

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

January 29, 2014

Present: Yolanda Bosch (via polycom), Craig Girard, Jenean Glover, Sharoll Jackson (via polycom), Eric Leh (via polycom), and Meredith Rimmer – Committee Members
Richard Dier – Guest
Ken Lane – Vendor Advisory Committee Representative
Diane Ambrose, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

Absent: All present

I. Call to Order & Introductions

Meredith called the meeting to order at 6:20 p.m. and introductions were made.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

M/S/C (J. Glover/C. Girard) To approve the revised agenda as presented.

B. Approval of Minutes from November 26th Meeting

M/S/C (J. Glover/C. Girard) To approve the minutes as presented.

IV. Presentation of Audited Financial Statement (Roger Bulosan, Lautze & Lautze)

Mr. Bulosan provided the committee with a copy of a PowerPoint presentation on the highlights of the Year Ended June 30, 2012 financial statements along with the full draft of the financial statement and reviewed both documents, in detail, with the committee. The center had a clean, unqualified audit with no material weaknesses found. In addition, there were no significant deficits to report on the center's internal controls.

M/S/C (J. Glover/C. Girard) To accept the audited financial statement as presented and to present it to the full board at the February 12th board meeting.

V. Executive Session (private meeting between committee members and auditor)

The committee held an executive session with the auditor from 6:42 to 7:12 p.m.

VI. Committee Business

A. Financial Report for December 2013

The financial report showed that the operations budget is \$36,532,026 with projected expenses in the same amount, leaving no surplus or deficit. The purchase of service (POS) budget is \$247,338,119 with projected expenses of \$292,807,855, leaving a deficit of \$45,469,736 (in the worst case) and \$41,002,850 (in the best case).

1. Letter to Mike Wilkening, Acting Director, DDS

Kim presented a draft letter to DDS regarding the center's POS deficit and cash flow situation.

M/S/C (C. Girard/J. Glover) To approve the letter to DDS as presented and to present it to the Executive Committee for approval on behalf of the Board of Trustees.

2. DDS Quarterly Report

This report showed the total amount of operations and POS funds that DDS included in the regional centers' E-2 allocations.

3. Statewide Regional Center POS Report

Copies of the report were provided to the committee and Kim reviewed it with them. The 21 regional centers are projecting a collective POS deficit for this fiscal year between \$310.8 and 342.2 million. These figures are based upon the Sufficiency of Allocation Reports (SOARs) that the regional centers submitted to the Department of Developmental Services (DDS) on December 10, 2013. This report shows where each regional center is in relation to one another's POS budgets in the following categories:

- Projected POS deficit: NLACRC is the highest.
- Per Capita by Allocation: NLACRC is 13th.
- Per Capita by Expenditures: NLACRC is 11th.
- Percent Deficit to Contract: NLACRC is 2nd.

B. Late Bill Report for December 2013

The late bills are averaging about 17.9% which is not unusual. One of our transportation providers submitted their bill late in October which slightly increased the percentage.

C. Intermediate Care Facility (ICF) State Plan Amendment (SPA) Summary for December 2013

The report showed that the total cash actually disbursed by NLACRC but not reimbursed by ICFs is \$3,149,816.89.

D. Contracts for Approval

1. CPES Fifth Amendment to Service Development Agreement

M/S/C (C. Girard/J. Glover) To recommend to the Board of Trustees to approve the contract with Community Provider of Enrichment Services (CPES) in the amount of \$500,000.

2. Pediatric Physical Therapy of Santa Clarita, P.C. Services Agreement

M/S/C (J. Glover/C. Girard) To recommend to the Board of Trustees to approve the contract with Pediatric Physical Therapy of Santa Clarita in the amount of \$675,000.

3. Creative Minds ADP, Inc., Agreement for Supported Living Services

M/S/C (J. Glover/C. Girard) To recommend to the Board of Trustees to approve the contract with Creative Minds ADP in the amount of \$1,736,232.

4. LIFENVEST, Inc., Agreement for Supported Living Services

M/S/C (C. Girard/J. Glover) To recommend to the Board of Trustees to approve the contract with LIFENVEST in the amount of \$2,545,368.

E. New DDS Contract Language

New language has been added to the DDS/regional center contracts outlining procedures for shared vendors and case management responsibility. Copies of the contract language were provided to the committee.

F. Human Resources

1. Activity Summary for January 2014

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

| | | |
|----|---|------|
| 1. | FY 2013-14 authorized positions | 414 |
| 2. | Authorized positions on hold (not to be filled) | -24 |
| 3. | Active authorized positions | 390 |
| 4. | Active positions filled | -370 |
| 5. | Open positions vacant | 20 |
| 6. | <u>Monthly hiring activity</u> | |
| | ▪ Vacant positions: 20 | |
| | ▪ Separations: <u>+ 2</u> | |
| | | 22 |
| | ▪ New hires: <u>- 5</u> | |
| | | 17 |

The current annual turnover rate is 0.05%.

2. 2nd Quarter Human Resources Report

During the 2nd quarter of this fiscal year, the center had 29 positions on hold, 4 new hires, 2 promotions, and 8 separations for a quarterly turnover rate of 0.18%.

G. Contract with Southland Transit

Kim reported that we have been unable to execute a contract with Southland for several reasons. Southland is required to have an annual independent audit done and they are appealing this requirement because it is cost-prohibitive for them. In addition, they have reported they do not intend to purchase the additional vehicles needed until after a decision is made on their appeal. Additionally, Southland has not submitted their program design, proof of insurance, or the business associate agreement. Kim presented a draft notice that NLACRC planned to send Southland asking Southland to comply with the terms of the contract that was negotiated in October 2013. If Southland is not willing to execute the contract under the terms originally negotiated with Southland, NLACRC may need to seek an alternative transportation provider. Copies of the

notice were provided to the committee. Southland currently provides transportation for 25 routes and serves over 500 consumers.

H. 2014 NIAC and NANI Board of Directors Elections

We purchase liability insurance through the Nonprofit Insurance Alliance of California. As such, they are asking us to participate in the election of their Board of Directors and sent us a ballot to complete. The committee did not think it was necessary for the center to submit a ballot and we know nothing about the candidates.

VII. Items for the Next Board Meeting Agenda

The following items were identified for the February 12th board meeting agenda:

- A. Minutes of January 29th Meeting
- B. Financial Report for December 2013
- C. 2nd Quarter Human Resources Report
- * D. Acceptance of Audited Financial Statement
- * E. Contracts for Approval

VIII. Announcements / Information

A. Complete Meeting Evaluations

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

- B. Next Meeting:** Wednesday, February 26th, at 6:00 p.m.

IX. Executive Session (Quarterly Legal Update)

The committee went into executive session at 7:52 p.m.

X. Adjournment

Meredith adjourned the meeting at 7:57 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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