



Meeting of the

EXECUTIVE COMMITTEE

February 9, 2006

2:40-4:00 PM

Friends House

130 E. 25th Street

MINUTES

Members Present: J. C. Park, MA, MPA (Governmental Co-chair), S. Hemraj (Community Co-chair), Patrick McGovern (Finance Officer), E. Camhi, F. Carroll, O. Clanton, H. Cruz, J. Grimaldi, MD, J. Hilger, J. Lehane, PhD (for T. Petro), H. Mateo, D. Ng (for R. Johnson), W. Okoroanyanwu, MD, T. Troia

Staff Present: *OPAC:* D. Wong, R. Shiau, D. Klotz, C. Silva, I. Gonzalez, S. Bailous, R. Molina, D. Miles; *MHRA:* R. Miller

Agenda Item #1: Meeting Opening/Minutes

Mr. Park opened the meeting.

Ms. Carroll introduced the moment of silence.

The minutes of the October 14, 2005 meeting were approved with no changes.

Agenda Item #2: FY 2006 Spending Scenarios

Mr. Park: The FY 2006 spending scenario planning is part of an annual process that plans in anticipation of the actual award. Mr. Camhi and Ms. Mateo have guided the Priority Setting & Resource Allocation Committee (PSRA) through a fair process based on the rankings done in the spring.

Mr. Camhi: PSRA had a series of meetings building on their previous work and the work of the Task Force. We developed scenarios for level funding, a 5% reduction in the award, and a 10% reduction. We have tried to minimize harm to direct services. I want to acknowledge Mr. Ng's help in the development of a formula-based approach.

We used a scoring based on the EMA's ranking developed and approved in the spring. Our charge in the upcoming months is to evaluate programs for the next funding cycle, and so we did not address further programmatic issues. We developed one possible scenario where the formula cut categories from the bottom up until the amount needed to eliminate the deficit is reached, and one scenario where the formula cut all programs proportionately to their rankings (e.g., lower ranked categories were reduced by larger amounts). This is above and beyond initial reductions to non-direct services (program support). PSRA decided to reach a possible 10% cut by delaying the distribution of unobligated funds from money reallocated last year.

Mr. Shiau: The formula would be used as the third tier of reductions. The first tier eliminates the money for new priorities and deletes the money from the ADAP pool that would be restored through carry-over later in the year. The second tier zeroes out non-direct services (program support).

Ms. Hilger: The reduction in ADAP is the same strategy used for many years, but there is no guarantee that we will have the carry-over funds to restore the funding later in the year.

Mr. Cruz: The amount for ADAP has been going down every year. Also, as the EMA has improved its spending rate, there has been less available to restore the ADAP pool to its full allocation.

Mr. Camhi: As ADAP is our top priority, perhaps we should look at additional money in the portfolio for it.

Mr. Cruz: I am only asking that the Council be cautious. If there is a reduction in the award, ADAP is willing to have its fair share reduced, but perhaps it does not have to be the full \$4 million.

Ms. Hilger: It should be noted that we did not reach the amount of carry-over needed to fully restore ADAP this year.

Mr. Cruz: In addition, reauthorization might mean that HRSA will have the authority to redirect carry-over as they see fit, meaning that we may get no carry-over at all.

Mr. McGovern: This is a big risk to take, given ADAP's importance and ranking, but under the proposed formula, if we hold ADAP harmless, this would mean taking more out of the rest of the portfolio. The question is: what is the acceptable amount of risk to ADAP? Also, if we hold ADAP harmless and carry-over becomes available, then we will have to reprogram the funds later in the year.

Ms. Hilger: Under-spending the past few years has been steady at about \$3 million and we can expect about the same this year. The risk is if HRSA does not allow us to use it, as they always have in the past. Perhaps we could reduce the ADAP allocation by \$3 million instead of \$4 million.

Mr. Cruz: This is a workable solution.

Mr. Camhi: I move to accept the PSRA approved scenario with the change of reducing ADAP in the first tier by \$3 million instead of \$4 million [seconded]. If we do not need to delay the use of all the reallocated funds, then there is flexibility to cut the reallocated funds from the lower ranked categories first.

Mr. Ng: To make clear, the scenario is: cut new programs, then zero out non-direct services, then delay using reallocated funds, then use the weighted formula.

Mr. Camhi (in response to a question from Mr. Cruz): The formula spares the highest ranked categories from any cuts and aligns us with any new HRSA priorities concerning core services. After this process is completed, PSRA will reassess all services across the whole portfolio for the next application.

Ms. Hilger: It should be understood that this requires flexibility, as there will have to be a close-out period for some programs, and thus the exact monetary figures on the spreadsheet may not be reached. Also, reallocated funds directed to Emergency Rental Assistance and Harm Reduction in SROs has already been obligated, and so that is not available for reductions.

Mr. Shiau (in response to a question from Mr. Camhi): The scenario is only for base funding. Regarding MAI programs, PSRA agreed that they will be reduced based on the percentage of cut in the MAI award, with Oral Health Care reduced first. If there is a cut in MAI but not base, then PSRA agreed to make up any cuts by moving funds from the base program support categories.

Rev. Troia: HUD has expressed willingness to use new housing TA money in the next application specifically for HIV/AIDS housing, however, this is not likely to be the kind of "brick and mortar" TA that Title I pays for.

Mr. Camhi: Then we will set aside funds for Housing TA in our scenario, as agreed at the PSRA meetings. We will also address MAI separately if needed.

The motion was approved unanimously with one abstention.

Agenda Item #3: New Business

Mr. Cruz: Congressional staff has begun working on writing the reauthorized CARE Act, discussing issues such as the formula/hold harmless, severe needs index, core services and collapsing Titles I and II. We are working on a coordinated response to some of the possible proposals. Also, we, along with other EMAs, have been sent questions by Congressional staff on how much we dedicate to core services and other issues. We are trying to communicate to the responsible staffers our positions against collapsing titles, imposing a minimum for core services and eliminating hold harmless. We need to show that Titles I and II do not overlap, but that we have a coordinated system, and that areas that have kept people alive for over 10 years should not be penalized. They are talking about having a bill by April, but this is not likely. We will keep everyone informed of developments.

Mr. Park: It is a difficult task to figure out what programs to cut should there be a reduction in the resources available to us, and I want to thank Mr. Camhi, Ms. Mateo and the PSRA members for their hard work. Thanks also go to staff members Mr. Shiau and Ms. Silva for their extraordinary efforts.

I also want to acknowledge Ingrid Gonzalez, who is leaving the Office of HIV/AIDS Policy and Community Planning for the East Harlem District Public Health Office. Our loss is their gain, and we thank her for her work.

There being no further business, the meeting was adjourned.

Minutes approved by the Executive Committee March 23, 2006.