



**Approved Minutes of the
Virtual Meeting
of the
PSA 2 Area Agency on Aging
EXECUTIVE BOARD**

December 14, 2020

1. Call to Order & Flag Salute

Executive Board Chairman, Supervisor Cullins, called the meeting to order at 10:30 a.m. followed by the flag salute.

2. Roll Call

Executive Board Members Present:

Supervisor David Teeter, Supervisor Pat Cullins, Roberta Hohman, Supervisor Les Baugh, Supervisor Steve Morgan, Supervisor Ed Valenzuela, Marie Ingram, and Supervisor John Fenley. A quorum was established.

Executive Board Members Absent:

Supervisor Jeff Hemphill (alt., EX.), Supervisor Ned Coe (alt. EX.), Ann Morningstar (alt. EX.), Supervisor Lisa Nixon (alt. EX), and Supervisor Judy Morris (alt. EX.).

Guests Present:

Teri Gabriel, PSA 2 Executive Director; Andrea Sutton, PSA 2 Fiscal Analyst; Clinton Davis, Advisory Council Chairman; Lindsay Ritchie, Lassen Senior Services; Michelle Harris, MS RD, Chico State Enterprises Center for Healthy Communities; Marie Wells, Great Northern Services; Stacy Montgomery, Counsel for Penny Artz; Pat Holly, Susanville Resident; Lisa Bernard, Susanville Resident; Shirley Vauden, Lassen Co. Resident; Julie Sessions, PSA 2 LTC Ombudsman Program Manager; John Williams, CPA for Lassen Senior Services, Williams and Co.; Penny Artz, Lassen Senior Services Executive Director; Abigail Gracia, fiscal assistant to John Williams; and Charles Pillon, PSA 2 CPA.

3. Approval of Agenda*

MSP: Supervisor Baugh motioned for the approval of the agenda, seconded by Supervisor Valenzuela, all aye, motion carried.

4. Approval of Consent Agenda*

MSP: Supervisor Morgan motioned for the approval of the consent agenda, seconded by Supervisor Valenzuela, all aye, motion carried.

5. Open Session

Supervisor Morgan thanked the Executive Board for the memories while serving on the board. This is his last meeting and he expressed his gratitude for being a part of the board.

Michelle Harris, MS RD, highlighted virtual education classes offered by the Cal Fresh Healthy Living Campaign through the Center for Healthy Communities in partnership with PSA 3. The program's services and tech support are offered throughout the 5-county region. Efforts include CalFresh outreach services through the local Community Resource Centers.

6. Executive Board Report

No report.

7. Advisory Council Report

Director Gabriel provided an update on Advisory Council activity including the group's interest to add end of life planning education for older adults as a new objective in the next Area Plan update process. Additional areas of interest for the Advisory Council includes sharing Fall Prevention Awareness education materials in their communities as well as updating the current Transportation objectives to achieve a better fit with the group's interests. Enhancing community outreach efforts overall through various forms of media continues to be a priority for the Advisory Council members.

Director Gabriel addressed the current vacancies on the Advisory Council and stated efforts continue to fill those vacancies.

8. Executive Director's Report – Teri Gabriel, Executive Director

a. Update on Program Services due to COVID-19 pandemic

Director Gabriel provided an update on program services during the pandemic. One nutrition program reported they had to close as a precaution due to COVID-19 exposure. The program took necessary steps to ensure program participants received a meal through other means or was connected to a local food resource, if necessary. Other nutrition programs continue their services in an altered manner for the safety of the participants and the program staff. The HICAP program completed the open enrollment period with reaching more than 600 beneficiaries, according to current calculations, for health insurance counseling services through telephonic means. Director Gabriel shared a message from HICAP Program Manager, Pam Smith, expressing her appreciation for the Executive Board's support with additional staff and staff time to be able to reach more

rural beneficiaries during this year's Medicare open enrollment period. The Ombudsman Program continues to conduct visits to long term care facilities during the pandemic. Staff continues to use personal protective equipment upon entry to the facilities and volunteers remain inactive at this time. Interviews are drawing to a conclusion in filling the vacant Ombudsman II position which will serve the Shasta County region. Director Gabriel expressed appreciation to the Executive Board for supporting salary adjustments for challenging position.

b. Update of Fall Prevention Program

Director Gabriel reported that plans continue in preparation to launch the Dignity at Home Fall Prevention Program. Efforts are being made to accommodate eligible participants during the pandemic who may be sheltering at home. Health care professionals will be targeted in introducing the program to reach those patients most at risk of falls as the program has income-based eligibility requirements as well as age eligibility requirements. Grab bars, shower benches, and toilet seat risers will be offered in the program from a local medical equipment supplier. A required follow up satisfaction survey process to evaluate the program will provide additional fall prevention equipment and educational materials to eligible participants to further reduce the risk of falls at home.

c. Other Agency Activity

The Ombudsman Program and the AAA continue to work toward updating their websites to bring up-to-date program and service information to the region. The AAA is also partnering with Dignity Health Connected Living to provide disaster preparedness Go Bags to older adults. The Go Bags will include disaster preparedness materials being offered by the AAA.

