

North Los Angeles County Regional Center  
**Administrative Affairs Committee Meeting Minutes**  
September 27, 2012

**Present:** Yolanda Bosch, Craig Girard, Jenean Glover, Eric Leh, and Katie Mead – Committee Members  
Ken Lane - Vendor Advisory Committee Representative  
Tim DePriest - Representative for Chapman Insurance  
Diane Ambrose, Liliana Windover, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

**Absent:** Sharoll Jackson

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**I. Call to Order & Introductions**

The meeting was called to order by Craig Girard, treasurer, at 6:00 p.m.

**II. Public Input**

Ken Lane announced that The Adult Skills Center will be celebrating its 25<sup>th</sup> anniversary on November 1, 2012. Kim Rolfes will be providing a brief presentation on the regional center at that event.

**III. Consent Items**

A. Approval of Revised Agenda

Copies of the revised agenda and additional handouts were provided to the committee. The revised agenda was approved as presented.

B. Approval of Minutes from August 29<sup>th</sup> Meeting

The minutes were approved as presented.

**IV. Committee Business**

A. Review of the Center's Insurance Coverage FY 2012-13

Tim DePriest, Managing Director at Chapman Insurance presented a summary of the center's insurance coverage and reviewed it with the members of this committee. This summary covered the type of policy, the policy term, limits, deductibles, and premiums. The center purchases our general/professional

liability, excess liability, directors & officers liability, property, excess crime and cyber liability insurance through Chapman.

Mr. DePriest indicated that Chapman insurance will ensure that the right coverage is always maintained by reviewing our current operational exposures during our annual renewal preparation meeting and via ongoing communication during the policy year. They will also ensure that insurance coverage and limits meet contractual requirements.

Kim also provided an overview of the center's earthquake, flood, and worker's compensation insurance, which is purchased through Brown & Brown. Our current premium for earthquake and flood insurance is \$23,192.42. Kim indicated that the center had its most significant change in the worker's compensation and employee liability. The current premium for this insurance is \$437,277.00. The bigger factor for the increase of this premium is the number of claims for FY 2009-10, FY 2010-11, and FY 2011-12. In addition, Kim provided a summary to the committee showing a comparison of this fiscal year's insurance policies versus last fiscal year. The center paid \$466,574.15 for insurance last fiscal year and will be paying \$668,926.42 this year, an increase of \$202,352.27.

- B. Review Committee's Action Log from FY 2011-12 – *Deferred*
- C. Review the Regional Center's Contract with DDS – *Deferred*

Kim indicated that the center has not received its D-1 Allocation, so this agenda item was deferred.

- D. Financial Report for August 2012
  - 1. Financial Report for August 2012

The financial report showed that the operations budget is \$33,461,002. The purchase of service (POS) budget is \$229,540,620. The POS projected annual expenditures will be adjusted in accordance with the sufficiency of allocation report (SOAR) that is due to be submitted to the Department of Developmental Services (DDS) in October 2012. The family resource center budget is \$122,721 for a total budget of \$263,124,343.

George indicated that there is a lot pressure from the legislature to create equity between regional centers in terms of POS utilization. The center is

looking at a \$3.5 million deficit out of last fiscal year. It is the center's philosophy that as long we comply with the trailer bill and regulations, we should continue doing what we are doing and providing needed services to clients as identified on their Individual Program Plans (IPPs).

2. Comparison of Operations Budgets: FY 2013 vs. FY 2012

Kim provided a comparison of the center's operations budget for FY 2013 vs. FY 2012. The D-1 allocation for FY 2013 for staffing is \$31,596,967. It is more than last fiscal because our center grew 1,000 cases last year. Operating expenses are a little bit less because last fiscal year DDS gave us money for a memory upgrade. For rent, the center received last year allocation, \$3,387,449. This year rent's allocation is the lessor of FY 2012 allocation or the rent reported in the May Revise. George stated that ARCA Finance Committee has put together a subcommittee to address the rent allocation. The total General Operations for FY 2013 is \$33,191,128 and the total for restricted funds is \$122,721. As per statute, the prevention program ended on June 30, 2012.

3. Comparison of POS Budget: FY 2013 vs. FY 2012

The total POS allocation for FY 2013 is \$229,540,620, which is \$3,741,340 more than last fiscal year.

E. Late Bill Report for August 2012

Copies of the late bill report were provided and reviewed. Vini reported that late bills are currently at 23.39%.

