
Policy No.	Effective Date	Review Date:	Page	
LAL-IM-03	March 2025	March 2028	1 of 3	
Title: Procurement to Payment				

POLICY STATEMENT: It is the policy of Kern County Hospital Authority Community Health Center (KCHA CHC) to use standard practices for the requisitioning, procurement and payment for all goods and services used in the provision of care for its patients and in the operation of its facilities. KCHA CHC is committed to ensuring that goods and services are purchased in an effective and efficient manner that provides, to the maximum extent practicable, open and full competition, and that is in compliance with all applicable federal, state, and local laws and regulations while practicing good internal control procedures, effective cost control measures, and compliance with 2 CFR 200.318 through 2 CFR 200.327 and any current Legislative Mandates that apply to the use of federal funds. KCHA CHC has delegated the process of procuring goods and services to its co-applicant KCHA, which maintains appropriate procedures addressing the procurement of goods and services with federal funds to accomplish these objectives in compliance with 2 CFR 200. These standards include a process for the approval of all transactions that will result in payments to a vendor.

PURPOSE: The purpose of this policy is to establish the most efficient and fiscally responsible means of requesting, buying and paying for the supplies and services needed by KCHA CHC to provide excellent care to its patients and to operate its facilities in a cost-effective manner. By establishing these standards, information regarding purchase history can be captured in a single repository and used to make better buying decisions for the organization.

PROCEDURE: Individual users must initiate requests for or directly purchase goods and services using specific methods that are determined by the type or cost of the goods and services needed and by the individual's approval authority as defined by KCHA CHC policy LAL-IM-02 Approval Levels for Requisitions and Invoices. All methods require a clearly documented approval process that must be followed before orders are placed to support on-time, accurate payments to vendors. All procurement transactions will be conducted in a manner that maximizes best quality of goods and services at the lowest cost to the best extent possible. This will be accomplished as deemed appropriate through open market inquiry, cost analysis including lease versus purchase options, request for proposal, and/or competitive bidding. Cost or price analysis shall be made and documented in the procurement files in connection with every procurement action above \$10,000 (micro-purchase threshold) in value. All procurement actions that exceed the Simplified Acquisition Threshold (which may be periodically adjusted and is currently defined as \$250,000) must incur a cost analysis and competitive bidding process.

The acceptable methods of requisition or direct purchase are:

- Standard Requisition
- Customized Requisitions
- Electronic Requisition
- Inventory Requisition
- Purchasing Card
- Check Request
- Petty Cash

Standard Requisition

Standard requisitions must be used for all tangible goods or services. Wherever possible, pre-developed forms or requisitions (Customized Requisitions) must be used to assure accuracy in item number coding and other information.

For free-text items, the requester must provide accurate ordering information including vendor name, catalogue number, description and cost. If the requester is unable to get correct pricing, Materials Management will follow up with the vendor to obtain it.

Requesters must consult with the Kern Medical Materials Management when requesting new items to determine contract compliance and other purchasing considerations.

Once a standard requisition is submitted it will be routed for approval, if necessary, according to the KCHA CHC Approval Levels for Requisitions and Invoices Policy LAL-IM- 02.

Once all necessary approvals are obtained for the requisition, Kern Medical Material Management will create a standard purchase order (PO) and submit it to the vendor.

Invoices for standard POs are received by Accounts Payable (AP). If the PO, receiving document, and invoice are within tolerance, the invoice will be released for payment. If there are any discrepancies, the invoice will be routed back to Materials Management for resolution.

After-the-Fact (ATF) Requisition

In certain instances, goods are delivered to the facility prior to a PO being issued. In general, this practice should be limited to very specific circumstances and/or an emergency.

The requester will submit an after-the-fact requisition. Once an ATF requisition is submitted by the requester it will be routed for approval according to the KCHA CHC policy LAL-IM-02 Approval Levels for Requisitions and Invoices.

Only after a requisition completes the necessary approval process will Materials Management create an ATF purchase order and submit it to the vendor using the most efficient means available.

Capital (CAP) Purchase Orders

All capital purchases require a PO. Requesters must follow the KCHA CHC policies for capital procurement when requesting these items. A capital PO will be used for any equipment or project that meets the current KCHA CHC guidelines for capital. In some cases, CAP POs will be set up in such a way that they do not go through the standard receiving process. Invoices for these types of CAP POs are received by AP and routed to the buyer for receipt validation. Invoices for CAP purchase orders that do go through the standard receiving process are received by AP. If the PO, receiving document and invoice are within tolerance, the invoice will be released for payment. If there are any discrepancies, the invoice will be routed back to the buyer for resolution.

Third Party Ordering System

In some cases, Materials Management will authorize Requester to use a vendor's on-line ordering system. Only those on-line ordering systems that are approved by Materials Management may be used. Prior to approving a third-party ordering system, Materials Management will make sure that controls are in place to ensure an appropriate approval process, and that contract compliance is followed.

Purchasing Card (P-Card)

Purchasing Cards will be issued to certain individuals within the organization according to KCHA CHC guidelines. Each card will have controls in place that limit individual transaction amounts, monthly total expenditure amounts and types of goods or services that can be purchased.

Blanket Purchase Orders

1. Blanket purchase orders (BPO's) will be used in those circumstances where routine, regular purchases occur from a specific vendor for designated products throughout the year.
2. Materials Management will issue BPO's on request of end user departments or as deemed appropriate by department management. The BPO shall designate the vendor name and location, payment terms, BPO term, and other information including line item detail and cost where appropriate.

3. Individual transactions requested as authorized by Approval Levels for Requisitions and Invoices Policy LAL-IM-04 shall be recorded as BPO releases, as provided via the Blanket Purchase Orders Policy LAL-IM-04.

Check or Payment Request

1. For vendors that cannot accept P-Cards, POs, or do not invoice, an authorized individual can request that the vendor be paid directly using a Kern Medical check request.

To request that a vendor be paid without an invoice, an authorized user must submit a Check Request Form to AP. All fields including General Ledger coding, business purpose and authorizing signatures must be included on the form.

2. Check requests should only be used when there is no vendor invoice.

3. Check requests payable to new vendors will follow standard procedures for vendor set-up, requiring a W-9 form to accompany the check request.

Unless special arrangements are made, all checks will be mailed to the vendor directly or the vendor will be set up to receive an electronic funds (EFT) payment.

Petty Cash

Petty cash funds can be established to expedite the payment of small non-recurring business expenditures that arise during daily operations in accordance with KCHA CHC Policy FIN-LAL-19 Petty Cash Funds. Each petty cash fund established shall be operated as an imprest cash fund consisting of a fixed amount of money used for paying minor operating expenses when the amount is too small to warrant issuance of a check through the payable system. The maximum amount that will be disbursed from petty cash at one time is \$50. In certain emergency cases (or when deemed necessary) the Finance Administrator can override the established dollar limit and approve petty cash transactions up to the \$100.

OWNERSHIP (Committee/Department/Team) Materials Management	
ORIGINAL MAR 2025	
REVIEWED, NO REVISIONS	
REVISED MAY 2025	
APPROVED BY COMMITTEE MAR 2025, MAY 2025	
DISTRIBUTION	
REQUIRES REVIEW MAR 2028	
04/22/2026	04/22/2026
Executive Director Signature of Approval Date	Signature of Approval Date



**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Report on Kern County Hospital Authority Community Health Center Patient Experience for Quarter 1 2026.

Recommended Action: Receive and File

Summary:

Glenn Goldis, MD, Acting CHC Medical Director, will provide your Board with a presentation on Kern County Hospital Authority Community Health Center's Patient Experience data for Quarter 1 2026.

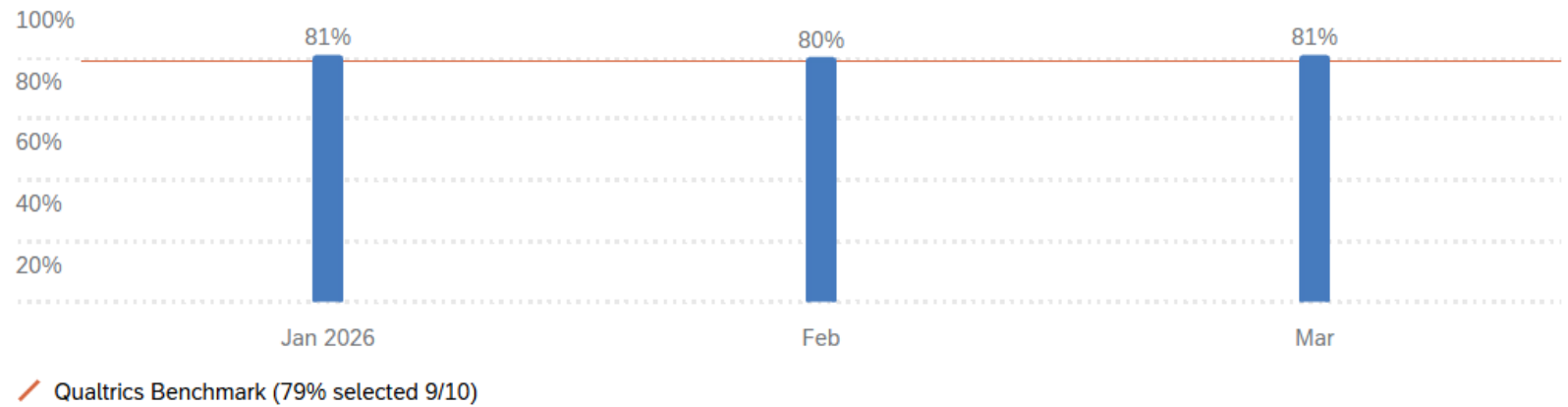


Patient Experience Quarter 1, 2026

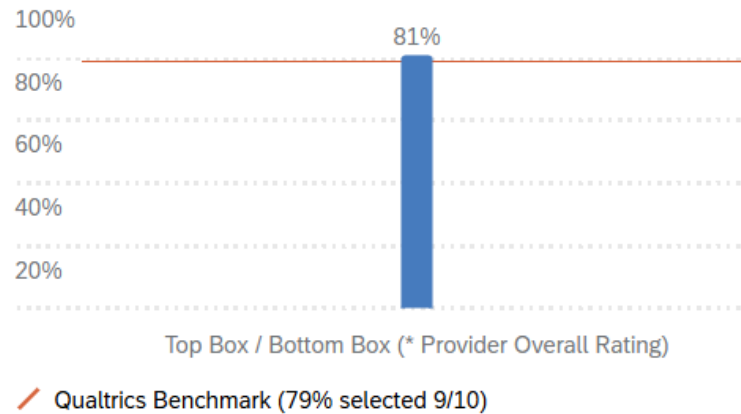
Community Health Center Board of Directors

CG-CAHPS Overall Provider Rating

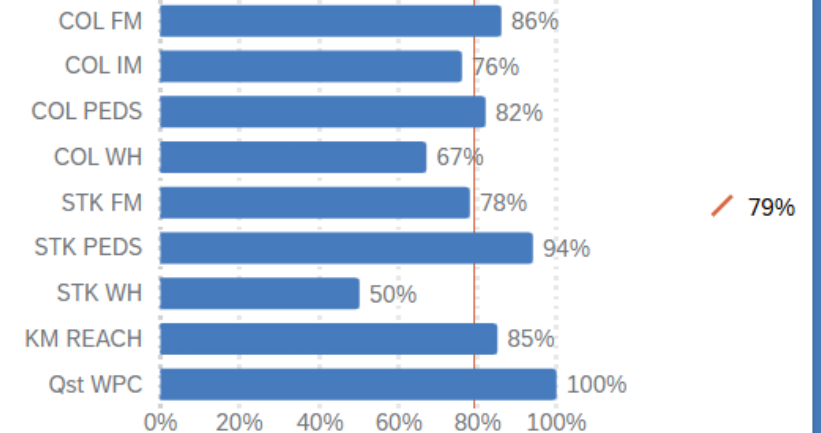
Overall Provider Rating (Monthly)



Overall Provider Rating (YTD)

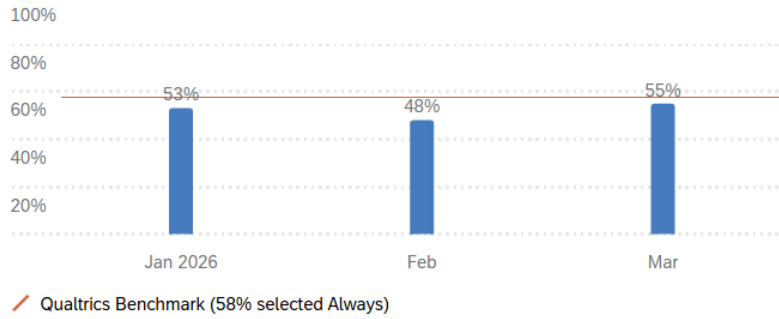


Overall Provider Rating (Prev. 6 Months)

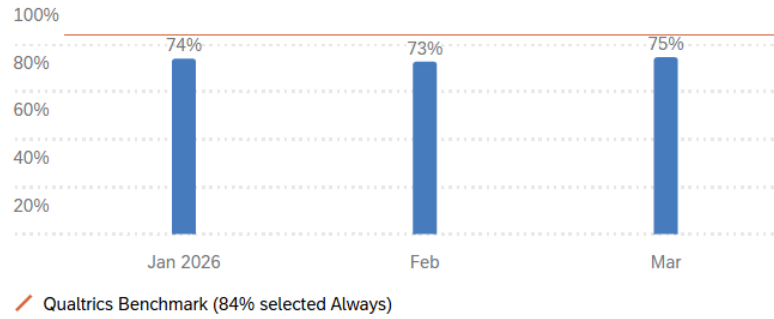


Provider-Specific Questions

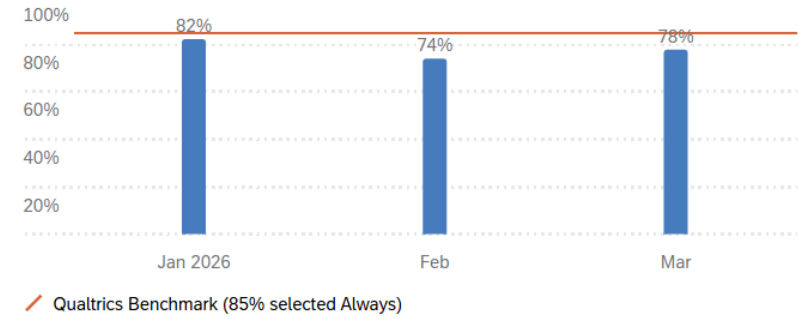
Same-Day Answers to Medical Questions 229



