

FRANK D. LANTERMAN REGIONAL CENTER

Administrative Affairs Meeting

April 14, 2015

MINUTES

PRESENT

Ed Solis, Chair-via telephone
Marjorie Heller
Al Marsella
Jim Simonds
Anthony Stein

STAFF

Patrick Aulicino
Barry Londer
Melinda Sullivan

NOT PRESENT

Jack Gilbertson
Anila Guruji
Dina Richman
Greg Schaffer

CALL TO ORDER

In Mr. Solis' absence, Mr. Marsella called the meeting to order at 12:10 P.M.

APPROVAL OF MINUTES

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

CHAIRPERSONS REPORT

There was nothing to report.

ENDOWMENT FUND SPENDING POLICY

Mr. Aulicino reminded the committee that the Board requested a draft of a spending policy for the use of the endowment funds and reviewed this draft. The policy provides guidance in how the funds will be spent and it provides a protocol for the approval process. In the near future, an

investment policy for the funds will be brought to this committee for discussion and Mr. Steve Cobb from California Community Foundation will be invited to present an overview of the options available through the Foundation.

The committee discussed and Mr. Aulicino and Ms. Sullivan clarified all questions that they had.

Ms. Heller made a motion to accept the endowment fund policy as drafted and recommend that the Board adopt it. Dr. Stein seconded the motion and it was approved by consensus.

BUDGET UPDATE

Mr. Aulicino reported that DDS is working on the May Revision figures for the Governor's budget and has engaged all regional centers in order to get a better understanding of POS growth. The committee reviewed a claims report developed by DDS that compares claims and caseload growth. Lanterman's analysis sheet explains that report as relating to placements from developmental centers and rate increases. Mr. Aulicino also reviewed e-mail exchanges with DDS and pointed out the productive interchange that occurred.

Mr. Aulicino reported that DDS thanked the Center for all of their assistance which is helping them be better prepared. He added that staff in the financial department of DDS has been more open and have a very good working relationship with regional centers.

REVIEW OF FINANCIAL STATEMENTS

Mr. Londer reviewed the financial statements through February 28, 2015.

Fiscal Year 2014-2015

In Operations, (main contract) we have spent \$11,153,332. In Purchase of Services (main contract), we have spent \$79,358,830 before we add late bills. Including projected late bills, we will have spent \$81,125,067.

Fiscal Year 2013-2014

This month we recorded \$8,910 in OPS and \$49,481 in POS. To date, we have spent 99.2% of our OPS and 100.1% of our POS allocations. We are currently projecting a small surplus in OPS, and a deficit in POS, which we expect to be funded by DDS.

Fiscal Year 2012-2013

This month we recorded \$4,310 in POS. To date, we have spent 98.3% of our OPS and 99.9% of our POS allocations. We are currently expecting a small surplus in OPS and a small deficit in POS, which we expect to be funded by DDS.

CASH FLOW

Mr. Londer reviewed the cash flow analysis and stated that current projections indicate that we are in good shape through June. This is due to the Department reimbursing us in full for our

February claim. Mr. Aulicino and Mr. Londer both praised DDS for the way in which they are coordinating cash disbursements to Centers.

POS UPDATE

Mr. Aulicino reported that based on the A-3 contract amendment, we project a deficit of about \$6-9 million. This is less than what was previously projected.

INSURANCE UPDATE

Mr. Aulicino reported that the Directors & Officers renewal took place in April. He stated that despite the claims activity in the recent past, our existing carrier renewed us. There is an increase in the deductible. Our premium was raised from \$64,000 to \$70,000.

NEXT MEETING

The next meeting is scheduled on May 12, 2015.

ADJOURNMENT

The meeting was adjourned at 12:52 PM.

/gs