North Los Angeles County Regional Center  
Administrative Affairs Committee Meeting Minutes  
February 27, 2018

Present: Dan Becerra, Elena Burnett, Debra Newman, Lou Paparozzi, and Tamar Witmer (via teleconference) – Committee Members  
Orli Almog – VAC Representative  
Donita Joseph – Windes, Inc.  
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

Absent: Bridget Moss

I. Call to Order & Introductions

Dan Becerra called the meeting to order at 6:05 p.m.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

M/S/C (L. Paparozzi/E. Burnett) To approve the revised agenda as presented.

B. Approval of Minutes from the January 31st Meeting

M/S/C (D. Newman/E. Burnett) To approve the minutes as presented.

IV. Committee Business

A. Annual CPA Presentation of IRS Form 990

Donita Joseph, CPA, MBT, and partner of Windes, Inc., provided copies of the center’s draft IRS form 990 to the committee and reviewed it with them. Donita will also present the IRS form 990 at the March 14th board meeting. Since some of the data reported in the form 990 comes from the FY 2016-17 audited financial statement, the form 990 will remain in draft form until we receive our actuarial report regarding our unfunded CalPERS retirement liability. Once the FY 2016-17 audited financial statement has been updated with the unfunded CalPERS retirement liability information, both the FY 2016-17 audited financial statement and the form 990 will be presented at the March 28th Executive Committee meeting for them to accept on behalf of the board. The FY 2016-17 audited financial statement is due to the Department of Developmental Services (DDS) by April 1st and the form 990 is due to the IRS on May 15, 2018.
M/S/C (L. Paparozzi/D. Newman) To present the IRS form 990 to the Board of Trustees for their review, but accepting the form will be deferred until next month’s Executive Committee meeting.

B. Financial Report

The January 2018 financial report reflects that the center’s operations budget was $50,230,125 with no surplus or deficit projected. The purchase of service (POS) budget was $393,842,612 with a projected deficit of $25,148,139. The family resource center budget is $115,413, which makes the center’s total budget for this fiscal year $442,188,150 at this point.

1. Budgeting Process to Manage Administrative Expenses – Deferred

2. 2nd Quarter Financial Graphs: The graphs show how the center’s POS deficit changed for the first 2 quarters of FY 2017-18 in the best case and worst case. There was no deficit reflected in the first quarter because we had not yet completed our first purchase expenditure projection (PEP). Starting in October, we began to report a deficit between $19.9 and $27.2 million. At the end of the 2nd quarter (December 30th), the POS deficit decreased and was ranging between $18.4 and $25.1 million.

3. ARCA Summary of PEP Reports: According to the most recent report, 14 of the 21 regional centers are projecting a potential POS deficit for this fiscal year, while the other 7 centers are projecting POS surpluses. NLACRC is number 1 with the highest projected POS deficit. The total statewide POS deficit range is between $13.5 and 47.5 million.

C. 2nd Quarter Report on PRMT Bank Transactions

During the 2nd quarter of this fiscal year, the center paid $7,855 in ongoing fees and $19,509 in investment management fees for a total of $27,364. Attached to the report was an explanation of the trust fees and how they are calculated.

D. Contracts for Review and Recommendation

1. Accredited FMS, Inc. (PL119-490)
2. PathPoint (PL1182)
3. A Change in Trajectory, Inc. (PL1458-062)
4. Behavior Respite in Action, Inc. (HL0813-062)
5. People’s Care Developmental Services, LLC (PL1674-113)
6. People’s Care Developmental Services, LLC (PL1675-113)
7. People’s Care Developmental Services, LLC (PL1676-109)
8. People’s Care Developmental Services, LLC (PL1677-109)

M/S/C (D. Becerra/T. Witmer) To recommend to the Board of Trustees to approve the 8 contracts listed above, as presented.

9. Independent Living Services - 520 (Group)
10. Psychology Services - 785 (Group)

M/S/C (D. Newman/L. Paparozzi) To recommend to the Board of Trustees to approve these 2 group contracts, as presented.

E. Executed Contracts by NLACRC

1. 7th Floor Expansion
2. Minimum Wage Increase
3. 5.82% Rate Increase – No Report
4. ABX 2-1 – No Report

Summaries of the executed contracts were provided to keep the committee up to date on contracts in these areas that have been executed since the report at last month’s committee meeting.

F. Service Provider Update

Yesterday, Palmdale Behavior Management Center informed us that they would be closing 2 of their day programs on Friday, March 2nd; these closures will impact nearly 30 consumers. Case management is working to find the consumers other resources.

G. 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 2017-18: $2,318,143
2. FY 2016-17: $ 463,383
3. FY 2015-16: $ 63,677
   Total: $2,845,203
This total is $218,853 less than what was reported at last month’s committee meeting.

H. Human Resources Monthly Report

Copies of the summary were provided and reviewed. The summary included the following information:

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<th>FY 2017-18 authorized positions</th>
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<tbody>
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<td>Open positions on hold</td>
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</tr>
<tr>
<td>3.</td>
<td>Open positions vacant</td>
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<tr>
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<tr>
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<td>Sub-total</td>
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<tr>
<td>6.</td>
<td>New hires</td>
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<tr>
<td>7.</td>
<td>Positions filled</td>
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V. Items for the Next Board Meeting

The following items were identified for the committee’s section of the March 14th board meeting agenda:

A. Annual CPA Presentation of IRS Form 990
B. Minutes of the February 27th Meeting
C. Financial Report
D. 2nd Quarter Financial Graphs
E. Approval of Contracts

VI. Announcements/Information/Public Input

A. Fundraising: Orli asked why the center didn’t fund raise. George stated that the board decided a long time ago not to fund raise because we don’t want to compete with our service provider for their much needed fund raising dollars.

B. Next Meeting: Wednesday, March 28th, at 6:00 p.m.

VII. Executive Session

A. Lease

M/S/C (L. Paparozzi/D. Newman) To go into executive session at 7:08 p.m.
VIII. Adjournment

Dan adjourned the meeting at 7:17 p.m.

Submitted by,

Jennifer Kaiser
Jennifer Kaiser
Executive Assistant

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