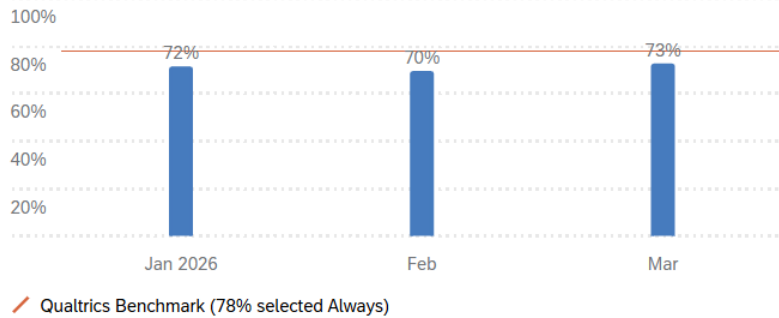
Provider Explanations were Easy to Understand 581



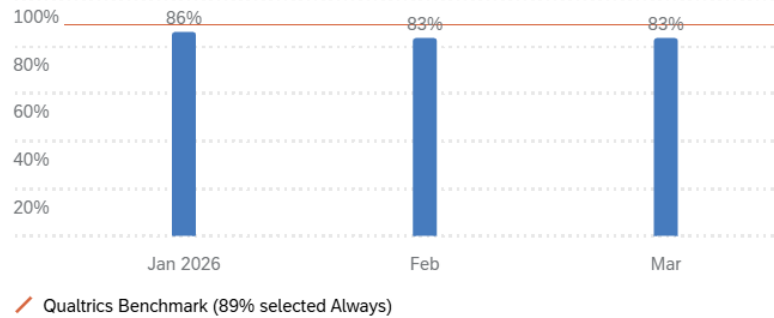
Provider Listened Carefully 575



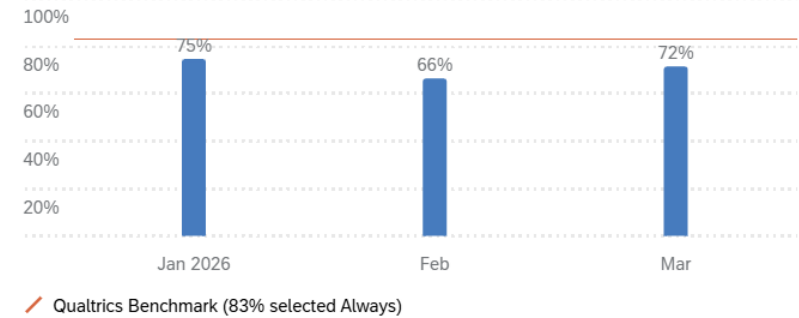
Provider Knew Important Medical History 572



Provider was Respectful 565

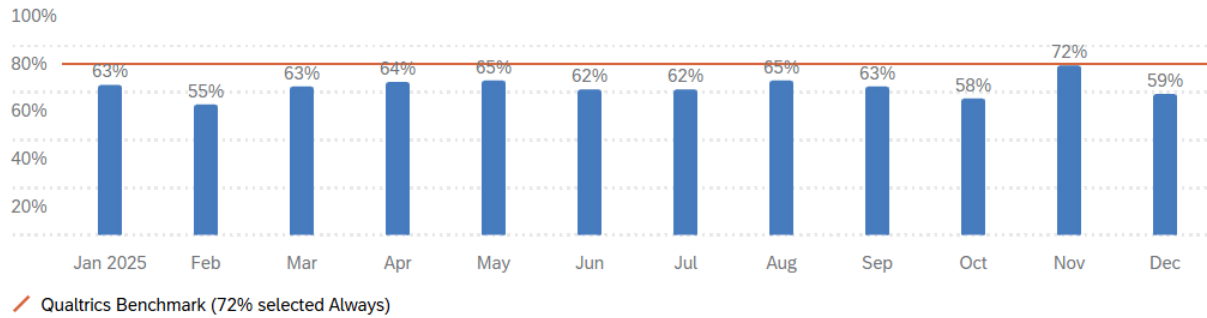


Provider Spent Enough Time with Patient 558

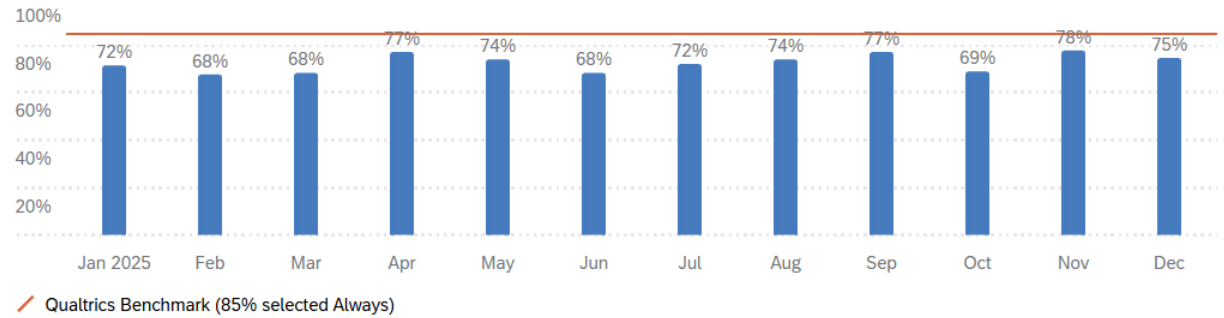


Clerks and Receptionists Questions

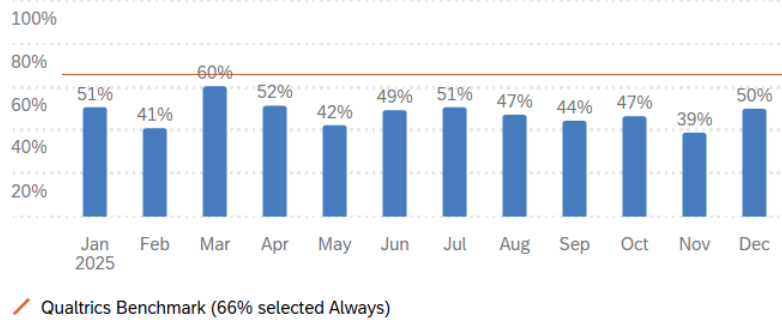
Receptionists/Clerks as Helpful as Expected 1,828



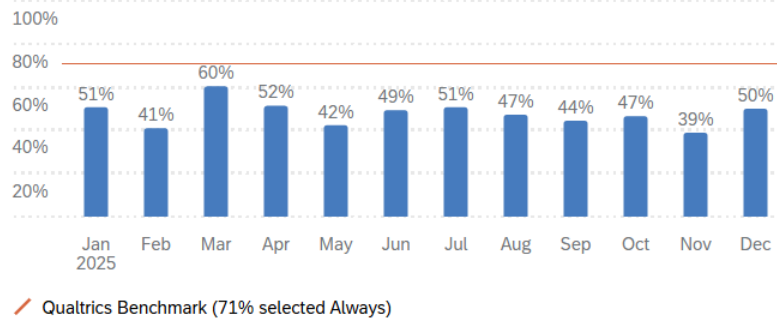
Treated with Courtesy and Respect by Receptionists/Clerks 1,797



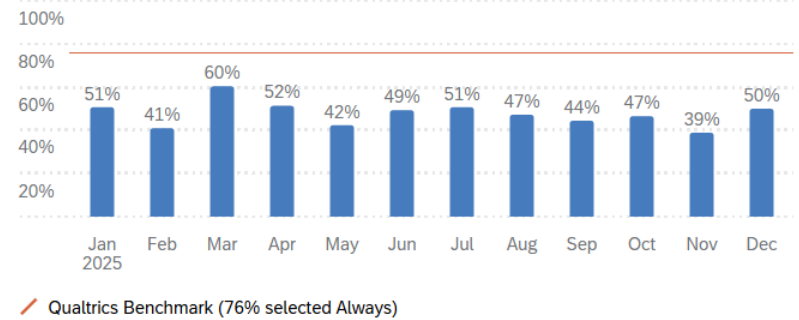
Ability to Schedule a Same-Day Appointment (Urgent) 1,002



Ability to Schedule a Check-Up/ Routine Appointment 1,002



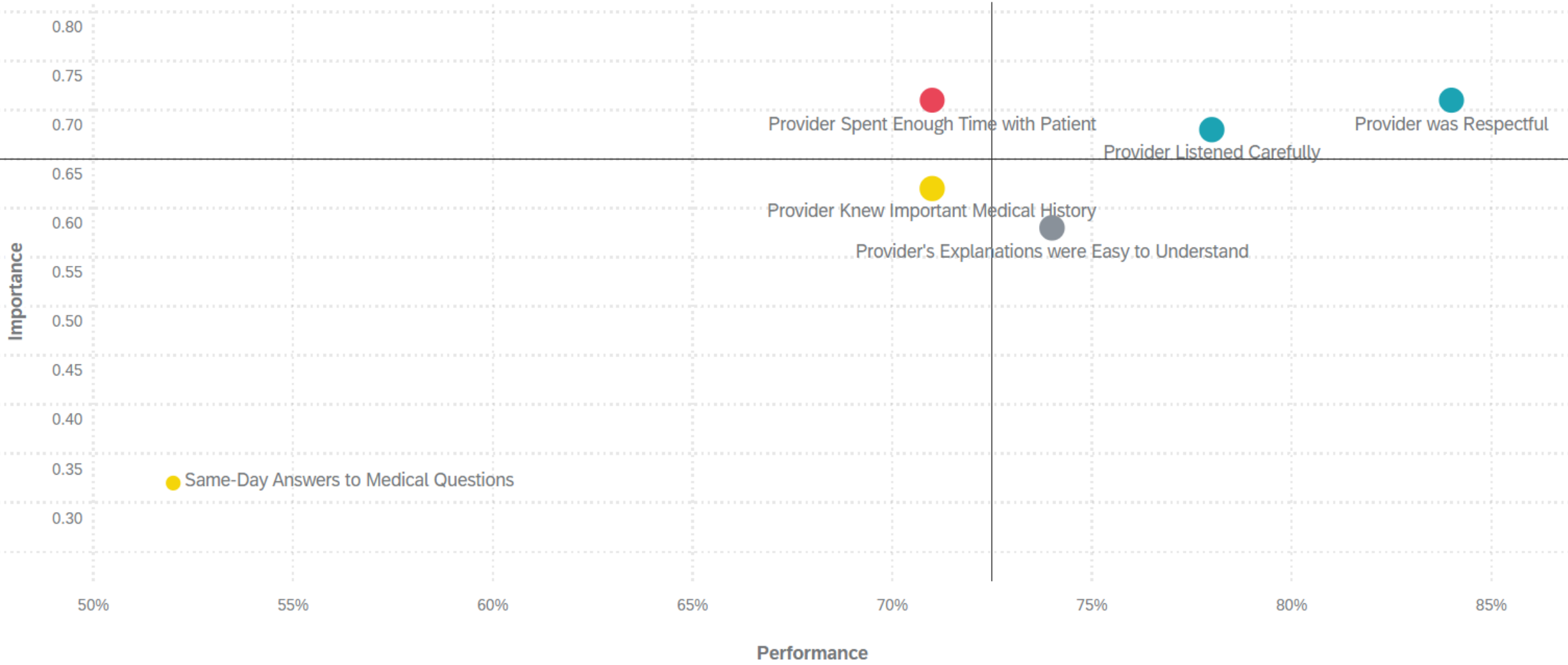
Received a Follow-Up Call with Results 1,002



Patient Feedback

- The doctor is a very good person. I am very satisfied (translated from Spanish)
- Dr. Espalin is the best pediatrician I have ever met! She takes great care in examining and listening to the details. She diagnosed certain conditions which generally go undiagnosed until 8-10 years of age! She's the best and always available
- Good
- All very excellent (translated from Spanish)
- Excellent thank you very much (translated from Spanish)
- Excellent (translated from Spanish)
- Always have appointments that same week when I call and are very kind and patient when I ask questions
- Excellent NP
- Everyone was very nice very helpful.
- It can be difficult to reach the front desk by phone.

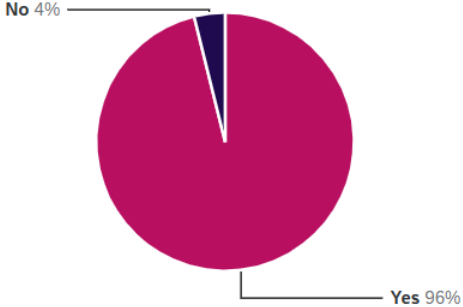
Key Driver Analysis of Provider Overall Rating 1,044



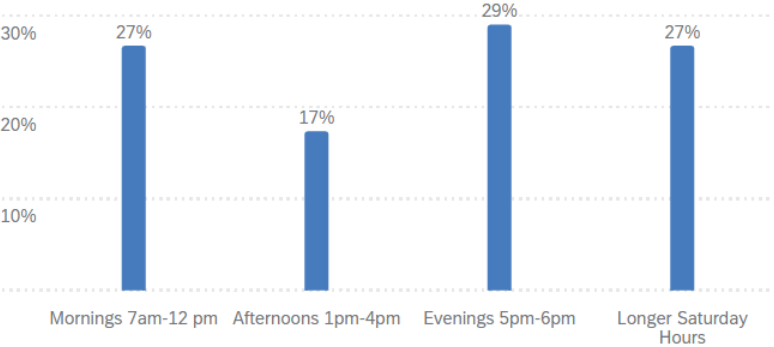
- Important and highly rated
- Important but poorly rated
- Not important and poorly rated
- Not important but highly rated

HRSA Access to Care – CHC Clinics

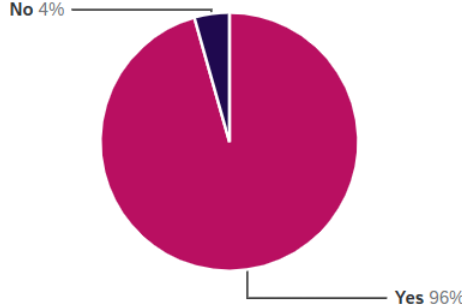
Are the clinic's hours of operation convenient? ▾



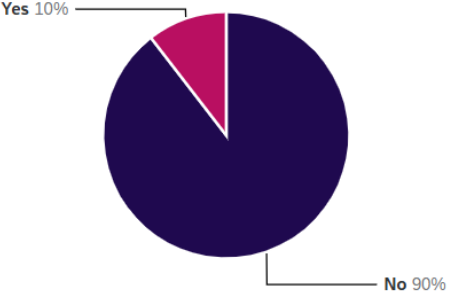
Preferred Hours of Operation



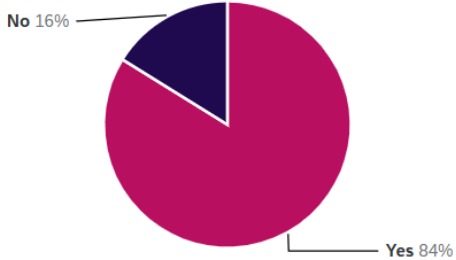
Is the location of the clinic easy to get to?



