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May 28, 2010

TO: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **PROPOSITION A CONTRACT – PROBATION DEPARTMENT TRANSCRIBING SERVICES (Board Agenda 6/1/2010, Item 54)**

Item 54 on your Board's Agenda for Tuesday, June 1, 2010, is a request from Probation Department to approve a Proposition A contract for transcribing services with Patricia Fenton Medical Transcription.

We have reviewed and approved the Proposition A cost analysis, prepared by Probation, which indicates that the contract is cost effective. The hourly wages to be paid by the contractor to its four employees meet County Living Wage Ordinance requirements. The 15 individuals doing the transcribing under subcontracts will be paid on a per line basis, instead of a set hourly wage. However, the contractor's proposal indicates that, based on their productivity, their subcontractors earn between $20 and $25 an hour. The contractor also guarantees that the subcontractors will be paid an hourly rate that complies with the Living Wage Ordinance.

The contract also includes Cost of Living Adjustment provisions that are consistent with Board policy. It should be noted that, because the actual number of lines transcribed may be more or less than estimated, the actual savings from the contract may be higher or lower than estimated.

Please call me if you have any questions, or your staff may contact Jim Schneiderman at (213) 253-0101.

WLW:MMO:JLS:TK

c: William T Fujioka, Chief Executive Officer
Donald H. Blevins, Chief Probation Officer
Sachi A. Hamai, Executive Officer
Public Information Office
Audit Committee