

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

July 30, 2014

Present: Dan Becerra and Jenean Glover – Committee Members
Tavia Wooley – Board Member
Ken Lane – Vendor Advisory Committee Representative
Tony Arrow and Roger Bulosan – Lautze & Lautze (via teleconference)
Diane Ambrose, Jennifer Kaiser, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

Absent: Dawn Hamilton and Debra Newman

I. Call to Order & Introductions

Dan called the meeting to order at 6:41 p.m.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

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

B. Approval of Minutes from May 28th Meeting

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

IV. Committee Business

A. Executive Session: Lautze & Lautze Entrance Interview (45 minutes)

Tony Arrow and Roger Bulosan called into the meeting and provided asked staff several questions, including any possible changes that have been made to:

1. The center operations or purchase of service (POS) budgets.
2. Hiring
3. Service coordinator caseloads
4. Cash receipts or disbursements
5. Key staff positions

Lautze & Lautze, who have been the center's auditors for the last 3 years, will be conducting their annual audit of FY 2013-14 in September and October.

M/S/C (D. Becerra/J. Glover) To go into executive session at 6:54 p.m. to allow the committee members to ask the auditors questions without any staff present. The executive session ended at 7:13 p.m.

B. Annual Committee Orientation

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

Action: The committee members should take time to review these committee-related documents and contact Kim with any questions.

C. Review Approved Critical Calendar for FY 2014-15

Copies of the committee's critical calendar for this fiscal year were provided. Kim explained that the calendar holds critical actions that need to be taken by the committee each month; these actions will be added to the committee meeting agendas.

D. FY 2013-14 Committee Action Log

At the beginning of each fiscal year, the board committees review their action logs from the previous fiscal year. The action log lists all of the formal actions that were taken by the committee during the previous fiscal year. It is provided to help new committee members understand the types of decisions that were made by the committee members before them. The types of actions that the committee will take this fiscal year will probably mirror those actions that were taken last fiscal year. Copies of the action log were provided for the committee's review.

E. Financial Report

The operations budget is \$36,557,741 with no projected surplus or deficit. The POS budget is \$304,444,217 with projected expenses of \$321,254,493, leaving a deficit of \$16,810,276 (a decrease of nearly \$6 million since the last report). We anticipate receiving another allocation from the Department of Developmental Services (DDS) sometime next month. The financial report also includes information about the center's administrative and direct operating expenses; year

to date, our operating expenses are at 13.34% which is within the 15% administrative cost cap.

F. ARCA Statewide Regional Center POS Report

According to the report, 20 of the 21 regional centers are projecting a POS deficit for last fiscal year which collectively ranges between \$102.4 and \$106.9 million. This report also shows where each regional center is in relation to one another's POS budgets in the following categories:

1. Projected POS deficit: NLACRC is the highest.
2. Per capita by allocation: NLACRC is 13th.
3. Per capita by expenditures: NLACRC is 13th.
4. Percent deficit to contract: NLACRC is 2nd.
5. Percent change to original SOAR: NLACRC is 7th

G. Late Bill Report

Copies of the late bill report were provided. The late bills are currently at 18.08% which is typical. Since we implemented the electronic billing system, our service providers have generally submitted their bills to us in a timely manner.

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

The ICF/SPA summary was provided. Currently, the total amount of cash disbursed by NLACRC, in FY 2013-14, but not reimbursed by ICF providers is \$2,778,437.30, which is slightly higher than the last report. Also, we still have an outstanding amount of \$186,774.14 for FY 2012-13, which needs to be addressed before we have to close out that fiscal year. We have asked DDS to offset the ICFs' Medi-Cal payment, but so far they have not taken this action to collect the outstanding funds due.

I. Approval of Contracts

Kim explained that because the board was "dark" for a month, she would like this committee to recommend that the Executive Committee approve these contracts on behalf of the Board of Trustees. The committee agreed.

1. Pathpoint

M/S/C (D. Becerra/J. Glover) To recommend that the Executive Committee approve the contract with Pathpoint, in the amount of \$2,319,540 over the contract term, on behalf of the Board of Trustees.

2. PCS North Los Angeles, LLC

M/S/C (J. Glover/D. Becerra) To recommend that the Executive Committee approve the contract with PCS North Los Angeles, LLC, in the amount of \$3,501,150 over the contract term, on behalf of the Board of Trustees.

3. PCS Antelope Valley, LLC

M/S/C (J. Glover/D. Becerra) To recommend that the Executive Committee approve the contract with PCS Antelope Valley, LLC, in the amount of \$1,705,647 over the contract term, on behalf of the Board of Trustees.

4. ELWYN California

M/S/C (D. Becerra/J. Glover) To recommend that the Executive Committee approve the contract with ELWYN California, in the amount of \$6,349,385 over the contract term, on behalf of the Board of Trustees.

5. Choosing Independence, Inc.

M/S/C (D. Becerra/J. Glover) To recommend that the Executive Committee approve the contract with Choosing Independence, Inc., in the amount of \$3,020,079 over the contract term, on behalf of the Board of Trustees.

6. Samuel and Aliza Korn

M/S/C (D. Becerra/J. Glover) To recommend that the Executive Committee approve the contract with Samuel and Aliza Korn, in the amount of \$627,035 over the contract term, on behalf of the Board of Trustees.

J. Human Resources Reports

1. Monthly Report

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

1.	FY 2014-15 authorized positions	414
2.	Open positions on hold	-9
3.	Open positions vacant	-24
4.	Separations	-4
5.	Sub-total	377
6.	New hires	0
7.	Positions filled as of April 30, 2014	377

The current annual turnover rate is 0.09%. George reported staff are in the process of developing our staffing plan for FY 2014-15 and it will be presented at next month's committee meeting.

2. 4th Quarter Report (FY 2013-14 Year End Report)

During the 4th quarter of last fiscal year, the center had 9 positions on hold, 26 new hires, 3 promotions, and 15 separations for a quarterly turnover rate of 0.33%.

George stated that the center would have begun hiring earlier in the fiscal year, but DDS under-funded our operations budget by \$1.9 million, which delayed our ability to hire. George added that in order to meet the required caseload ratios, the center would need to hire 90 additional service coordinators, which we are not funded to do.

K. DDS Audit

DDS conducted an audit on the center for FY 2011-12 and FY 2012-13 and we received the final audit report in June 2014. Copies of the final audit report, and the center's response to it, were provided to the committee for their review. The audit report has been posted on the center's website.

L. Service Provider Issues

1. We received a request from a public relations firm seeking information on a provider in regards to an article that they planned to release in the Examiner. The provider in question was not a vendored service provider and when we tried to return the call from the public relations firm, the

individual's mailbox was full. George wanted the committee to be informed of this request.

2. We recently closed a residential facility in the Antelope Valley due to numerous health and safety issues. We provided them a 1-day notice and moved all of the consumers to another facility. This provider is appealing our decision.

V. Items for the Next Board Meeting Agenda

The following agenda items were identified for the Administrative Affairs' section of the August 13th board meeting:

- A. Minutes of July 30th Meeting
- B. Financial Report for June 2014
- C. 4th Quarter Human Resources Report

VI. Announcements / Information

- A. Complete Meeting Evaluations

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

- B. Next Meeting: Wednesday, August 27th, at 6:00 p.m.

VII. Executive Session

- A. Quarterly Legal Update

VIII. Adjournment

Dan adjourned the meeting at 8:50 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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