

Alta California Regional Center
Finance Committee Meeting
Monday, September 11, 2017
Minutes

Present:

Dan Lake, Acting Chair
Cindy Benson
Tatiana Kuzminchuk
Michelle Rewerts
Steven Sanchez (via phone)
Austin Taylor
Rita Walker

Board Members:

Eric Ciampa
Amy Lampe
Rosa Meza-Villaseñor
Retha Seabron

Absent: (* excused)

Anwar Safvi*

Facilitators:

Amy Fulk
Larry Prosser

Staff:

Phil Bonnet, Executive Director
Peter Tiedemann, Chief Operating
Officer
Lisa West, Executive Secretary

The Finance Committee met at 5:06 p.m. on Monday, September 11, 2017, in the Brenda Smith Conference Room at Alta California Regional Center to discuss: 1) Monthly Financial Report; 2) Contracts over \$250,000; 3) Approve Line of Credit; and 4) Review DDS vendor audit requirements for current FY. All present provided self-introductions.

Without objection, Dan Lake made the motion to adopt the Finance Committee meeting minutes of July 10, 2017 as submitted.

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 July 31, 2017 financial report which reflects one month of expenditures for the current fiscal year (FY). ACRC has expended 6.6% of Purchase of Services (POS) and 10.6% of Operations (OPS).

Mr. Tiedemann shared that we received our preliminary allocation from the Department of Developmental Services (DDS) and the first amendment in August. The total includes \$46.9 million in OPS, \$351 million in POS and \$3 million in Community Placement Plan funding. He has not completed the agency's POS projections yet for this FY.

The OPS expenditures appear higher for the first month of the FY because of advance payments of some expenses such as insurance, rent and employee benefits. We have 1,110 more clients in July of 2017 than July of 2016.

Mr. Tiedemann noted that OPS is allocated solely based on the number of clients a regional center has, whereas POS is allocated based on expenditure trends.

Without objection, Austin Taylor made the motion to accept the monthly financial statement as submitted.

2. Contract over \$250,000

- There are no contracts to approve at this time.

3. Approve Line of Credit

Issue: The committee needs to approve ACRC's line of credit with U.S. Bank.

Discussion and Action: Mr. Tiedemann shared the agency's line of credit with U.S. Bank runs from September 5th thru September 5th of each FY and is for \$23 million. The bank allows for up to \$12 million outstanding at any particular time. No fees are incurred with this line of credit beyond interest. Interest will be a 2% fee plus the LIBOR rate if the line of credit is utilized.

ACRC did utilize our line of credit at the beginning of this FY, borrowing \$4.7 million for seven days with an interest cost of \$2,545.

M/S/C (Rita Walker) **To approve ACRC's line of credit with U.S. Bank.**
(6 in favor)

4. Review DDS vendor audit requirements for current FY

Issue: The committee will review DDS' vendor audit requirements for the current FY.

Discussion and Action: Mr. Tiedemann shared that ACRC will be required to conduct 17 vendor audits this FY as part of our contract with DDS; of those, six must be billing audits, three must be cost verification and/or staffing audits, and one must be a program that serves children under the age of 3.

- **Information only.**

Mr. Tiedemann noted that as of this afternoon, 53.1% service providers have completed the ABX2-1 survey that must be completed by October 1st. It is critical that these are completed so their rates are not cut. ACRC has offered training and staff have been contacting providers that have not completed theirs yet.

****A joint presentation by staff regarding the State Budget Update before the Finance Committee and the Executive Committee will commence immediately after this meeting.***

The next Finance Committee meeting is scheduled for **Tuesday, October 10, 2017**, at 5 p.m. The meeting adjourned at 5:31 p.m.

Lisa West
Executive Secretary

cc: ACRC Board of Directors
Phil Bonnet