

North Los Angeles County Regional Center  
**Administrative Affairs Committee Meeting Minutes**  
April 24, 2013

**Present:** Yolanda Bosch, Craig Girard, Jenean Glover, Sharoll Jackson, and Eric Leh – Committee Members  
Richard Dier – Board Member  
Diane Ambrose, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

**Absent:** Katie Mead

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**I. Call to Order & Introductions**

Craig Girard, treasurer, called the meeting to order at 6:18 p.m.

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

**III. Consent Items**

**A. Approval of Agenda**

**B. Approval of Minutes from March 28<sup>th</sup> Meeting**

M/S/C (S. Jackson/E. Leh) To approve the agenda and minutes as presented.

**IV. Committee Business**

**A. Financial Report for April 2013**

The financial report showed that the operations budget is \$34,401,195 with projected expenses in the same amount, leaving no surplus or deficit. The purchase of service (POS) budget is \$243,003,964 with projected expenses of \$267,294,455, leaving a deficit of \$24,290,491. The family resource center budget is \$122,721 for a total budget of \$277,527,880. We received \$170,000 less than we expected in our D-3 allocation for our community placement plan (CPP) operations budget. Currently, the Department of Developmental Services (DDS) is researching the allocation shortfall.

Per trailer bill language, regional centers must spend no more than 15% of their budget on administrative costs. Year to date, the center's current administrative operating expenses are at 12.4%, with direct care expenses at 87.6%, so we are in compliance with the trailer bill language.

1. Cash Flow Update/Response from DDS

Kim had a conference call with DDS this afternoon to discuss the center's financial status. Kim presented 3 different scenarios that the center will face based on how much additional funding DDS provides us and when. In addition to the funds DDS reported NLACRC will receive during May 2013, NLACRC will require additional cash reimbursements from DDS in order to have sufficient cash resources during the month of June 2013. Further, NLACRC will need to have its FY 2013-14 cash advance expedited by DDS in order to have sufficient cash resources to have sufficient cash resources during the month of July 2013.

**M/S/C** (S. Jackson/E. Leh) To recommend to the Executive Committee to approve sending a letter to DDS, for Yolanda's signature, letting them know our budget status and that we want to receive our advance in full, not broken down into 3 payments paid over a 3-month period.

2. ARCA's Summary of Regional Center POS Expenditures

Copies of this report were provided to everyone present. This report shows where each regional center is in relation to one another's POS budgets based upon the Sufficiency of Allocation Reports (SOARs) that the regional centers submitted to DDS. The 21 regional centers are projecting a collective POS deficit for this fiscal year between \$208.8 and \$224.8 million (a slight decrease since last month's report). NLACRC has the highest projected deficit of all 21 centers, showing a deficit between \$21.8 and \$23.5 million.

3. ARCA Survey for FY 2011-12

Copies of this report were provided to everyone present. This report shows where each regional center is in relation to one another's operations, non-CPP, CPP, and POS budgets for FY 2011-12. NLACRC is still projecting a deficit for FY 2011-12 in the amount of \$671,000.

**B. Late Bill Report for March 2013**

Copies of the late bill report were provided. The late bills are currently at 19.48% which is not unusual.

**C. ICF/SPA Summary for March 2013**

Copies of the ICF/SPA billing summary were provided. The outstanding balance due to NLACRC from intermediate care facility (ICF) providers and DDS is \$933,854.48. The outstanding balance due to ICF providers from DDS is \$1,317,461.91. ! The total outstanding ICF receivable due to NLACRC related to the ICF state plan amendment (SPA) program is \$2,218,045.50. DDS told us they would provide us with funding to cover the delinquent ICP payments.

#### **D. Contracts for Approval**

1. Community Provider of Enrichment Services, Inc. (CPES)

**M/S/C** (J. Glover/S. Jackson) To approve the contract with CPES, in the amount of \$500,000, as presented and to recommend its approval to the Board of Trustees.

2. McRory Pediatric Services, Inc.

**M/S/C** (E. Leh/S. Jackson) To approve the contract with McRory Pediatric Services, in the amount of \$526,500, as presented and to recommend its approval to the Board of Trustees.

3. Speech, Language and Educational Associates, Inc.

**M/S/C** (J. Glover/S. Jackson) To approve the contract with Speech, Language, and Educational Associates, Inc., in the amount of \$3,250,000, as presented and to recommend its approval to the Board of Trustees.

