



Meeting of the

FINANCE COMMITTEE

Thursday, October 13, 2011, 3:30-5:00PM
DOHMH, 2 Gotham Center, Long Island City, NY

MINUTES

Members Present: Steve Hemraj (Chair), Kim Atkins, Marya Gilborn, Jan Carl Park, Allan Vergara, Dorella Walters

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

I. Welcome/Introductions

Mr. Hemraj opened the meeting, followed by introductions. The minutes of the July 18, 2011 meeting were approved with one change.

II. Planning Council Support Budget Expenditure Report

Ms. Jean-Casimir presented the FY 2011 2nd quarter expenditure report for the Planning Council support budget. There is a structural deficit of \$10,000 reported due to an error in calculating the personnel fringe rate, which is set by law. The rate was 38% for March-June (rather than 30%). *[Note: the fringe rate was found the next day to in fact be 30%, eliminating the structural deficit.]* While not all expenses from the first two quarters have been reported, overall 50% of the budget has been spent. While some items are under-spent (e.g., nutritional snacks), several line items are over budget, including audio visual, participant travel and space rental. Ms. Jean-Casimir will meet with Council administrative staff to review invoices in order to analyze the expenditures in these areas. While some overspending can be covered by accruals from under-spent line items through budget modifications, the Council and grantee will have to negotiate how to cover possible budget shortfalls. It was agreed that the analysis and possible revision of the expense report will be completed in advance of next week's Executive Committee meeting. It was also agreed that future reports should include a column for estimates of the year's final expenses based on projections from current spending.

III. FY 2011 MAI and Base 1st Quarter Expenditure Report

Mr. Chea presented the FY 2011 first quarter MAI spending report. \$2.14 million (22%) had not been committed as of the end of the quarter, but all is expected to be committed in the 2nd and 3rd quarters. \$268,447 in the Care Coordination category will be available for reprogramming. There is \$988,712 uncommitted in Early Intervention Services due to new contracts that started

October 1st. The amount uncommitted in Housing Services is a portion of the additional MAI funds the EMA received this year. This amount will be committed by shifting a housing program from Base to MAI as approved in the Council's spending plan. The contract shift will be shown in the second quarter report and this amount will be fully committed. While spending in the first quarter is usually not indicative of the year, overall, spending is on track, with 80% of the grant amount that is currently committed unspent as of the end of the quarter. Comparisons to the previous year spending for all categories, with the exception of Care Coordination, will not be available until the 3rd quarter.

Mr. Chea presented the FY 2011 first quarter Base spending report. Several categories have some amount uncommitted. The largest amount uncommitted is \$2M in Early Intervention of which the major portion represents new testing contracts that started October 1st and a small portion for DOHMH initiatives not committed during the first quarter. Also, the majority of the currently uncommitted funds under Mental Health (\$82K) and Harm Reduction (\$209K) will be reprogrammed. The funding in these two categories became uncommitted due to one contract termination in each category. Overall, all funds are expected to be committed via the new Testing programs and reprogramming. The \$2.8M overcommitted in the ADAP category will be eliminated once a modification to remove this amount from the State ADAP contract is executed. As per the approved reprogramming plan, this amount will be restored via uncommitted and unspent funds.

Overall spending as of the end of the first quarter was on target (22% spent, compared to 16% in FY 2010). ADAP Plus was reported as 96% unspent, as is usual for this early in the year, but all funds in that category are expected to be spent. Spending in Medical Case Management improved over this time in FY 2010. Under-spending was high in Outpatient Medical Care (as it was in the previous year), and Public Health Solutions is conducting an analysis to examine the reasons.

Mr. Harriman explained some of the details of the spending in Medical Case Management (e.g., funds for data entry for eShare implementation, training for new Transitional Care Coordination providers), and Early Intervention Services (e.g., rapid test kits – to be folded into programs, Positive Life Workshop, youth outreach contracts). Mr. Atkins suggested examining more closely the complex reimbursement methodology for Care Coordination, particularly payments for transitioning clients between different levels of service intensity. Mr. Harriman said that the grantee is having discussions on these issues and looking at the reimbursement model.

IV. Other Business

Mr. Hemraj urged the grantee to keep the new finance officer and Council leadership informed of issues that arise so that they can be resolved collaboratively. Mr. Park reported that the Committee has several vacancies that the Council leadership will seek to fill.

There being no further business, the meeting was adjourned.