

FRANK D. LANTERMAN REGIONAL CENTER

Administrative Affairs Meeting

January 8, 2013

MINUTES

PRESENT

Marjorie Heller, Chair
Jack Gilbertson
Chris Kearley
Al Marsella
Chris Scali
Ed Solis
Robert Wedemeyer

STAFF

Patrick Aulicino
Barry Londer

NOT PRESENT

Larry DeBoer
Dina Richman

CALL TO ORDER

The meeting was called to order by Ms. Heller at 12:03 P.M.

APPROVAL OF MINUTES

The minutes of November 13, 2012 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

There was nothing to report.

SUFFICIENCY OF ALLOCATION REPORT

Mr. Aulicino reported that all regional centers submitted their projections for the year in November and this information was mailed to the Committee. A system-wide shortfall is estimated at \$263-\$301 million. The reason why most centers are showing a deficit is because

DDS allocated less money than was spent last year, and we have growth and the 3% rate restoration to be considered. After taking into account the anticipated receipts from the ICF/SPA program, the D-1 allocation is still about \$75 million less than centers expected to spend for 2011-12. Mr. Aulicino added that most of our providers are reimbursing on a timely basis regarding ICF/SPA.

Currently, we do not know how much DDS has to allocate out. Mr. Aulicino reminded the Committee that these reports are submitted monthly and that typically the spending projections decrease somewhat as the year progresses. Discussion followed.

INSURANCE FOLLOW-UP

Ms. Jo Gibiser, from Keenan healthcare, provided a worksheet with information regarding umbrella coverage. Mr. Aulicino reported that only professional and general liability would be covered and he will update the Committee once he knows if there is umbrella coverage over all of the Center's policies. He informed the Committee that the D&O coverage had been increased from a \$2 million to a \$4 million limit a few years ago. Lastly, he reported that the building landlord has earthquake coverage, and that our coverage takes care of tenant improvements and content. We are working to refine the sprinkler leakage amount.

Mr. Aulicino will double check on exactly who is covered under the D&O policy (is it just the Board or also volunteers) and report back to the Committee.

BUDGET UPDATE

Mr. Aulicino reported that there is an overall deficit and DDS is attempting to re-allocate and reimburse centers. He reviewed the C-8 contract amendment and pointed out that the CPP OPS number is correct, but the CPP POS number is not what had been discussed and agreed upon. Mr. Aulicino has asked the department to investigate this matter and is waiting for an answer.

AUDIT UPDATE

Mr. Aulicino reported that the DDS auditors are currently at the Center and on their fourth and final week here. The overall process has gone well; the auditors have been focused and cooperative. They have also been giving exit interviews weekly.

REVIEW OF FAMILY RESOURCE CENTER & DONATION ACCOUNTS

Mr. Londer reviewed the donation financial activity sheets that were distributed to the Committee. He briefly talked about the Help Fund and the one multi-year donation. In the KYRC fund, there are several grants and Mr. Londer explained the differences between them. He also stated that both donation accounts are in a business/checking account in the bank.

REVIEW OF FINANCIAL STATEMENTS

Mr. Londer reviewed the financial statements through the month of November 30, 2012.

Fiscal Year 2012-2013

In Operations (main contract), we have spent \$5,978,087. In Purchase of Services (main contract), we have spent \$41,916,109, before we add in projected late bills. Including projected late bills, we will have spent \$44,154,683.

Fiscal Year 2011-2012

This month we recorded \$40,154 in OPS and \$151,496 in POS. To date, we have spent 98.4% of our OPS and 99.4% of our POS allocations. We are currently projecting very small surpluses in both OPS and POS.

Fiscal Year 2010-2011

This month we recorded \$15,300 in OPS and (\$9,875) in POS. To date, we have spent 99.3% of our OPS and 97.7% of our POS allocations. We are currently expecting a small surplus in OPS and about a \$2 million surplus in POS, due to substantial cost savings and minimal caseload growth.

Discussion followed.

Mr. Aulicino reported that the POS update for the year is due to DDS on January 10. Spending is a bit lower YTD than had been projected at this point.

NEXT MEETING

The next meeting is scheduled on February 12, 2013.

ADJOURNMENT

The meeting was adjourned at 1:04 P.M.

/gs