

**SAN GABRIEL/POMONA VALLEYS
DEVELOPMENTAL SERVICES, INC.
Executive/Finance Committee Meeting MINUTES**

January 9, 2019

PRESENT:

Joseph Huang, President
Victor Guzman, 1st V.P
Georgina Molina, Board Director
Julie Chetney, Secretary
Penne Fode, Immediate Past President

STAFF:

Lucina Galarza, Interim Associate Executive
Director
Ernie Cruz, Director of Community Services
Tim Travis, Director of Federal Revenues
and Clinical
John Hunt, Chief Financial Officer
Erika Gomez, Exec. Assistant – BOD
Laura Palma, Administrative Assistant

ABSENT:

Sheila James, 2nd V.P
Gisele Ragusa, Treasurer

RECOMMENDED ACTIONS

THE EXECUTIVE/FINANCE COMMITTEE RECOMMENDATION:

None

**ACTIONS TAKEN BY THE EXECUTIVE/FINANCE COMMITTEE
PURSUANT TO SECTION 20.04 OF THE BYLAWS**

All actions taken by the Executive/Finance Committee on behalf of the Board of Directors shall be reported at the next meeting of the Board. The actions taken by the Executive/Finance Committee at this meeting were:

Approval of Financial Report- November, 2018, for services paid through December 17, 2018

ITEMS DISCUSSED

A. CALL TO ORDER

Joseph Huang called the meeting to order at 7:18 pm. A quorum was established.

- The members reviewed the agenda. Staff requested to add an item to the agenda regarding information on the contract.
- The minutes from the October 10, 2018 meeting were approved with one change: Victor Guzman was not absent from the meeting.

M/S/C (Fode & Guzman)

Abstain: Molina

B. WINDES AUDIT

Tom Huey, Windes Auditor, presented the draft audit report. The following information was reviewed:

- Management Judgments and Accounting Estimates
- Significant Audit Adjustments
- Difficulties Encountered in Performing the Audit
- Disagreements with Management
- Management Representations
- Major Issues Discussed with Management Prior to Retention
- Consultation by Management with Other Accountants
- Other Information in Documents Containing Audited Consolidated Financial Statements
- Consolidated Financial Statements

C. FINANCIAL REPORT

John Hunt, Chief Financial Officer reported on the following:

Financial Report

- Operations – Based on the E-1 contract amendment, the allocation is projected to meet expenditure projections, resulting in a zero-balance remaining in allocation. The operations allocation for fiscal year 2018-19 is currently \$28,906,621. For the month of November, staff expended \$2,119,163 and have spent \$11,709,457 year to date, with expenditures remaining of \$17,197,164.
- Family Resource Center –The allocation is projected to meet expenditure projections, resulting in a zero-balance remaining in allocation.
- LDC Foster Grandparent/Senior Companion Program – The program has a current allocation in the amount of \$588,808 with projected expenditures for the year in the amount of \$586,884 which leaves a small

**Attached to these minutes.*

*** “Attachments & Announcements” section of Board Packet.*

- allocation balance remaining in the amount of \$1,924.
- FDC Foster Grandparent/Senior Companion Program – The current allocation stands at \$502,210 with projected expenditures for the year in the amount \$500,571, resulting in a small allocation balance of \$1,639.
 - Community Placement Plan – SG/PRC is now projecting \$803,260, however expenditures for the year are projected to be \$1,901,214. This results in an allocation shortage of \$1,097,954. The initial allocation was based on the previous year’s approved plan, but in order to get the money out to the regional center in a timely fashion, approximately 50% was allocated until such time that the FY 18-19 plan could be approved by DDS. The plan has now been approved, and SG/PRC has been informed that the remaining amount of the approved plan will be allocated in the E-2 contract in mid-January. It is expect that the remaining allocations will cover the current projected shortage.
 - Purchase of Service as with Operations – Projections are based on the E-1 contract amendment.
 - Regular Purchase of Services- The allocation is \$221,993,528. For the month of October, staff expended \$17,512,066, and have paid for services in the amount of \$85,611,461 year to date, with projected expenditures and late bills remaining in the amount of \$135,542,668. This results in a small allocation shortage in the amount of \$4,560,601 which should be covered in a future amendment.
 - Community Placement Plan - projecting a shortage of \$336,089 in Community Placement Plan POS which will be covered in a future allocation.

M/S/C (Chetney & Guzman) The committee approved the Financial Report.

DDS Audit Update – Nothing new to report

D. BOARD OVERVIEW

Joseph Huang, Board President reported on the following:

Board Bylaws – The committee will take a break from this process to focus on the recruiting of the Executive Director.

Board Attendance – Staff reported on the attendance of the Board members.

Board Recruitment – The Strategic Development Committee and the Executive

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Finance Committee were given a copy of a handout that lists when each Board member will term off. Two officers will term off in June 2019.

E. INFORMATION:

Lucina Galarza, Interim Executive Director, reported on the following:

Self Determination - SDP Waiver application was approved by CMS on June 6, 2018. Selection of participants occurred on October 1, 2018. 95 individuals served by SG/PRC have been selected. Families started to be notified by DDS and Service Coordinators are following up with families to inform them about the next steps they will need to follow. As of now, 19 families are declining being a part of the program. Others are waiting to decide until after orientation. The “train the trainer” sessions continue to be pushed. As of now, they are tentatively scheduled for the end of February (for staff). Future Advisory meetings are scheduled for the second Tuesday of the month at 6 pm (unless cancelled by Committee) and are open to the public.

Regional Centers have been provided with “directives “from DDS on Independent Facilitator and Fiscal Management Services. These directives were shared with the Local Advisory Committee and will also be shared with the Clients’ Services Committee.

Performance Contract - DDS has not given an update on whether the Performance Contract was approved.

Disparity Data – DDS has not approved the request for the continuation of funding for existing Disparity Projects, such as the Parent Mentor Initiative (PMI). As a result, SG/PRC is temporarily funding PMI through POS monies. DDS has also not approved any new projects that were submitted.

As required by law, staff posted on the agency’s website the POS Expenditure Reports before the 12/31/18 deadline. There is a total of 34 reports which describe how services are provided to individuals with developmental disabilities based on ethnicity, language, and age. Staff will review the reports in depth and will be sharing the findings with the Board and the Community via community meetings to be held in March 2019.

Contract Language Amendments - ARCA recently sent SG/PRC Contract Amendments that were updated via negotiations between DDS and the ARCA Contract Negotiating Committee. There are five areas where changes were made:

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Federal Funds; Self- Determination; Advance Payment Provisions; Medicaid Enrollment Requirements; and Miscellaneous Technical Changes. One area that will affect the Board directly is in the Medicaid Enrollment Requirement section which states that that Regional Center board members and Executive Directors will need to provide information to allow for verification that they are eligible to be affiliated with organizations drawing federal funds.

MEETING ADJOURNED

The next regular meeting will be held on February 13, 2019 at 7:15 p.m.

**Attached to these minutes.*

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