F. Contracts for Approval

1. Revised Contract Summary of Harbor Regional Center MOU

On September 12, 2012, Kim presented to the Board a First Amendment to the Memorandum of Understanding (MOU) between NLACRC and Harbor Regional Center to increase an existing funding amount from \$400,000 to \$500,000. The MOU, as amended, is for the development of one Specialized Residential Facility to serve consumers exiting the Lanterman Developmental Center. Following the Board of Trustees' approval of the first amendment to the MOU, NLACRC determined that the contract described as first amendment is in fact the only MOU in

existence and that the MOU has never been amended. Therefore, Kim prepared the revised contract summary which identifies the MOU as a new MOU rather than a first amendment and clarifies that the MOU is a \$500,000 contract. Kim requested the Administrative Affairs Committee to recommend that the Executive Committee approve the MOU as describe on the Revised Contract Summary.

**M/S/C** (Y. Bosch/K. Mead) To approve presenting the revised contract summary as a new MOU, rather than a first amendment, to the Executive Committee for approval.

2. Specialized Residential Facility Agreement with National Support Services

This is an outgoing contract with National Support Services which will be effective beginning October 1, 2012. They were awarded community placement plan (CPP) start-up funds to open a home to serve consumers coming out of Lanterman Development Center. We are still looking at the rate for the consumers. Kim wanted to know if this committee would be comfortable to allow her to take this contract directly to the Board in October rather than waiting to present it to the next Administrative Affairs meeting because she anticipates she will have a rate negotiated by that time. Once the contract is executed, they can immediately start serving consumers in October.

**Action:** The committee approved Kim to present the contract with National Support Services to the board for approval at next month's board meeting.

G. Post-Retirement Medical Trust (PRMT) Update

Kim presented an actuarial analysis summary for FY 2011-12. She reported that based on the economic assumptions described in the summary provided to this committee, our actuary has determined that NLACRC's unfunded other post-employment benefits has increased by \$9,020,743.

H. Service Provider Updates

Kim received notification from a provider that due to economic reasons, they will be closing 2 of their programs (adaptive skills and behavioral assistance) effective December 31<sup>st</sup>. We have a total of 21 consumers that will be impacted by these closures. We are in the process of transitioning these consumers to other

programs. A letter was sent to a provider in August letting them know that that the center intended to terminate their contract. We had awarded them start-up funds. They never received any of the money but never implemented any part of their contract. This contract was officially terminated on September 14, 2012. Funds will be reverted back to the state.

I. Human Resources

1. Activity Summary for September 2012

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

1.	FY 2012-13 authorized positions	412
2.	Authorized positions on hold (not to be filled)	-45
3.	Active authorized positions	367
4.	Active positions filled	-340
5.	Open positions	27
6.	Monthly hiring activity	
	Vacant positions	23
	Separations:	7
	New hires:	3

The current annual turnover rate is 0.17%.

2. 1st Quarter Human Resources Report

During the 1<sup>st</sup> quarter of this fiscal year, the center had 45 positions on hold, 13 new hires, 1 promotion, and 12 separations for a quarterly turnover rate of 0.29%.

3. Health Care Resolution

Michele reported that the California Public Employee Retirement System (CalPERS) requires us to submit a Health Care Resolution anytime we make a change to the employer's contribution for healthcare. In accordance with our collective bargaining agreement with the union and with the increase of CalPERS premium of Blue Shield, we are changing the 1-party coverage for all employees to meet the increase. Everything else remains the same.

**M/S/C** (J.Glover/K. Mead) To present the Health Care Resolution to the Board for their approval.

J. Santa Clarita Lease Update

Kim reported that the lease for our Santa Clarita office will expire on June 2013. Kim and George met with Brian Davies, our realtor, on September 17, 2012 regarding this lease. Mr. Davies will be providing our options for renewal.

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

- A. Minutes of the September 27th Meeting
- B. Financial Report for August 2012
- C. 4th Quarter Human Resources Report
- \* D. Approval of Specialized Residential Facility Agreement with National Support Services
- E. Health Care Resolution

**VI. Announcements / Information**

A. Complete Meeting Evaluations

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

B. Next Meeting: Wednesday, October 24<sup>th</sup>, at 6:15 p.m.

**VII. Adjournment**

Craig adjourned the meeting at 7:05 p.m.

Submitted by,

*Liliana Windover*

Liliana Windover  
Executive Administrative Assistant

[aamin.sep27.2012]



\* *A board action item.*