

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

January 29, 2020

Present: Manu Alfaro, Elena Burnett, Anna Hamilton, Lillian Martinez, and Debra Newman– Committee Members
Kevin Shields – VAC Representative
Annabella Hamilton, Nelmonika Jones, Savannah Jones, and Archie Rucker -
Guests
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and
Jesse Weller – Staff Members

Absent: All present

I. Call to Order & Introductions

Manu called the meeting to order at 6:15 p.m. and introductions were made.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

An executive session was added as the new number IV.

M/S/C (D. Newman/E. Burnett) To approve the revised agenda as modified.

B. Approval of Minutes from the November 26th Meeting

M/S/C (E. Burnett/D. Newman) To approve the minutes as presented.

IV. Executive Session (Legal issue)

M/S/C (A. Hamilton/D. Newman) To go into executive session at 6:18 p.m.

The executive session ended at 6:26 p.m. and the meeting continued.

V. Committee Business

A. DDS Final Monitoring Report of our Early Start Program

DDS reviewed 90 consumer records from September 16-19, 2019. This review was conducted to ensure that the center met Part C of the Individuals with

Disabilities Education Act (IDEA) requirements. DDS reviewed multiple transition plans which did not identify or address concerns relating to the transition process. DDS identified 13 areas of noncompliance. Many plans were determined to contain generic or canned language in the area of transition steps and services. Several plans contained similar information with minimal individualized steps and services. DDS recommends that NLACRC review its transition procedures and train staff to ensure steps and services are comprehensive, individualized, and address concerns relating to the transition process. Jesse reported that steps have been established to improve our performance in these areas.

B. NLACRC's Response to DDS Draft Audit Report

Copies of NLACRC's response to DDS's draft audit report were provided. Vini reported that there were findings in regards to 3 different consumers:

1. Consumer 1: The center incorrectly paid the family's share of cost for the family cost participation program (FCPP) resulting in an overpayment of \$4,209.60. The center will have to reimburse DDS this amount with funds from our operations budget.
2. Consumer 2: The FCPP assessment allowed for 216 hours and we only paid for 132. The center disagrees with the overpayment finding of \$221.21.
3. Consumer 3: The vendor billed for hours allowable only on non-school days, resulting in a potential overpayment of \$2,757.78. However, the center disagrees with the overpayments during the months of July and August 2017 (\$1024.64 total) because the consumer was on summer vacation those months. The center is asking DDS to reduce the overpayment by this amount. We will be collecting the amount of the overpayment from the service provider.

C. Parking Tax Repealed

The parking tax in which nonprofit agencies must pay taxes on their employee parking, was repealed from the tax code. The center has had to pay this tax for the last several years. Windes will be working with us to seek a refund.

D. Windes Merger

Windes has merged with the firm of Smith, Linden & Basso, but will continue to be called Windes. Like Windes, this firm specializes in audit and assurance, tax, accounting, and consulting services. Copies of the press release were provided to the committee for their information.

E. Statement of Cash Flows Options (Direct/Indirect)

NLACRC's audited financial statements have utilized the indirect method of presenting its Statement of Cash Flows; however with the change in accounting standards in 2016, NLACRC now has the option of presenting its Statement of Cash Flows using either the indirect method, direct method, or both for its audited financial statements. This was discussed at the November committee meeting and also at the last board meeting. The board did not indicate a preference.

Action: The committee will recommend to the Board of Trustees that both methods be used for the center's annual audited financial statements.

F. FY 2019-20 Financial Report

The December 2019 financial report showed that the center's operations budget for FY 2019-20 was \$55,656,790 and the purchase of service (POS) budget was \$499,128,141 for a total budget of \$554,784,931. We are projecting a deficit in our POS budget of \$3,532,172, which will be covered by future allocations from DDS (DDS no longer requires us to show a minimum or maximum budget deficit amount). Our administrative operating expenses are 14.7% year to date, which is less than the 15% cost cap.

1. Statewide RC Purchase of Service Expenditure Projection Report: Copies of the January 10th reports were provided. According to the report, 10 of the 21 regional centers are projecting a potential POS deficit for this fiscal year (including NLACRC), while the other 11 centers are projecting POS surpluses. Statewide, the regional center system is projecting a POS surplus between \$348,134 and \$29,337,545.

G. Approval of Contract: Viatron Systems, Inc.

M/S/C (L. Martinez/A. Hamilton) To recommend that the Executive Committee approve the contract, as presented, on behalf of the Board of Trustees.

H. Executed Contracts by NLACRC

Information was provided about the recent activity with these board master contracts:

1. POS Minimum Wage Increase: 4 contract amendments were made.
2. POS Contract Renewal(s): 6 contracts were renewed.
3. Addition of CIE & PIP Services to Existing POS Contract(s): 3 contracts were amended.
4. 2.1% Bridge Funding Contract(s): As these contracts have been fulfilled, Kim recommended that this item be removed from the monthly committee meeting agendas.
5. Supplemental Provider Rate Increases: This is from a new board master contract; the first report will be given at next month's committee meeting.

I. Office Location Updates

1. San Fernando Valley: Office space became available on the 5th floor of the San Fernando Valley office building and it was offered to NLACRC. We declined as we still have sufficient space at that location.
2. Antelope Valley: The AV office building is being built and contracts will begin coming in. The office should be available for occupancy by the end of August, 1 month ahead of schedule! Our loan with First American Bank will provide us with the cash resources needed to fund this project.

J. Security Benefit Plan Document

The center offers 403b plans to its employees and have had the same plan document in place since 2008. Now they want them signed by the IRS. We came up with a process that will comply with all IRS rules.

K. 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 2019-20: \$3,002,994

2.	FY 2018-19:	202,615
3.	FY 2017-18:	5,213
4.	FY 2016-17:	26,287
5.	FY 2015-16:	<u>4,836</u>
		\$3,241,945

The total amount is \$410,605 **less** than the last report that was given in November.

L. 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:

FY 2019-20 authorized positions	564
Open positions on hold	-1
Open positions vacant	-34
Separations	-8
Sub-total	521
New hires	3
Positions filled	524

2. 2nd Quarter Report: During the 2nd quarter of this fiscal year, the center had 1 position on hold, 22 new hires, 7 promotions, and 14 separations for a quarterly turnover rate of 0.08%.

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

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

- A. Minutes of the January 29th Meeting
- B. FY 2019-20 Financial Report
- C. 2nd Quarter Human Resources Report

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

- A. Anna announced that people can now book rides with Lyft through MediCal to take them to their doctor appointments.
- B. Anna also announced that the Census 2020 is looking for people to go door to

door. We need everyone to be counted, including the homeless. Funding for our community is based on these numbers.

C. Next Meeting: Wednesday, February 26th, at 6:00 p.m.

VII. Executive Session (Quarterly Legal Update)

M/S/C (A. Hamilton/D. Newman) To go into executive session at 7:08 p.m.

VIII. Adjournment

Manu adjourned the meeting at 7:30 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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