



Los Angeles Homeless Services Authority

a joint powers authority of the city & county of los angeles

MINUTES OF THE LOS ANGELES HOMELESS SERVICES AUTHORITY FINANCE, CONTRACTS & GRANTS MANAGEMENT COMMITTEE MEETING

Held November 18, 2009

The Los Angeles Homeless Services Authority Finance, Contracts & Grants Management Committee Meeting, held in the LAHSA Administrative Office located at 453 S. Spring Street, 12th Floor, Los Angeles, California, was called to order at 2:02 p.m. by Douglas Mirell, Chair.

Attendance

LAHSA Commissioners Present:

Douglas Mirell
Ramona Ripston

LAHSA Commissioners Absent

Larry Adamson

LAHSA Staff:

Michael Arnold, Executive Director
Steve Andryszewski, Chief Financial Officer
Geoffrey Emery, Director of Programs
Stuart Jackson, Controller
Daniel Fisher, Programs Unit Manager
Erin Hollander, Board Liaison

CALL TO ORDER/ROLL CALL/ESTABLISHMENT OF QUORUM

Roll was called and quorum was established at 2:02 p.m.

1.0 Review of Minutes held October 21, 2009.

Correction to minutes: Commissioner Ramona Ripston was removed as in attendance at the meeting on October 21, 2009.

Motion: Commissioner Ripston moved and Commissioner Mirell seconded approval of the minutes as corrected.

Action: The motion passed unanimously.

2.0 Status report on cash balances, accounts receivable, accounts payable & programmatic and administrative YTD budget to actual.

Steve Andryszewski, Chief Financial Officer reported: LAHSA continues to partner with its funders to ensure receivables are collected within an acceptable timeframe; aged payables are monitored to facilitate appropriate cash flow to service providers; and adequate cash balances are maintained to ensure LAHSA meets its administrative expenditure needs.

- Accounts Payable: the 31-60 day past due amount of \$31,745 relates to an SHP contract from the 2002 program year. Funding for this program year expired on September 30, 2009, at which time all available funds were recaptured by the US Treasury. Although a LAHSA submitted a funding request to HUD in a timely manner, the request was released from the payment system unpaid and

subsequently the funds were recaptured by the US Treasury. Staff is working with the local HUD office to resolve the issue.

- Aged Payables: the 90 day past due amount relates to a contract with U.S. Vets that has been deobligated by HUD. An appeal to HUD is still pending with no further updates.

Public Speaker(s): There were no public speakers.

3.0 Report on status of negotiation, due diligence and any remaining items relative to the CRA owned real property located at 8224 S. Broadway.

Steve Andryszewski requested a continuance on the item, pending completion of additional due diligence.

Public Speaker(s): There were no public speakers.

Action: The item was tabled, no action was taken.

3.1 Authorize the acceptance of CRA owned real property located at 8224 S. Broadway for a purchase price of \$1 and authorize the Executive Director to negotiate and execute the appropriate documents with the CRA to effect the sale and transfer of said property.

Steve Andryszewski requested a continuance on the item, pending completion of item noted in 3.0.

Public Speaker(s): There were no public speakers.

Action: The item was tabled, no action was taken.

4.0 Report on status of HUD-OIG Audits

Steve Andryszewski provided a status on audits of two LAHSA funded agencies conducted by the Office of Inspector General (OIG), which is the auditing arm of the U.S. Department of Housing and Urban Development (HUD):

Homes For Life

- Outstanding findings relate to the accounting of cash match expenditures.
- The liability resulting from the audit was approximately \$4mm.
- To date, HUD OIG reduced findings for Homes For Life from \$4mm to \$2.1mm, with ongoing negotiations..
- LAHSA will continue to update the committee with developments.

U.S. Veterans Initiative

- The liability resulting from the audit was approximately \$300,000.
- U.S. Vets is currently remitting monthly payments to HUD in the amount of \$2,000/month and fully expects to retire the liability in full by spring 2013.
- LAHSA will continue to monitor the situation to ensure payments are being remitted in a timely manner.

Public Speaker(s): There were no public speakers.

5.0 Report on status of LAHSA audits.

Steve Andryszewski gave the report on several audits in open status for LAHSA:

- A-133 Single Audit: Mayer Hoffman McCann P.C. (MHM), completed field work in mid November and expects to release their report in January 2010. To date, MHM has noted no significant compliance issues. Steve Andryszewski commended the Fiscal Department for their diligence.
- CalWORKs Program Audit: The LA County Auditor Controller's Office is conducting a fiscal and programmatic audit of LAHSA's two CalWORKs programs. Field work has been completed and their report should be finalized in early December. LAHSA expects that there will only be minor findings reported.
- HUD ESG Audit: HUD is in the process of auditing the City of Los Angeles' Emergency Shelter Grant (ESG) Program. Since all the City's ESG funds are administered by LAHSA, significant time was spent looking at LAHSA's fiscal and programmatic records. A preliminary report indicates no significant findings.

Public Speaker(s): There were no public speakers.

6.0 Report on status of LAHSA office space requirements.

Geoffrey Emery, Director of Programs gave the report:

- Based upon the selection criteria, LAHSA secured the services of real estate brokerage firm CB Richard Ellis to represent LAHSA in its search for office space when the existing office lease expires in June 2010.
- There was an overview and discussion of the current office space and future requirements for LAHSA.

Public Speaker(s): There were no public speakers.

7.0 Authorize the Executive Director to enter into contract with Union Station Foundation in an amount not to exceed \$750,000 for the Centennial Place Project.

Daniel Fisher, Program Unit Manager gave the report:

- LAHSA received notification that the agency has legally changed its name from "Union Station Foundation" to "Union Station Homeless Services."
- LAHSA recommends the approval of this funding, as the Centennial Place Project will add 144 units of permanent supportive housing for homeless persons in the County of Los Angeles.

Public Speaker(s): There were no public speakers.

Motion: Commissioner Ripston moved and Commissioner Mirell seconded the motion to authorize the Executive Director to enter into the contract with Union Station Homeless Services.

Action: The motion passed unanimously.

8.0 Authorize the Executive Director to amend the appropriate contract with the City of Los Angeles up to the amount of \$160,000 in Emergency Shelter Grant (ESG) funding.

Daniel Fisher gave the report:

- LAHSA recommends the approval of this one-time addition of ESG funding to ensure that food preparation and sanitation facilities required by the YRP program continue to be provided to participants during the renovation of the New Image facility.
- This item was heard in conjunction with Item 9.0.

Public Speaker(s): There were no public speakers.

Motion: Commissioner Ripston moved and Commissioner Mirell seconded the motion to amend said contract.

Action: The motion passed unanimously.

9.0 Authorize the Executive Director to amend contract 2009YRP02 with New Image for the Overnight Year Round Emergency Shelter Program to add up to \$160,000 subject to funding approval.

Daniel Fisher gave the report:

- LAHSA recommends that the Executive Director be authorized to amend the 2009YRP02 contract with New Image to add \$160,000 subject to funding approval, to be utilized for certain necessary one-time costs of continuing the operation of the New Image Year Round Overnight Emergency Shelter Program during a required facility upgrade and renovation.

Public Speaker(s): There were no public speakers.

Motion: Commissioner Ripston moved and Commissioner Mirell seconded the motion to amend the contract with New Image.

Action: The motion passed unanimously.

10.0 PUBLIC PARTICIPATION

There were no requests for public participation.

ADJOURNMENT

The meeting adjourned at 3:16 pm.