

Frank D. Lanterman Regional Center

Administrative Affairs Committee

January 10, 2017

MINUTES

PRESENT

Mark Higgins, Chair
Jack Gilbertson
Marjorie Heller
Dina Richman
Greg Schaffer

STAFF

Patrick Aulicino
Barry Londer
Melinda Sullivan

GUEST

Rob Griffith, AGT

NOT PRESENT

Al Marsella
Jim Simonds
Dr. Tony Stein

CALL TO ORDER

Mr. Higgins called the meeting was called to order at 12:10 P.M.

REVIEW OF MINUTES

The minutes of November 8, 2016 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

There was nothing to report.

REPORT FROM THE CORPORATE AUDITOR

Mr. Rob Griffiths from Aiello, Goodrich, and Teuscher (formerly K-Coe Isom) reviewed the independent audit and tax return for 2015-2016. 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.

The committee would like an addition in verbiage on page 13 of the financial statements under "Significant Concentrations of Credit Risk" to reflect that in general regional centers are required to maintain their funds as approved by the state.

Ms. Richman made a motion to accept the independent audit and the tax return subject to the modifications discussed above and recommend to the board for final acceptance. It was seconded by Ms. Heller and it was approved by consensus.

INVESTMENT POLICY FOR THE ENDOWMENT FUNDS

Mr. Aulicino reported that the investment policy was reviewed by counsel per the committee's recommendation. The committee reviewed and discussed. On the last page, the second to last bullet is missing the word "with." The sentence should read as "Rebalancing shall be done as deemed necessary by the Center after consulting with Investment Managers."

Mr. Schaffer made a motion to accept the investment policy as drafted subject to a minor correction and recommend to the board for final approval. It was seconded by Ms. Richman and approved by consensus.

CONTRACT AMENDMENTS

Mr. Aulicino reported that the A-5 contract has been signed. He added that the department mistakenly reclassified some CPP expenditures for 15-16 which resulted in an error in the B-3 contract amendment and it is being redrafted.

SUFFICIENCY OF ALLOCATION REPORT

Mr. Aulicino reported that all regional centers have completed their initial POS projections for the current fiscal year. The overall projected deficit for the system is low compared to the historical trends.

REVIEW OF FINANCIAL STATEMENTS

CASH FLOW

Mr. Londer reported that at end of March we are projecting to have a little over \$22 million.

Fiscal Year 2016-17 (C-1)

In Operations (main contract) we have spent \$7,602,658. In Purchase of Services (main contract), we have spent \$59,036,310 before we add late bills. Including late projected bills, we will have spent \$61,177,651.

Fiscal Year 2015-2016 (B-2)

This month we recorded \$169,478 in OPS and \$291,712 in POS. To date, we have spent 99.8% of our OPS and 98.5% of our POS allocations. We are currently projecting a very small surplus in OPS and a larger surplus in POS.

Fiscal Year 2014-2015 (A-4)

This month we recorded \$43,492 in OPS, and \$58,176 in POS. In total, we have spent almost 100.0% of our OPS and 99.9% of our POS allocations. We are currently projecting a very negligible surplus in OPS, and a small surplus in POS.

NEXT MEETING

The next meeting is scheduled on February 14, 2017.

ADJOURNMENT

The meeting was adjourned at 1:10 PM

/gs