



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 June 17, 2010

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 2:00 p.m. by Douglas Mirell, Chair.

Attendance

LAHSA Commissioners Present:

Douglas Mirell
Larry Adamson

LAHSA Commissioners Absent:

Moctesuma Esparza
Ramona Ripston

LAHSA Staff:

Steve Andryszewski, Chief Financial Officer
Michael Arnold, Executive Director
Erin Hollander, Board Liaison
Gina Mercer, Programs Unit Manager

CALL TO ORDER/ROLL CALL/ESTABLISHMENT OF QUORUM

Roll was called and quorum was established at 2:00 p.m.

1.0 Review of Minutes held May 20, 2010.

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

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

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 (CFO), 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.

- LAHSA staff is working with the City of Los Angeles on the finalization of closeouts for the March 31, 2010 contracts as well as closeout of contracts that end June 30th; and the start of new contracts that begin July 1st.
- Accounts Receivable 1-30 days and 31-60 days past due: these amounts are related to City of Los Angeles contracts that ended on March 31, 2010. The final payments are currently being processed. LAHSA staff will continue to monitor this issue until these amounts are paid.
- Accounts Receivable (Current): these amounts are related to our 2010-11 City of Los Angeles contracts that began on April 1st. The CFO expressed his concern regarding the delay in HUD's release of funds to the City of Los Angeles and he addressed the potential fiscal impact on

LAHSA-funded agencies. LAHSA has submitted cash requests to the City of Los Angeles for these agencies, and payments will be issued upon receipt of funding. The Committee requested that LAHSA staff report back with any documentable evidence of an agency that may have to close its doors due to the delay in paid receivables under these contracts.

- 90 days past due amount relates to the U.S. Veterans' Initiative outstanding balance of \$129K. LAHSA staff continues to monitor and work to resolve the issue.

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

3.0 Update on status of line of credit usage.

Steve Andryszewski, CFO, gave the report:

- Per the Commissioners' request at last month's FCGM meeting, LAHSA staff was asked to report back on the amount of interest paid on the outstanding balance on the line of credit. LAHSA staff reported on the amount of paid interest and specified the allocations by grant.
- Due to a delay in the receipt of administrative funding authorized by the City of Los Angeles for grants with effective start dates of April 1, 2010, LAHSA has drawn down \$246,000 on its line of credit (LOC) to cover essential LAHSA operating costs. Through May 31st, LAHSA has accrued \$315 in interest on the outstanding balance. LAHSA will pay the outstanding balance on the line of credit in total within 24 hours of when adequate funding has been received.

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

4.0 Report on closeout of 2009-2010 Consolidated Plan contracts with Los Angeles Housing Department (LAHD).

Steve Andryszewski, CFO, gave the report:

- LAHSA is required to close all grants within 60 days: grants that close on March 31st must be closed out by May 31st. There was a status report on all closeouts of 17 ESG and CDBG contracts.
- LAHSA staff noted a savings of \$201K in unspent ESG funds and \$112K in unspent CDBG funds. Staff also noted that while unspent CDBG funds are generally not eligible for reprogramming, ESG funds may be reprogrammed for future use with approval from City Council and LAHD.

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

5.0 Review and approve the LAHSA 2009-10 final budget.

Steve Andryszewski, CFO presented LAHSA's 2009-10 final budget for approval. The final budget reflects funding changes that have been made since the previous approved budget update of December 31, 2009. These changes include:

- Year Round Emergency Shelter Program addition of \$420K: this change represents the reallocation of City Winter Shelter Program (WSP) funds to the Year Round Program (YRP) as requested by City Council.
- New City Emergency Program (NCEP) addition of \$122K: this change represents the reallocation of City and County Emergency Shelter Grant (ESG) funding approved by City Council and the CDC for one time gap funding for the LAMP Community.
- Emergency Shelter and Services addition of \$232,256: this change represents the rollover of County ESG savings from the prior program year.
- Winter Shelter Program decrease of \$163,430: this change is due to the reallocation of \$481K to the NCEP and YRP programs and the addition of \$318K in prior year City ESG funding.
- Independent Living Program decrease of \$40,000: this change is due to reprogramming of anticipated savings by Department of Children and Family Services (DCFS).
- County Supervisorial Homeless Services Funds (HSF) Program addition of \$41,321: this change represents the current year portion of additional projects funded by Supervisorial Districts.
- Emergency Shelter Fund decrease of \$287,824: this change is the result of construction delays which changed the program project start date. These funds will be shifted to the 2010-11 budget.

