

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

May 29, 2019

Present: Dan Becerra, Lillian Martinez, Meagan Miller, and Lou Paparozzi– Committee Members
Cynthia Fernandez – VAC Representative
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, George Stevens, and Jesse Weller – Staff Members

Absent: Elena Burnett and Debra Newman

I. Call to Order & Introductions

Dan called the meeting to order at 6:12 p.m.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

An additional discussion item was added to the executive session at the end of the agenda.

M/S/C (M. Miller/L. Martinez) To approve the revised agenda as modified.

B. Approval of Minutes from the April 24th Meeting

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

IV. Committee Business

A. Financial Report

The center recently received its E-3 allocation from the Department of Developmental Service (DDS), so our proposed purchase of service (POS) deficit has decreased dramatically. The April 2019 financial report showed that the center's operations budget for FY 2018-19 was \$51,831, 574, the purchase of service (POS) budget was \$446,813,974, and the family resource center budget was \$207,187, for a total budget of \$498,852,735 at this point. The center is currently projecting a deficit in the POS budget \$5.1 and \$9.1 million (down from between \$20.1 and \$25.4 million) which will be resolved with future funding allocations from DDS.

Our administrative operating expenses are 13.5% year to date, which is below the 15% cost cap.

1. Change in May 10th PEP vs. April 10th PEP: We did not have a POS expenditure project (PEP) at the last board meeting. As such, Kim presented a PEP report, but it did not include the E-3 allocation funding.

B. Status Report on Credit Line and Cash Flow

1. Certification of Secretary: Change of Executive Director
2. Certification of Secretary: Change of Board Officers
3. Corporate Resolution for Loan Revision Agreement
4. Corporate Resolution for Disbursement Instructions
5. Corporate Resolution to Obtain Credit and Grant Security

Kim presented the 5 documents listed above which need to be in place in order for the center to secure a credit line in case we have to borrow funds; the credit line has been increased from \$40 to \$45 million.

M/S/C (M. Miller/L. Paparozzi) To recommend the Board of Trustees approve the 5 credit line documents as presented.

C. Statewide Regional Center Purchase of Service Expenditure Projection Report

Copies of the May 10th reports were provided. According to the report, 15 of the 21 regional centers are projecting a potential POS deficit for this fiscal year, while the other 6 centers are projecting POS surpluses. NLACRC is number 1 with the highest projected POS deficit. The total statewide POS deficit range is between \$50.6 and \$64.7 million – this is a huge increase from last month’s report when the projected statewide deficit was between \$1 and \$20 million.

1. Kern R.C.’s change of deficit to original expenditure projection (Vini): It was noted that Kern Regional Center’s numbers were much higher than the other centers in this category – and still are. Vini investigated and found that Kern’s numbers are accurate.

D. 3rd Quarter Report on U.S. Bank Transactions (PRMT)

During the 3rd quarter of this fiscal year, the center paid \$8,044 in ongoing fees and \$20,580 in investment management fees for a total of \$28,624. Attached to the report was an explanation fees and how they are calculated by the bank.

1. Certificate of Secretary: Change in Executive Director
2. Certificate of Secretary: Change in Board Officers
3. Resolution: Authorized Signers

Kim presented the 3 documents listed above which need to be in place in order to change the authorized signers on the post-retirement medical trust (PRMT).

M/S/C (L. Paporozzi/M. Miller) To recommend the Board of Trustees approve the 3 PRMT documents as presented.

E. City National Bank Signature Cards

1. Certificate of Secretary: Change in Executive Director
2. Certificate of Secretary: Change in Board Officers
3. City National Bank Supersedure Agreement: Change in Board Officers
4. City National Bank Supersedure Agreement: Change in Executive Director
5. Facsimile Signature: Payroll Account Change in Board Officers
6. Facsimile Signature: Business Checking Account Change in Board Officers

Kim presented the 6 documents listed above which need to be in place in order to change the authorized signers on the center's bank accounts.

M/S/C (M. Miller/L. Martinez) To recommend the Board of Trustees authorize signature of the bank cards.

F. Recommend to the Board to Authorize an Officer to Secure Insurance in June for FY 2019-20

Kim will be meeting with the insurance broker in June to finalize the center's insurance coverage that will need to be in place by July 1st. The center's insurance broker will be here in August to review the center's insurance coverage with the Administrative Affairs Committee.

