

Alta California Regional Center  
Finance Committee Meeting  
Monday, January 10, 2022  
Minutes

**Present:**

Yang Sun, Chair  
Dan Lake  
Ron Mainini  
Kelly Pennington  
Michelle Rewerts  
Retha Seabron  
Rita Walker

**Facilitators:**

Amy Fulk

**Visitors:**

Steve Andrews  
DeLayna Eskridge-Brown  
Maureen Fitzgerald  
Kristel Maikranz

**Absent:** (\* excused)

Johnny Deng

**Board Members:**

Jackie Armstrong  
Amy Lampe  
Michelle Ramirez  
Anwar Safvi

**Staff:**

Lori Banales, Executive Director  
Iqbal Ahmad, Chief Financial Officer  
John Decker, Director of Community  
Services  
Camelia Houston, Director of Intake &  
Clinical Services  
Mechelle Johnson, Director of Client  
Services  
Lisa West, Executive Secretary

The Finance Committee met on Monday, January 10, 2022, at 4:06 p.m. by Webex/teleconference to discuss: 1) Independent Audit Report; 2) Monthly Financial Report; and 3) State Budget Update.

**Without objection, Michelle Rewerts made the motion to adopt the Finance Committee meeting minutes of November 8, 2021 as submitted.**

*\*change in agenda was noted*

**1. Independent Audit Report**

**Issue:** The committee needs to review the Independent Audit Report.

**Discussion and Action:** The "Report to the Board of Directors June 30, 2021" and the "Financial Statements and Supplementary Information with Independent Auditors' Reports June 30, 2021" were shared onscreen.

Ms. Maikranz, partner of AGT CPAs & Advisors, explained the responsibilities of the auditors and ACRC's management and shared that this entire audit was done remotely, as many audits are currently being conducted industry wide. AGT is independent of the regional center. She explained the significant accounting estimates and noted that all of the information that they received from ACRC's Accounting Department was accurate.

Ms. Maikranz reviewed the audit report including the basic financial statements with those present. She noted that the "Schedule of Findings and Questioned Costs" indicate the results of the audit. AGT CPAs & Advisors expressed an unmodified opinion on the financial statements, as well as the federal awards program, meaning there were no material findings; it is a clean opinion.

AGT will prepare and file Form 990 with the State of California, which reports to the Attorney General's Office.

ACRC's management continues to have proper internal controls in place.

**Without objection, Dan Lake made the motion to accept the Independent Audit Report and present it to the full Board on January 27<sup>th</sup>.**

## 2. **Monthly Financial Report**

**Issue:** The monthly financial report is reviewed by the Finance Committee prior to presentation to the Board.

**Discussion and Action:** The November 30, 2021 financial report indicates that ACRC has expended 34.3% of Purchase of Services (POS) and 39.5% of Operations (OPS) for the current fiscal year (FY). Mr. Ahmad shared that ACRC received the C-2 amendment from the Department of Developmental Services (DDS) last week.

In POS, we are awaiting further clarification from the department on provider rate increases that are expected to be partially implemented in the second half of the FY. DDS has not informed regional centers what the target rates are for service providers, but are currently working with all regional centers to confirm and verify certain service rates. This will consume most of the \$63 million surplus showing on the current financial report.

For OPS, we have received funding for ACRC's approved Community Placement Plan/Community Resource Development Plan (CPP/CRDP) positions, and enhanced and complex caseload funding. We are still waiting for more general operation funding and specific policy items related to the Self-Determination Program (SDP), performance incentives, and rate reform funding. ACRC has set an aggressive hiring plan, which will be adjusted, if the anticipated funding changes or inflationary pressures continue to increase.

**Without objection, Dan Lake made the motion to recommend to the full Board the acceptance of the monthly financial statement as submitted.**

## 3. **State Budget Update**

**Issue:** The committee needs to review the Governor's State Budget.

**Discussion and Action:** Ms. Banales shared that we are now straddling the lines between the current FY and the next. For the current FY, we have hired the Deaf Specialist and are working to fulfill their responsibilities. As she has shared, our Emergency Response Coordinator has been working on priorities for a while now. The 1:40 caseloads have been identified, with three of the six positions being hired.

Provisional eligibility has been in place since July 1<sup>st</sup>. As of December 31, 2021, ACRC has 31 clients that are being served under this category. Our Special Education Specialists are also working to assist Early Start families.

Regional centers are awaiting the Cultural Competency Implicit Bias Training that is being developed by DDS. ACRC will be utilizing this opportunity. Additionally, the department is working on the performance incentive programs and working with stakeholders to develop objectives.

Funding for caseload reduction was secured in this year's budget for the 2022-23 FY. Today's unveiling of the budget shows that additional funding will be included in the 2022-23 FY's budget. Beginning in May, ACRC will be posting additional positions knowing that funding will be available beginning July 1<sup>st</sup>.

Ms. Banales shared that the agency's strategic plan will include parts of our performance contract with DDS, including employment and housing.

DDS hired an interim ombudsman for the SDP program, Katie Hornberger. ACRC continues to concentrate efforts to increase SDP enrollment and reduce barriers.

The proposed 2022-23 FY's POS budget for regional centers is a 9.1% increase from the current FY.

- **Information only.**

The next Finance Committee meeting is scheduled for **Monday, February 14, 2022**. The meeting adjourned at 4:45 p.m.

Lisa West  
Executive Secretary

cc: ACRC Board of Directors  
Lori Banales