Does distance between sites create a barrier to access?



Is the amount paid for services reasonable?



Barriers Mentioned

- Well, if we don't move, it's a bit of a struggle for me, because I have to adapt to the schedules of the people who give me rides—since they all have different hours—but they always manage to take me. (translated from Spanish)
- Medicare coverage
- Can't easily afford gas to get there
- Needing transportation sometimes
- Online
- It's far away from home (translated from Spanish)

Key initiatives to improve patient communication and access

- Increased transparency with patient experience scores and patient comments.
 - Presented in monthly departmental meetings with providers and staff.
 - Discussed in staff huddles.
 - Posted in clinics for both staff and patients to see.
- Staff trained to be more proactive in resolving patient issues as soon as they are brought up.
- CHC patients with ED visits are called to ensure coordination of care with primary care, even if the ED visit is not with Kern Medical.



**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Report on the Kern County Hospital Authority Community Health Center Quality Update for Quarter 1 2026

Recommended Action: Receive and File

Summary:

The Interim Medical Director for the Community Health Center will provide your Board with the Calendar Year 2026 Quarter 1 Quality Update for Patient Complaints and Grievances.

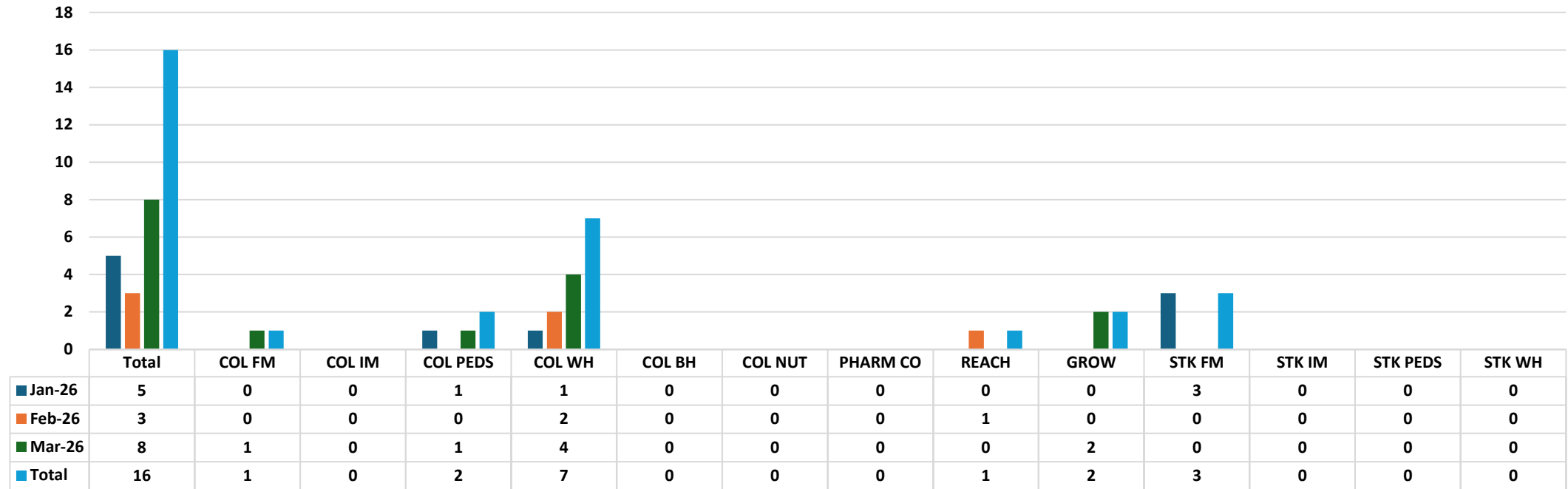


**Quality Report:
Patient Complaint and Grievance
Q1 2026**

Community Health Center Board of Directors

Q1 2026 Complaints

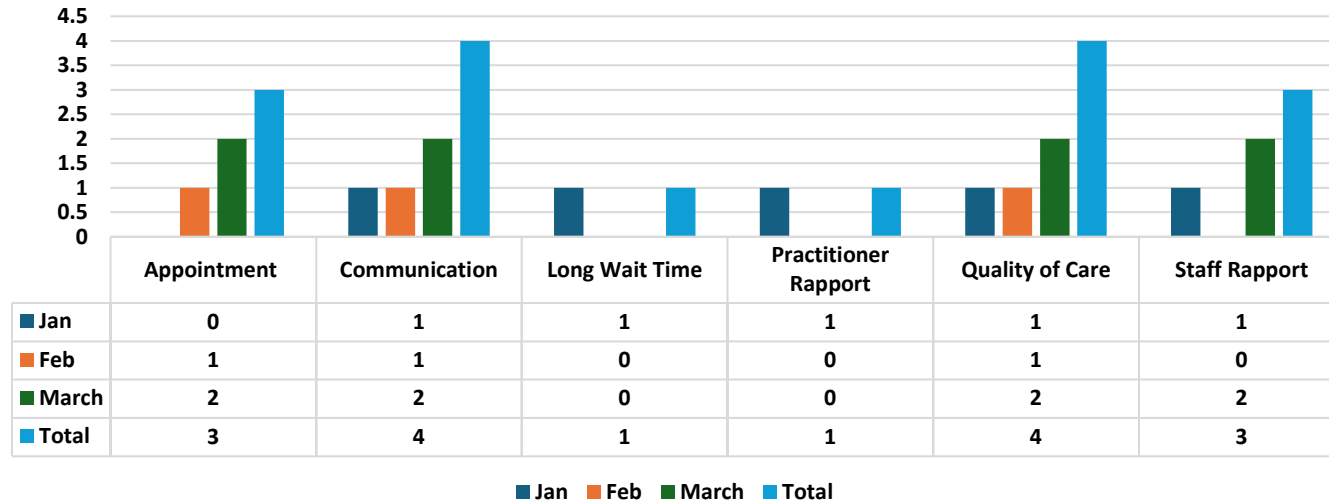
Complaints by Clinics



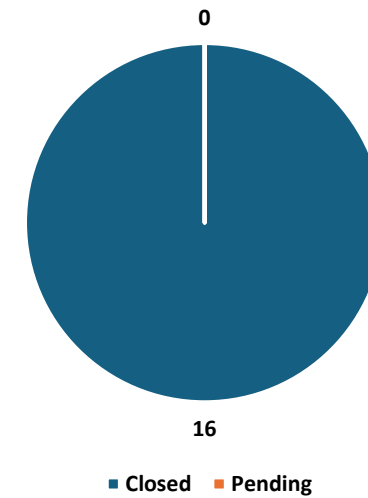
Jan-26 Feb-26 Mar-26 Total

Q1 2026 Complaint Types and Status

Complaint Types



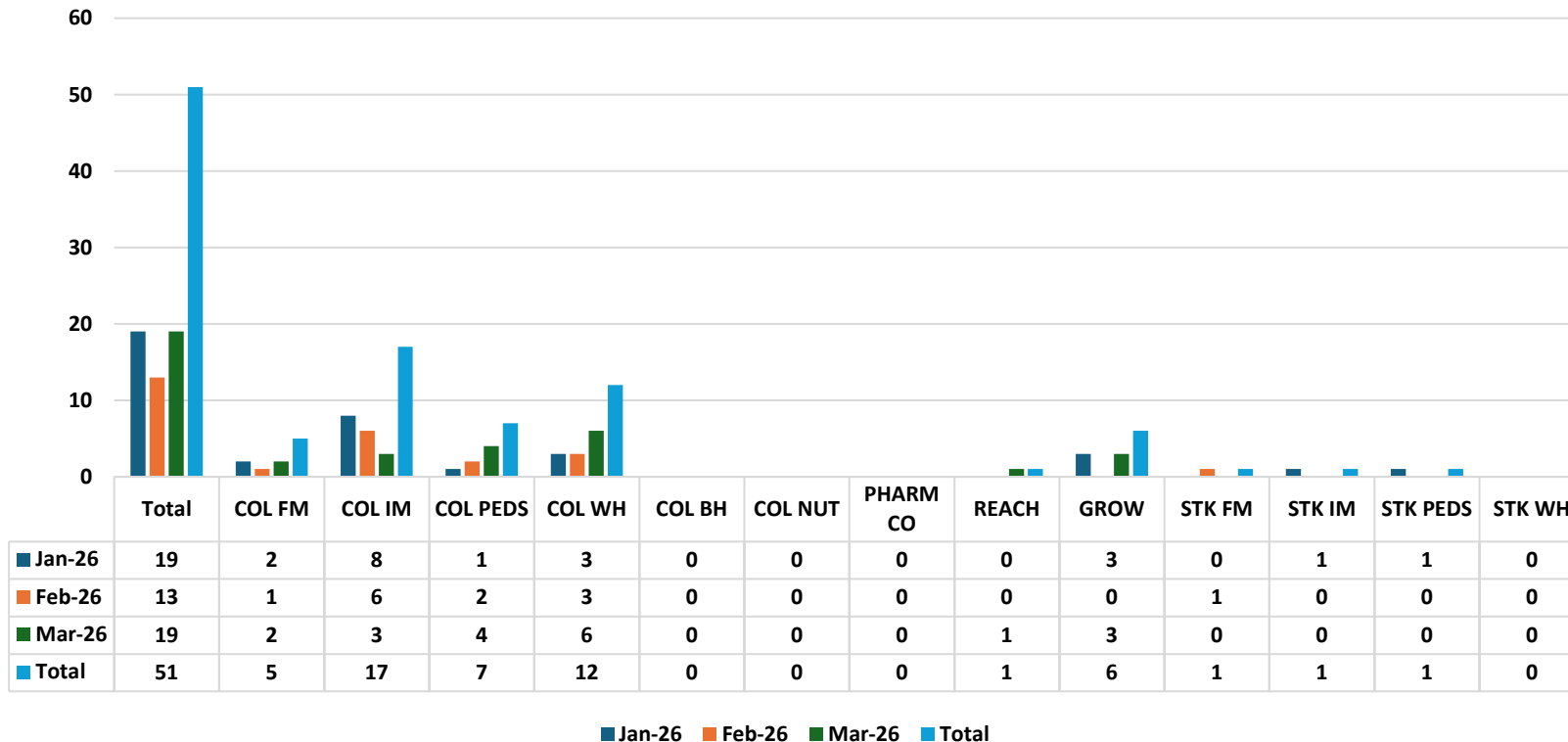
Complaint Status



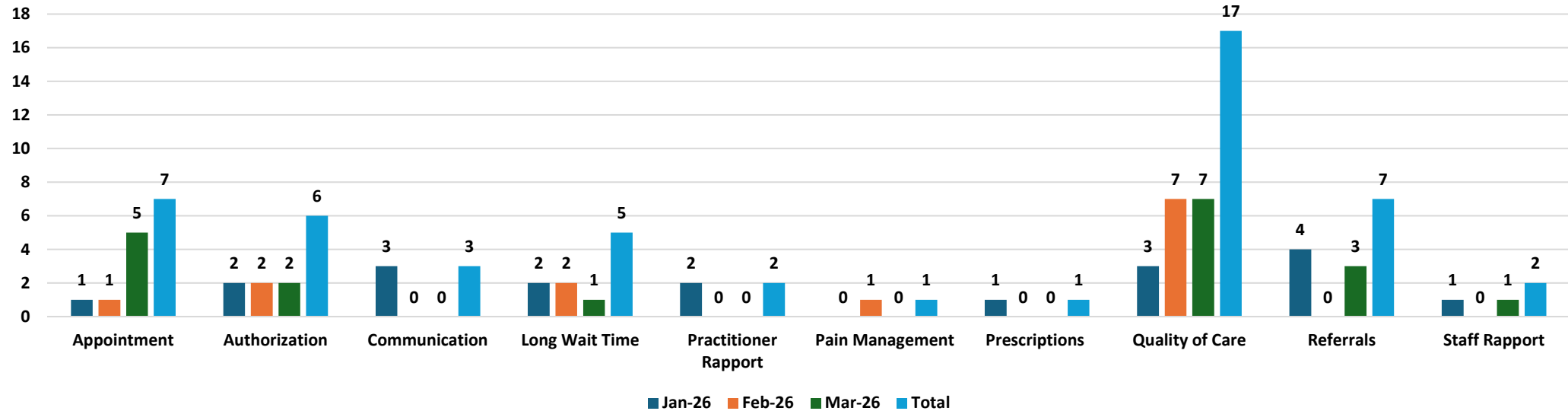
Q1 2026 Grievances by Clinics

Number of Clinic Visits

Clinic	Q1 Total	Grievance Rate
COL FM	4434	0.11%
COL IM	7836	0.22%
COL PEDS	5729	0.12%
COL WH	7766	0.15%
COL BH	995	0.00%
COL NUT	113	0.00%
COL PHARM CO	750	0.00%
REACH	989	0.10%
GROW	1114	0.54%
STK FM	584	0.17%
STK IM	508	0.20%
STK PEDS	1684	0.06%
STK WH	559	0.00%



Q1 2026 Grievance Types

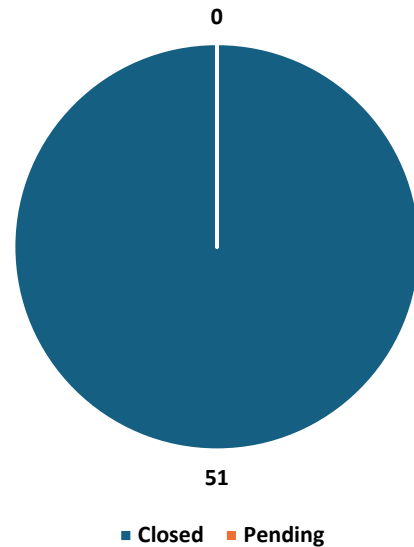


Q1 2026 Quality of Care	
Col FM	1
Col IM	6
Col Peds	1
Col WH	6
Grow	2
STK FM	1

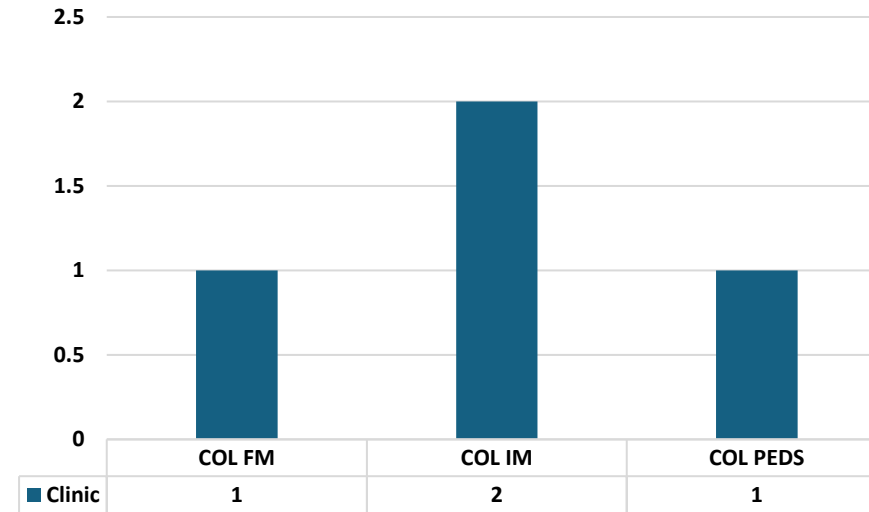
Of the 17 quality of care grievances, there were no substantiated cases.
 Patients expressed dissatisfaction with Practitioners and the overall care received.
 No consistent trend was identified with any specific Practitioner.

