North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes
September 26, 2018

Present: Dan Becerra, Elena Burnett, Lillian Martinez, Debra Newman, and Lou Paparozzi– Committee Members
Archie Rucker – Guest
Ruth Janka, Jennifer Kaiser, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

Absent: Meagan Miller

I. Call to Order & Introductions

Debra Newman called the meeting to order at 6:06 p.m.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

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

B. Approval of Minutes from the August 29th Meeting

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

IV. Committee Business

A. Financial Report

The August 2018 financial report showed that the center’s operations budget for FY 2018-19 was $51,276,427, the purchase of service (POS) budget was $421,425,181, and the family resource center budget was $207,187, for a total budget of $472,906,024 at this point. We are projecting a small deficit in the community placement plan section of the POS budget of $2,771; this is because we will not receive 100% of our CPP funding until the Department of Developmental Services (DDS) approves our CPPs for this fiscal year. The administrative expenses were at 12.9%, year to date, which is under the required 15% cost cap.

Action: Kim will replace reference to the Sufficiency of Allocation Report (SOAR) at the bottom of the financial report and replace it with the new term “purchase of service expenditure projection” (PEP).
1. **FY 2017-18 ARCA Summary of POS Expenditures Projection (PEP):** According to the most recent report, dated September 10, 2018, 7 of the 21 regional centers are projecting a potential POS deficit for last fiscal year, while the other 14 centers are projecting POS surpluses. The 21 regional centers are now showing a statewide surplus between $43.2 and $52.2 million. NLACRC is in the middle of the pack.

B. **Contracts for Review and Recommendation**

1. Behavior Respite in Action, Inc. (PL1728-062)
2. Creative Behavioral Consultants, Inc. (PL1725-062)
3. Social Connections Counseling Center - Encino (PL1722-102)
4. Social Connections Counseling Center - Valencia (PL1723-102)
5. Dynamic Therapy Solutions (PL1698-605)

**M/S/C** (L. Paparozzi/E. Burnett; Abstentions: L. Martinez & D. Newman) To recommend to the Board of Trustees to approve the 5 contracts listed above.

C. **Executed Contracts by NLACRC**

1. **Office Expansion:** A 5th amendment was made to the contract with Western Office LA in the amount of $2,841.79 for a total contract value at this point of $299,589.42. We are expecting to complete all modifications to the Chatsworth office very soon.

2. **Minimum Wage Increase:** A 2nd amendment was made to the contract with The Caring Connection in the amount of $390,366.79 for a total contract value at this point of $1,951,833.93.

3. **Contract Renewals – No Report**

4. **Discussion of Master Board Resolutions**

   a. Kim thought it would be a good idea to share any existing master board resolutions to this committee at their first meeting of each fiscal year. That way, the continuing committee members can assess the resolutions and the new members would become aware of them. The committee agreed with Kim’s recommendation, but wanted to make sure the committee had time to review the master resolutions. Therefore, they suggested that the master board resolutions be presented to the committee in July of each year for their recommendation to the Board of Trustees.
Action: Jennifer will add these 2 action items to the committee’s critical calendar.

b. On September 13th, DDS issued a new process for the submission of health and safety exemption as a result of the local minimum wage. Kim raised the idea of a master resolution for all health and safety exemptions, regardless of the purpose, to expedite the contracting process and implementation of any DDS approved health and safety exemption. Kim asked the committee if they would prefer to review each service provider contract that is a result of a health and safety exemption or would the committee prefer a summary of service provider contracts related to a health and safety exemption, summarized in a master board resolution.

Action: The committee would like to see information about any DDS approved health and safety waivers summarized in a master board resolution that reflects the purpose of the waiver and the difference in its expenditure. Kim will present a master board resolution for DDS approved health & safety exemptions to the Board of Trustees in October 2018.

D. 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 2018-19: $1,412,457
2. FY 2017-18: $1,937,368
3. FY 2016-17: $347,359
4. FY 2015-16: $19,503

$3,716,687

This total is $558,988 more than what was reported at the July committee meeting. The balance from years prior to FY 2015-16 has been eliminated as those balances have been resolved.

E. Audit Update

1. Family Home Agency (FHA) Audit by DDS: DDS audits FHAs every other year. NLACRC has 2 FHAs: Free to Be and Community Options. The audit is currently underway. Once we receive the audit findings from DDS they will be shared with this committee.
2. **Workers’ Compensation Audit**: Brown & Brown Insurance conducted an audit of our FY 2017-18 payroll which resulted in a return premium of $71,574.

3. **FY 2017-18 Vendor Audit Plan Update & Recoveries**: Each year, DDS requires the center to conduct a certain number of service provider audits. DDS required 11 audits last fiscal year and NLACRC completed 13. The 13 audits lead to $45,258.72 in overpayments. Copies of the back-up information for the audits along with Vini’s cover letter to DDS were provided to the committee for their information. These funds will also be reverted back to the state.

### F. Human Resources

1. **Monthly Report**: George provided the committee with copies of the summary and reviewed it with the committee. The summary included the following information:

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<tbody>
<tr>
<td>1.</td>
<td>FY 2018-19 authorized positions</td>
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<tr>
<td>2.</td>
<td>Open positions on hold</td>
</tr>
<tr>
<td>3.</td>
<td>Open positions vacant</td>
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<tr>
<td>4.</td>
<td>Separations</td>
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<tr>
<td>5.</td>
<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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George reported that it has been difficult for the center to retain its human resources staff because the salary structure doesn’t support them; we are looking into this.

2. **1st Quarter Report**: During the 1st quarter of last fiscal year, the center had 4 positions on hold, 38 new hires, 3 promotions, and 15 separations for a quarterly turnover rate of 0.09%.

3. **Executive Director Recruitment**: A meeting needs to be scheduled next month for the Executive Director Recruitment Committee.

**Action**: The Executive Director Recruitment Committee will meet at 4:30 p.m. on **Tuesday, October 30th**, prior to the 3 regularly scheduled meetings that will be held that evening.
V. Items for the Next Board Meetings

A. The following item was identified as a committee action item for the October 10th board meeting:

1. Approval of Contracts

B. The following items were identified for the committee’s section of the November 14th board meeting:

1. Minutes of the September 26th Meeting
2. Financial Report
3. 1st Quarter Human Resources Report

VI. Announcements/Information/Public Input

A. Next Meeting: Tuesday, October 30th, at 6:15 p.m.

VII. Adjournment

Dan adjourned the meeting at 6:44 p.m.

Submitted by,

Jennifer Kaiser
Jennifer Kaiser
Executive Assistant

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