M/S/C (M. Miller/L. Martinez) To recommend to the Board of Trustees to authorize the executive director of chief financial officer to execute insurance binders and purchase insurance coverage for the center in June for FY 2019-20.

G. Approval of Contracts

1. Master Board Resolution for Clinical Psychologists

2. Software Management Consultants, Inc. (FY 2018-19)

M/S/C (M. Miller/L. Paparozzi) To recommend that the Executive Committee approve the 2 contracts listed above, as presented, on behalf of the Board of Trustees.

3. Software Management Consultants, Inc. (FY 2019-20)
4. Windes
5. Master Board Resolution for Home & Community Based Services Compliance Agreements
6. Student Transportation of America
7. Alan J. Golian, Psy.D., Child Psychology Services, Inc. (PL1780-785)
8. Accredited FMS (SDP Co-Employer)
9. Accredited FMS (SDP Fiscal Agent)

M/S/C (L. Paparozzi/M. Miller) To recommend that the Board of Trustees approve the 7 contracts listed above, as presented.

Kim noted that a second contract with Software Management Consultants, Inc. will also be presented to the board for approval, but that contract was not ready to be presented at tonight's meeting.

H. Executed Contracts by NLACRC

A summary of the following contract amendments was presented.

1. Office Expansion: The contacted with Pinnacle Networking Services was amended to include additional cabling and audio-visual equipment in some of the center's conference rooms.
2. Minimum Wage Increases – No Report
3. Contract Renewals: A contract with PathPoint was renewed to serve 3 additional consumers.
4. New Sub-Code: New sub-codes were added to 2 providers: CBEM (to serve 35 consumers People's Care Los Angeles (to serve 1 additional consumer).
5. Health & Safety – No Report

6. Competitive Integrated Employment/Paid Internship Program: Integrated Resources Institute was added who will serve 14 consumers.

I. 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

The report has not changed since last month's report.

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 | -23 |
| 4. | Separations | -2 |
| 5. | Sub-total | 531 |
| 6. | New hires | 8 |
| 7. | Positions filled | 539 |

Michele reported that by June 30th the center will have hired 135 people since the beginning of the fiscal year; 53 people have separated from the agency, so we have a net increase of 82 people!

K. Review and Approve Critical Calendar for FY 2019-20

The presentation of the center's audited financial statement was moved from February to March and the presentation of the center's tax returns was moved from March to April.

M/S/C (M. Miller/L. Paporozzi) To approve the committee's FY 2019-20 critical calendar, as modified.

L. Service Provider Update

Keolis has been struggling with a driver shortage because the wages they can pay are not competitive, so although they continually recruit drivers, they are unable to retain them for very long. This, coupled with drivers who call in sick or who go on vacation, results in cancelled routes. While working to find a more permanent solution (better rates), Kim explained that there are currently 4 routes that do not have assigned drivers; these routes are covered by temporary drivers. It was Kim's decision that if Keolis was short drivers, that it would be 1 of these 4 routes that would be canceled. The 4 routes provide transportation to 54 consumers. Kim provided the committee with a copy of a letter she plans to send to the 54 consumers, their families, and their service providers, to alert them that they will need to find alternate transportation on days where the route has been canceled; service coordinators will be asked to assist them in identifying transportation options. The letter will also be translated into Spanish.

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

The following items were identified for the committee's section of the June 12th board meeting agenda:

- A. Minutes of the May 29th Meeting
- B. Financial Report
- C. Authorize an Officer to Secure Insurance in June for FY 2019-20
- D. Approval of Credit Line Documents
- E. Approval of PRMT Documents
- F. Approval of Bank Card Documents
- D. Approval of Contracts
 - 1. Software Management Consultants, Inc. (FY 2019-20)
 - 2. Windes
 - 3. Master Board Resolution for Home & Community Based Services Compliance Agreements
 - 4. Student Transportation of America
 - 5. Alan J. Golian, Psy.D., Child Psychology Services, Inc. (PL1780-785)
 - 6. Accredited FMS (SDP Co-Employer)
 - 7. Accredited FMS (SDP Fiscal Agent)

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

- A. Next Meeting: Wednesday, July 31st, at 6:15 p.m. (No meeting in June)

VII. Executive Session

- A. Lease Update
- B. Employee/Union Issues

M/S/C (L. Paparozzi/M. Miller) To go into executive session at 6:59 p.m.

VIII. Adjournment

Dan adjourned the meeting at 7:32 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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