Q1 2026 Grievance Status

Grievance Status



Substantiated Grievances



Of the 51 closed grievances, 4 were substantiated. IM had 2 cases: 1 authorization issue resolved with Dermatology referral, and 1 appointment issue resolved by scheduling with another Practitioner. FM had 1 case related to Practitioner rapport, resolved by changing PCP. Col PEDS had 1 case related to long phone wait times.

Questions ?

**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Report on the Kern County Hospital Authority Community Health Center Health Center Service Utilization Report for March 2026

Recommended Action: Receive and File

Summary:

The Health Resources and Services Administration (HRSA) Health Center Program Compliance Manual (Program) outlines certain roles and responsibilities that must reside with the Community Health Center Board (CHC Board). One of these responsibilities includes oversight for service utilization.

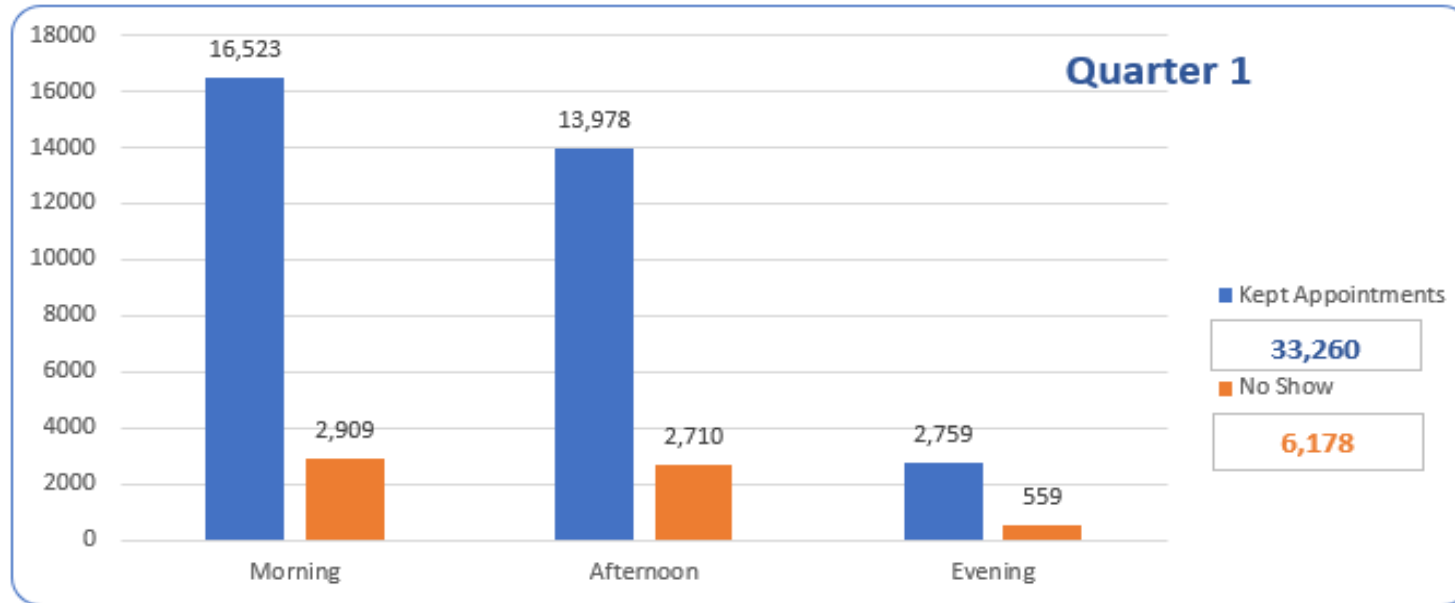
The Community Health Center produces data-based reports on: patient service utilization, trends and patterns in the patient population and overall health center performance, as necessary to inform and support internal decision-making and oversight by key management staff and governing board.

This presentation will be delivered on a monthly basis, as it contains critical information necessary for the CHC Board to effectively monitor progress and ensure alignment with its long-term strategic planning goals. In addition to the monthly data, quarterly, the report will include utilization summaries to highlight the trends and patterns to provide a broader perspective on performance over time and how effective changes/additions are to improving patient utilization.



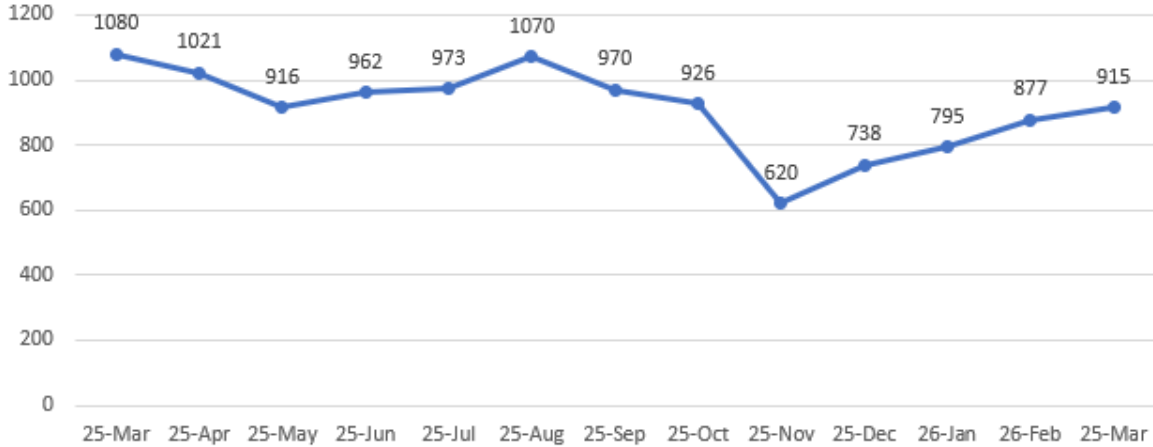
**Kern County Hospital Authority
Community Health Center
Board of Directors – March 2026
Health Center Service Utilization**

Quarterly Visits CY 2026

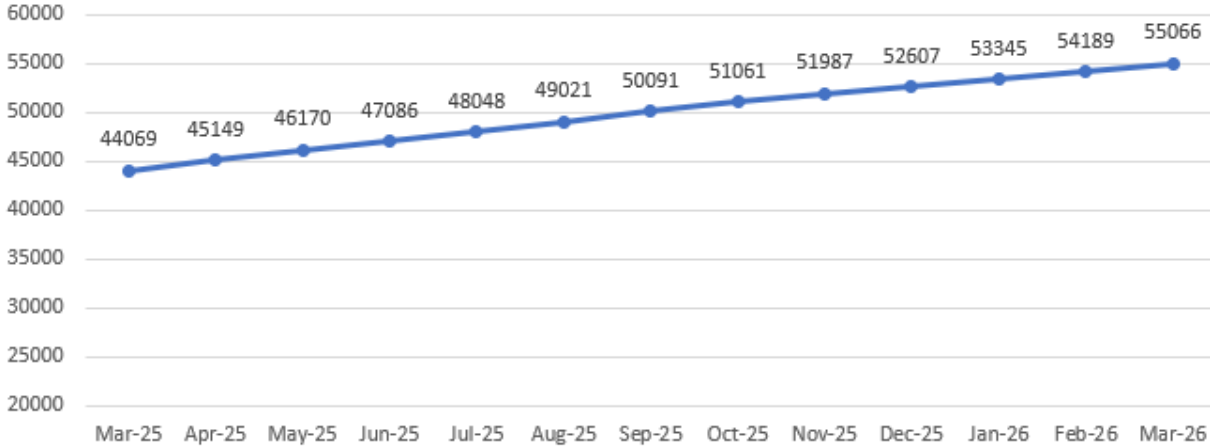


New Patient Data March 2026

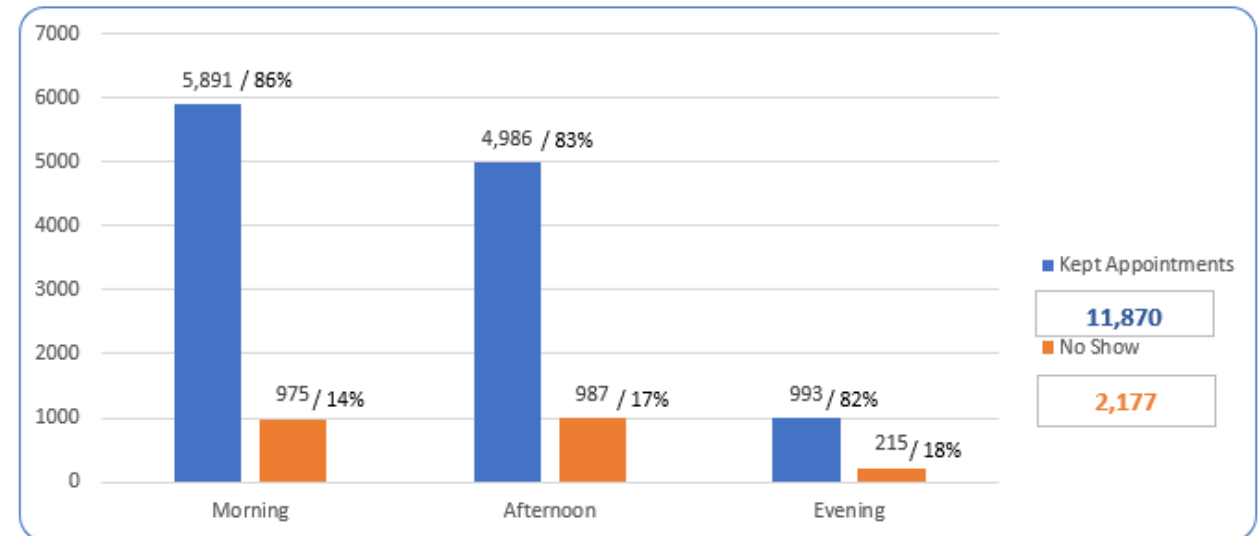
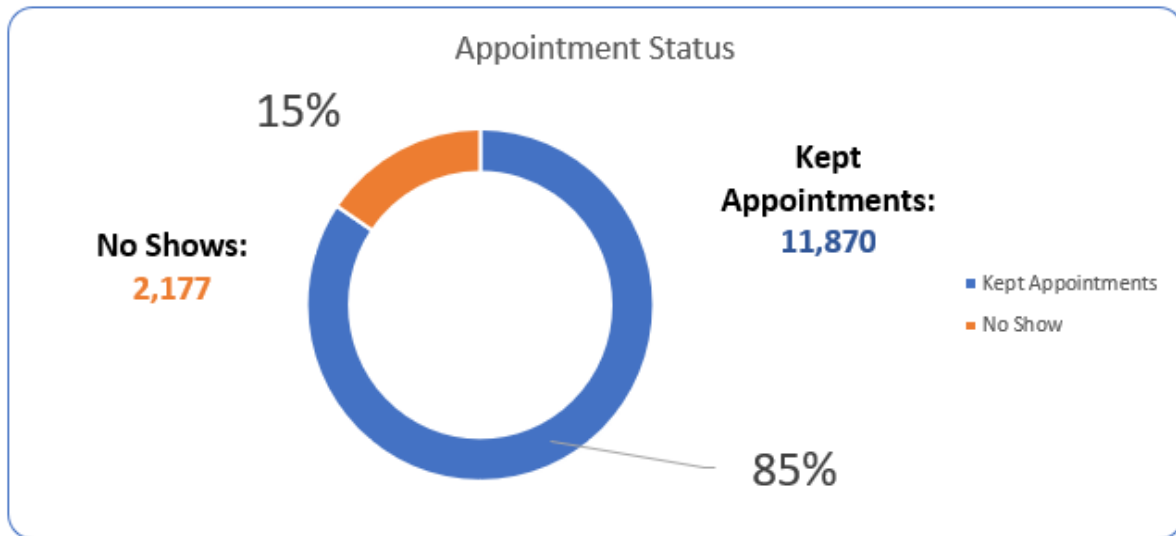
New Health Center Patients by Month



