

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

February 20, 2025

Present: Ann Hurst, Cathy Blin, Jaklen Keshishyan – VAC Rep. – Committee Members

Vini Montague, Betsy Monahan, Venus Rodriguez-Khorasani, Lindsay Granger, Arshalous Garlanian, Michael Karpman, Megan Mitchell – Staff Members

Mark Wolfe – DDS Tech Advisor, Tresa Oliveri – DDS Tech Advisor, Marianita Mendez – DDS, Julie Ocheltree – Legal Counsel, Charlotte Tay – Lindquist, Von Husen, & Joyce, Thea Edolsa – Lindquist, Von Husen, & Joyce, Lety Garcia – Board Member and ARCA Rep. - Guests

Absent:

I. Call to Order

Anna Hurst, Board Treasurer, called the meeting to order at 6:00 p.m.

II. Committee Member Attendance/Quorum

III. Agenda

IV. Public Input

There was no Public Input

V. Consent Items

A. Approval of Minutes from November 21st Meeting

M/S/C (Cathy Blin/Jaklen Keshishyan) To approve the Consent Items as presented

VI. Action Items

A. Lindquist, Von Husen & Joyce Presentation of NLACRC's FY2023-24 Audited Financial Statements

Charlotte Tay and Thea Edolsa from Lindquist, Von Husen & Joyce presented the results of the NLACRC's FY2023-24 Audited Financial Statements. The findings and recommendations were also presented to the committee.

Vini Montague, Chief Financial Officer, noted that there was a finding that several checks from DDS were locked in a cabinet by a staff member and not deposited timely and cash advance offset instructions from DDS were not recorded timely by the same staff. The finding has been fully addressed and resolved. One of the measures taken is to separate the responsibilities of coding DDS checks for

deposit and reconciling against DDS records, so staff will be alerted when deposits have not been forwarded timely. Additionally, more staff members have been trained to recognize patterns in deposits. This is the first time that NLACRC has had this finding.

M/S/C (Cathy Blin / Jaklen Keshishyan) to move the audit report to the full Board of Trustees at the March Board Meeting for approval.

B. Review of Insurance FY2025-2026– Gallagher Insurance

Simone Khanna presented on behalf of Gallagher insurance. Anna Hurst noted interest in a feasibility study. Vini noted that this was brought to the committee to see if there was interest in presenting the feasibility study to the full board for approval. Anna Hurst expressed interest in participating in the feasibility study and seeing the benefits, but there was a question on expenses for pursuing this study. An option of combining multiple regional centers for a feasibility study was presented. The committee discussed putting a cap on the amount spent to pursue a feasibility study. Vini Montague suggested putting forward with the condition that the cost is reported back to the board and that the board has the final approval of the amount prior to committing to participation. It was explained that this was to put NLACRC on the list so that Simone Khanna can work with other regional centers, and once the final number of other regional centers interested is determined then the final cost will be brought forward to the board for final approval. At the May Board Meeting, this item can be presented with the number of regional centers interested and the cost.

M/S/C (Anna Hurst/Cathy Blin) to put forward that a feasibility study is presented to the full board once the final expense of the study is determined.

C. Approval of Purchase of Services Startup Contracts – Vini Montague

1. Brilliant Corners, PL2188-999- Contract Amendment

Vini Montague noted that this is a startup funding contract, and a second amendment to an existing CPP contract. The purpose of the second amendment is to increase the total funding that has been approved by DDS by \$30,000, and the revised maximum funding amount will be \$1,014,571. Seeking an approval by the committee to move this to the full Board for full approval.

M/S/C (Cathy Blin / Jaklen Keshishyan) To approve the Brilliant Corners, PL21888-999 Contract Amendment to go to the Board for approval.

2. CPP/CRDP Startup Projects, Various Vendors – New Contract

Vini Montague presented a contract that is for 9 projects. The total amount approved by DDS is \$2,850,000. Currently, NLACRC is working on identifying the service providers for the 9 projects through the request for proposals process.

M/S/C (Jaklen Keshishyan / Cathy Blin) To approve the CPP/CRDP Startup Projects, Various Vendors contract to go to the Board for approval.

D. Approval of Operations Contract – Vini Montague

Vini Montague discussed the approval of the operations contract – ePlus Technology for the purchase of Palo Alto Networks MDR Solution to increase the cybersecurity at NLACRC. This contract is for a three year term. NLA is seeking an approval by the committee to move this to the full Board for approval.

M/S/C (Cathy Blin /Jaklen Keshishyan) To approve the Operations Contract with ePlus Technology for the purchase of Palo Alto MDR solution to go to the Board for approval.

VII. Committee Business

A. Board Policies & Procedures – Deferred

B. 2nd Quarter Reporting of New Vendorizations

Arshalous Garlanian, Community Services Director, presented a report on new Vendorizations for Quarter 2 (October 1, 2024 - December 31, 2024). Highlights identified include: Vendored 7 residential facilities in Antelope Valley, 12 services provided in Antelope Valley, and onboarded new coordinating family supports.