9. Approval to Accept PSA 2 AAA Findings Related to the Lassen Senior Services, Inc. FY 19/20* –

Director Gabriel provided a recap of the activity regarding Lassen Senior Services, Inc. (LSS) which led to the Special Meeting of the Executive Board on October 29, 2020. Director Gabriel also referenced the letter included in the board packet which was sent to LSS on November 10, 2020. The letter requested that LSS resubmit monthly reports, provide their Profit & Loss statement and supporting documentation for FY 2019/2020. The letter was supported with a summary of the findings determined by the monitoring process thus far. Since the board packet was released, an adjustment was made to the total of disallowed costs for that period in III B Transportation, C-1 Congregate Meals and C-2 Home Delivered Meals program funding. The PSA 2 Fiscal Analyst further elaborated on the findings related to the resubmitted expense reports that affected fuel expenses in which a majority of the costs were covered by an alternate funding source supporting LSS. In addition, evidence of expenses for food were submitted by LSS which were also covered by an alternate source of funding supporting LSS. The purchase of large amounts of non-menu items such as eggs, bacon and cheese were amongst the receipts submitted to PSA 2 for reimbursement which could not be considered for reimbursement. Vehicle repair and maintenance expenses were also considered disallowed as those costs were covered by an alternate source of revenue supporting LSS. Additional disallowed purchases included a vehicle and kitchen equipment which lacked pre-approval from PSA 2. Credit was allowed for Registered Dietician expenses which had not been previously substantiated. After the adjustments were made, \$41,547 preliminarily appears to be due back to PSA 2 for unsubstantiated and disallowed

expenses.

Pat Holly addressed the PSA 2 Executive Board and staff to express his support of LSS and Executive Director, Penny Artz. Mr. Holly stated his concern with the manner in which the PSA 2 fiscal review has been conducted and has reviewed LSS records to better understand the challenges now faced by the program. Mr. Holly supported LSS's efforts to serve the most vulnerable seniors in the community and expressed his concern with the funding being withheld from the program for FY2020/2021. Mr. Holly discouraged the board from forwarding the findings to the Lassen County District Attorney's office and supported the agencies working together in good faith to support small community organizations such as LSS. Mr. Holly concluded by sharing a statement of support from Susanville Mayor, Mendy Schuster.

Shirley Vauden also spoke in support of Penny Artz, Executive Director of LSS and her dedication in working with the seniors in the community with meal services and other resources provided by LSS.

Supervisor Morgan inquired if LSS had the funds available to return to PSA 2 to which LSS responded that funds were available to return. Supervisor Morgan further stated his concerns with disabling LSS from continuing services to the community.

John Williams, CPA stated that discussions continue with regard to LSS expenses with PSA 2's CPA and has seen no evidence of malfeasance by the LSS Executive Director or its staff in trying to follow historical principles with PSA 2.

Lindsay Ritchie stated that the practices followed by the LSS Executive Director were based on instruction by the previous fiscal staff of PSA 2.

Supervisor Baugh inquired on the goal PSA 2 was trying to achieve with the review of LSS FY 2019/2020 to which Director Gabriel responded it was to determine the amount of funding to be returned to the California Department of Aging once it was revealed that program expenses were disallowed and overstated. Upon inquiry concerning LSS's agreement with PSA 2's findings and determination of the amount of funds to be recovered, Mr. Williams responded that communications continue with PSA 2 to determine that amount due back to the agency. Upon inquiry, LSS stated that the manner in which staff has been processing expense allocations was following instruction by the previous PSA 2 fiscal staff and that no double billing has taken place.

Director Gabriel reminded all parties that the California Department of Aging (CDA) has requested PSA 2's review of FYs 2016/2017, 2017/2018 and 2018/2019 in addition to FY 2019/2020 to determine if additional funding is to be recovered from LSS.

