

North Los Angeles County Regional Center  
**Administrative Affairs Committee Meeting Minutes**

April 24, 2019

**Present:** Dan Becerra (via Zoom), Elena Burnett (via Zoom), Lillian Martinez, Debra Newman, and Lou Paporozzi– Committee Members  
Cynthia Fernandez – VAC Representative  
Brian Davies and Becky Tanouye - Cresa  
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, Fay Shapiro, George Stevens – Staff Members

**Absent:** Meagan Miller

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**I. Call to Order & Introductions**

Debra called the meeting to order, on Dan’s behalf, at 6:30 p.m.

**II. Public Input**

Lillian shared an Easter present that was given to her son – a Hot Wheels wheelie chair!

**III. Consent Items**

A. Approval of Agenda

One item was added to the agenda.

**M/S/C** (L. Paporozzi/E. Burnett) To approve the agenda as modified.

B. Approval of Minutes from the March 27<sup>th</sup> Meeting

**M/S/C** (L. Paporozzi/D. Becerra) To approve the minutes as presented.

**IV. Executive Session**

A. Lease Update

**M/S/C** (L. Martinez/L. Paporozzi) To go into executive session at 6:32 p.m.

The executive session ended at 7:15 p.m. and the meeting resumed.

**V. Committee Business**

A. Financial Report

The March 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 \$430,645,160, and the family resource center budget was \$207,187, for a total budget of \$482,615,697 at this point. The center is currently projecting a deficit in the POS budget between \$20.1 and \$25.4 million which will be resolved with future funding allocations from the Department of Developmental Services (DDS).

B. Statewide Purchase of Service Expenditure Projection Report

Copies of the April 10<sup>th</sup> 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 \$966,585 and \$20.5 million – this is a huge decrease from last month's report when the projected statewide deficit was between \$38.9 million and \$62.3 million. It was noted that Kern Regional Center's change of deficit to original POS expenditure projection was -36.78%, which is substantially higher than the other centers.

**Action:** Vini will look into Kern's figures and report back to the committee.

C. DDS's FY 2019-20 Schedule for Regional Center Audits

DDS audits the 21 regional centers every other year. DDS will be auditing 11 of the regional centers next fiscal year, including NLACRC, which is scheduled for an audit sometime in July 2019.

D. Approval of Contract: Lanspeed

**M/S/C** (L. Martinez/E. Burnett) To recommend to the Executive Committee to approve the contract with Lanspeed, as presented, on behalf of the Board of Trustees.

E. Executed Contracts by NLACRC

1. Office Expansion – *No Report*
2. Minimum Wage Increases: Twenty-five service providers are currently seeking a rate increase due to the minimum wage increase; information about those providers was provided to the committee.

3. Contract Renewals: There have been 3 contract renewals since last month's report (PathPoint, Glen Park at Valley Village, and Ridgewood Residential); information about those renewals was provided.
4. New Subcode: 12 service providers have added new subcodes; a list of them was provided.
5. Health & Safety: DDS has approved health and safety waivers for 5 service providers since last month's report; information about them was provided.
6. Competitive Integrated Employment/Paid Internship Program: Twenty-seven service providers have added CIE/PIP services since last month's report; information about them was provided.

F. Insurance Update

1. Tim DePriest, the center's broker was awarded the 2019 Power Broker award! He will be attending the August Administrative Affairs Committee meeting to present our insurance coverages for next fiscal year.
2. The center will be receiving a dividend of \$9,083 in recognition of our employee safety!

G. Audit Updates

1. Payment Error Rate Measurement Audit: DDS is being audited by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS). As a result of the Improper Payments Information Act, the CMS conducts the Payment Error Rate Measurement (PERM) review in all 50 states every 3 years. The purpose of the PERM is to identify where erroneous payments were made in the Medicaid programs and report any improper payments to Congress. As NLACRC receives federal matching funds, we have been contacted to provide CMS with supporting documentation for DDS's audit.
2. Family Home Agency (FHA) Audit: Our 2 FHAs are audited every 2 years by DDS. It was shared at the recent exit interview that there were 6 findings in the audit. DDS will send us the draft audit results, we will be given time to respond to it, and then they will issue their final audit 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 2018-19: \$2,745,940
  2. FY 2017-18: 47,507
  3. FY 2016-17: 333,452
  4. FY 2015-16: 19,503
- \$3,146,402

This total is \$617,811 more than what was reported at last month's committee meeting.

I. Outstanding FY 2016-17 Vendor Audits

Our service providers are required to have independent audits or reviews conducted each year as part of their vendorization. This is a statutory requirement. Kim provided the committee with a list of 6 service providers who are delinquent in submitting their audits/reviews. Our community services department is going to send these 6 providers their final warning letters, letting them know we will have to terminate their vendorizations in 30 days if they do not submit their audits/reviews to us. They have the opportunity to appeal our decision to de-vendor them and if they do, it will keep us from de-vendorsing them during the appeal process.

J. Monthly Human Resources 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	-1
3.	Open positions vacant	-28
4.	Separations	-3
5.	Sub-total	525
6.	New hires	10
7.	Positions filled	535

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

The following items were identified for the committee's section of the May 8<sup>th</sup> board meeting agenda:

- A. Minutes of the April 24<sup>th</sup> Meeting
- B. Financial Report

## **VII. Announcements/Information/Public Input**

- A. Next Meeting: Wednesday, May 29<sup>th</sup>, at 6:00 p.m.

## **VIII. Executive Session**

- A. Quarterly Legal Update

**M/S/C** (L. Martinez/D. Becerra) To go into executive session at 7:34 p.m.

The executive session ended at 7:47 p.m.

## **IX. Adjournment**

Debra adjourned the meeting at 7:48 p.m.

Submitted by,

*Jennifer Kaiser*

Jennifer Kaiser  
Executive Assistant

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