C. Quarterly Fees Reports for PRMT and UAL – Vini Montague

Vini Montague presented quarterly fees report for the Post-Retirement Medical Trust and the CalPERS Unfunded Liability Account and noted that the US Bank fees have not been received yet. No questions or comments were raised during the discussions.

D. Financial Reports – Vini Montague

Vini Montague presented the financial reports for October 2024, November 2024, and December 2024. As of this month, there were no projected surplus or deficits in purchase of services since the first purchase of services projection report has not been completed. The committee asked about allocations. There was discussion to provide additional explanation of the Financial Reports to the Board. The committee expressed that the additional context was very beneficial.

ACTION: Anna Hurst and Vini Montague will discuss the best ways to approach presenting these reports to the Board of Trustees with context for more clarity.

E. Admin vs. Direct Allocation Report – Vini Montague

Vini Montague discussed the admin vs. direct allocation report, which tracks expenditures and ensures that administrative expenditures do not exceed 15% as determined in statute and regulations. The report showed administrative expenditures in October at 11.9%, in November at 12.3%, and in December

11.4%.

F. Statewide Regional Center POS Expenditure Projection Report FY2024

Vini Montague provided the last projection that was due to DDS for FY2024. NLACRC was number 16 in the projected surplus for the year (purchase of services surplus) among the 21 regional centers. Additional reports presented included: outstanding authorizations report, payments and authorizations timelines

G. Purchase of Services Payments Reports – Vini Montague

Vini Montague also presented a report on the purchase of services, outstanding authorizations, and a timeline summary on payments and authorizations, highlighting the progress made in resolving outstanding authorization issues.

H. Audits Update – Vini Montague

Vini Montague discussed the final audit report by DDS and highlighted the finding on DDS seeking recovery from regional centers. This is mostly due to rate model implementation and Service Code 880 for transportation. Service Code 880 provided a worksheet for service providers to fill out information to determine a rate for service providers, which was implemented and based off the number of trips the service providers provide every day. DDS auditors assumed that service providers made two trips a day, but this is not the case of everyone. This discrepancy and the service providers receiving no training by DDS on the spreadsheet accounts for most of the funds that DDS is seeking recovery. NLACRC is working with DDS on the rate to resolve the finding.

Vini Montague provided a summary of the audit findings in the CalPERS audit of NLACRC. The findings from the NLACRC's portion of the CalPERS final audit report included the following: salary schedule no in full compliance with CalPERS laws such as effective date; union contract was not approved in an open session of the Board, and how ABX wages were reported to CalPERS. NLACRC is actively working to resolve all the audit findings with CalPERS.

I. Human Resources – Betsy Monahan

Betsy Monahan reported on the status of personnel policies and compliance with the DDS contract and Special Contract Language. A total of 10 policies were reviewed and updated. Drafts of the policies were provided to Board Support to present to the Executive Committee to move to the Board meeting in March.

Betsy Monahan reported on the current period (FY25) Qtr. 2 noting that there have been 21 more hires and 12 fewer separations year over year for the same quarter with a turnover rate of 2.43%. The Human Resource Report for the most recent month showed 812 positions filled, just under 85% of the 958 approved position.

The committee discussed whether the Temporary Staffing Report is still necessary since there has been good progress with hiring. A possible threshold amount was discussed to determine if the report should be included in upcoming meetings.

ACTION: Anna Hurst and Vini Montague will discuss and determine a dollar amount to use as a threshold for the report.

ACTION: Anna Hurst and Vini Montague will further discuss the amount of funds needed to have a report on the temporary staffing statistics.

VIII. Executive Session

- A. Pending Litigation Update
- B. Real Estate Negotiations

Anna Hurst announces that the committee will move into a closed session for an update on pending litigation and real estate negotiations.

M/S/C (Cathy Blin / Jaklen Keshishyan) to enter Executive Session at 8:21pm.

M/S/C (Jaklen Keshishyan / Cathy Blin) to exit Executive Session at 9:00 pm.

IX. Review of Meeting Action Items

- Board Support will add contracts from agenda to the March Board meeting for approval.
- Anna Hurst and Vini Montague will discuss the best ways to approach presenting these financial reports to the Board of Trustees with context for more clarity.
- Anna Hurst and Vini Montague will further discuss the amount of funds needed to have a report on the temporary staffing statistics.
- Anna Hurst and Vini Montague will discuss and determine a dollar amount to use as a threshold for the report.

X. Agenda Items for the Next Board Meeting

- A. FY2023-24 Audited Financial Statements
- B. Review of Insurance FY2025-2026
- C. Approval of Contracts
- D. Approval of Report on Personnel Classification

XI. Announcements/Information/Public Input

There was none.

XII. Adjournment

The meeting was adjourned at 9:02pm.