

FRANK D. LANTERMAN REGIONAL CENTER

Administrative Affairs Meeting

April 8, 2014

MINUTES

PRESENT

Ed Solis, Chair
Marjorie Heller
Al Marsella
Greg Schaffer
Jim Simonds

STAFF

Patrick Aulicino
Melinda Sullivan

NOT PRESENT

Jack Gilbertson
Chris Scali
Dina Richman

CALL TO ORDER

Mr. Solis called the meeting to order at 12:06 P.M.

APPROVAL OF MINUTES

The minutes of March 11, 2014 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

Mr. Solis welcomed Mr. Jim Simonds and Mr. Greg Schaffer as new members of the committee.

OVERVIEW OF ADMINISTRATIVE SERVICES

Mr. Aulicino presented an overview of the various functions performed by staff of the Administrative Services Division. The presentation had previously been delivered at the Board of Directors meeting. The Committee would like to know how many providers are on electronic billing and electronic fund transfers. Discussion followed regarding future challenges.

CONTRACT AMENDMENTS: D-7, C-12

Mr. Aulicino reported that there are two recently received contract amendments: D-7 and C-12. The C-12 is from 2011-12 and it principally removes funds that we are not using for CPP start up for that year. The D-7, from 2012-2013, makes some adjustments for CPP spending, including start up funds that will not be used. It also gives us a small amount in POS.

REVISED AUDIT LETTER FROM DDS

Mr. Aulicino reported that DDS has sent a letter stating that the Finding 6, relative to the use of the same audit firm, will be deleted as the Department states that the original legislative language was ambiguous.

REPORT FROM ARCA FINANCE COMMITTEE

Mr. Aulicino reported that the ARCA Finance Committee met recently and it included participation from DDS including the new Chief Deputy Director, John Doyle. The department acknowledged that most centers are projecting deficits, but they are confident that there will be enough money in the system overall for 13-14. Additionally, they are working so that centers have enough money in their contract authority through June. DDS pointed out that this year the state has brought in an additional \$1 billion in revenue. A big issue that the department is working on is cash flow; they will try to address this in the May revise. Lastly, a sub-group is looking at center rent issues.

STATEWIDE POS OVERVIEW

Mr. Aulicino reviewed the overview of centers' POS spending for this year as well as the statewide figures. The Committee reviewed and Mr. Aulicino clarified all questions.

REVIEW OF FINANCIAL STATEMENTS

Mr. Aulicino reported that based on currently expected reimbursements we would not have enough cash to handle our major POS run on June 10th. He reminded everyone that the cash flow projection is worst case scenario and we had similar situation last year. Reportedly, DDS is working to identify cash that can be allocated out to centers.

Mr. Aulicino reviewed the financial statements through the month of February 28, 2014.

Fiscal Year 2013-2014 (E-3)

In Operations (main contract) we have spent \$10,537,324. In Purchase of Services (main contract) we have spent \$70,803,336 before we add late bills. Including projected late bills, we will have spent \$72,638,421.

Fiscal Year 2012-2013 (D-6)

This month we recorded \$46,240 in POS. To date, we have spent 97.0% of our OPS and almost 100% of our POS allocations. We are currently projecting a small surplus in OPS and a small deficit in POS.

Fiscal Year 2011-2012 (C-9)

This month we recorded \$1,611 in OPS and \$4,400 in POS. To date, we have spent 99.0% of our OPS and 99.8% of our POS allocations. We are currently expecting small surpluses in both OPS and POS.

POS RECAP:

Mr. Aulicino reported that spending has gone down and there is a projected deficit of between \$1.5-\$3.5 million.

NEXT MEETING

The next meeting is scheduled on May 13, 2014.

ADJOURNMENT

The meeting was adjourned at 1:36 PM

/gs