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval of the LAHSA 2009-10 final budget with an amendment to correct and move specifically named programs to their broader category.

Action: The motion passed unanimously.

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

6.0 Review and approve the LAHSA 2010-11 annual budget.

Steve Andryszewski, CFO, presented LAHSA's 2010-11 budget for the fiscal year beginning July 1, 2010.

- There was a presentation of the 2010-11 budget and a brief discussion regarding the administrative budget. There was a request from the Commission to report back with additional information regarding operations expenses.

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

Motion: Commissioner Mirell moved and Commissioner Adamson seconded approval of the LAHSA 2010-11 final budget with an amendment to hear this item at the meeting of the full Commission on Friday, June 25 with additional information as requested.

Action: The motion passed unanimously.

7.0 Authorize the Executive Director to amend contract 2009YRP02 with New Image Emergency Shelter to add up to \$260,000 in City ESG funding, subject to funding approval.

Steve Andryszewski, CFO, gave the report:

- New Image Emergency Shelter operates the City's largest Year Round Overnight Emergency Shelter Program containing 436 beds at 3804 S. Broadway Place in Los Angeles. New Image's facilities are in need of renovation in order to continue to adequately serve the needs of homeless persons served by this program.
- LAHSA recommends the approval of this one-time addition of Emergency Shelter Grant (ESG) funding to ensure that food preparation and sanitation facilities required by the Year Round Program continue to be provided to participants during the renovation of the New Image facility.

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval to authorize the Executive Director to amend contract 2009YRP02 with New Image Emergency Shelter to add up to \$260,000 in City ESG funding, subject to funding approval.

Action: The motion passed unanimously.

8.0 Review and approve LAHSA policies and procedures.

Victoria Saenz-Brown, Monitoring & Compliance Officer, presented the policies and procedures:

- **Subrecipient Contract Budget Modification Review and Approval (New)**
It is LAHSA's policy to ensure that all budget modifications are made in accordance with program regulations and subrecipient contracts; and that all budget modification requests made by LAHSA funded subrecipients are reviewed, approved and expedited in an efficient and timely manner. The Subrecipient Contract Budget Modification Procedure has been established between the Programs and Fiscal Departments to ensure the accuracy and timeliness of the budget modification process and to reduce any duplication of effort.

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval of the Subrecipient Contract Budget Modification Policy.

Action: The motion passed unanimously.

- **Timekeeping and Payroll Processing (Revised)**

It is LAHSA's policy to compensate employees for work performed in an accurate and timely manner. This procedure has been revised to change the current manual timekeeping process to an electronic process, effective July 1, 2010.

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval of the Timekeeping and Payroll Processing Policy.

Action: The motion passed unanimously.

- **Issuance of Manual Payroll Checks (New)**

It is LAHSA's policy to issue a manual payroll related check to any employee when there has been an error on a regular payroll check, to replace any lost or stolen check or when a termination check is required.

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval of the Issuance of Manual Payroll Checks Policy.

Action: The motion passed unanimously.

- **Record Retention (New)**

It is LAHSA's policy to ensure that all necessary records and documents of the organization are adequately protected and maintained, and to ensure that records that are no longer needed by LAHSA, or are of no value, are disposed of at the proper time, in the proper manner. There was a brief review and discussion of the time and manner of record retention.

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

Motion: Commissioner Mirell moved and Commissioner Adamson seconded approval of the Record Retention Policy, subject to Counsel final approval.

Action: The motion passed unanimously.

- **Record Destruction (New)**

It is LAHSA's policy to destroy records when appropriate in accordance with the Record Retention Policy.

Commissioner Mirell recommended that there be an amendment to section 14.2.1 to include the word, "threatened": Suspension of Record Disposal in Event of **Threatened** Litigation or Claim.

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval of the Record Destruction Policy, with the amendment to include the word, "threatened" in section 14.2.1, subject to Counsel final approval.

Action: The motion passed unanimously.

