

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

March 27, 2019

Present: Elena Burnett (via Zoom technology), Lillian Martinez, Meagan Miller, Debra Newman, and Lou Paparozzi– Committee Members
Cynthia Fernandez – VAC Representative
Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, George Stevens, and Jesse Weller – Staff Members

Absent: Dan Becerra (unable to connect with Zoom technology)

I. Call to Order & Introductions

Debra Newman called the meeting to order at 6:09 p.m. in Dan Becerra’s absence.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

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

B. Approval of Minutes from the February 27th Meeting

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

IV. Committee Business

A. CPA Presentation of IRS Form 990 Tax Return

Kim introduced Cherie Williams from Windes, Inc. to the committee. Copies of the center’s 2017 exempt organization return and annual report were provided to the committee and Cherie reviewed highlights of them with the committee.

M/S/C (L. Paparozzi/M. Miller) To present the center’s IRS Form 990 tax return to the Board of Trustees and recommend they accept it as presented.

1. Form 990-W: In a fairly recent decision, the IRS decided to tax employers that provide parking benefits to employees. The new IRS rule took away the ability for for-profit companies to deduct parking benefits and since non-profit companies do not pay taxes, the IRS rule requires that non-profit companies pay a parking tax. There are advocates seeking Congress

to have this new IRS rule repealed; however in the meantime, non-profits, such as NLACRC, must pay a parking tax. The center's Form 990-W estimated parking tax was submitted and NLACRC paid a parking tax of \$240.00 for the year ending June 30, 2019.

B. Financial Report

The February 2019 financial report showed that the center's operations budget for FY 2018-19 was \$51,763,350 the purchase of service (POS) budget was \$430,498,817, and the family resource center budget was \$207,187, for a total budget of \$482,469,354 at this point. The center is currently projecting a deficit in the POS budget between \$20.1 and \$26.1 million which will be resolved with future funding allocations from the Department of Developmental Services (DDS).

1. Credit Line Update: Kim has been talking with City National Bank about the center's credit line for this fiscal year. As the center continues to grow and the center's expenditures continue to increase, Kim recommended to the bank that the center's revolving credit line be expanded from \$40 million to \$45 million.
2. ARCA Purchase of Service Statewide Expenditures Projection Report: Copies of the March 10th reports were provided. According to the 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 \$38.9 million and \$62.3 million.

C. Approval of Contract: Lifenvest, Inc. dba Blue Livin' Supports (PL1705-055)

M/S/C (L. Paparozzi/M. Miller) To recommend to the Board of Trustees to approve the contract with Lifenvest, as presented.

D. Executed Contracts by NLACRC – *No Report*

E. 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: \$2,410,638

2.	FY 2017-18:	47,057
3.	FY 2016-17:	333,452
4.	FY 2015-16:	<u>19,503</u>
		\$2,528,591

This total is \$282,059 more than what was reported at last month's committee meeting.

F. DDS Final Audit Report

On March 13th, DDS issued its final report for July 1, 2015 – June 30, 2017. The audit resulted in an overpayment of \$8,089.01 which NLACRC will need to pay to DDS out of its operations budget. In addition, the audit results showed the center had 4 pieces of inventory that were missing:

1. A document camera.
2. An automatic paper inserter.
3. A paper shredder.
4. A LTE hotspot.

The document camera and paper inserter were removed from the center's inventory list and the center was able to locate the paper shredder and LTE hotspot.

G. Human Resources

1. Monthly Report

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

1.	FY 2018-19 authorized positions	557
2.	Open positions on hold	-2
3.	Open positions vacant	-35
4.	Separations	-5
5.	Sub-total	515
6.	New hires	8
7.	Positions filled	523

Michele reported that the center has hired 110 people since the beginning of the fiscal year!

2. 3rd Quarter Report: During the 3rd quarter, the center had 2 positions on hold, 52 new hires, 15 promotions, and 14 separations, with a quarterly turnover rate of 0.07%.

V. Items for the Next Board Meeting

The following items were identified for the committee's section of the April 10th board meeting agenda:

- A. Presentation and Acceptance of IRS Form 990 Tax Return
- B. Approval of Contract: Lifenvest, Inc. dba Blue Livin' Supports
- C. Minutes of the March 27th Meeting
- D. Financial Report
- E. 3rd Quarter Human Resources Report

VI. Announcements/Information/Public Input

- A. Next Meeting: Wednesday, April 24th, at 6:15 p.m.

VII. Executive Session

- A. Lease Update

M/S/C (M. Miller/L. Paporozzi) To go into executive session at 6:56 p.m.

VIII. Adjournment

Debra adjourned the meeting at 7:03 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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