Total Count of health Center Patients

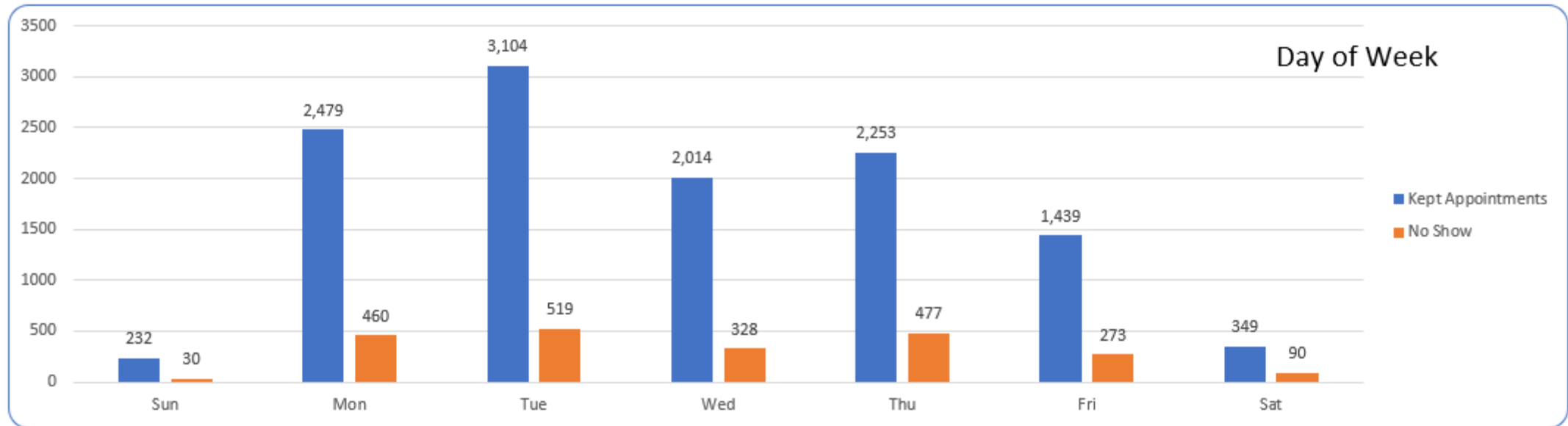


Kept Versus No Shows March 2026



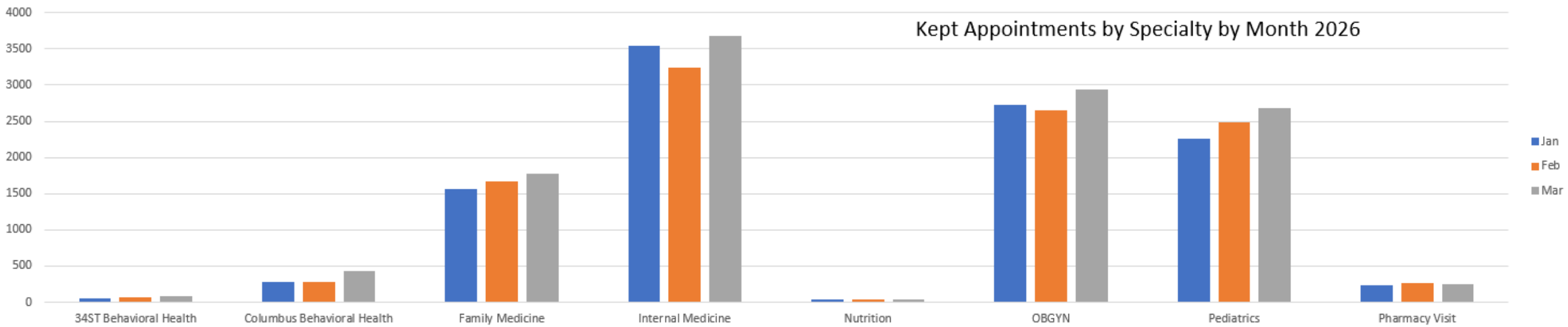
Morning: 8am-12pm
Afternoon: 12pm -5pm
Evening: 5pm-8pm

Appointments by Day of Week March 2026



Visits by Month and Service Line

Kept Appointments by Specialty by Month 2026



No Shows by Month and Location March 2026

Count of No Shows					
Row Labels	Jan	Feb	Mar	Grand Total	Percent
34ST Behavioral Health	25	24	20	69	1%
34ST GROW	86	87	66	239	4%
34ST REACH	84	54	56	194	3%
COL BH	56	44	80	180	3%
COL FM	315	287	307	909	15%
COL IM	528	483	618	1629	26%
COL NUT	16	15	16	47	1%
COL PEDS	372	216	306	894	14%
COL PHARM CO	73	76	95	244	4%
COL WH	369	333	368	1070	17%
STK FM	30	24	26	80	1%
STK IM	26	36	22	84	2%
STK PEDS	73	48	59	180	3%
STK WH	12	24	21	57	1%
COL NST	99	86	117	302	5%
Grand Total	2164	1837	2177	6178	100%

Visits by Month and Location March 2026

Count of Kept Appointments					
Row Labels	Jan	Feb	Mar	Grand Total	Percent
34ST Behavioral Health	52	63	84	199	1%
34ST GROW	426	363	325	1114	3%
34ST REACH	351	311	327	989	3%
COL BH	281	287	427	995	3%
COL FM	1367	1494	1573	4434	13%
COL IM	2632	2377	2827	7836	24%
COL NUT	40	40	33	113	0%
COL PEDS	1715	1937	2077	5729	17%
COL PHARM CO	240	261	249	750	2%
COL WH	2164	2094	2297	6555	20%
STK FM	203	175	206	584	2%
STK IM	126	186	196	508	1%
STK PEDS	537	544	603	1684	5%
STK WH	163	173	223	559	2%
COL NST	402	386	423	1211	4%
Grand Total	10699	10691	11870	33260	100%

Visits by Zip Code March 2026

Row Labels	Count of Zip
⊕ Bakersfield Zip Codes	29593
⊕ Greater Kern County	3558
⊕ Other California	106
Grand Total	33257

Top 10 Zip Codes		
Zip Code	Count of Zip	Percent
93307	6529	22%
93306	5344	18%
93305	5112	17%
93304	2807	9%
93308	2456	8%
93309	2111	7%
93313	1552	5%
93311	1283	4%
93312	880	3%
93301	856	3%

Zip Codes Included in Application:

93301, 93304, 93305, 93306, 93307, 93308,
93309, 93311, 93312, 93313, 93241

Health Center Data CY 2026

Ethnicity

- Unknown - **0**
- Puerto Rican - **21**
- Unreported/Chose Not to Disclose Ethnicity - **212**
- Mexican - **9257**
- Not Hispanic, Latino/A, Or Spanish Origin - **4,481**
- Another Hispanic, Latino/A, Or Spanish Origin - **2,463**

Race

- Other Single Race - **798**
- Unknown - **0**
- Black/African American - **1,157**
- White - **14,143**
- Unreported/Chose Not to Disclose Race - **325**
- Two Or More Races - **11**

Insurance Status

- No Coverage - **180**
- Has Coverage - **16,254**

Questions

Thank you

**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Report on the Operational Site Visit finding regarding the Sliding Fee Discount Program

Recommended Action: Receive and File

Summary:

The Kern Medical Outpatient Health (KMOH) Sliding Fee Discount Program determines patient eligibility based on household income and family size measured against current federal poverty guidelines. The Health Resources and Services Administration (HRSA) updates these federal poverty guidelines each January, therefore, KMOH's Sliding Fee Discount Schedule (SFDS) must be revised annually to remain current.

At the Operational Site Visit, HRSA found that the KMOH had not updated the SFDS to the current guidelines. This was quickly remedied, but as the updated guidelines came out in January 2026, HRSA encouraged KMOH to review patient eligibility for the SFDS for the period of January 1, 2026 through March 18, 2026.

Staff has completed this review and presents to your Board their findings.



**Operational Site Visit Finding
Regarding Sliding Fee Discount Program
Audit of All Patient Accounts
01/01/2026 -03/18/2026**

Actions

- **SFDP Scale Updated and distributed to staff as of 3/18/2026**
- **Training: All Registration and Health Benefit Advisor staff have been notified and trained on the utilization of the updated 2026 Sliding Fee Scale**
- **SFDP Audit Completed 3/31/2026**

SFDP Audit Findings

- **Audit Dates: 1/1/2026-3/18/2026**
- **Total Encounters Audited: 286**
- **SFDP Application Discrepancies: 11**

Actions & Adjustments: Patients were notified of the change to their sliding fee scale and the updated nominal fee. New applications were signed and scanned into the EHR.

Audit findings were favorable to all 11 patients and refunds were processed.

Refunds Processed

- **Total Patients Refunded: 4**
- **Total Dollars Refunded: \$70.00**

Takeaways

- **Audited conducted by Joyce Maldonado and Andrea Del Rio**
- **Takeaways:**
 - **Updated Sliding Fee Discount Program scale is established in January of each year**
 - **Updated scale needs to be reviewed and implemented beginning January 2027, to ensure that patients are being evaluated accurately**
 - **Depending on the timing of the release, Staff may implement the changes prior to approval from your Board due to HRSA's compliance requirement that the update becomes effective upon notice.**

Questions

Thank you



**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Report on the Kern County Hospital Authority Community Health Center financials for February 2026

Recommended Action: Receive and File

Summary:

The Kern County Hospital Authority Community Health Center (KCHA CHC) clinics provided 10,691 patient visits during the month of February, which was 1,183 more than the budgeted amount of 9,508 for the month. KCHA CHC recognized \$1.48 million of net patient revenue from these visits.

The following items have budget variances for the month of February 2026:

Total Revenues:

Net Patient Revenue:

KCHA CHC recognized \$1.48 million of net patient revenue for the month, \$333,000 more than the \$1.15 million budgeted for February. Year-to-date, net patient revenue totaled \$10.25 million, \$618,000 more than the budgeted amount of \$9.63 million. Budgeted net patient revenue is based on the approximate number of total clinic visits expected and the per visit reimbursement rate.

Indigent Revenue:

Total revenues include \$595,000 of contributions from Medi-Cal supplemental programs, \$246,000 less than the \$841,000 budgeted for February. Year-to-date, indigent revenues total \$5.43 million, \$1.63 million less than the \$7.06 million budgeted for the year.

Other Income:

The Health Resources Services Administration (HRSA) requires that the organization submit a breakeven budget. As such, the Kern County Hospital Authority makes monthly contributions to cover expected expenses associated with the organization's first year of operation as an FQHC Look-Alike (LAL) clinic system.

Operating and Other Expenses:

Salaries and Benefits:

Salaries and benefits expenses total \$3.56 million for the month of February, \$65,000 more than the budget of \$3.51 million. Year-to-date, salaries and benefits expenses totaled \$28.20 million, \$1.20 million less than the \$29.33 million budgeted. Staffing includes directly employed physicians, nurse practitioners, medical residents, and behavioral health providers.

Medical Fees:

Medical fees expense totaled \$387,000 for the month of February, \$81,000 less than the budget of \$468,000. Year-to-date, medical fees expense totaled \$4.13 million, \$202,000 more than the \$3.93 million budgeted. Medical fees expense is comprised of contracted physician fees.

Other Professional Fees:

Other professional fees expense totaled \$80,000 for the month, \$28,000 more than the budget of \$52,000 for February. Year-to-date, other professional fees expense totaled \$551,000, \$119,000 more than the \$432,000 budgeted. Other professional fees expense is comprised of legal expenses and other various consulting fees.

Supplies Expense:

Supplies expense totaled \$115,000 for the month, \$18,000 less than the \$133,000 budgeted for February. Year-to-date, supplies expense totaled \$1.03 million, \$96,000 less than the \$1.12 million budgeted. Pharmaceuticals and various medical supplies account for a significant amount of total supply costs.

Purchased Services:

Purchased services expenses totaled \$84,000 for the month of February, \$20,000 less than the \$104,000 budgeted for the month. Year-to-date, purchased services expenses totaled \$707,000, \$156,000 less than the \$871,000 budgeted. Purchased services costs are comprised of items such as computer maintenance fees, various purchased medical services, and laundry and linen services.

Other Expenses:

Other expenses totaled \$281,000 for the month of February, \$45,000 more than the \$236,000 budgeted for the month. Year-to-date, other expenses totaled \$2.33 million, \$347,000 more than the \$1.98 million budgeted. Other expenses include recruiting fees, repairs and maintenance, rent, interest, and utilities.

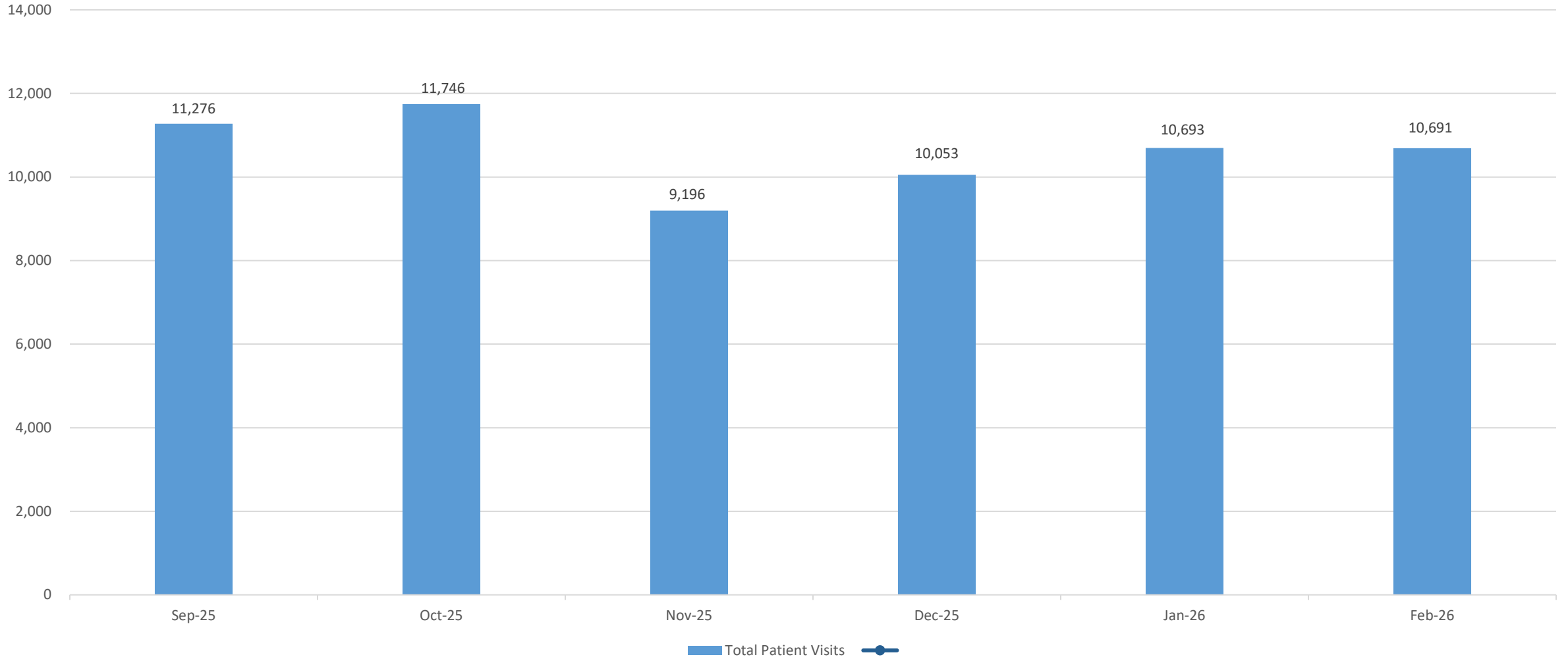
Overhead Expenses:

A percentage of overhead expenses from Kern Medical services and support departments such as housekeeping, engineering, and information systems has been allocated to the KCHA CHC clinics and is included in total operating expense.