4. Valley Village

**M/S/C** (J. Glover/S. Jackson) To approve the contract with Valley Village, in the amount of \$6,043,425, as presented and to recommend its approval to the Board of Trustees.

Kim reported that the contract with Valley Village will also need to be submitted to DDS for their approval.

#### **E. Credit Line**

1. Corporate Resolution to Revise Credit Line

**M/S/C** (E. Leh/J. Glover) To recommend to the Board of Trustees to approve the corporate resolution to revise the credit line, as presented, and to authorize the board secretary to sign it.

2. Corporate Resolution to Obtain Credit and Grant Security

**M/S/C** (J. Glover/S. Jackson) To recommend to the Board of Trustees to approve the corporate resolution to obtain credit and grant security, as presented, and to authorize George Stevens and Kim Rolfes to sign it.

3. City National Bank (CNB) Letter

Kim shared copies of a letter she received from CNB. Our current CNB relationship manager, Cheri Warren, is retiring at the end of May 2013 and CNB has hired a new relationship manager, Forrest Riopelle, to support NLACRC. CNB will be making arrangements during May 2013 to introduce Forrest to our leadership staff.

**F. ARCA Dues**

Copies of the ARCA dues invoice for next fiscal year were provided to the committee.

**M/S/C** (E. Leh/J. Glover) To recommend to the Board of Trustees to pay the annual ARCA dues, in the amount of \$68,251.00.

**G. Service Provider Updates**

1. ARCA Vendor Audit Survey

ARCA took a survey of how many vendors have complied, statewide, with the requirement to submit a review or audit to their regional center. Vendors with \$250,000 to \$500,000 in billings annually must have a financial review conducted. Vendors with \$500,000 or more in billings annually must have a financial audit conducted. Out of 189 qualifying vendors, NLACRC has received reviews/audits from 105 of them (55.56%). The remaining 84 vendors have been sent letters letting them know that if they do not submit the 2011 audits to us or provide information that demonstrates that an audit/review is scheduled, that we may have to take an action to terminate their vendorization.

2. Program Closure

The owners of the KIDS program are retiring and will be closing their program on June 30<sup>th</sup>. They provide infant development services to 424 consumers.

**Action:** Kim will prepare a thank you letter, for George's signature, to the owners of the KIDS program thanking them for their many years of service to the center's consumers.

**H. Santa Clarita Valley Lease**

The lease for the center's Santa Clarita Valley office will expire on July 31<sup>st</sup>.

**M/S/C** (Y. Bosch/S. Jackson) To recommend to the Executive Committee to take action, on behalf of the Board of Trustees, to authorize George Stevens to sign the lease for the new Santa Clarita Valley office.

**I. Human Resources**

1. Activity Summary for April 2013

Copies of the summary were distributed and reviewed. The summary included the following current information:

1.	FY 2012-13 authorized positions	415
2.	Authorized positions on hold (not to be filled)	-32
3.	Active authorized positions	383
4.	Active positions filled	-369
5.	Open positions vacant	14
6.	<u>Monthly hiring activity</u>	
	▪ Vacant positions: 18	
	▪ Separations: 0	
	▪ New hires: 0	

The current annual turnover rate is 0.00%.

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

- A. Minutes of April 24<sup>th</sup> Meeting
- B. Financial Report for April 2013

- \* C. Approval of Contracts
  1. Community Provider of Enrichment Services, Inc. (CPES)
  2. McRory Pediatric Services, Inc.
  3. Speech, Language and Educational Associates, Inc.
  4. Valley Village
- \* D. Approval of Corporate Resolution to Revise Credit Line
- \* E. Approval of Corporate Resolution to Obtain Credit and Grant Security
- \* F. Approval to Pay Annual ARCA Dues

## VI. Announcements / Information

### A. Complete Meeting Evaluations

Craig asked the committee members to please complete evaluations after the meeting and submit them to him with any comments.

**B. Next Meeting:** Wednesday, May 29<sup>th</sup>, at 6:00 p.m.

## VII. Executive Session

The committee went into executive session at 7:15 p.m.

- A. Quarterly Legal Update
- B. Collective Bargaining Agreement Discussion

## VIII. Adjournment

Craig adjourned the meeting at 8:04 p.m.

Submitted by,

*Jennifer Kaiser*

Jennifer Kaiser  
Executive Assistant

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