

Alta California Regional Center  
Finance Committee Meeting  
Monday, October 19, 2020  
Minutes

**Present:**

Yang Sun, Chair  
Johnny Deng  
Ron Mainini  
Michelle Rewerts  
Steven Sanchez  
Retha Seabron  
Rita Walker

**Board Members:**

Carmen Aguilar  
Michelle Ramirez

**Facilitators:**

Amy Fulk

**Visitors:**

Maureen Fitzgerald

**Staff:**

Phil Bonnet, Executive Director  
Iqbal Ahmad, Chief Financial Officer  
Lori Banales, Deputy Executive  
Director  
Lisa West, Executive Secretary

The Finance Committee met at 4:14 p.m. on Monday, October 19, 2020, by Webex/teleconference to discuss: 1) Monthly Financial Report; 2) POS Contracts over \$250,000; 3) Review Annual Vendor Audit Report; and 4) State Budget Update. All present provided self-introductions.

**Without objection, Michelle Rewerts made the motion to adopt the Finance Committee meeting minutes of September 14, 2020 as submitted.**

1. ***Monthly Financial Report***

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

**Discussion and Action:** The August 31, 2020 financial report indicates that ACRC has expended 20.8% of Purchase of Services (POS) and 18.2% of Operations (OPS) for the current fiscal year (FY).

Mr. Ahmad expected that ACRC would have received the second amendment (B-2) from the Department of Developmental Services (DDS) by now, but they have indicated that they should be releasing it by the end of the month. The initial allocation included a one percent increase in OPS, but the agency needs more than that due to the annual increases in rent, insurance, etc. He expects that ACRC will receive a total increase of between 3.5 and 4% in OPS compared to prior year. This will assist with maintaining caseload ratios.

Mr. Ahmad is currently projecting a rather large shortfall in POS funding; however, this will be adjusted once the B-2 amendment is received and should make up for the deficit.

The July and August service months were under the absence billing/retainer payments for service providers. Beginning September 1<sup>st</sup>, service providers are required to "self-certify" and receive agreement from clients/families for providing alternative services in order to have client authorizations continue past September 30<sup>th</sup>. This process is in the early stages and the DDS Directive states that regional centers are also required to send follow-up letters to the client confirming their request for alternative services.

It is expected that the new monthly unit rate system for non-residential service providers will be installed by Burns & Associates effective November 1<sup>st</sup>. This new rate model will switch service providers from hourly rates to their own uniform monthly rate for all clients served under each vendorization.

Those clients who have recently transitioned from school might be able to access virtual alternative services at this time. Clients/families should discuss options with their Service Coordinator (SC).

Some traditional services are still in place (residential, respite, therapies, etc.), where both the service provider and family are both in agreement with face-to-face services. Some Early Start therapies are happening virtually, so parents are becoming their child's therapist. We remain hopeful that there will be great outcomes due to the pandemic.

**Without objection, Johnny Deng made the motion to accept the monthly financial statement as submitted.**

**2. *POS Contracts over \$250,000***

- There are no contracts to approve at this time.

**3. *Review Annual Vendor Audit Report***

- Mr. Ahmad shared a summary of the ACRC audits that were conducted in the prior year. The results of these audits show our findings, along with amounts owed back to the regional center.
  - As of October, ACRC staff have collected all of the findings which total \$87,582.

**4. *State Budget Update***

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

**Discussion and Action:** Mr. Bonnet shared that last Thursday, October 15<sup>th</sup>, was the day that trigger cuts might go into effect if the federal government didn't come through with the stimulus funding to assist the state.

Tax revenues are continuing to come into the state and it appears that the situation may not be as “apocalyptic” as it was once thought to be. Our statewide service system will know where we stand when Governor Newsom releases his draft proposed 2021-22 FY budget by January 10, 2021. Because several state organizations experienced cuts to their budgets this year, it seems unlikely that we will escape cuts this next FY.

Another concern which relates to our long-term budget is our service system’s growth, which has dropped dramatically. With the exception of the clients identified from birth, there may be many individuals that need our services, but have not yet been identified. With schools resuming some in-person classes, we may see an uptick in numbers. If California goes back to somewhat normal in the springtime, there may also be a surge of growth that regional centers will need to handle.

Things could possibly change with the upcoming election on November 3<sup>rd</sup>, as well.

Mr. Bonnet believes that DDS will do everything they can to make regional center budgets whole. The future is uncertain, but the Lanterman Act remains in place.

- **Information only.**

The next Finance Committee meeting is scheduled for **Monday, November 9, 2020**, at 5 p.m. The meeting adjourned at 4:51 p.m.

Lisa West  
Executive Secretary

cc: ACRC Board of Directors  
Phil Bonnet