

Alta California Regional Center
Finance Committee Meeting
Monday, November 14, 2011
Minutes

Present:

Deanna Brandon
Nancy Lea
Laura Marabito
Jon Nelson
Robert Rogers

Facilitator:

Doug Rossi

Visitors:

Anwar Syed

Staff:

Peter Tiedemann, Chief Operating
Officer
Lisa West, Executive Secretary

Absent: (* excused)

Modean Gibson*, Chair
Kenneth Vu

The Finance Committee met at 3:03 p.m. on Monday, November 14, 2011, in the Brenda Smith Conference Room at Alta California Regional Center to discuss: 1) Monthly Financial Report; 2) Contract of \$250,000 and above; and 3) Other. All present provided self-introductions.

M/S/C (Rogers/Brandon) **To approve the Finance Committee meeting minutes of September 12, 2011.**

M/S/C (Brandon/Rogers) **To approve the Finance Committee meeting minutes of October 17, 2011.**

1. ***Monthly Financial Report***

Issue: The monthly financial report is reviewed by the Finance Committee prior to presentation to the Board.

Discussion and Action: Mr. Tiedemann distributed the September 30, 2011 financial report which reflects three months of expenditures for the current fiscal year (FY). ACRC has expended 23.3% of Purchase of Services (POS), 26% of Operations (OPS) and 1.9% of Prevention.

Since the date that this report was prepared, Mr. Tiedemann noted that ACRC has incurred approximately \$5.7 million more in additional POS expenditures for the first quarter of this FY. In addition, the agency has actually expended about 25% of the Prevention dollars. These revised numbers will be reflected in next month's report.

Mr. Tiedemann is currently completing the annual Sufficiency of Allocation Report (SOAR), which is due to the Department of Developmental Services (DDS) tomorrow, November 15th. It appears that ACRC will need additional POS funds in the range of \$12 to \$13.9 million. We are still awaiting the C-2 contract allocation,

which is expected to contain the allocation for the Community Placement Plan (CPP). The CPP Operations funds are projected to be approximately \$700,000 and the CPP continuation money (the money needed to keep individuals in the community) should be slightly over \$1 million.

One of the biggest factors when looking at ACRC's additional funding needs is the fact that DDS has changed their allocation methodology. At this time last year, ACRC had received approximately \$255 million. Currently, the agency has been allocated \$245 million; about \$10 million less than last FY. The new allocation methodology is complex and it is not clear how the next allocation will be calculated. DDS does have more POS funds to allocate, but we still don't know if the "trigger" will be pulled on December 15th.

POS expenditure trends are running slightly higher in the last month and are projected to increase in part due to the Orange Grove Adult School contract, which the Board approved at the October Board meeting, for \$1.1 million. There are a few new programs that may start-up. Also, ACRC is starting to see a slight net increase in consumers that we serve; 100 new consumers, over the age of three for the first four months of this FY.

Mr. Tiedemann shared that OPS expenditures are where we anticipate them to be.

Cash flow is not an issue at this time; ACRC has been receiving timely payments from DDS. Mr. Tiedemann believes we will not have to use our line of credit with U.S. Bank in the near future.

M/S/C (Marabito/Rogers) **To accept the monthly financial statement.**

2. ***Contract of \$250,000 and above***

- **No items at this time.**

3. ***Other***

Issue: POS Expenditures from July 2010 through June 2011

Discussion and Action: Mr. Tiedemann distributed a table and graph which represent the POS expenditures for the 2010-11 FY in the seven major categories (i.e., Day Programs, Residential Facilities, Supported Living, Behavior Intervention, Transportation, Respite In-Home, and Independent Living). This data helps put into perspective where ACRC's money is being spent; these seven categories account for approximately 85% of our POS expenditures.

Mr. Nelson asked if there was any way of making sure the respite services that ACRC is paying for is what is being received by our consumers. Mr. Tiedemann

shared that some services are changing, such as parent vendored respite. This service is being changed over to Employer of Record (EOR) because of the change in the law which requires a third party to be in place. When looking at transportation, ACRC works closely with our vendors to make sure they do not duplicate routes. Unfortunately, in some parts of our catchment area, there is not a lot of public transportation available for our consumers.

- **Information only.**

****A joint presentation by staff regarding the State Budget Update before the Finance Committee and the Executive Committee will commence at 3:45 p.m.***

The next Finance Committee meeting is scheduled on **Monday, January 9, 2012**, from 3 to 4 p.m. The meeting adjourned at 3:30 p.m.

Lisa West
Executive Secretary

cc: ACRC Board of Directors
Phil Bonnet