

**CALIFORNIA CITRUS PEST AND DISEASE PREVENTION PROGRAM
FINANCE SUBCOMMITTEE MEETING**

Meeting Minutes
Tuesday, June 11, 2019

Opening:

The Finance Subcommittee webinar was called to order at 10:00 A.M. on June 11, 2019 by Subcommittee Chair Bob Felts, Jr.

Subcommittee Members Present:

Bob Felts, Jr.*	James McFarlane*	Dr. Etienne Rabe*
Dave Tomlinson*		

Subcommittee Members Absent:

Craig Armstrong

CDFR Staff and Guests:

Jonathan Babineau	Ryan Fong	Victoria Hornbaker
Sara Khalid	Elizabeth Moreno	

* Participated via webinar

Opening Comments

Finance Subcommittee Chairman, Bob Felts, Jr., welcomed the Subcommittee, guests and staff participating in person and via webinar.

Expenditure Tracking Update

Ryan Fong stated that there were no new updates to the expenditure tracking. He noted that Pest Detection and Emergency Projects (PDEP) staff continue to work on implementing a new system and hope to have the new tracking system in place starting July 1, 2019.

Review 2018/2019 Budget and Funding Sources

Ryan stated that November 2018 and December 2018 have been closed out in the State's accounting system, FISCAL. The total expenditures for the first quarter of the State Fiscal Year (FY) 18-19 were \$4,159,256. The expenditures in May 2019 were \$444,081. Since May 2019 is not yet closed out, the program may see an increase in expenditures in the upcoming months. Victoria Hornbaker stated that part of the issue with the lag in expenditures is caused by the Exception Time Reports (ETR). Employees have home program codes where their time is billed. If an employee works on a project in a different program with a different program code, expenditures will hit the home program code first and then be redirected to the other program code through an ETR. Some of this variability will be removed once Citrus becomes its own division. Other causes of lags in expenditures come from travel and car rentals. The Financial Services Branch is working to have a six-week turnaround for closing out a month. Victoria stated that the variances in the approved budget and the total expenditures come from an inability to track each expenditure to the correct group, region, and activity on the Budget Display. Ryan

will work with the PDEP Branch and the Pest Exclusion Branch to add up budgeted contract amounts, and invoice amounts to try and provide a more real-time internal accounting system. Victoria noted that an additional \$2,900,000 will be coming into California from the Federal Citrus Health Response Program, however, a percentage will be going to support United States Department of Agriculture activities in California. The California Department of Food and Agriculture (CDFA) does not charge staff to federal funds in order to avoid paying indirect charges. Instead, things like contracts and supplies are charged to federal funds.

Review 2018/2019 Revenues

Ryan stated that the revenue collected in May 2019 was \$3,179,947.99. The total revenues collected in FY 18-19 was \$13,502,357.96. The outstanding amount for the remainder of FY 18-19 is \$4,497,642.04. Victoria explained the reason that the program received assessment revenue from January 2019 in May 2019 was due to vendor's late payments, fees, and interest.

Review Dedicated Resources

Victoria stated that the California Department of Human Resources posted the program director position, Chief Executive Assignment (CEA). There is a 30-day posting requirement for any new CEA position. It was posted May 31. The program has held off on moving forward with a Branch Chief until a CEA is in place. The program is also posting for a Staff Services Manager to manage all administrative work in the division, two Associate Governmental Program Analysts to manage contracts, and two Staff Services Analysts for additional administrative work. Ray Leclerc and his staff at PDEP have been hiring field staff to work solely in Citrus. They are looking at resource needs based on location. Once all staff positions are filled, there will not be enough room in the current facility that staff are in, so the facilities coordinator is looking for availability at another existing CDFA building. The program will be renting vehicles instead of buying them in order to not have maintenance costs associated with the vehicles.

The meeting was adjourned at 10:55 A.M. The next Finance Subcommittee meeting will be held on July 2, 2019 at 10:00 A.M.