

North Los Angeles County Regional Center  
**Administrative Affairs Committee Meeting (Via Zoom)**

May 27, 2020

**Present:** Elena Burnett, Anna Hamilton, Lillian Martinez, Debra Newman, and Ana Quiles– Committee Members  
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and Jesse Weller – Staff Members

**Absent:** All present

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**I. Call to Order & Introductions**

Ana called the meeting to order at 6:05 p.m.

**II. Public Input** – There was no public input.

**III. Consent Items**

A. Approval of Agenda

Item IV.C.9. was added to the agenda.

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

B. Approval of Minutes from the April 29<sup>th</sup> Meeting

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

**IV. Committee Business**

A. FY 2020-21 Budget Update

Details were provided about the May Revise, which was released on May 14<sup>th</sup>. It includes a \$330 million cut to our system (\$300 million in Purchase of Service and \$30 million in regional center operations). However, these cuts may be reduced or eliminated if the HEROES Act is approved; if so, it would provide \$3 trillion in federal funding, some of which will go to the states.

B. FY 2019-20 Financial Report

The April 2020 financial report showed that the center's operations budget for FY 2019-20 was \$55,978,293 and the purchase of service (POS) budget was \$499,080,326 for a total budget of \$555,058,619. We are projecting a deficit in our POS budget of \$4,814,970 (an increase of almost \$2 million since last

month's report). Our administrative operating expenses are 14.6% year to date, which is less than the 15% cost cap.

1. Status Report on Credit Line and Cash Flow: We may face cash flow issues in July, depending upon whether or not the state experiences cash flow issues and whether or not we receive our advanced from the Department of Developmental Services (DDS) in a timely manner. In the event the center will need to borrow funds, Kim recommended establishing a line of credit in the amount of \$50 million. Kim presented the following credit line documents for the committee's approval:

- Corporate resolution to obtain credit and grant security: The resolution authorizes the executive director and deputy director/chief financial officer to obtain credit from City National Bank.
- Corporate resolution for loan revision agreement: This resolution would increase the line of credit from \$45 million to \$50 million.
- Corporation resolution for disbursement instructions: This resolution authorizes the executive director, deputy director/chief financial officer, and director of finance to execute the disbursement instructions with City National Bank.

**M/S/C** (E. Burnett/L. Martinez) To recommend to the Board of Trustees to approve the 3 corporate resolutions for the credit line, as presented.

2. Bank Signature Card Update: Our bank signature cards will need to be updated because of a change in signers at DDS.

3. Statewide Regional Center POS Expenditure Projection Report: Copies of the May 10<sup>th</sup> report were provided. According to the report, 16 of the 21 regional centers are projecting a potential POS deficit for this fiscal year (including NLACRC), while the other 5 centers are projecting POS surpluses. In each chart, NLACRC is pretty much in the middle of the pack. Statewide, the regional center system is projecting a POS deficit of just over \$79 million (up \$56 million since last month's report).

4. COVID-19 Expenditure Tracker dated May 26, 2020: Vini presented this new report which tracks the center's operations and POS expenditures as they related to COVID-19. DDS has asked that we submit this report to them on a monthly basis; this is our 3<sup>rd</sup> monthly report. So far, \$148,494

has been spent from the operations budget and \$16,883,590 has been spent from the POS budget (this is almost \$1.3 million more than last month's report).

C. Approval of Contracts

1. The Sheridan Group (An error was found and a corrected copy provided)
2. Cresa Partners
3. Master Board Resolution for AV Relocation Project
4. ABEDI (PL1904-055)
5. Brilliant Corners (TBD-999)
6. Keolis Transit Services, LLC (HL0468-875, PL1242-883)
7. PathPoint (TBD-999)
8. Master Board Resolution for Service Provider Payment Reductions
9. Master Board Resolution for IT Projects

**M/S/C** (E. Burnett/A. Hamilton) To recommend to the Board of Trustees to approve the 9 contracts listed above, as presented.

D. Executed Contracts by NLACRC

1. POS Minimum Wage Increase: One contract amendment was made: a 3<sup>rd</sup> amendment to our contract with Community Options integration services.
2. Service Contracts related to COVID-19: One contract was made with ER, dba Vibrant Living Home (a residential facility).

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 2019-20: \$3,015,220
2. FY 2018-19: 67,718  
\$3,082,938

The total amount is \$145,802 **less** than what was reported last month.

F. Review Center's FY 2020-21 Contract with DDS – *Deferred*

We expect to receive our contract from DDS sometime in June, which will be presented to the committee in July.

G. Review and Approve Committee’s Critical Calendar for FY 2020-21

No changes were made to the critical calendar from FY 2019-20 to FY 2020-21.

**M/S/C** (E. Burnett/D. Newman) To approve the committee’s critical calendar for FY 2020-21 as presented.

H. Recommend to the Board to Authorize an Officer to Secure Insurance in June for FY 2020-21

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 1<sup>st</sup>. 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** (L. Martinez/E. Burnett) To recommend to the Board of Trustees to authorize the executive director or deputy director/chief financial officer to execute insurance binders and purchase insurance coverage for the center in June for FY 2020-21.

I. 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:

FY 2019-20 authorized positions	566
Open positions on hold	-1
Open positions vacant	-39
Separations	-5
Sub-total	521
New hires	+1
Positions filled	522

J. AV Office Relocation Update

Kim shared photos of the building construction for our new Antelope Valley office. It is coming along nicely!

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

The following items were identified for the committee’s section of the June 10<sup>th</sup> board meeting agenda:

- A. Minutes of the May 27<sup>th</sup> Meeting
- B. FY 2019-20 Financial Report
- C. Approval of Contracts
  - 1. The Sheridan Group
  - 2. Cresa Partners
  - 3. Master Board Resolution for AV Relocation Project
  - 4. ABEDI (PL1904-055)
  - 5. Brilliant Corners (TBD-999)
  - 6. Keolis Transit Services, LLC (HL0468-875, PL1242-883)
  - 7. PathPoint (TBD-999)
  - 8. Master Board Resolution for Service Provider Payment Reductions
  - 9. Master Board Resolution for IT Projects
- D. Approval to Authorize an Officer to Secure FY 2020-21 Insurance in June
- E. Approval of Credit Line Documents
  - 1. Corporate Resolution to Obtain Credit and Grant Security
  - 2. Corporate Resolution for Loan Revision Agreement
  - 3. Corporate Resolution for Disbursement Instructions

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

- A. Next Meeting: Wednesday, July 29<sup>th</sup>, at 6:15 p.m. (no June meeting)

## **VII. Executive Session**

**M/S/C** (E. Burnett/L. Martinez) To go into executive session at 7:14 p.m.

- A. Lease
- B. Legal

## **VIII. Adjournment**

Ana adjourned the meeting at 7:39 p.m.

Submitted by,

*Jennifer Kaiser*

Jennifer Kaiser  
Executive Assistant

