

North Los Angeles County Regional Center  
**Administrative Affairs Committee Meeting Minutes**

January 28, 2015

**Present:** Dan Becerra, Jenean Glover, Debra Newman, and Tavia Wooley – Committee Members  
Ken Lane – Vendor Advisory Committee Representative  
Richard Bulosan and Amy Kwong – Lautze & Lautze  
Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

**Absent:** Dawn Hamilton

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**I. Call to Order & Introductions**

Dan called the meeting to order at 6:23 p.m. Introductions were made.

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

**III. Consent Items**

A. Approval of Revised Agenda

An executive session was added to item IV.A. so the auditors could speak with the committee members in private to answer any questions they had regarding the audit or the financial statement.

**M/S/C** (T. Wooley/D. Newman) To approve the revised agenda as modified.

B. Approval of Minutes from November 25, 2014 Meeting

**M/S/C** (D. Newman/T. Wooley) To approve the minutes as presented.

**IV. Committee Business**

A. Presentation of Audited Financial Statement

Roger Bulosan, director of client services, and Amy Kwong, certified public accountant, from Lautze & Lautze presented the center's FY 2013-14 audited financial statement and reviewed it with the committee page-by-page. There was only 1 finding: 3 Targeted Case Management (TCM) units were billed that weren't billable. This is a common finding and it has been reversed.

**M/S/C** (J. Glover/T. Wooley) To go into executive session at 6:46 p.m. to discuss the audit and audited financial statement with the auditors in private.

The executive session ended at 7:18 p.m. and the meeting resumed.

**M/S/C** (T. Wooley/J. Glover) To accept the audited financial statement as presented and to present it to the Board of Trustees for their acceptance.

**Action:** Once Kim receives the finalized audited financial statement, she will forward it to Jennifer who will mail it to the Board of Trustees, under separate cover, not with the board meeting packet.

B. Financial Report for December 2014

The center's operations budget is \$37,965,078 with no projected surplus or deficit. The purchase of service (POS) budget is \$281,732,353 with a projected deficit of \$32,754,543. The financial report also includes information about the center's administrative and direct operating expenses. Year to date, our operating expenses are at 13.4%, which is under the 15% administrative cost cap.

1. ARCA Summary of Regional Center POS Deficit Report

According to the report, all 21 regional centers are projecting a POS deficit for this fiscal year which collectively ranges between \$293.5 and \$321.3 million. This report also shows where each regional center is in relation to one another's POS budgets in the following categories:

- Projected POS deficit: NLACRC is 2<sup>nd</sup>
- Per capita by allocation: NLACRC is 13<sup>th</sup>
- Per capita by expenditures: NLACRC is 12<sup>th</sup>
- Percent deficit to contract: NLACRC is 4<sup>th</sup>
- Percent change to original SOAR: NLACRC is 12<sup>th</sup>

2. 2<sup>nd</sup> Quarter Financial Graphs

The graph showed no surplus or deficit in the beginning of the fiscal year because we had not completed our first Sufficiency of Allocation Report (SOAR). Starting in October, the projected POS deficit was between \$28.9 and \$32.8 million. In November, the graphs reflected a projected POS deficit between \$28.9 and 32.7 million.

C. Late Bill Report for December 2014

The late bills are averaging 16.75% which is nothing out of the ordinary.

D. Intermediate Care Facility State Plan Amendment (ICF/SPA) Summary

By fiscal year, the amount of cash disbursed by NLACRC, but not reimbursed by ICF providers, is:

1. FY 2014-15: \$2,671,813.52
2. FY 2013-14: \$ 111,763.55
3. FY 2012-13: \$ 66,540.18

E. Changes to DDS/Regional Center Contract

1. Board Contracting Policy
2. Board RFP Policy

Kim provided each committee member with an indexed booklet noting the contract changes and reviewed each change with them.

**Action:** Kim will seek a legal opinion regarding the contract changes, in the meantime, we will continue to follow policy.

**Action:** Kim will provide the results of the legal opinion at next month's committee meeting.

F. Approval of Contracts

1. DCC Staffing Services

**M/S/C** (J. Glover/D. Newman) To recommend to the Executive Committee to approve the contract with DCC Staffing Services, as presented.

2. Maxim Healthcare Services

**M/S/C** (J. Glover/T. Wooley) To recommend to the Executive Committee to approve the contract with Maxim Healthcare Services, as presented.

3. Therapeutic Living Centers for the Blind (Day Program)

**M/S/C** (D. Newman/T. Wooley) To recommend to the Executive Committee to approve the contract with Therapeutic Living Centers for the Blind, as presented.

4. Therapeutic Living Centers for the Blind (Residential/Other)

**M/S/C** (T. Wooley/D. Newman) To recommend to the Executive Committee to approve the contract with Therapeutic Living Centers for the Blind, as presented.

G. Human Resources

1. Monthly Report

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

1.	FY 2014-15 authorized positions	424
2.	Open positions on hold	0
3.	Open positions vacant	-30
4.	Separations	-7
5.	Sub-total	387
6.	New hires	6
7.	Positions filled	393

The current annual turnover rate is 0.15%. Michele reported that we are hiring new staff on a monthly basis. On February 7<sup>th</sup>, we will be bringing on 10 new service coordinators and on March 2<sup>nd</sup>, we will be bringing on 3 more.

2. 2<sup>nd</sup> Quarter Report

During the 2<sup>nd</sup> quarter of this fiscal year, the center had no positions on hold, 23 new hires, 3 promotions, and 7 separations for a quarterly turnover rate of 0.15%.

H. City National Bank (CNB) Update

CNB is going to be acquired by Royal Bank of Canada at the end of this year. We believe this change is a positive one and will enhance our opportunities. They will be keeping the current CNB chief executive officer.

I. Commercial Credit Cards

Kim wanted the committee to be aware that the center is going to provide credit cards to our 2 new directors, Yolanda Bosch and Ruth Janka, and we will also be

raising the collective limit of our directors' credit cards from \$38,000 to \$46,000. These credit cards are generally used for travel expenses.

## V. Items for the Next Board Meeting Agenda

The following items were identified for the committee's section of the February 11<sup>th</sup> board meeting:

- A. Minutes of January 28<sup>th</sup> Meeting
- B. Financial Report for December 2014
- C. 2<sup>nd</sup> Quarter Financial Graphs
- D. 2<sup>nd</sup> Quarter Human Resources Report
- E. Presentation & Acceptance of Audited Financial Statement

## VI. Announcements / Information

- A. Complete Meeting Evaluations

Dan asked the committee members to please complete their evaluation forms after the meeting and submit them to her with any comments.

- B. Next Meeting: Wednesday, February 25<sup>th</sup>, at 6:00 p.m.

## VII. Executive Session

- A. Quarterly Legal Update

**M/S/C** (J. Glover/D. Newman) To go into executive session at 8:15 p.m.

## VII. Adjournment

Dan adjourned the meeting at 8:36 p.m.

Submitted by,

*Jennifer Kaiser*

Jennifer Kaiser  
Executive Assistant

