

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes
July 25, 2012

Present: Yolanda Bosch, Craig Girard, Jenean Glover, Sharoll Jackson, Eric Leh, and Katie Mead – Committee Members
Ken Lane - Vendor Advisory Committee Representative
Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

Absent: All present

I. Call to Order & Introductions

The meeting was called to order by Craig Girard, treasurer, at 7:23 p.m.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

The revised agenda was approved as presented.

B. Approval of Minutes from May 30th Meeting

The minutes were approved as presented.

IV. Committee Business

A. Annual Committee Orientation

1. Committee Policies & Procedures
2. Board Audit Section
3. Bylaws Statement
4. Office Location Policy
5. Outsourcing Policy

Copies of the committee-related documents above were sent with the meeting packets. Committee members should become familiar with these documents so they fully understand the committee's purpose and their role as committee members.

B. Review Approved Critical Calendar for FY 2012-13

Copies of the committee's critical calendar for this fiscal year were provided. The calendar lists items the committee should address each month. Jennifer puts these items on the committee meeting agendas so they can be addressed.

C. Approval of Additional ARCA Dues

The center already paid \$61,805 to the Association of Regional Center Agencies (ARCA) to cover our dues for this fiscal year. However, the Department of Developmental Services (DDS) is no longer funding ARCA's legislative analyst position (out of the regional centers' budget), so ARCA is asking the regional centers to pay additional dues to cover the cost of that position. Our additional dues would be \$6,446.00.

M/S/C (Y. Bosch/S. Jackson) To recommend to the Board of Trustees to pay additional dues, in the amount of \$6,446.00, to ARCA to help cover the cost of their legislative analyst position.

D. Admin. Affairs/Executive Committee Meeting Schedule for FY 2012-13

Copies of the meeting schedule were provided. These dates are also included on the board's master calendar. Please note that the committees will meet on Thursdays in September 2012 and March 2013 due to conflicts with holidays.

E. Financial Report for June 2012

The financial report showed that the operations budget is \$32,646,051 with projected expenses of \$32,018,971, leaving a surplus of \$627,080. The purchase of service (POS) budget is \$239,539,358 with projected expenses of \$244,873,409, leaving a deficit of \$5,334,051. The family resource center budget is \$122,721 for a total budget of \$272,308,130. The center's administrative expenses for the month were 13.1% and year to date are 13.2% which are well within the cost cap of 15%.

F. Statewide Regional Center POS Report

Copies of the report were provided to the committee and reviewed. The 21 regional centers are projecting a collective POS deficit for this fiscal year between \$69.9 and \$73.4 million. The report shows where each regional center places as compared to the other regional centers in the following categories:

1. Projected Deficit/Surplus: NLACRC is the 5th highest (Inland Regional

- Center is first)
2. Per Capita by Allocation: NLACRC is 15th (San Gabriel/Pomona Regional Center is first)
 3. Per Capita by Expenditures: NLACRC is 15th (San Gabriel/Pomona Regional Center is first)
 4. Percent Deficit to Contract: NLACRC is 9th (Redwood Coast Regional Center is first)
 5. Percent Change to Original Sufficiency of Allocation Report (SOAR): NLACRC is 1st.

G. Late Bill Report for June 2012

There is nothing unusual to report; the late bills are in line with last fiscal year at this time.

H. Status Report on Credit Line and Cash Flow

Kim reported that we won't have to borrow money through our line of credit as DDS told us that we will receive all 3 of our cash advances by August 10th. We still have concerns however, about when we will receive payments through the Intermediate Care Facility State Plan Amendment (ICF/SPA). The billing for these services is done in a very unusual way so that the state can collect federal dollars, but it does delay the center for receiving its payments.

I. Insurance

The center has had an increase in workers compensation claims. As such, it has been difficult for us to retain insurance. We have found a carrier, but the cost has more than doubled; we were paying \$200,000 per year, now we'll be paying \$437,000 per year. The senior vice president of Chapman & Associates is scheduled to give a presentation on insurance at next month's committee meeting, but we may have to postpone it because our auditors want to have some time to talk with the Administrative Affairs Committee next month too.

J. Status of Lautze & Lautze Audit

Our auditors are here this week reviewing records and meeting with staff. They want to hold an entrance conference with this committee. The conference is expected to take an hour or so of the committee's time.

Action: Craig asked Kim to postpone the insurance presentation until the September committee meeting so that the auditors can meet with the committee in August.

Action: Kim will ask the auditors to begin their entrance conference at 6:00 p.m. on August 29th.

