

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

August 28, 2019

Present: Manuel Alfaro, Elena Burnett, Lillian Martinez, and Debra Newman– Committee Members
Kevin Shields – VAC Representative
Tim DePriest – Gallagher Insurance
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, and Jesse Weller – Staff Members

Absent: Melissa Ferman

I. Call to Order & Introductions

Elena called the meeting to order at 6:12 p.m. as Manuel was running late.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

M/S/C (D. Newman/L. Martinez) To approve the revised agenda as presented.

B. Approval of Minutes from the July 31st Meeting

M/S/C (D. Newman/L. Martinez) To approve the minutes as presented.

IV. Committee Business

A. Review Center's Insurance for FY 2019-20

Copies of the center's insurance coverage report were provided and Tim DePriest reviewed the center's insurance coverage and the annual premium with the committee:

- General/professional liability: \$90,217 (\$424 more than last fiscal year)
- Excess liability: \$49,528 (\$1,556 more)
- Directors & officers liability: 83,244 (\$2,561 more)
- Property: \$36,109 (\$3,476 more)
- Excess crime: \$7,260 (same)
- Earthquake/flood: \$34,247 (**\$335 less**)

- Cyber liability: \$32,165 (\$1,348 more)
- Fiduciary liability: \$4,868 (same)
- Employed lawyers professional liability: \$3,560 (\$119 more)
- Workers compensation: \$633,316 (**\$62,149 less**)

The total premium for all policies was \$974,514, or **\$53,000 less than last fiscal year**, primarily due to the drop in premium for workers compensation.

B. FY 2018-19 Committee Action Log

All of the actions taken by each board committee are compiled into an annual log. Copies of the log were provided to the committee so they are aware of what actions this committee took last fiscal year.

C. 4th Quarter Report on U.S. Bank Transactions (PRMT)

During the 4th quarter of last fiscal year, the center paid \$8,175 in ongoing fees and \$21,242 in investment management fees for a total of \$29,417. The total fees paid during FY 2018-19 was \$113,154. Attached to the report was an explanation of the trust fees and how they are calculated.

D. FY 2018-19 Financial Report

The July 2019 financial report showed that the center's operations budget for FY 2018-19 was \$52,140,197, the purchase of service (POS) budget was \$447,028,144, and the family resource center budget was \$207,187, for a total budget of \$499,375,528 at this point. The center is currently projecting a deficit in the POS budget between \$2.9 and \$4.9 million which will be resolved with future funding allocations from DDS.

E. FY 2019-20 Financial Report

The July 2019 financial report showed that the center's operations budget for FY 2019-20 is \$43,851,124 and the POS budget is \$422,918,374 for a total budget of \$422,918,374 at this point. Our administrative operating expenses are 14.9% year to date, which is higher than usual because the center has bills to pay that are due at the beginning of the fiscal year (e.g. insurance); but we are still below the 15% cost cap.

F. Statewide Regional Center Purchase of Service Expenditure Projection Report

Copies of the August 10th report were provided. According to the report, 13 of the 21 regional centers are projecting a potential POS deficit for this fiscal year, while the other 8 centers are projecting POS surpluses. NLACRC has the second highest POS deficit (between \$11 & \$13 million). The system itself has a projected deficit between \$9.6 and \$16 million.

Action: The center's projected deficit is actually between \$2.9 and \$4.9 million, ARCA did not back out the ICF/SPA money; Vini will contact ARCA about this.

G. Executed Contracts by NLACRC: POS Contract Renewals

Only 2 amendments were made, both for New Horizons.

H. Intermediate Care Facility (ICF) State Plan Amendment (SPA) Summary

By fiscal year, the amount of cash disbursed by NLACRC but not reimbursed by ICF providers is:

1.	FY 2019-20:	\$ 752,335
2.	FY 2018-19:	2,724,862
3.	FY 2017-18:	6,632
4.	FY 2016-17:	290,197
5.	FY 2015-16:	<u>14,892</u>
		\$3,788,918

The total amount is \$375,899 higher than the report that was given in July.

I. Audit Update

1. DDS Audit of NLACRC for FY 2017-18 and FY 2018-19: DDS auditors have been here for nearly 5 weeks conducting their bi-annual audit. There were no findings as yet, but there were 2 follow-up items:

- a. A Family Cost Participation Program (FCPP) overpayment
- b. A copy of a "fixed assets" list, which has been in our offsite storage since 1998.

2. Independent Audit by Windes: Auditors from Windes will be here for 2 weeks in October to conduct their annual audit of our finances.

J. Human Resources Monthly Report

Michele provided the committee with copies of the summary and reviewed it with the committee. The summary included the following information:

FY 2019-20 authorized positions	560
Open positions on hold	-1
Open positions vacant	-39
Separations	-9
Sub-total	511
New hires	5
Positions filled	516

At this point, we are projecting 8 new hires for September, including 5 service coordinators.

K. Ensure Personnel Policies are in Compliance with DDS Contract

The center's personnel policies are currently under revision.

Action: Michele will present a comprehensive overview of the center's personnel policies at next month's committee meeting.

V. **Items for the Next Board Meeting**

The following items were identified for the committee's section of the September 11th board meeting agenda:

- A. Minutes of the August 28th Meeting
- B. Insurance Coverage
- C. Financial Report

VI. **Announcements/Information/Public Input**

- A. Next Meeting: Wednesday, September 25th, at 6:00 p.m.

VII. **Executive Session**

M/S/C (E. Burnett/D. Newman) To go into executive session at 7:02 p.m.

- A. Union Update
- B. Lease Update

VIII. Adjournment

Manuel adjourned the meeting at 7:20 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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