

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

May 29, 2025

Present: Ann Hurst, Jacquie Colton, and Jaklen Keshishyan – VAC Rep. – Committee Members

Angela Pao-Johnson, Vini Montague, Betsy Monahan, Lindsay Granger– Staff Members

Mark Wolfe – DDS Tech Advisor, Tresa Oliveri – DDS Tech Advisor, Marianita Mendez – DDS,

Absent:

I. Call to Order

Anna Hurst, Board Treasurer, called the meeting to order at 5:04 p.m.

II. Committee Member Attendance/Quorum

III. Agenda

A friendly amendment was made to the changing the date on the memorandum page.

M/S/C (Jacquie Colton/ Jaklen Keshishyan) to approve the agenda as amended.
Motion carried.

IV. Public Input

There was no Public Input

V. Consent Items

A. Approval of Minutes from April 24, 2025 Meeting

M/S/C (Jaklen Keshishyan/Jacquie Colton) To approve the Consent Items as presented

VI. Action Items

A. Approval of Purchase of Services Startup Contracts

1. Brilliant Corners – West Avenue K6 (Project #2324-6), First Amendment

Vini Montague presented the first amendment to the Brilliant Corners – West Avenue K6 (Project #2324-6) First Amendment to the committee. It is a CPP housing agreement with Brilliant Corners. The original \$750,000 contract amount has been increased by \$337,796, bringing the total to \$1,087,796. Vini

Montague explained that this is the normal process, since DDS approves preliminary funding before a home is identified, and once a property is secured, the contract is updated to reflect actual costs. Documentation confirming DDS's approval of the additional funding was included in the packet.

During discussion, Vini Montague clarified that the facility will be an Enhanced Behavioral Supports Home (EBSH). Anna Hurst noted that the amendment reflects an adjustment of previously approved funding rather than new funding.

Jaklen Keshishyan made a motion to forward the amended contract to the full Board, and Jacquie Colton seconded. The motion passed unanimously.

M/S/C (Jaklen Keshishyan/Jacquie Colton) to move the amended contract to the full Board of Trustees for approval. Motion carried.

2. Free to Be Programs – Raywood Home (Project #2223-7), First Amendment

Vini Montague presented the first amendment to the contract with Free to Be Programs for the Raywood children's community care facility. The amendment increases the contract by \$50,000 to cover specific costs requested by the provider and approved by DDS. Documentation confirming DDS's approval was included in the meeting packet.

Anna Hurst called for a motion to forward the amended contract to the full Board. Jacquie Colton made the motion, and Jaklen Keshishyan seconded. With no discussion or opposition, the motion carried unanimously.

M/S/C (Jacquie Colton/Jaklen Keshishyan) to move this to the amended contract to the full board for approval.

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VII. Committee Business

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

Vini Montague presented the third-quarter fees reports for the Post-Retirement Medical Trust (PRMT) account and the CalPERS Unfunded Liability (UAL) Trust account. For FY2025, fees for the PRMT account totaled \$128,000, as assessed by U.S. Bank and the investment management company. Fees for the UAL trust account were lower due to the smaller balance.

Vini Montague explained the background and purpose of both accounts. The PRMT account was established to ensure NLACRC can cover retiree medical benefits, which currently cost about \$1.2 million annually and are paid from operations. The long-term goal is to build the PRMT account so that investment earnings cover retiree benefits, freeing operational funds for other purposes. For the UAL account, Vini Montague noted that CalPERS manages pension contributions but past economic downturns created unfunded liabilities. To

address annual deficit assessments from CalPERS, NLACRC created a separate U.S. Bank trust account to invest funds independently and better manage long-term obligations.

Anna Hurst commented that this strategy helps NLACRC use funds more effectively than if all contributions were placed directly with CalPERS. Anna Hurst added that understanding these accounts allows the committee to make stronger long-term financial decisions.

B. Status Report on Current Credit Line and Cash Flow – Vini Montague

Vini Montague provided an update on NLACRC's current credit line and cashflow. NLACRC is working with City National Bank to secure a credit line for FY2026, which should be finalized within the next one to two weeks. Vini Montague reported that NLACRC did not borrow against its credit line in FY2025 and does not expect to do so through the end of the fiscal year.

Looking ahead, whether borrowing will be necessary in July 2025 depends on when DDS issues the cash advance for FY2026. In recent years, NLACRC has received this advance during the second or third week of July. If the funds arrive before the large POS check run, borrowing will not be required. Vini Montague expressed optimism that NLACRC will be able to avoid borrowing in July as well.

C. Financial Reports – Vini Montague

Vini Montague presented the financial reports for the service month of March 2025. The current A-2 allocation from DDS is \$1.1 billion. Expenditures for March totaled \$101.5 million, with year-to-date expenditures of \$770 million. NLACRC is projecting total expenditures of \$1.1 billion by year-end, with an anticipated surplus of \$9 million in regular purchase of services. A small deficit is expected in CPP.

