



Meeting of the

## **FINANCE COMMITTEE**

Tuesday, April 3, 2012, 3:00-4:35PM  
DOHMH, 2 Gotham Center, Long Island City, NY

### **MINUTES**

**Members Present:** Robert Cordero (Chair), Marya Gilborn, Matthew Lesieur, Jan Carl Park, Allan Vergara, Dorella Walters

**Other Council Member Present:** Victor Benadava

**Staff Present:** *NYCDOHMH:* David Klotz, JoAnn Hilger, Merline Jean-Casimir; *Public Health Solutions:* Rachel Miller, Gucci Kaloo, Peter Chea

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#### **I. Welcome/Introductions**

Mr. Cordero opened the meeting, followed by introductions. The minutes of the January 5, 2012 meeting were approved with no change.

#### **II. Planning Council Support Budget**

Ms. Jean-Casimir presented the FY 2011 4th quarter expenditure report for the Planning Council support budget. It was noted that the reported expenses will need to be adjusted slightly, as DOHMH still needs to reconcile some line items. Overall, the PC support budget was 97% spent. The amount for audio/visual is expected to be about \$9,000 over budget due to the use of new “push-to-talk” microphones. **A motion was made, seconded and approved to accept the spending report.**

Mr. Park presented the proposed FY 2012 PC support budget, which was negotiated by Mr. Park, Ms. Walters and Mr. Cordero with grantee staff the previous day. The line item amounts are based on the actual expenditures in FY 2011. Below is a summary of key points in the budget:

- Personnel services go up by \$10,979 due to higher fringe rate (set by the NYC OMB). This is offset somewhat by the elimination of funds for an intern.
- There will be a new line item of \$3,000 for out-of-town travel for 2 people to attend the HRSA All Titles Conference in November.
- A line item for leases is no needed. DOHMH will provide funds for equipment (copiers, etc.).
- The amount for the Parliamentarian reflects a full year of consultant services.

- The PC website should include more than just maintenance. The consultant will be engaged to help make the site more dynamic.
- \$5,000 in additional funds is budgeted to complete the content of the online training.
- The amount for audio visual is budgeted at the actual amount spent in FY 2011. This service will be re-bid for hopefully a lower amount.
- The amounts for subscriptions, computer upgrades, nutritional snacks and participant travel have been reduced to reflect actual FY 2011 expenses. Mr. Lesieur suggested switching the subscription from CQ to Bloomberg Government.
- The master contractor fee is adjusted slightly upwards to reflect the new line items.
- The overall budget is \$20,513 higher than the previous year. Mr. Harriman has agreed that the grantee can cover the additional expenses.

A motion was made, seconded and approved unanimously to recommend the FY 2012 budget to the Executive Committee and full Council.

### **III. FY 2011 MAI and Base 3rd Quarter Expenditure Report**

Mr. Kaloo gave an overview of the 3<sup>rd</sup> quarter Base and MAI commitment and expenditure reports, noting that there will be adjustments in the 4<sup>th</sup> quarter report due to the implementation of new payment mechanisms for the Care Coordination, Transitional Care Coordination, Outreach to Homeless Youth, and Food and Nutrition programs. Also, due to new contracts in four service categories (Food & Nutrition, Outreach to Homeless Youth, Transitional Care Coordination and HIV Testing), there is under-spending in those categories which is typical for the start-up year of new programs.

Mr. Kaloo noted both the MAI and Base portfolios have been overcommitted. The overcommitment reflects a timing issue – it is the result of enhancements to the State’s ADAP and ADAP Plus services which we are forced to make in advance of completing the closeout process which involve takedowns, or reduction, for underspending contracts (and thus producing a temporary overcommitment, until takedowns balance the spending plan). The pre-commitment takes place because of the State’s move to electronic billing, which leaves very little time from submission of ADAP provider vouchers to reimbursement. This condensed reimbursement period means the State has allocated all its spending to available funding sources within weeks of the end of the contract year, well before the EMA has completed its closeout of subcontracts and making it impossible for the State to accept additional funds at that time. We must therefore provide enhancement dollars to the State prior to closeout based on our projection of underspending. This year the deadline for giving the State additional funds was March 9<sup>th</sup>.

The fact that the State can no longer accept unspent funds as late as before will have to be a factor when PSRA considers the FY 2012 reprogramming plan.

Mr. Chea presented the details of the FY 2011 3<sup>rd</sup> quarter MAI spending report. Highlights are:

- As of March 26<sup>th</sup>, the MAI grant was over-committed by \$146,096. The \$1,297,952 overcommitment to ADAP will be covered by: 1) uncommitted funds in Care

Coordination from contracts negotiated for less and one-time reductions due to underperformance, and 2) uncommitted funds in Early Intervention from reductions due to underspending from contracts that ended September 2011 and new HIV Testing contracts negotiated for less. Overcommitted funds in Housing Services are a result of adjustments to reimbursement rates and service projections. The overall over-commitment will be covered by the 4<sup>th</sup> quarter/Close-out under-spending.

- As of the end of the 3<sup>rd</sup> quarter (November 30, 2011), the overall MAI grant was under-spent by 42%, an improvement over the 3<sup>rd</sup> quarter in FY 2011 (59%).
- The high amount of reported under-spending in ADAP (84%) is due to expenditures not reported yet; all funds are expected to be spent by close-out. The under-spending in Transitional Care Coordination (44%) is due to start-up of new contracts. Tri-County's under-spending (41%) is due to two months (Oct.-Nov.) of expenditures not yet reported.

Mr. Chea presented the details of the FY 2011 3<sup>rd</sup> quarter Base spending report. Highlights are:

- As of March 26<sup>th</sup>, the Base award was over-committed by \$178,844. The overcommitment in ADAP of \$3,366,046 will be covered by: 1) \$1,132,525 in uncommitted funds in Care Coordination from take-downs and contracts negotiated for less, 2) uncommitted funds in Mental Health and Harm Reduction from one-time takedowns and one contract termination which was funded in part by Mental Health and Harm Reduction dollars, and 3) uncommitted funds in Housing Services, Early Intervention, Outpatient Medical Care and Home Care primarily from one-time takedowns for underspending.
- The overall \$178,844 over-commitment will be covered by the 4<sup>th</sup> quarter/Closeout under-spending.
- As of the end of the 3<sup>rd</sup> quarter (November 30, 2011), overall underspending in the Base grant was 27%, which is close to the 25% target and slightly better than the 28% rate at this point in FY 2011.

**A motion was made, seconded and approved to accept the base and MAI commitment and expenditure reports.**

#### **IV. Other Business**

Review of measures for assessment of the administrative mechanism was tabled until the following meeting.

The next Finance Committee meeting will take place on June 11, 2012 and will include the FY 2011 base and MAI close-out report.

There being no further business, the meeting was adjourned.