



# 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 May 19, 2011

The Los Angeles Homeless Services Authority Finance, Contracts & Grants Management Committee Meeting, held in the LAHSA Administrative Office located at 811 Wilshire Boulevard, 6<sup>th</sup> Floor, Los Angeles, California, was called to order at 2:03 p.m. by Commissioner Larry Adamson.

#### Attendance

LAHSA Commissioners Present:

Larry Adamson  
Moctesuma Esparza

LAHSA Commissioners Absent:

None

LAHSA Staff:

Steve Andryszewski, Chief Financial Officer  
Monica Guthrie-Davis, Programs Unit Manager  
Stuart Jackson, Controller  
Erin Hollander, Board Liaison  
Victoria Saenz-Brown, Monitoring and Compliance Officer

#### Call to Order/Roll Call/Establishment of Quorum

Roll was called and a quorum was not established. Commissioner Adamson determined the information items would be heard first until quorum is established.

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

Stuart Jackson, Controller, 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.

- **Aged Receivables:**
  - \$1.485MM of the outstanding receivables has been received since this report was generated.
- **Aged Payables:**
  - Payables in the 1-30 and 30-60 day past due columns have been paid except for the \$34K associated with the County Homeless Services fund.
- **Programmatic Budget vs. Actual (City):**
  - CDBG and ESG contracts ended March 31, 2011 and the ESG savings will be rolled into funding year 2011-12 programs.
  - Because of the delay in the Federal Budget, the Consolidated Plan has been delayed at the City level and will go to City Council next Wednesday, June 1, 2011.
  - Steve Andryszewski, CFO, noted that he will present a report on the Consolidated Plan at the meeting of the full Commission.
- **Programmatic Budget vs. Actual (County):**
  - Staff noted the programs funded by CDC and DPSS grants which are under review for reprogramming.
- **Programmatic Budget vs. Actual (Winter Shelter Program):**

- WSP contracts ended March 31. Staff noted that the variances represent the finalization of the closeout of the contracts.

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

### **3.0 Report on status of LAHSA agencies placed on probation.**

Steve Andryszewski, Chief Financial Officer, gave the report:

- As required by LAHSA's Remedial Action Policy, staff provided a status report to the Commissioners regarding remedial action sanctions that have been imposed on LAHSA contracted agencies.

#### **Peace & Joy Care Center (PJCC)**

- PJCC's contracts have been terminated and final contracts close-outs are in process.

#### **People Helping People (PHP)**

- PHP continues to have financial capacity issues which lead to the agency's failure to comply with federal and state labor laws.

#### **Special Service for Groups (SSG) - HPRP**

- SSG-HPRP will remain on probation until the program is able to demonstrate that improvements can be sustained without the interim program manager.

#### **MJB Recovery**

- MJB Recovery attended the Fiscal Compliance Training conducted by LAHSA on May 5, 2011. LAHSA staff met with the Executive Director to discuss plans to bring the agency into sustained compliance.

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

### **Establishment of Quorum**

Quorum was established at 2:30 p.m.

### **1.0 Review and approve minutes of meetings held January 20, 2011 and February 17, 2011.**

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

**Motion:** Commissioner Esparza moved and Commissioner Adamson seconded approval of the minutes.

**Action:** The motion passed unanimously.

### **4.0 Update on status of HUD-OIG audit.**

Steve Andryszewski, Chief Financial Officer, gave the report:

- There is one open OIG Audit from 2004: U.S. Veteran's Initiative. The findings were related to cash match and property issues.
- The final HUD OIG audit determination included a repayment to HUD in excess of \$300,000.
- U.S. Vets entered into a payment plan and continues to pay \$2,000 a month with a full repayment expected in spring, 2013.

### **5.0 Authorize the Executive Director to enter into a contract amendment with the EIMAGO Year Round Program (YRP) Contract Number 2010YRP18 to increase the maximum amount of compensation by \$49,275 for contract period ending June 30, 2011.**

Monica Guthrie-Davis, Programs Unit Manager, gave the report:

- During the 2010 YRP RFP process, the LAHSA Commission requested that 27 family beds which had been operated by EIMAGO in the Skid Row area be re-procured outside of Skid Row.
- In July 2010, LAHSA issued an RFP and awarded funding to EIMAGO for two scattered site locations which are currently being utilized as a temporary site for another families program:

Project Restart. Project Restart will utilize a LAHSA-owned property located at 8224 S. Broadway, currently under renovation. Once the renovation is complete (scheduled for June 30, 2011), the YRP family program will utilize the scattered site locations.

- Additional funds are to operate the 27 family beds through June 30, 2011.

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

**Motion:** Commissioner Esparza moved and Commissioner Adamson seconded approval to authorize the Executive Director to enter into a contract amendment with the EIMAGO Year Round Program (YRP) Contract Number 2010YRP18 to increase the maximum amount of compensation by \$49,275 for contract period ending June 30, 2011.

**Action:** The motion passed unanimously.

#### **6.0 Update on status of LAHSA line of credit usage.**

Steve Andryszewski, Chief Financial Office, gave the report:

- Due to a delay in the receipt of administrative funding for grants with effective start dates of April 1, 2010, LAHSA drew down \$83,750 on its line of credit (LOC) to cover essential LAHSA operating costs.
- LAHSA will pay down this balance within 24 hours of adequate grant funding being received and continue to report back to the Commission on any balances outstanding over 30 days.
- There was an overview regarding specific uses of the line of credit.

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

#### **7.0 Authorize the Executive Director to enter into an agreement to renew the line of credit with National Bank of California for an amount not to exceed \$1 million.**

Steve Andryszewski, Chief Financial Officer, gave the report:

- LAHSA's line of credit for \$1 million with National Bank of California (NBC) will expire in June, 2011. LAHSA staff requested approval from the Commission for the Executive Director to renew the line of credit for a one year term.
- The requirements and approval limits for the use of the line of credit originally authorized by the commission remain unchanged.

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

**Motion:** Commissioner Esparza moved and Commissioner Adamson seconded approval to authorize the Executive Director to enter into an agreement to renew the line of credit with National Bank of California for an amount not to exceed \$1 million.

**Action:** The motion passed unanimously.

#### **8.0 Report on status of 2010-2011 fiscal and programmatic monitoring.**

Victoria Saenz-Brown, Monitoring and Compliance Officer, gave the report:

- There was a status update of 2010-11 fiscal and programmatic monitoring. LAHSA is on target with monitoring visits and all reports will be issued by June 30, 2011.
- There was a discussion regarding agency risk assessment, LAHSA's technical assistance and mandatory compliance workshops.
- Commissioner Adamson commended the success of the programmatic and fiscal monitoring program.

#### **9.0 Public Participation**

There were no requests for public participation.

#### **Adjournment**

The meeting adjourned at 2:50 p.m.