

FRANK D. LANTERMAN REGIONAL CENTER

Administrative Affairs Meeting

January 12, 2016

MINUTES

PRESENT

Dina Richman, Chair
Dr. Anila Guruji
Marjorie Heller
Al Marsella
Jim Simonds
Dr. Anthony Stein

STAFF

Patrick Aulicino
Barry Londer

GUESTS

Rob Griffith, K-COE Isom

NOT PRESENT

Greg Schaffer
Jack Gilbertson

CALL TO ORDER

Ms. Richman called the meeting to order at 12:15 P.M.

APPROVAL OF MINUTES

The minutes of November 10, 2015 were reviewed and approved by consensus.

CHAIRPERSONS REPORT

Ms. Richman thanked Mr. Jim Simmonds for chairing the meeting in November.

REPORT FROM THE CORPORATE AUDITOR

Mr. Rob Griffith of KCOE Isom attended the meeting and reviewed the independent audit for 2014-2015 and the companion piece, the report to the Board of Directors. He stated that there were no significant findings nor were there recommendations for changes in operating

procedures. He answered all questions that the committee had. The committee would like to commend staff for another great year.

Ms. Heller made a motion to accept the independent audit and recommend to the board for final acceptance. Mr. Simonds seconded the motion and it was approved by consensus.

Mr. Griffith also reviewed the draft tax return with the Committee and answered questions from Committee members.

Dr. Stein made a motion to approve the tax return and recommend to the board for final approval. Mr. Simonds seconded the motion and it was approved by consensus.

RECORDS RETENTION POLICY REVISION

Mr. Aulicino reported that the records retention policy was sent to counsel for review. He reviewed the changes relating to electronic mail. After discussion, the Committee requested a change on the bottom of page 2, that the last line read as “This ‘Litigation Exception’ supersedes any previously or subsequent established retention policy for any records.” There was considerable discussion regarding the policy, specifically related to email; further discussions will be held with counsel before the policy is brought forward again.

INSURANCE UPDATE

Mr. Aulicino reported that after the committee met in November, we renewed the professional and general liability coverage at the same rate as expiring but with a zero deductible. We also have the umbrella coverage that had been discussed here in the amount of \$4 million / \$7 million aggregate for an annual premium of less than \$8,400. Cyber liability is also in place.

Mr. Aulicino thanked Mr. Jim Simonds for reviewing the proposal.

REVIEW OF FINANCIAL STATEMENTS

Mr. Londer reviewed the cash flow and reported that based on current reimbursement trends, we have no concerns at least through March.

Fiscal Year 2015-2016

In Operations (main contract) we have spent \$6,677,154. In Purchase of Services (main contract), we have spent \$52,514,065 before we add late bills. Including projected late bills, we will have spent \$55,049,432.

Fiscal Year 2014-2015

This month we recorded \$484,532 in OPS and \$122,982 in POS. To date, we have spent 99.8% of our OPS and about 100.8% of our POS allocations. We are currently projecting a very small surplus in OPS, and a deficit in POS, which we expect to be funded by DDS.

Fiscal Year 2013-2014

This month we recorded (\$698) in POS. To date, we have spent 99.9% of our OPS and 100.2 % of our POS allocations. We are currently expecting a very small surplus in OPS and a deficit in POS, which we expect to be funded by DDS.

POS PROJECTIONS

Mr. Aulicino referred to the spreadsheet that contained POS projections for this year from 20 of the 21 centers. At this time, the deficit is projected to be between \$55 and \$90 million.

2016-17 GOVERNOR'S BUDGET

Mr. Aulicino briefly reviewed the ARCA analysis of the governor's proposed budget with the committee.

CA COMMUNITY FOUNDATION

The committee received the California Community Foundation detail of funds held by the endowment pool. This will assist us in the development of an investment policy and will be discussed at an upcoming meeting.

NEXT MEETING

The next meeting is scheduled on February 9, 2016.

ADJOURNMENT

The meeting was adjourned at 1:31 P.M.

/gs