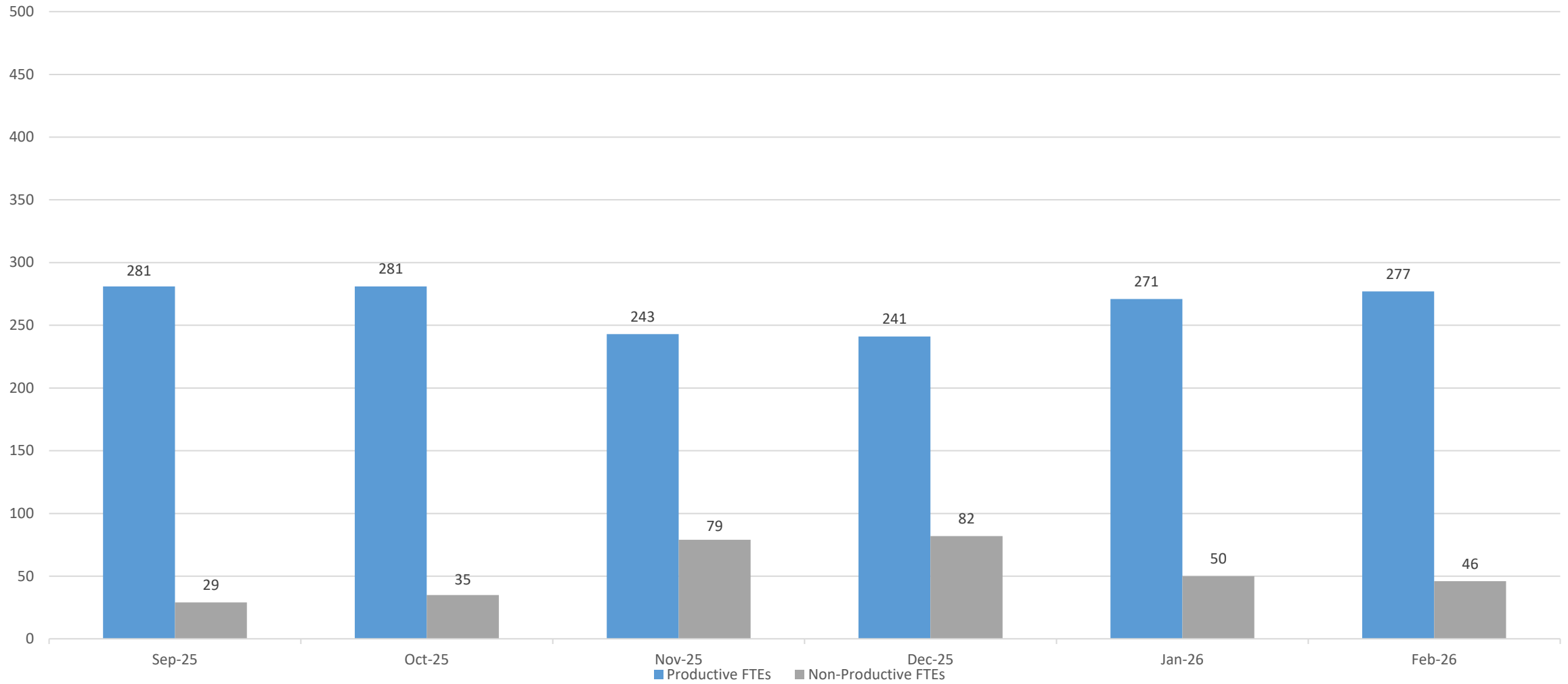


**Kern County Hospital Authority
Community Health Center
Finance Report – April 2026**

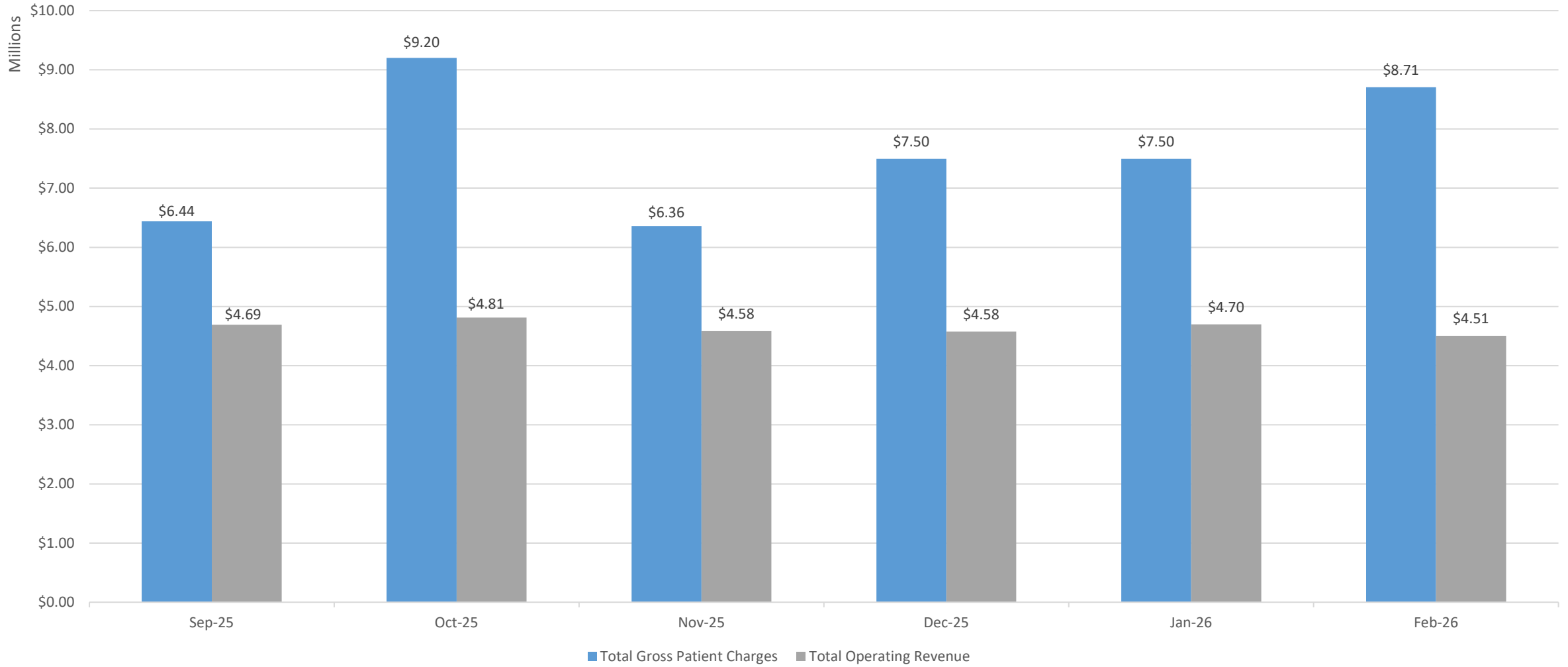
CHC Patient Clinic Visits



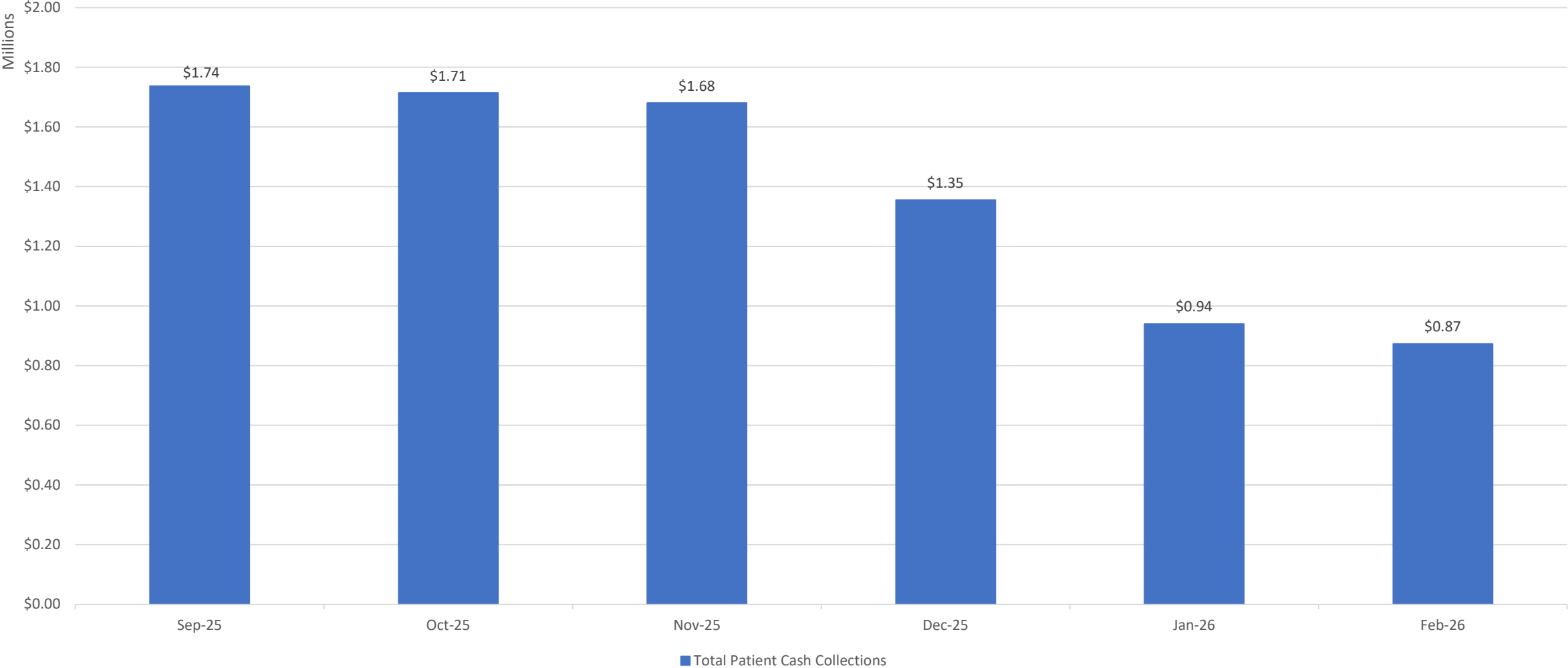
Labor Metrics



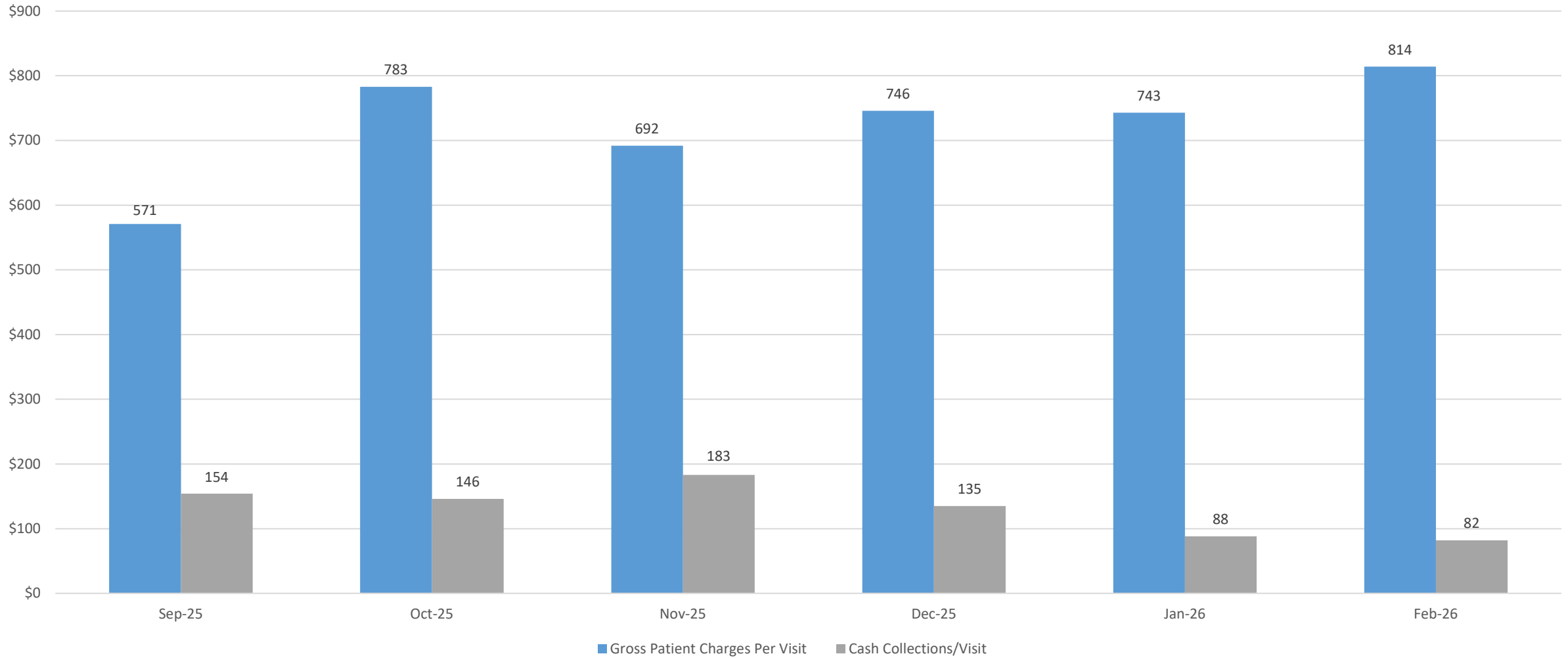
CHC Revenue



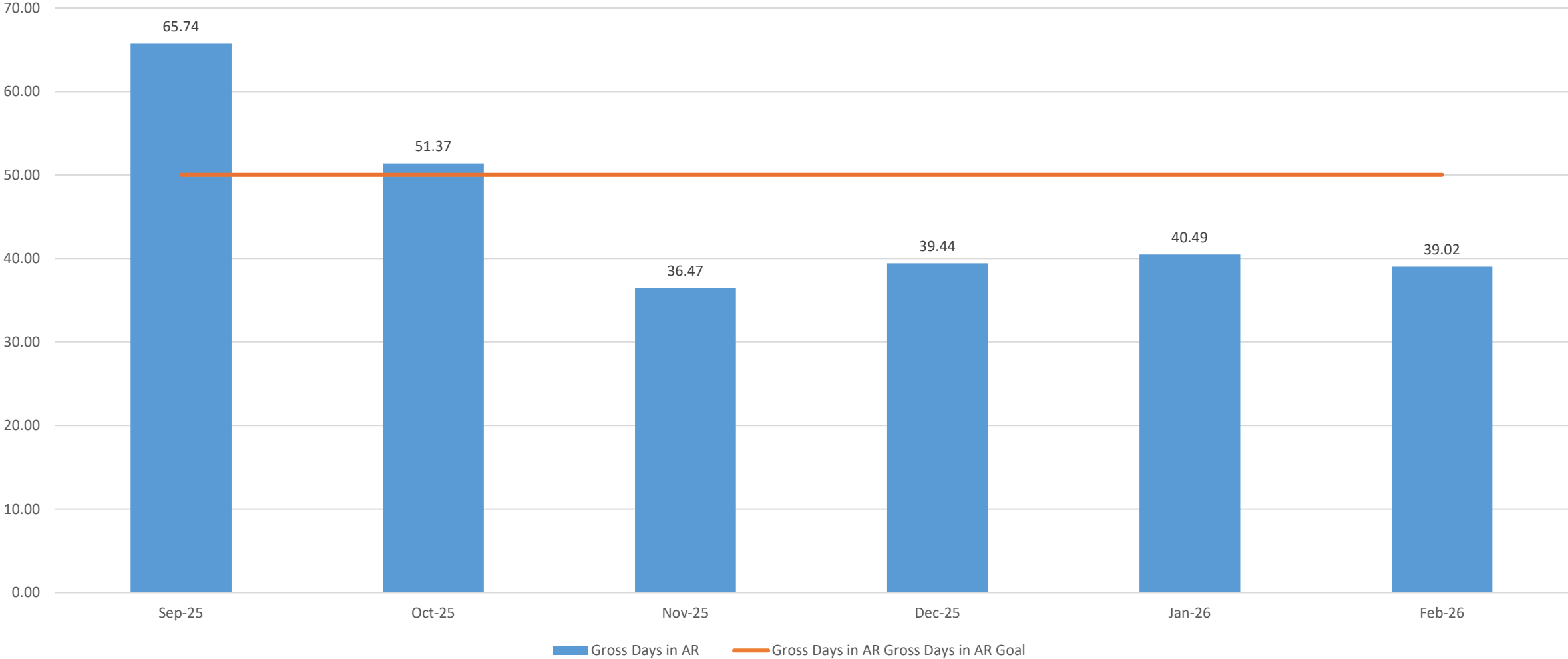
Patient Cash Collections



Gross Patient Charges Per Visit and Cash Collections Per Visit



Gross Days in A/R



**KERN MEDICAL OUTPATIENT HEALTH
TRENDING INCOME STATEMENT
DECEMBER 2025 - FEBRUARY 2026**

	December Actual	January Actual	February Actual	February Budget	February Variance	February Variance %
Operating Revenues:						
Gross Patient Revenue						
Outpatient						
OP Self-Pay	\$74,736	\$71,398	\$97,104	\$34,060	\$63,045	185.1%
OP Self-Pay Professional Fees	30,012	55,857	48,460	30,263	18,197	60.1%
OP Commercial Fee-for-Service (FFS)	18,267	16,106	22,557	19,772	2,784	14.1%
OP Commercial Fee-for-Service (FFS) Professional Fees	16,895	17,415	19,790	21,700	(1,911)	(8.8%)
OP Commercial Managed Care (HMO/PPO)	390,164	366,955	388,251	307,453	80,798	26.3%
OP Commercial Managed Care (HMO) Professional Fees	320,343	398,072	382,789	377,224	5,566	1.5%
OP Workers' Compensation Fee-for-Service (FFS)	9,333	3,722	5,892	1,646	4,246	257.9%
OP Workers' Compensation Fee-for-Service (FFS) Professional Fees	11,177	15,335	25,555	11,061	14,493	131.0%
OP Medicare Fee-for-Service (FFS)	254,014	302,737	326,077	216,650	109,427	50.5%
OP Medicare Fee-for-Service (FFS) Professional Fees	267,423	323,706	320,610	253,224	67,386	26.6%
OP Medicare Managed Care (HMO)	14,651	33,557	45,362	14,640	30,722	209.8%
OP Medicare Managed Care (HMO) Professional Fees	14,240	26,231	44,487	15,725	28,762	182.9%

**KERN MEDICAL OUTPATIENT HEALTH
TRENDING INCOME STATEMENT
DECEMBER 2025 - FEBRUARY 2026**

	December Actual	January Actual	February Actual	February Budget	February Variance	February Variance %
Operating Revenues:						
Gross Patient Revenue						
Outpatient						
OP Medi-Cal Fee-for-Service (FFS)	152,942	147,672	152,690	148,730	3,960	2.7%
OP Medi-Cal Fee-for-Service (FFS) Professional F	82,117	91,001	99,212	112,707	(13,495)	(12.0%)
OP Medi-Cal Managed Care (HMO)	3,354,044	3,349,780	3,812,088	2,638,348	1,173,740	44.5%
OP Medi-Cal Managed Care (HMO) Professional	1,933,250	2,303,357	2,227,047	1,875,623	351,423	18.7%
OP Other Government Fee-for-Service (FFS)	304,975	231,359	372,530	333,720	38,809	11.6%
OP Other Government Fee-for-Service (FFS) Profe	247,945	192,982	315,305	345,603	(30,298)	(8.8%)
Total Outpatient	7,496,531	7,947,242	8,705,804	6,758,149	1,947,655	28.8%
Total Gross Patient Revenue	7,496,531	7,947,242	8,705,804	6,758,149	1,947,655	28.8%
Patient Revenue Deductions	(6,222,121)	(6,596,211)	(7,225,818)	(5,611,210)	(1,614,608)	28.8%
Net Patient Revenue	1,274,410	1,351,031	1,479,986	1,146,939	333,047	29.0%
Total Indigent	670,005	744,586	594,578	841,293	(246,715)	(29.3%)
Other Income	2,633,223	2,604,113	2,430,588	2,498,044	(67,456)	(2.7%)
Total Operating Revenues	\$ 4,577,638	\$ 4,699,730	\$ 4,505,152	\$ 4,486,276	\$ 18,876	0.4%

**KERN MEDICAL OUTPATIENT HEALTH
TRENDING INCOME STATEMENT
NOVEMBER 2025 - JANUARY 2026**

	December Actual	January Actual	February Actual	February Budget	January Variance	January Variance %
Operating Expenses:						
Salaries	\$ 2,823,024	\$ 2,881,193	\$ 2,787,048	\$ 2,326,068	\$ 460,980	19.8%
Benefits	785,412	788,243	771,014	1,166,709	(395,695)	(33.9%)
Total Salaries and Benefits	3,608,436	3,669,436	3,558,062	3,492,777	65,284	1.9%
Physicians	393,965	453,114	369,075	460,248	(91,173)	(19.8%)
Therapists	14,867	13,884	18,435	8,034	10,401	129.5%
Total Medical Fees	408,832	466,998	387,510	468,282	(80,772)	(17.2%)
Consulting	15,773	27,435	14,045	15,485	(1,440)	(9.3%)
Legal	13,212	22,147	20,485	1,789	18,696	1045.1%
Other contracted services	45,100	9,388	45,357	34,204	11,153	32.6%
Total Other Professional Fees	74,085	58,970	79,887	51,478	28,409	55.2%

**KERN MEDICAL OUTPATIENT HEALTH
TRENDING INCOME STATEMENT
NOVEMBER 2025 - JANUARY 2026**

	December Actual	January Actual	February Actual	February Budget	January Variance	January Variance %
Operating Expenses:						
Computer software	36,132	36,419	33,441	36,640	(3,199)	(8.7%)
Food	4,248	4,775	3,429	5,239	(1,811)	(34.6%)
Office Supplies	8,119	8,821	12,391	9,682	2,709	28.0%
Minor Equipment	8,891	9,044	120	5,114	(4,993)	(97.7%)
Non-Medical Supplies	26,135	36,501	21,164	27,633	(6,469)	(23.4%)
Pharmaceuticals	36,522	29,066	43,641	45,688	(2,048)	(4.5%)
Surgery Supplies-General	651	3,806	1,130	3,792	(2,662)	(70.2%)
