

Alta California Regional Center
Finance Committee Meeting
Monday, September 12, 2022
Minutes

Present:

Yang Sun, Chair
Johnny Deng
Dan Lake
Kelly Pennington
Michelle Rewerts

Absent: (* excused)

Retha Seabron*

Board Members:

Jackie Armstrong
Amy Lampe
Elaine Linn
Michelle Ramirez
Patty Wallace

Facilitators:

Amy Fulk

Visitors:

Maureen Fitzgerald

Staff:

Lori Banales, Executive Director
Iqbal Ahmad, Chief Financial Officer
John Decker, Director of Community
Services
Camelia Houston, Director of Intake
& Clinical Services
Mechelle Johnson, Director of Client
Services
Lisa West, Executive Secretary

The Finance Committee met on Monday, September 12, 2022, at 4:15 p.m. by Webex/teleconference to discuss: 1) Monthly Financial Report; 2) Authorize Line of Credit with U.S. Bank; 3) Review Annual Community Placement Plan (CPP) and 4) Review 21-22 FY Annual Vendor Audit Report & DDS Vendor Audit Requirements for Current FY.

Without objection, Kelly Pennington made the motion to adopt the Finance Committee meeting minutes of July 11, 2022 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: ACRC has been waiting for the D-1 amendment, which the Department of Developmental Services (DDS) releases after the preliminary allocation. ACRC received it on Friday evening, so Mr. Ahmad has not had time to review and assess in order to discuss with the Board. He noted that the D-1 amendment includes between 95 to 98% of our budget for this fiscal year (FY).

- **Information only.**

2. ***Authorize Line of Credit with U.S. Bank***

Issue: The committee needs to authorize the agency's line of credit with U.S. Bank.

Discussion and Action: Mr. Ahmad shared that U.S. Bank has provided ACRC with a line of credit over the last several years that runs from September to September of each year. The purpose of the line of credit is to provide cash to the regional center in the event of cash flow delays from DDS around fiscal year end as the State finalizes a new budget. The line of credit is for \$25 million and is up for renewal.

U.S. Bank does not charge any loan fees, but the line of credit does have an interest rate of 2% plus the Daily Simple SOFR (secured overnight federal reserve rate).

Mr. Ahmad noted that ACRC has not had to utilize this line of credit over the last few years, but it is beneficial to have in place for our agency's operations and to make sure that services are uninterrupted for our clients.

Without objection, Kelly Pennington made the motion to recommend to the full Board to authorize the line of credit with U.S. Bank as presented.

3. Review Annual Community Placement Plan (CPP)

Issue: The committee will review the agency's CPP.

Discussion and Action: DDS has started the CPP/Community Resource Development Plan (CRDP) solicitations to regional centers, who will have a month to draft requests and submit their proposals to DDS in November. ACRC staff are gathering stakeholder input through discussions/surveys prior to submitting our proposals to the department. Mr. Decker remains hopeful that ACRC will hear back from DDS by the end of the calendar year.

Regional centers will release Requests for Proposals (RFPs) for their approved projects; these will be shared with the Board.

- **Information only.**

4. Review 21-22 FY Annual Vendor Audit Report & DDS Vendor Audit Requirements for Current FY

Issue: The committee will review previous fiscal year's (FY's) vendor audit report and DDS' vendor audit requirement for the current FY.

Discussion and Action: Mr. Ahmad shared a summary of the ACRC audits that were conducted in the 2021-22 FY. These are required as part of our contract with the department and they are for providers that are paid under \$100,000 per year (e.g., billing audits, cost verification and/or staffing audits and Early Start audits). If ACRC wishes to audit any vendors that make over \$100,000, we must seek approval from DDS. ACRC conducted 17 audits; recoveries total \$600,000+.

Mr. Ahmad shared that DDS is requiring ACRC to conduct 17 vendor audits in the 2022-23 FY.

- **Information only.**

The next Finance Committee meeting is scheduled for **Tuesday, October 11, 2022**. The meeting adjourned at 4:33 p.m.

Lisa West
Executive Secretary

cc: ACRC Board of Directors
Lori Banales