Upon inquiry by Supervisor Teeter, Director Gabriel explained that the in-depth fiscal monitoring of LSS was initiated following the discovery of unauthorized equipment purchases during the Closeout process for FY 2019/2020 and that the monitoring process was conducted at the request of CDA and Charles Pillon, CPA. Director Gabriel further explained that the review of a service provider's alternate sources of revenue is not routinely monitored; however, under the circumstances, and at the request of Mr. Pillon, those alternate sources

of revenue were reviewed which unveiled disallowed and unsubstantiated expenses pertaining to PSA 2 funding. Mr. Pillon added that double billing of expenses and disallowed costs for the Transportation program were overfunded by PSA 2 as the Lassen Transit Service Agency reimbursed LSS for the same expenses. This also occurred with funding provided to LSS by the Lassen Plumas Sierra Community Action Agency grant. Those overfunded and unspent PSA 2 funds are included in the \$41,547 referenced earlier. The final amount continues to be addressed by Mr. Pillon, LSS and Mr. Williams. Upon inquiry from Supervisor Teeter, Mr. Pillon further elaborated on the review process of LSS's fiscal operations.

Director Gabriel responded that the goal to this discussion was to reach a resolution with LSS to continue working with the program after the fiscal review process was complete and once the amount of funding to be recovered by PSA 2 has been determined. Director Gabriel further stated that since the release of the preliminary report included in the board packet, other adjustments were brought to PSA 2's attention by LSS. Further communication will be necessary to reach a final amount to be returned to PSA 2.

Penny Artz confirmed that the vehicle purchase referenced was conducted with non-program funds and addressed the method of expense allocation process she was previously taught for PSA 2 expenses. Upon inquiry, she further stated that she has been cooperating with PSA 2 to reach a resolution in the monitoring process in an effort to move forward with continuing to work with PSA 2.

Being that further discussion between Mr. Pillon and Mr. Williams will be necessary to reach a conclusion on the total amount of funding due back to PSA 2, and so that the total may be included in the PSA 2's single audit for FY 2019/2020, a Special Meeting of the Executive Board was scheduled for the following week prior to the Board taking action to accept the findings as presented.

MSP: Supervisor Morgan motioned to table the action items until the Special Meeting scheduled by the Executive Board for Monday, December 21, 2020, seconded by Supervisor Fenley, all aye, motion carried.

Supervisor Teeter will continue to be informed of the outcome of LSS's fiscal review and will support the decision by the parties involved.

Mr. Pillon requested it be on record that no one is being accused of anything. PSA 2 is requesting that the reported expenses billed to PSA 2 be substantiated by LSS. The method by which LSS expenses are being allocated is not being questioned, rather the issue is that PSA 2 is requesting documentation to support the expenses billed to PSA 2 which currently do not coincide with the expenses reported. The question is how is LSS reporting \$16,000 in expenditures with only \$9,900 worth of receipts? Upon request, PSA 2 has received no additional receipts from LSS to support the reported expenses. A misunderstanding or disconnect in conveying that concern has yet to be resolved with LSS. PSA 2 and Mr. Pillon are trying to reach a resolution with this concern.

Stacy Montgomery requested that item 10 be removed from the agenda for future meetings due to the impact it is having in a small community and since there appears to be no

wrongdoing by LSS. Chairman Cullins stated that the action items have been tabled for the December 21, 2020 Special Meeting and it will then be determined if action will be taken.

Supervisor Teeter expressed his appreciation for Mr. Pillon's explanation of the questioned expenses.

10. Authorization to Forward Findings from Lassen Senior Services, Inc.'s FY 19/20 Audit to the Lassen County District Attorney*

Tabled for December 21, 2020 Special Meeting of the PSA 2 Executive Board.

11. Discussion on Local Structure for Aging Programs

Director Gabriel addressed the matter discussed at the October Executive Board Meeting regarding the restructuring of aging services as it relates to the Master Plan for Aging. She referenced a copy of the letter in the packet from the California Welfare Directors Association addressing the restructuring of Area Agencies on Aging and stated that CDA will follow through with a survey for each county to provide feedback on the current structure of the AAA in the PSA 2 region. Director Gabriel will continue to share information with the Executive Board as it becomes available from CDA.

12. Approval of CalCard Statement Review Assignment*

Director Gabriel reported that with the recent loss of Executive Board member Mae Sherman, the AAA is requesting an alternate board member to review the CalCard Statements and supporting documentation for validation. Supervisor Valenzuela offered to accept the CalCard Statement review responsibilities until the new Executive Board members have been appointed.

13. New Business:

The next regular Executive Board meeting is scheduled for Monday, March 15, 2021. The Special Meeting of the Executive Board will be on Monday, December 21, 2020.

14. Old Business:

None

15. Correspondence:

Incoming – None

Outgoing – Correspondence Regarding Lassen Senior Services

16. Adjournment

The SPECIAL Virtual Meeting of the PSA 2 Executive Board adjourned at 12:14 p.m.

Respectfully submitted,

Teri Gabriel,
Executive Director

Executive Board Meeting
03/05/21

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