North Los Angeles County Regional Center

Administrative Affairs Committee Meeting Minutes
May 30, 2018

Present: Dan Becerra, Elena Burnett, Debra Newman, and Lou Paparozzi – Committee Members
Orli Almog – VAC Representative
Scott Cross - Guest
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

Absent: Bridget Moss

I. Call to Order & Introductions

Debra called the meeting to order, in Dan’s absence, at 6:06 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 April 25th Meeting

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

IV. Committee Business

A. Review Center’s Contract with DDS

We have not received our FY 2018-19 contract from the Department of Developmental Services (DDS) as yet, but we did receive our intent letter which shows what we can expect to see in our preliminary allocation. The preliminary allocation represents about 80% of our anticipated allocation. The allocation is $40,994,522 in operations and $334,403,069 in purchase of service (POS); this is about $2 million more than we were allocated last year. We anticipate receiving our contract from DDS in early June and Kim will present it to this committee at their next meeting in July.

B. Review and Approve Critical Calendar for Next Fiscal Year
The only change to the critical calendar was the removal of the quarterly graphs.

**M/S/C** (E. Burnett/L. Paparozzi) To approve the critical calendar as presented.

C. Review 3rd Quarter Report on PRMT Expenses

During the 3rd quarter of this fiscal year, the center paid $7,812 in ongoing fees and $19,564 in investment management fees for a total of $27,376. Attached to the report was an explanation of the trust fees and how they are calculated.

D. Recommend to the Board to Authorize an Officer to Secure Insurance In June for Next Fiscal Year

Kim will be meeting with the insurance broker in June to finalize the center’s insurance coverage to start July 1st.

**M/S/C** (E. Burnett/L. Paparozzi) To recommend to the Board of Trustees to authorize George Stevens or Kim Rolfes to execute insurance binders and purchase insurance coverage for the center for FY 2018-19.

E. Financial Report

The April 2018 financial report showed that the center’s operations budget was $50,230,125 with no surplus or deficit projected. The POS budget was $410,111,604 with a projected deficit (in the worst case) of $2,507,342 and a surplus of $1,159,686 in the best case. The family resource center budget is $115,413, which makes the center’s total budget for this fiscal year $460,457,142 at this point. Also, the center’s administrative expenses are 13.3% year to date, which is under the 15% cost cap.

1. **Budgeting process to manage administrative expenses** – deferred

Kim reported that she and Vini are working with a consultant to develop a program to manage the center’s administrative expenses.

2. **Status report on credit line and cash flow**

There are 3 corporate resolutions needed in order to secure our credit line:

- **Loan revision agreement**: This loan revision agreement increases our credit line from $35 to $40 million, which covers about 1 month of expenditures.
• **Resolution to obtain credit and grant security:** This document authorizes George Stevens and Kim Rolfes to establish the credit line.

• **Disbursement instructions:** This document authorized only George Stevens, Kim Rolfes, or Vini Montague to make disbursement requests from the revolving line of credit.

  **M/S/C (E. Burnett/L. Paparozzi)** To recommend to the Board of Trustees to approve the 3 corporate resolutions needed to establish the center’s credit line.

3. **ARCA regional center purchase expenditure projection (PEP) report**

According to the most recent report, 6 of the 21 regional centers are projecting a potential POS deficit for this fiscal year, while the other 14 centers are projecting POS surpluses. NLACRC has dropped to number 2 with the second highest projected POS deficit. The 21 regional centers are now showing a statewide surplus between $44.3 and $67.8 million.

F. **Contracts for Review and Recommendation**

1. SMCI: Project Management for EDMS
2. SMCI: IT Operational Support
3. SMCI: Technical Writer & Trainer for EDMS

  **M/S/C (L. Paparozzi/E. Burnett)** To recommend to the Executive Committee to take action, on behalf of the Board of Trustees, to approve the 3 contracts listed above, as presented.

5. Christopher B. Choi Dental Corporation: PL1699-715
6. CrossRoads Institute: PL1698-605
7. ETHOS Therapeutics: PL1702-999
8. Glenpark at Valley Village: PL0284-096
9. Pathpoint: PL1205-055 (5 year)

  **M/S/C (E. Burnett/D. Becerra)** To recommend to the Board of Trustees to approve the 6 contracts listed above, as presented.
10. **Pathpoint: PL1205-055 (8th Amendment)**

   **M/S/C** (D. Becerra/L. Paparozzi) To recommend to the Executive Committee to take action, on behalf of the Board of Trustees, to approve the Pathpoint contract listed above, as presented.

11. **HCBS Compliance Contracts**

   **M/S/C** (E. Burnett/D. Becerra) To recommend to the Board of Trustees to approve the HCBS compliance contract listed above, as presented.

12. **Master Board Resolutions for Contract Renewals**

   **M/S/C** (L. Paparozzi/D. Becerra) To recommend to the Board of Trustees to approve the master board resolutions for contract renewals, as presented.

**G. Executed Contracts by NLACRC**

1. **Office remodeling:** 6 contracts have been executed since last month’s report.

2. **Minimum wage increase:** 5 contracts have been executed since last month’s report.

3. **5.82% rate increase — no report**

4. **ABX 2-1 — no report**

**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 2017-18:** $2,747,300
2. **FY 2016-17:** $ 369,985
3. **FY 2015-16:** $ 40,414
   
   Total: $3,157,699
This total is $20,188 less than what was reported at last month’s committee meeting. The balance from years prior to FY 2015-16 has dropped to just $2.99.

I. FY 2018-19 Vendor Audit Requirement

Our contract with DDS states that every year, we must conduct a minimum number of vendor audits in specific categories. We just received a letter from DDS informing us that we need to conduct 11 such audits next fiscal year and what type they need to be. We select the vendors based on this criteria.

J. FY 2018-19 Independent Audit Scheduled October 8-19, 2018

Windes, Inc. will be conducting our annual independent audit next October.

K. Human Resources Monthly Report

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

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<td>1.</td>
<td>FY 2017-18 authorized positions</td>
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<td>2.</td>
<td>Open positions on hold</td>
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<td>3.</td>
<td>Open positions vacant</td>
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<td>Separations</td>
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<td>5.</td>
<td>Sub-total</td>
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<td>6.</td>
<td>New hires</td>
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<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 June 13th board meeting agenda:

A. Minutes of the May 30th Meeting
B. Financial Report
C. Authorize an Officer to Secure Insurance in June for Next Fiscal Year
D. Approval of Credit Line Documents
E. Approval of Contracts
   1. Aacres: PL 1703-109
   2. Christopher B. Choi Dental Corporation: PL1699-715
   3. CrossRoads Institute: PL1698-605
   4. ETHOS Therapeutics: PL1702-999
5. Glenpark at Valley Village: PL0284-096
6. Pathpoint: PL1205-055 (5 year)
7. HCBS Compliance Contracts
8. Master Board Resolutions for Contract Renewals

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

A. **Next Meeting:** Wednesday, July 25th, at 6:00 p.m. (no June meeting)

**VII. Executive Session**

M/S/C (L. Paparozzi/E. Burnett) To go into executive session at 7:03 p.m.

A. Lease Negotiations

**VIII. Adjournment**

Dan adjourned the meeting at 7:18 p.m.

Submitted by,

**Jennifer Kaiser**

Jennifer Kaiser
Executive Assistant

[aamin.may30.2018]