Vini Montague noted that NLACRC's standing is mid-range compared to other regional centers statewide. While some centers are projecting deficits and others surpluses, the rate implementation effective January 1, 2025, has created challenges in forecasting. Surplus or deficit outcomes do not drive service levels. Services are based strictly on consumer needs as outlined in IPPs, regardless of whether allocations are above or below projections. Any surplus at year-end will revert to DDS.

The discussion also highlighted allocations intended to reduce caseload ratios. Anna Hurst asked whether these funds were ongoing or one-time, and Vini Montague confirmed that based on the Governor's May Revise, they are expected to continue. Anna Hurst also raised a question about case manager salaries, and Vini Montague explained that compensation levels are governed by the union contract, which was negotiated using a regional market survey.

Additional details were included in the packet, such as expenditure breakdowns for operations, salaries, temporary staffing, and specific projects like CPP and LDC. It was also clarified that services under the Self-Determination Program are part of regular POS, while separate operations funds cover participant support.

D. Admin vs. Direct Allocation Report – Vini Montague

Vini Montague reviewed the administrative versus direct cost allocations. Regional centers and service providers are limited by statute to 15% administrative costs. Expenditures are allocated between administrative and direct categories, with administrative costs not to exceed the 15% limit. Monthly fluctuations may occur due to the timing of payments, such as insurance and maintenance costs that cannot be charged to direct. Vini Montague reported that year-to-date administrative costs are 11.9%. The report demonstrates ongoing oversight to ensure compliance with the statutory limit.

E. Purchase of Services Payments Reports – Vini Montague

1. Outstanding Authorizations Report
2. Payments Processing Summary

Vini Montague reviewed service provider payments and outstanding authorizations. The Outstanding Authorizations Issues Committee, including case management, community services, and accounting, meets biweekly to address escalated issues. During the reporting period, 32 vendors had 49 outstanding authorizations. Common causes include missing authorizations, rate discrepancies, services beyond authorized hours, and alternative authorization challenges.

Fiscal year 2025 payment data shows 69.93% of invoices were paid in the same month, 29.84% in the following month, and 0.23% were late. Similar trends were observed in 2024 and 2023, indicating that delays are generally due to missing or incomplete authorizations, not regional center processing.

Sharmila Brunjes and Anna Hurst noted the center has a reputation for late payments, although most payments are timely. Vini Montague clarified that the report measures invoice payment timeliness, not underlying authorization or service delivery issues. Jaklen Keshishyan emphasized the need for vendors to follow escalation procedures and maintain consistent communication. The Vendor Advisory Committee provides guidance and forums for addressing concerns. The Committee agreed that the escalated authorization report is valuable, while the general invoice timing report may be duplicative.

Angela Pao-Johnson offered additional context regarding the reports, explaining that the invoice timing report is shared with DDS per special contract language and may be duplicative for Administrative Affairs meetings, whereas the escalated authorization report provides more useful information about timely

processing of raised issues

- F. Audits Update – Vini Montague
1. CalPERS
 2. DDS Audit FY2024

Vini Montague provided an update on the CalPERS audit, noting that a few issues remain unresolved. One key item involves the treatment of longevity adjustments for employees, which is still under discussion with CalPERS. The team is actively working toward a resolution.

Regarding the DDS audit for FY2024, Vini Montague reported that the draft has not yet been received, and the audit remains pending.

- G. Human Resources – Betsy Monahan

Betsy Monahan presented the Human Resources report for April 2025, noting that as of April 30, there were 168 open positions, including 93 case management roles, out of 1,024 authorized positions, with 846 filled for an 82% overall fill rate. For the first time, all three locations—San Fernando, AV, and Santa Clarita—had over 80% of positions filled. There were 16 new hires and 8 separations, resulting in turnover of just under 1%.

Betsy credited the recruitment team for these results, with Anna Hurst and Jaklen Keshishyan acknowledging their efforts and Angela Pao-Johnson noting that overall retention reflects contributions from the entire center. Betsy also highlighted that supervisors, managers, and directors allocated hours to support case management recruitment, helping reduce the average time to fill positions from 250 days in FY 2022-23 to approximately 120 days this fiscal year. While still above the target, this 50% reduction lessens the impact of staff departures.

VIII. Closed Session

A. Personnel Matters

Anna Hurst announces that the committee will move into a closed session for personnel matters.

M/S/C (Jaklen Keshishyan/Jacque Colton) to enter Closed Session at 5:58 p.m.

M/S/C (Anna Hurst/Jaklen Keshishyan) to exit Closed Session at 6:08 p.m.

IX. Review of Meeting Action Items

X. Agenda Items for the Next Board Meeting

The Purchase of Services Startup Contracts for Brilliant Corners – West Avenue K6 (Project #2324-6), First Amendment and Free to Be Programs – Raywood Home

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(Project #2223-7), First Amendment will be added to the Board Meeting agenda.

XI. Announcements/Information/Public Input

There was none.

XII. Adjournment

The meeting was adjourned at 6:19 p.m.