Total Supplies	120,698	128,433	115,315	133,787	(18,472)	(13.8%)
Conferences-Travel-Residents	-	-	3,081	3,418	(338)	(9.9%)
Licenses - Residents	834	1,714	4,605	2,245	2,360	105.1%
Laundry and Linen	2,033	1,688	3,951	2,766	1,185	42.8%
Medical Services	324	506	214	249	(35)	(14.1%)
Purchase Services	69,286	61,922	45,532	72,133	(26,601)	(36.9%)
Security	6,451	6,308	5,747	6,745	(998)	(14.8%)
Support & maintenance-IT Software	17,247	23,048	20,561	16,165	4,396	27.2%
Total Purchased Services	96,174	95,185	83,691	103,721	(20,030)	(19.3%)

**KERN MEDICAL OUTPATIENT HEALTH
TRENDING INCOME STATEMENT
NOVEMBER 2025 - JANUARY 2026**

	December Actual	January Actual	February Actual	February Budget	January Variance	January Variance %
Operating Expenses:						
Advertising	24	67	22	727	(706)	(97.0%)
Catering	487	276	430	3,100	(2,671)	(86.1%)
Insurance	5,636	6,111	5,703	2,077	3,626	174.6%
Licenses Permits and Taxes	4,801	4,509	7,690	2,190	5,501	251.2%
Repairs and Maintenance	9,901	1,736	1,664	6,922	(5,258)	(76.0%)
Utilities	21,191	20,136	11,662	5,113	6,549	128.1%
Dues and subscriptions	5,291	5,088	4,903	2,404	2,498	103.9%
Outside and online training	2,864	13,261	10,865	3,135	7,730	246.6%
Residents precept-rotations	4,886	5,243	7,870	1,506	6,364	422.7%
Recruiting	50	8,375	8,571	2,262	6,309	278.9%
Bank fees	2,830	320	2,991	934	2,057	220.3%
Equipmet Rental	2,959	7,090	9,825	906	8,919	985.0%
Rent	153,370	153,370	153,370	164,214	(10,844)	(6.6%)
Interest Expense	55,123	55,123	55,123	40,741	14,382	35.3%
Total Other Expenses	269,413	280,706	280,688	236,230	44,458	18.8%
Total Operating Expenses	4,577,638	4,699,729	4,505,152	4,486,276	18,876	0.4%
Net Income (Loss)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - FEBRUARY 2026**

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Year-to-Date Variance %
Operating Revenues:				
Gross Patient Revenue				
Outpatient				
OP Self-Pay	\$473,634	\$285,984	\$187,650	65.6%
OP Self-Pay Professional Fees	321,335	254,105	67,229	26.5%
OP Commercial Fee-for-Service (FFS)	165,152	166,020	(868)	(0.5%)
OP Commercial Fee-for-Service (FFS) Professional Fees	156,660	182,207	(25,547)	(14.0%)
OP Commercial Managed Care (HMO/PPO)	2,902,264	2,581,542	320,722	12.4%
OP Commercial Managed Care (HMO) Professional Fees	2,960,829	3,167,376	(206,547)	(6.5%)
OP Workers' Compensation Fee-for-Service (FFS)	49,214	13,824	35,390	256.0%
OP Workers' Compensation Fee-for-Service (FFS) Professional Fees	129,772	92,877	36,895	39.7%
OP Medicare Fee-for-Service (FFS)	2,036,142	1,819,108	217,035	11.9%
OP Medicare Fee-for-Service (FFS) Professional Fees	2,280,853	2,126,208	154,645	7.3%
OP Medicare Managed Care (HMO)	171,003	122,928	48,075	39.1%
OP Medicare Managed Care (HMO) Professional Fees	172,141	132,035	40,106	30.4%

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - FEBRUARY 2026**

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Year-to-Date Variance %
Operating Revenues:				
Gross Patient Revenue				
Outpatient				
OP Medi-Cal Fee-for-Service (FFS) Professional Fees	783,928	946,346	(162,418)	(17.2%)
OP Medi-Cal Managed Care (HMO)	24,739,029	22,152,998	2,586,031	11.7%
OP Medi-Cal Managed Care (HMO) Professional Fees	16,306,619	15,748,750	557,869	3.5%
OP Other Government Fee-for-Service (FFS)	2,843,864	2,802,096	41,768	1.5%
OP Other Government Fee-for-Service (FFS) Professional Fees	2,636,170	2,901,867	(265,696)	(9.2%)
Total Outpatient	60,284,664	56,745,084	3,539,580	50.8%
Total Gross Patient Revenue	60,284,664	56,745,084	3,539,580	6.2%
Patient Revenue Deductions	(50,036,271)	(47,114,775)	(2,921,496)	6.2%
Net Patient Revenue	10,248,393	9,630,309	618,084	6.4%
Total Indigent	5,431,415	7,063,941	(1,632,526)	(23.1%)
Other Income	21,245,311	20,974,993	270,318	1.3%
Total Operating Revenues	\$ 36,925,119	\$ 37,669,243	\$ (744,124)	(2.0%)

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - JANUARY 2026**

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Year-to-Date Variance %
Operating Expenses:				
Salaries	\$ 21,511,017	\$ 19,530,929	\$ 1,980,088	10.1%
Benefits	6,662,497	9,796,323	(3,133,827)	(32.0%)
Total Salaries and Benefits	<u>28,173,514</u>	<u>29,327,253</u>	<u>(1,153,739)</u>	<u>(3.9%)</u>
Physicians	\$ 4,037,036	3,864,492	172,544	4.5%
Therapists	96,798	67,458	29,340	43.5%
Total Medical Fees	<u>4,133,834</u>	<u>3,931,950</u>	<u>201,884</u>	<u>5.1%</u>
Consulting	156,335	130,021	26,314	20.2%
Legal	72,455	15,020	57,434	382.4%
Other contracted services	322,830	287,195	35,635	12.4%
Total Other Professional Fees	<u>551,619</u>	<u>432,236</u>	<u>119,383</u>	<u>225.1%</u>

