

Alta California Regional Center
Finance Committee Meeting
Monday, May 9, 2022
Minutes

Present:

Rita Walker, Acting Chair
Johnny Deng
Dan Lake
Kelly Pennington
Michelle Rewerts
Retha Seabron

Facilitators:

Amy Fulk

Visitors:

Sheila Abrams
Steve Andrews
Maureen Fitzgerald

Absent: (* excused)

Yang Sun*, Chair

Board Members:

Jackie Armstrong
Amy Lampe
Elaine Linn
Anwar Safvi
Patty Wallace

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

Due to Dr. Sun's absence, Ms. Walker called the meeting to order. The Finance Committee met on Monday, May 9, 2022, at 4:49 p.m. by Webex/teleconference to discuss the Monthly Financial Report.

Without objection, Rita Walker made the motion to adopt the Finance Committee meeting minutes of March 14, 2022 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 March 31, 2022 financial report indicates that ACRC has expended 64.9% of Purchase of Services (POS) and 71% of Operations (OPS) for the current fiscal year (FY).

At the last committee meeting, Mr. Ahmad noted that ACRC had close to \$70 million in surplus POS funding. Accounting staff were able to implement about half of the rate increases in April and will be completing the remainder this week. Over the next three months, the rate increases will have nearly exhausted the surplus.

As part of the Burns & Associates Rate Study, the Department of Developmental Services (DDS) created a "benchmark" rate, converting some rates into effective

hourly rate models while also utilizing a trip rate model for transportation vendors. A 25% increase will be included in service providers new rates and then the remainder will be implemented within the next few years. For those service providers that were already making more than the benchmark rate, they will not receive a rate increase. The goal is to bring parity to each provider within the same service category.

Mr. Ahmad noted that residential care home rates are determined by the Alternative Rate Model (ARM) schedule. These service providers will receive a rate increase of between 4% to 18% depending on the level of care (average of 10%).

Every provider that receives an increase will receive a letter to confirm their new rate. Next year, there will be a greater impact to our statewide service system due to the greater percentage of rate increases that will be implemented.

- Ms. Banales expressed appreciation to ACRC's Accounting and CSS Department for their work in implementing these rate increases, all while getting ready to close the FY and do our "rollover".

DDS sends several allocations each FY in which not all include additional funding for a regional center. Recently, ACRC received the A-9 amendment for the 2018-19 FY, which included \$9,900 for OPS and approximately \$226 thousand for POS. The additional OPS funding reimbursed an independent contractor for COVID related services provided to DDS and ACRC. The POS funding was related to our Community Placement Plan (CPP).

Last week, the U.S. Department of Labor announced that there are 11.5 million open positions in our nation, with approximately 6 million individuals unemployed. Currently, the unemployment rate for the nation is at 3.4%; California is at 4.9%. ACRC has hired 140 individuals over the last 12 months but it is still a challenging market to hire qualified candidates.

Without objection, Johnny Deng made the motion to recommend to the full Board the acceptance of the monthly financial statement as submitted.

The next Finance Committee meeting is scheduled for **Monday, June 13, 2022**. The meeting adjourned at 5:03 p.m.

Lisa West
Executive Secretary

cc: ACRC Board of Directors
Lori Banales