Action: Due to the length of the auditors' entrance conference, Craig asked that the regular reports be provided to the committee but committee members will be asked to review them on their own time.

M/S/C (J. Glover/S. Jackson) To ask the Board of Trustees for their approval to modify the committee's August 29th meeting agenda to accommodate the auditors' entrance conference.

K. Review Draft DDS Audit Report of NLACRC for FY 2009-10 & FY 2010-11

Kim reported that this was the first time that Vini was responsible for overseeing the audit and she did a great job! Some very minor findings were identified (listed on page 15 of the draft audit report). We need to respond to the audit report by August 20th.

Action: Jennifer will e-mail the entire draft audit report to the committee as some pages were missing.

The final audit report will be presented to this committee in September and then presented to the Board of Trustees in October.

L. Review Summary of Service Provider Audit Conducted by NLACRC

DDS requires the regional centers to conduct a number of service provider audits each year whose annual payments are less than \$100,000 (DDS audits providers whose payments are over that amount.) Last fiscal year, the center was required to conduct 12 audits, but we actually completed 28 of them. In the process, we recovered nearly \$38,000 in overpayments. Copies of the audit summary and cover letter to DDS were provided to the committee for their review.

M. Contracts for Review and Approval

1. Irwin A. Weinstein, DDS: This contract is with a dentist who will provide consultations, recommendations, and outreach activities. It is a 5-year contract in the amount of \$442,400.

M/S/C (Y. Bosch/S. Jackson) To recommend to the Board of Trustees to approve the 5-year contract with Dr. Weinstein in the amount of \$442,400.

2. Sarla Karan, MD: This contract is with a doctor who will provide assessments, consultations, evaluations, and medication monitoring. It is a 5-year contract in the amount of \$525,000.

M/S/C (Y. Bosch/S. Jackson) To recommend to the Board of Trustees to approve the 5-year contract with Dr. Karan in the amount of \$525,000.

3. Xerox (report only): The center's 5-year lease for all of its copiers is about to expire. Altogether, the new copiers will cost approximately \$263,000 and the board now approves all contracts over \$200,000. However, Xerox has asked that each purchase be made separately; as such, board approval is not needed. Kim wanted the committee to be aware of this.

N. Service Provider Updates

1. Wellspring: Our attorney is reviewing a bill that was submitted to us by one of Wellspring's creditors for over \$263,000. Kim asked DDS to take the lead in this as they had conducted an audit of Wellspring, prior to their closure.
2. Behavioral Service Provider Qualifications: Several of our behavioral service providers hired an attorney to send us a letter regarding our inquiries into their staff qualifications. Our attorney is drafting a response to that letter.
3. Applied Behavior Analysis: They are being audited by DDS.
4. Baird Street Property: We had members of the local homeowners association contact us regarding their concerns (increased traffic, property values, etc.) for the home being renovated in their neighborhood for consumers leaving Lanterman Developmental Center. We offered to meet with them to answer their questions, but they ended up declining the meeting and dropping their complaint.
5. Residential Home Provider Break-in: One of our homes was broken into and several items were taken, some that included records of our consumers. This is a HIPAA violation as it is a breach of information.

O. Complete Meeting Evaluations

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

V. Human Resources

A. Human Resources Activity Summary for July 2012

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

1.	FY 2012-13 authorized positions	413
2.	Authorized positions on hold (not to be filled)	-49
3.	Active authorized positions	364
4.	Active positions filled	-355
5.	Open positions	9
6.	Monthly hiring activity: <ul style="list-style-type: none">▪ Vacant positions + 15▪ Separations: + 4▪ New hires: - 10	

The current annual turnover rate is 0.07%.

B. 4th Quarter Human Resources Report

During the 4th quarter of last fiscal year, the center had 49 positions on hold, 7 new hires, 1 promotion, and 4 separations for a quarterly turnover rate of 0.10%.

VI. Board Meeting Agenda Items

- A. Minutes of the July 25th Meeting
- B. Financial Report for June 2012
- C. 4th Quarter Human Resources Report
- * D. Approval to Pay Additional ARCA Dues
- * E. Approval of Changes to Board's Service Provider Insurance Policy
- F. Approval of Contracts
 - * 1. Irwin Weinstein, DDS
 - * 2. Sarla Karan, MD
- * G. Approval to Modify August 29th Committee Agenda

VII. Announcements / Information

A. Next Meeting: Wednesday, August 29th

VIII. Executive Session (Quarterly Legal Update)

The committee went into executive session at 8:03 p.m.

IX. Adjournment

Craig adjourned the meeting at 8:14 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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