



**STATEMENT OF PROCEEDINGS FOR THE
REGULAR MEETING OF THE AUDIT COMMITTEE
OF THE COUNTY OF LOS ANGELES HELD IN ROOM 525
OF THE KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012
Thursday, February 17, 2011
10:30 AM**

Present: Chair Lori Glasgow, Vice Chair Genie Chough,
Member Louisa Ollague, Member Dorinne Jordan

Absent: Member Carl Gallucci

Call to Order (11-0840)

Lori Glasgow called the meeting to order at 10:33 a.m.

I. ADMINISTRATIVE MATTER

1. Recommendation to approve the January 20, 2011 meeting minutes. (11-0473)

On motion of Louisa Ollague, seconded by Genie Chough, this item was approved.

Attachments: [SUPPORTING DOCUMENT](#)

II. OLD BUSINESS

- 2. Clontarf Manor, Inc. Contract Compliance Review - A Department of Mental Health Service Provider (2/26/10) (Continued from meetings of 3/18/10, 5/20/10, 6/17/10, 8/19/10, 10/21/10 and 11/18/10) (10-2592)

Judith Weigand Miller, Department of Mental Health (DMH) reported Clontarf Manor's cost report expenditure for the DMH was \$1.4 million. The maximum contract allowable amount is \$993,684. The Department negotiated with Clontarf Manor and \$500,000 was eliminated from the cost expenditure. The remaining balance of \$74,000, the Department is collecting by withholding payments to the client. The Department is planning to provide the audit report to the State. A letter will be forwarded to the Director of Mental Health from the Audit Committee updating him on the progress and areas of concern.

After discussion, by Common Consent, there being no objection, this item was continued to March 17, 2011 with the following recommendations:

- Provide a list of DMH service providers with outstanding expenditure
- Provide the number of residential clients; and
- Number of service providers in the area.

Attachments: [SUPPORTING DOCUMENT](#)

- 3. Proposed Fiscal Year 2010-2011 Audit Plan (2/11/11) (Continued from meetings of 10/21/10, 11/18/10 and 1/20/11) (10-2606)

By Common Consent, there being no objection, this item was continued to March 17, 2011.

Attachments: [SUPPORTING DOCUMENT](#)
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4. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 3.045 - Energy and Environmental Policy (10/25/10) (Continued from meeting of 11/18/10 and 1/20/11). (10-2609)

Tom Tindall, Director Internal Services Department reported the Energy and Environmental Policy Team will launch the Energy Upgrade Program on March 1, 2011, the program will provide Brick Mortar Service Center in each district to assist communities with home upgrades. The program is supported through grant money. The employees at the service center are contract employees and 50 have completed the certification program for Green Training. The Non-County environmental programs and conservation programs, includes; rebates and programs from utilities, State and Federal rebates and incentives.

By Common Consent, there being no objection, this item was approved.

Attachments: [SUPPORTING DOCUMENT](#)

5. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 3.060 - Non-Discrimination On The Basis Of Disability (12/13/10) (Continued from meeting of 1/20/11). (10-3111)

On motion of Louisa Ollague, seconded by Lori Glasgow, this item was approved by extending the Sunset Review Date to February 17, 2012.

Attachments: [SUPPORTING DOCUMENT](#)

6. Recommendation to formalize or sunset Board Policy No. 5.120 - Authority to Approve Increases to Board Approved Contract Amounts (12/22/10) (Continued from meeting of 1/20/11). (11-0184)

By Common Consent, there being no objection this item was continued to March 17, 2011.

Attachments: [SUPPORTING DOCUMENT](#)

III. BOARD POLICIES

7. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 9.140 - Hard Hiring Freeze Policy (1/10/11). (11-0472)

By Common Consent, there being no objection, this item was approved.

Attachments: [SUPPORTING DOCUMENT](#)

IV. SUNSET REVIEWS

8. Recommendation to approve request to the Board of Supervisors to extend the Sunset Review Date for the Los Angeles County Community Action Board to September 30, 2015 (1/26/11). (11-0669)

On motion of Louisa Ollague, seconded by Dorinne Jordan, there being no objection this item was approved, extending the Sunset Review Date to September 30, 2016.

Attachments: [SUPPORTING DOCUMENT](#)

V. REPORTS

9. Department of Health Services - Valley Care Olive View - UCLA Medical Center - Review of Trust Funds, Revolving Funds and Accounts Payable (11-0503)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

10. Department of Health Services Administration - Review of Trust Funds, Revolving Funds, Commitments and Accounts Payable of (1/20/11) (11-0663)

Jim Schneiderman, Auditor-Controller's Office provided a brief overview of the trust funds. Mr. Schneiderman stated there is an identical trend for all departments dealing with trust funds, the account's purpose cannot be determined or the account is no longer needed. The recommendation to Departments is to close the account and appropriately dispose of any remaining balances.

