Board of Directors

January 22, 2014

MINUTES

PRESENT
Larry DeBoer, Chair
Ray Lemus
Jack Glibertson
Anila Guruji
Brian Newkirk
Mark Higgins
Howard McBroom
Louis Mitchell
Zulma Mena
Brian Newkirk
John Poulos
Dina Richman
Ed Solis

NOT PRESENT
Karla Garcia-Diaz
Marjorie Heller
Ana Villasenor
Kelly White

ADVISOR TO THE BOARD
Al Marsella

GUESTS
Anthony Stein
Rigo Ganoa
Julie Ganoa

STAFF
Diane Anand
Patrick Aulicino
Karen Ingram
Melinda Sullivan
CALL TO ORDER

Mr. DeBoer called the meeting to order at 6:00 p.m.

PUBLIC INPUT

No public input.

ANNOUNCEMENTS

No announcements were made.

APPROVAL OF MINUTES

Mr. McBroom moved to approve the minutes of November 20, 2013, Ms. Richman seconded the motion, and it passed unanimously.

EXECUTIVE DIRECTOR’S REPORT

Appointment of New DDS Director

Ms. Anand advised the Board that Mr. Santi Rogers has been appointed the new Director of the Department of Developmental Services. Ms. Anand reported that Mr. Rogers has a deep understanding of and commitment to the community service system, and has a broad base of experience.

Governor’s January Budget

Mr. Aulicino advised the Board that the Governor has released his budget for FY 2014-15. Mr. Aulicino advised the Board that ARCA has prepared an analysis which was enclosed in the packet and reported that there are no initiatives. The new minimum wage issue is addressed as is new rules on overtime. Mr. Aulicino reported that based on the governor’s budget and the revised cash flow projections, the Center will be in a good position until the end of March 2014.

Board Composition

Ms. Anand advised the Board that they could find in their packet 3 documents: 1) a letter from DDS stating that Lanterman was out of compliance related to 25% client membership, 2) the Centers response letter, and 3) a board composition grid. DDS is stating that the Center is out of compliance because it had only 3 client board members and the law requires 25% of its membership to be clients. Ms. Anand reminded the Board that the DDS surveys are point in time and since then the Center has added a fourth client, bringing it to 25%.
The Board discussed the challenges of meeting the complex requirements of board composition.

**ARCA REPORT**

Mr. DeBoer advised the Board that he and Ms. Sullivan attended the ARCA meeting on January 16-17, 2014 in Sacramento and that they could find the highlights from the meeting on the table.

Discussion followed.

**EXECUTIVE COMMITTEE**

**Beatrice Lee Charitable Remainder Unitrust**

Ms. Anand advised the Board that Ms. Beatrice Lee has established a trust fund with Fidelity Investment Co. in the amount of approximately $250,000. The annual distribution for the trust will be 5% of the total value as of January 1st of each year. Lanterman is one of three recipient organizations that were designated.

**UPDATING THE REGIONAL CENTER HISTORICAL BOOKLET**

Ms. Anand advised the Board that the historical booklet entitled “Reaffirming the Commitment…Realizing the Vision” has not been updated in 7 years. Ms. Anand reported that she has identified someone that has agreed to take on the project of updating the history. Ms. Anand reported that it is a time intensive process and is hoping to complete this before the end of June. Lanterman has put out the call to other centers both for materials and hopefully for funding support.

**ADMINISTRATIVE AFFAIRS COMMITTEE**

**Acceptance of the Corporate Audit**

Ms. Solis advised the Board that they could find the Corporate Audit for Fiscal Year 2012-13 in their packet for review. He walked that Board through the document and reported that the Center received an unmodified audit (this is a new term that is being used going forward as opposed to “unqualified” audit). One comment was made in a management letter this year having to do with how provider rates are input to the system and checked and that is being addressed.

Discussion followed.
Mr. Solis brought forward the recommendation from the Committee to accept the Corporate Audit for Fiscal Year 2012-13 as presented, Mr. Poulos seconded the motion, and it passed unanimously.

Acceptance of the Corporate Tax Return

Mr. Solis advised the Board that they could find the Corporate Tax Return for year 2012 in their packet for review. Mr. Solis reported that the Committee reviewed the document and he reviewed the document with the Board.

Mr. Solis brought forward the recommendation from the Committee to accept the Corporate Tax Return for fiscal year 2012 as presented, Mr. Newkirk seconded the motion, and it passed unanimously.

City National Bank Credit Card Rewards Program

Mr. Aulicino advised the Board that Lanterman has 10 business credit cards with City National Bank which are mainly used by the Executive Staff for travel and other business related expenses. Mr. Aulicino reported that City National Bank has a rewards program associated with the use of these cards. The Administrative Affairs Committee is proposing to redeem the points for business related purchases. In order to do this, the Bank requires the Center to accept the Bank’s resolution to accomplish this. A copy of this resolution was in the packet for review.

Mr. Aulicino brought forward the recommendation from the Committee to redeem the existing points for business-related purposes as an organization and accept the Bank’s resolution as presented, Mr. Poulos seconded the motion, and it was approved by consensus.

REVIEW OF FINANCIAL STATEMENTS

Mr. Solis reviewed the financial statements through the month of November 30, 2013 as follows:

Fiscal Year 2013-2014 (E-2)

In Operations (main contract) we have spent $6,405,890. In Purchase of Services (main contract) we have spent $44,238,869 before we add in projected late bills. Including projected late bills, we will have spent $46,116,170.

Fiscal Year 2012-2013

This month we recorded ($31,663) in OPS and $117,215 in POS. To date, we have spent 96.6% of our OPS and 99.9% of our POS allocations. We are currently projecting a small surplus in OPS and a small deficit in POS.
Fiscal Year 2011-2012

This month we recorded $11,990 in OPS and $668 in POS. To date, we have spent 99.0% of our OPS and 99.7% of our POS allocations. We are currently expecting small surpluses in both OPS and POS.

ADJOURNMENT

The meeting was adjourned at 7:05 p.m.

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Anila Guruji, Secretary

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<tr>
<th>DESCRIPTION</th>
<th>ACTION</th>
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<tbody>
<tr>
<td>Approval of Minutes – November 20, 2013</td>
<td>•</td>
<td>Approved</td>
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<tr>
<td>Acceptance of the Corporate Audit</td>
<td>•</td>
<td>Approved</td>
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<td>Acceptance of the Tax Returns</td>
<td>•</td>
<td>Approved</td>
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<tr>
<td>City National Bank Credit Card Rewards Program</td>
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