9.0 Authorize the Executive Director to enter into agreements with the appropriate County and City departments for funding listed in attachment 1, beginning July 1, 2010. Authorize the Executive Director to enter into agency contracts listed in attachment 2, subject to funding to be allocated by the City and County of Los Angeles to LAHSA for fiscal year 2010-11 starting July 1, 2010 and ending June

30, 2011. In the event that funding to LAHSA for this period is reduced or not forthcoming, authorize the Executive Director to reduce the amount of compensation or reduce the number of contracts.

Gina Mercer, Programs Unit Manager, gave the report:

- LAHSA receives annual funding from the City and County of Los Angeles to fund agencies that operate a variety of homeless programs. The contracts specified in the attachment are funded by City General Purpose Funds, County Emergency Shelter Grant Funds, County ILP Funds, CalWORKS Funding and County of Los Angeles General Funds.
- LAHSA recommends contracting for the programs for which funding was allocated by the City and County of Los Angeles starting July 1, 2010 and ending June 30, 2011. These programs represent a significant portion of the Los Angeles' Continuum of Care (CoC) for homeless individuals and families and will enable LAHSA to continue addressing the needs of this vulnerable population throughout the Los Angeles CoC.
- There was a recommendation by the Commissioners to amend the motion to include the following: "Staff determined that the administrative dollars associated with this funding are adequate to cover the administrative cost."

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval to authorize the Executive Director to enter into agreements with the appropriate County and City departments as presented, and authorize the Executive Director to enter into agency contracts as presented, subject to funding to be allocated by the City and County of Los Angeles to LAHSA for fiscal year 2010-11 starting July 1, 2010 and ending June 30, 2011. In the event that funding to LAHSA for this period is reduced or not forthcoming, authorize the Executive Director to reduce the amount of compensation or reduce the number of contracts. Staff determined that the administrative dollars associated with this funding are adequate to cover the administrative cost.

Action: The motion passed unanimously.

10.0 Authorize the Executive Director to enter into a supplemental contract with the Watts Labor Community Action Commission (WLCAC) up to the funding amount of \$222,421 to provide emergency shelter services to women and children from January 1, 2010 – August 31, 2010.

Gina Mercer, Programs Unit Manager, gave the report:

- This program was originally funded by the office of Supervisor Ridley-Thomas for the period January 1, 2009 – December 31, 2009. The awarded funding allowed the WLCAC Emergency Shelter for Women with Children in partnership with Star View Community Services to add Mental Health Services to its current emergency shelter program, with the goal of providing seamless access to supportive mental health services for the families served.
- Due to a delay in the release of the original funding allocation, WLCAC did not expend the entire original award by the original end date of the contract and has requested that the period of service for the program be extended through August 31, 2010.
- LAHSA recommends the approval of this contract for the continuation of this program which will ensure WLCAC's ability to continue providing critical mental health services for the homeless women and children being served by the program.

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval to authorize the Executive Director to enter into a supplemental contract with the Watts Labor Community Action Commission (WLCAC) up to the funding amount of \$222,421 to provide emergency shelter services to women and children from January 1, 2010 – August 31, 2010.

Action: The motion passed unanimously.

11.0 Authorize the Executive Director to enter into a supplemental contract with United States Veterans' Initiative (US Vets) up to the funding amount of \$258,056 to provide transitional housing to veterans from April 1, 2010 – March 31, 2011.

Gina Mercer, Programs Unit Manager, gave the report:

- US Vets – Villages at Cabrillo provides transitional housing and supportive services to homeless mentally ill veterans. These services include outreach, assessment and referral, psychosocial support groups, food service, and a broad range of employment assistance services to meet the needs of the target population for this program. Funding for the continuation of this program has been provided through the office of Supervisor Knabe.
- LAHSA recommends the approval of this contract for the continuation of this program which will ensure US Vet's ability to continue providing services for veterans.

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

Motion: Commissioner Adamson moved and Commissioner Mirell seconded approval to authorize the Executive Director to enter into a supplemental contract with United States Veterans' Initiative (US Vets) up to the funding amount of \$258,056 to provide transitional housing to veterans from April 1, 2010 – March 31, 2011.

Action: The motion passed unanimously.

12.0 Public Participation

Emily Ausbrook, PATH Partner

Ms. Ausbrook discussed the timing of the Los Angeles Housing Department's release of funds to LAHSA and the timing of the subsequent payment to service providers.

Adjournment

The meeting adjourned at 2:32 p.m.