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - JANUARY 2026**

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Year-to-Date Variance %
Operating Expenses:				
Computer software	282,870	307,645	(24,776)	(8.1%)
Food	35,669	43,991	(8,322)	(18.9%)
Office Supplies	64,896	81,299	(16,403)	(20.2%)
Minor Equipment	58,494	42,936	15,557	36.2%
Non-Medical Supplies	228,602	232,019	(3,417)	(1.5%)
Pharmaceuticals	342,650	383,625	(40,975)	(10.7%)
Surgery Supplies-General	14,329	31,837	(17,508)	(55.0%)
Total Supplies	1,027,509	1,123,352	(95,843)	(8.5%)
Conferences-Travel-Residents	6,639	28,703	(22,063)	(76.9%)
Licenses - Residents	16,714	18,849	(2,134)	(11.3%)
Laundry and Linen	20,619	23,228	(2,609)	(11.2%)
Medical Services	3,016	2,092	924	44.2%
Purchase Services	474,430	605,663	(131,233)	(21.7%)
Security	49,718	56,631	(6,913)	(12.2%)
Support & maintenance-IT Software	136,520	135,732	7,991	9.4%
Total Purchased Services	707,657	870,898	(156,037)	(17.9%)

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - JANUARY 2026**

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Year-to-Date Variance %
Operating Expenses:				
Advertising	6,903	6,105	798	13.1%
Catering	18,888	25,458	(6,571)	(25.8%)
Insurance	48,301	23,175	25,126	108.4%
Licenses Permits and Taxes	45,486	12,647	32,839	259.7%
Repairs and Maintenance	124,401	57,807	66,594	115.2%
Utilities	125,253	42,942	82,311	191.7%
Dues and subscriptions	39,850	20,303	19,546	96.3%
Outside and online training	69,559	26,474	43,084	162.7%
Residents precept-rotations	62,368	12,716	49,652	390.5%
Recruiting	65,939	19,105	46,834	245.1%
Bank fees	18,069	7,600	10,469	137.8%
Equipmet Rental	38,024	8,307	29,717	357.7%
Rent	1,226,960	1,378,829	(151,870)	(11.0%)
Interest Expense	440,986	342,086	98,900	28.9%
Total Other Expenses	2,330,985	1,983,555	347,430	17.5%
Total Operating Expenses	36,925,119	37,669,243	(744,124)	(2.0%)
Net Income (Loss)	\$ 0	\$ 0	\$ 0	0.0%



**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Proposed preliminary approval of the Kern County Hospital Authority Community Health Center budget for the fiscal year period July 1, 2026 through June 30, 2027

Recommended Action: Approve; Refer to Kern County Hospital Authority Board of Governors for final approval

Summary:

A priority of Kern County Hospital Authority is to both develop an integrated healthcare delivery system and meet certain regulatory requirements for primary care in the County of Kern. As part of this effort, Kern County Hospital Authority is seeking a Federally Qualified Health Center (FQHC) designation for its primary care clinics. The Kern County Hospital Authority is specifically seeking a FQHC Look-Alike (LAL) designation from the Health Resources and Services Administration (HRSA) instead of a stand-alone FQHC designation. In order to receive this designation, the Kern County Hospital Authority must show compliance with all HRSA requirements for a LAL clinic. One of these requirements is a proposed budget for the next fiscal year that will be separate from the Kern Medical budget, but incorporated into the Kern County Hospital budget that will be ultimately submitted to the State of California for approval.

The proposed budget for the Kern County Hospital Authority Community Health Center (KCHA CHC) includes all current in-scope services provided in a one-year budget period, including medical and behavioral health visits provided across in-scope clinical sites. During FY 2027 operations, KCHA CHC expects to provide a total of 135,083 clinic visits, generating a total of \$95.9 million in patient service revenue. As a FQHC LAL, KCHA CHC will be eligible for enhanced PPS reimbursement for Medicaid and Medicare patients, who are expected to comprise 69% and 13% of patients respectively, with 12% of its payer mix to consist of commercially insured patients, and 6% of patients to be self-pay.

Net Revenues

KCHA CHC has budgeted \$61.0 million of total revenue for the period of July 1, 2026 through June 30, 2027. Total revenue includes \$16.3 million of patient service revenue which is based on the approximate number of total clinic visits expected and a conservative per visit reimbursement rate. In addition, the budgeted total revenue includes \$8.4 million in contributions from Medi-Cal supplemental programs. HRSA requires that the FQHC LAL provide a breakeven budget, therefore, in FY 2027, the Kern County Hospital Authority is expected to invest \$36.3 million into KCHA CHC to cover expected expenses.

Operating and Other Expenses

Budgeted operating and other expenses total \$61 million for the fiscal year 2026 through 2027. Staffing costs, including benefits, account for \$47 million, which is KCHA CHC's largest expense. These costs include 30 directly employed physicians, advanced practice providers, and residents, 14 full-time equivalent (FTE) directly employed behavioral health providers, and additional ancillary and support staff. The remaining \$14 million of operating expenses are comprised primarily of medical supplies, contracted physician fees, purchased medical services, insurance, utilities, and repairs and maintenance. Other expenses include recruiting, legal expenses, and lease expenses for office space and information technology. In addition, a percentage of overhead expenses from Kern Medical services and support departments such as housekeeping, engineering, and information systems has been allocated to the KCHA CHC clinics and is included in total operating expense.

Staffing and Authorized Positions

The proposed preliminary budget provides funding for all authorized positions. Although all recommended positions are funded for the year, it is important to note that the KCHA CHC budgets for staffing based on patient clinic visits and FTEs, not authorized positions. The appropriate allocation of FTEs drive staffing costs, as is customary in the healthcare industry.



**Kern County Hospital Authority
Community Health Center
Preliminary Budget Report – April 2026**

Kern County Hospital Authority Community Health Center FY 2027 Budget

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT BUDGET
FISCAL YEAR 2027
JULY 2025 - FEBRUARY 2026**

	Year-to-Date Actual	FY 2026 Budget	FY 2026 Projection	FY 2027 Budget
Operating Revenues:				
Gross Patient Revenue				
Outpatient				
OP Self-Pay	\$473,634	\$428,152	\$710,451	\$753,078
OP Self-Pay Professional Fees	321,335	380,426	482,002	510,922
OP Commercial Fee-for-Service (FFS)	165,152	248,553	247,729	262,592
OP Commercial Fee-for-Service (FFS) Professional Fees	156,660	272,786	234,989	249,089
OP Commercial Managed Care (HMO/PPO)	2,902,264	3,864,881	4,353,396	4,614,600
OP Commercial Managed Care (HMO) Professional Fees	2,960,829	4,741,944	4,441,244	4,707,719
OP Workers' Compensation Fee-for-Service (FFS)	49,214	20,696	73,821	78,250
OP Workers' Compensation Fee-for-Service (FFS) Professional Fees	129,772	139,047	194,657	206,337
OP Medicare Fee-for-Service (FFS)	2,036,142	2,723,425	3,054,214	3,237,466
OP Medicare Fee-for-Service (FFS) Professional Fees	2,280,853	3,183,190	3,421,280	3,626,556
OP Medicare Managed Care (HMO)	171,003	184,038	256,504	271,895
OP Medicare Managed Care (HMO) Professional Fees	172,141	197,673	258,212	273,705

Kern County Hospital Authority Community Health Center FY 2027 Budget

KERN MEDICAL OUTPATIENT HEALTH INCOME STATEMENT BUDGET FISCAL YEAR 2027 JULY 2025 - FEBRUARY 2026				
	Year-to-Date Actual	FY 2026 Budget	FY 2026 Projection	FY 2027 Budget
Operating Revenues:				
Gross Patient Revenue				
Outpatient				
OP Medi-Cal Fee-for-Service (FFS)	\$ 1,156,055	\$ 1,869,626	\$ 1,734,083	\$ 1,838,128
OP Medi-Cal Fee-for-Service (FFS) Professional Fees	783,928	1,416,794	1,175,891	1,246,445
OP Medi-Cal Managed Care (HMO)	24,739,029	33,165,715	37,108,543	39,335,056
OP Medi-Cal Managed Care (HMO) Professional Fees	16,306,619	23,577,783	24,459,928	25,927,524
OP Other Government Fee-for-Service (FFS)	2,843,864	4,195,077	4,265,796	4,521,744
OP Other Government Fee-for-Service (FFS) Professional Fees	2,636,170	4,344,445	3,954,255	4,191,511
Total Outpatient	<u>60,284,664</u>	<u>84,954,252</u>	<u>90,426,996</u>	<u>95,852,615</u>
Total Gross Patient Revenue	60,284,664	84,954,252	90,426,996	95,852,615
Patient Revenue Deductions	<u>(50,036,271)</u>	<u>(70,536,496)</u>	<u>(75,054,406)</u>	<u>(79,557,671)</u>
Net Patient Revenue	<u>10,248,393</u>	<u>14,417,756</u>	<u>15,372,589</u>	<u>16,294,945</u>
Total Indigent	5,431,415	10,575,593	8,147,123	8,391,536
Other Income	21,245,311	31,402,009	32,091,800	36,299,135
Total Operating Revenues	<u>\$ 36,925,119</u>	<u>\$ 56,395,358</u>	<u>\$ 55,611,512</u>	<u>\$ 60,985,616</u>

Kern County Hospital Authority Community Health Center FY 2027 Budget

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - FEBRUARY 2026**

	Year-to-Date Actual	FY 2026 Budget	FY 2026 Projection	FY 2027 Budget
Operating Expenses:				
Salaries	\$ 21,511,017	\$ 29,240,163	\$ 32,266,526	\$ 35,847,848
Benefits	6,662,497	14,666,281	9,993,745	11,193,245
Total Salaries and Benefits	<u>28,173,514</u>	<u>43,906,444</u>	<u>42,260,271</u>	<u>47,041,093</u>
Physicians	4,037,036	5,785,612	6,055,554	6,418,887
Therapists	96,798	100,994	145,196	153,908
Total Medical Fees	<u>4,133,834</u>	<u>5,886,606</u>	<u>6,200,751</u>	<u>6,572,796</u>
Consulting	156,335	194,657	234,502	241,538
Legal	72,455	22,488	108,682	111,942
Other contracted services	322,830	429,966	484,244	498,772
Total Other Professional Fees	<u>551,619</u>	<u>647,111</u>	<u>827,429</u>	<u>852,252</u>

Kern County Hospital Authority Community Health Center FY 2027 Budget

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - FEBRUARY 2026**

	Year-to-Date Actual	FY 2026 Budget	FY 2026 Projection	FY 2027 Budget
Operating Expenses:				
Computer software	\$ 282,870	\$ 460,583	\$ 424,305	\$ 449,763
Food	35,669	65,860	53,504	56,714
Office Supplies	64,896	121,713	97,344	103,184
Minor Equipment	58,494	64,281	87,740	93,005
Non-Medical Supplies	228,602	347,361	342,903	363,477
Pharmaceuticals	342,650	574,332	513,974	544,813
Surgery Supplies-General	14,329	47,663	21,494	22,783
Total Supplies	<u>1,027,509</u>	<u>1,681,794</u>	<u>1,541,263</u>	<u>1,633,739</u>
Conferences-Travel-Residents	6,639	42,971	9,959	10,258
Licenses - Residents	16,714	28,219	25,071	25,823
Laundry and Linen	20,619	34,775	30,929	32,784
Medical Services	3,016	3,132	4,524	4,796
Purchase Services	474,430	906,752	711,646	754,344
Security	49,718	84,783	74,577	76,814
Support & maintenance-IT Software	136,520	203,208	204,780	210,923
Total Purchased Services	<u>707,657</u>	<u>1,303,839</u>	<u>1,061,486</u>	<u>1,115,743</u>

Kern County Hospital Authority Community Health Center FY 2027 Budget

**KERN MEDICAL OUTPATIENT HEALTH
INCOME STATEMENT
FISCAL YEAR-TO-DATE
JULY 2025 - FEBRUARY 2026**

	Year-to-Date Actual	FY 2026 Budget	FY 2026 Projection	FY 2027 Budget
Operating Expenses:				
Advertising	\$ 6,903	\$ 9,140	\$ 10,355	\$ 10,666
Catering	18,888	38,973	28,332	29,181
Insurance	48,301	26,106	72,452	74,626
Licenses Permits and Taxes	45,486	27,524	68,229	70,276
Repairs and Maintenance	124,401	87,014	186,602	192,200
Utilities	125,253	64,271	187,879	193,516
Dues and subscriptions	39,850	30,225	59,775	61,568
Outside and online training	69,559	39,405	104,338	107,468
Residents precept-rotations	62,368	18,929	93,552	96,358
Recruiting	65,939	28,437	98,908	101,876
Bank fees	18,069	11,739	27,103	27,916
Equipment Rental	38,024	11,383	57,035	58,746
Rent	1,226,960	2,064,274	2,064,274	2,064,274
Interest Expense	440,986	512,144	661,479	681,323
Total Other Expenses	<u>2,330,985</u>	<u>2,969,564</u>	<u>3,720,312</u>	<u>3,769,993</u>
Total Operating Expenses	<u>36,925,119</u>	<u>56,395,358</u>	<u>55,611,512</u>	<u>60,985,616</u>
Net Income (Loss)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Slide 5

Kern County Hospital Authority Community Health Center FY 2027 Budget

KERN MEDICAL OUTPATIENT HEALTH TRENDED FTEs & CLINIC VISITS - BUDGET JULY 2025 - FEBRUARY 2026				
	Year-to-Date Actual	FY 2026 Budget	FY 2026 Projection	FY 2027 Budget
FTEs				
Productive FTEs	261	262	279	294
Non-Productive FTEs	51	57	42	52
Total FTEs	<u>312</u>	<u>320</u>	<u>321</u>	<u>346</u>
Clinic Visits	<u>84,958</u>	<u>119,520</u>	<u>127,437</u>	<u>135,083</u>
Capital Expenditures				<u>\$ 500,000</u>



**BOARD OF DIRECTORS
COMMUNITY HEALTH CENTER
REGULAR MEETING**

April 22, 2026

Subject: Kern County Hospital Authority Community Health Center Executive Director Report

Recommended Action: Receive and File

Summary:

The Executive Director of the Kern County Hospital Authority Community Health Center will provide your Board with a clinic-wide update.