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

11. Jewish Vocational Service Contract Review - A Department of Public Social Services Refugee Employment Program Provider (1/28/11) (11-0664)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

12. Sunbridge Harbor View Rehabilitation Center, Inc. DBA Harbor View Behavioral Health Center Contract Review - A Department of Mental Health Service Provider (1/28/11) (11-0665)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

13. Second City of Hawthorne South Bay Workforce Investment Board Contract Review - A Department of Public Social Services American Recovery and Reinvestment Act/Greater Avenues for Independence Vocational Intermediary and Direct Services Program Provider (1/28/11) (11-0666)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

14. South Central Health and Rehabilitation Program Contract Review - A Department of Children and Family Services and Mental Health Service Provider (1/28/11) (11-0667)

By Common Consent, there being no objection, this item was referred to the March 2, 2011, DCFS Cluster meeting.

Attachments: [SUPPORTING DOCUMENT](#)

15. Child Support Services Department - Payroll/Personnel Review (1/28/11) (11-0679)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

16. Review of the County's Risk Management and Claims Administration Information System (RMIS) (1/31/11) (11-0680)

Steven NyBlom, Chief Executive Office reported Audit findings have been received and the recommendations are being implemented.

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

17. City of Palmdale Contract Review - A Community and Senior Services Workforce Investment Act Program Provider (1/31/11) (11-0681)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

18. St. Mary Medical Center Contract Review - A Department of Public Health HIV/AIDS Care and Prevention Services Provider (1/31/11) (11-0682)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

19. To Help Everyone Clinic, Inc. - A Department of Public Health HIV/AIDS Care and Prevention Services Provider (1/31/11) (11-0683)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

20. County Departments' Revolving Funds and Revolving Cash Trust Funds as of June 30, 2010 (2/3/11) (11-0766)

Jim Schneiderman, Auditor-Controller's Office provided a brief overview of the Revolving Fund and the Revolving Cash Trust Funds (RCTF).

Departments use the revolving funds to make change, small purchases and for specific purposes, such as Cash Aid disbursements. The RCTF Assignment can only be used by the officer or department head for payments which are legally payable out of the deposits in the trust fund from which the cash is being requisitioned.

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

21. Department of Parks and Recreation - Audits of Golf Course and Recreation Area Revenue Agreements (2/11/11) (11-0854)

Maria Oms, Auditor-Controller's (AC) Office reported due to the significance of the audit findings, the Department of Parks and Recreation will be audited in three months by AC and the report of the findings will be provided to the Committee.

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

22. Community and Senior Services - Contract Reviews of American Recovery and Reinvestment Act Emergency Contingency Funds Summer Youth Employment Program Service Providers Summary (2/11/11) (11-0855)

By Common Consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

VI. DISCUSSIONS

23. Pending Audits/Monitoring Reports (10-3076)

Don Chadwick, Auditor Controller's Office provided an update on Department of Justice (DOJ) settlement at the Hall. The audit has continued over the last six months. The AC is in the process of implementing modified audit tools. Monthly reports will be issued to the Directors at the Hall and only significant issues will be reported to the Board.

Judi Thomas, Auditor Controller's Office, reported a demo of Contractor Alert Data Base (CARD), will be presented at the March meeting. The database provides a list of contractors that are providing poor service to the County.

24. Fiscal Year 2010-2011 Cash Flow Projection (1/13/11) (10-3077)

Connie Yee, Auditor-Controller reported the combined cash balances for the General Fund and Hospital Funds are negative \$82 million, same as the previous month. The trend is positive because of the higher than anticipated cash receipts for mental health and social service program. If the cash flow trend continues the outlook is positive. Ms. Yee to report on the revenue impact of legislation AB 36 and AB 32 to the Department of Mental Health.

After discussion, the Committee requested monthly briefing on the cash flow projection.

Attachments: [SUPPORTING DOCUMENT](#)

25. Accounts Receivable (11-0858)

Connie Yee, Auditor-Controller gave a brief overview on the following two funds;

- Revenue Accrual Summary by Department (General Fund) for the Fiscal Year 2009-10. The aging schedule ranges from 0 to 30, 30 to 60, 60 to 90 and 90 to 120 days. Each entity manages its own receivables. A good gauge for receivables is less than 90 days accrual.

- Revenue Accrual Summary by Hospital (Enterprise Funds) for the Fiscal Year 2009-10. Most of the programs are State mandated and the critical issue is collection of receivables. AC arranges long term receivable for Hospitals receivables not collected within a year. The Fund balance is reduced by the amount of non-receivables for each entity.

**Attachments: [SUPPORTING DOCUMENT](#)
[SUPPORTING DOCUMENT](#)**

VII. MISCELLANEOUS

26. Matters not on the posted agenda (to be Presented and Placed on the Agenda of a Future Meeting) (11-0842)

There were none.

27. Public Comment (11-0844)

No members of the public addressed the Committee.

28. Adjournment (11-0843)

There being no other business, the meeting was adjourned at 11:55 a.m.