

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

August 31, 2022

Present: David Coe (Chair), Alma Rodriguez, Ana Quiles, Lillian Martinez, Rocio Sigala, Bob Erio, Angelina Martinez – Committee Members

Liliana Windover, Lizeth Chavez, Vini Montague, Ruth Janka, Clarence Foster, Evelyn McOmie, Cristina Preuss, Dr. Michael Fernandez, Tiffani Jones-Newman – Staff Members

Isabel Romero-Interpreter, Nancy Gallardo- Interpreter, Dolly Sharma-Minutes Services, Simone Khanna-Gallagher Insurance, Lety Garcia - Guests

Absent:

I. Call to Order & Introductions

David Coe called the meeting to order at 6:02 pm.

The Committee and NLACRC Staff Members introduced themselves, Guests introduced themselves in the chat.

II. Public Input

No public input

III. Consent Items

A. Approval of Agenda – (Page 2)

Under Committee Business, Leticia Garcia requested moving Item G: Approval of Contracts to be reviewed as Item B. All items following will be adjusted accordingly.

M/S/C (R. Sigala/A. Quiles) To approve the Agenda as revised.

B. Approval of Minutes of the July 27, 2022 Meeting – (Page 4)

M/S/C (A.Quiles/L.Martinez) To approve the July 27th Meeting Minutes as presented.

IV. Committee Business

A. Review Center's Insurance Coverage for FY 2022-23 – Gallagher Insurance (Page 13)
Vini introduced Simone Khanna from Gallagher Insurance who will be presenting information related to Insurance Coverage. Insurance policies coincides with July 1st to June 30th. July 1st started a new policy that Simone will review as presented in the

packet.

The majority of NLA's insurance coverage is provided by Non-Profit Insurance Alliance of California (NIAC). NIAC is the most affordable and broadest coverage and specializes in the non-profit sector. NIAC has been used by NLA for many years and each year, Gallagher takes a strategic approach to determine the best insurance policy and NIAC has been a great partner over the years. NIAC covers policies for General/Professional Liability, Automobile Liability, Director's and Officers and Umbrella Liability.

Property Insurance is covered by Great American. Great American offers property insurance that does not require a General Liability policy in order to carry the Property coverage. Pricing has been consistent through the pandemic and through the nature of the non-profit sector.

Earthquake and Flood Coverage is provided by Evanston, provides up to \$5 million per each claim and aggregate. Fiduciary Liability is provided by Hudson, provides up to \$1 million for each claim and aggregate

Cyber Liability is provided by Beazley/Lloyds, this includes up to \$1 million for each categories including Cyber Incident Response, Business Interruption, Digital Data Recovery, Network Extortion, Cyber Privacy and Network Liability, Payment Card Loss, Media Liability and Social Engineering Fraud. Cyber insurance has increased since COVID due to the spike in cybercrimes.

Employed Lawyers Professional Liability is provided by Philadelphia, covers \$1 million per claim and aggregate and Worker's Compensation is provided by Quality Comp. The total cost for all insurance policies is \$977,673.

Simone outlined the 2022-23 Renewal Changes which include:

- Increase in claims for Property resulted in rate increase (impacts Property premium)
- Number of Employees increased 10% from 613 to 677 (impacts Liability, Crime premium)
- Revenues increased by 13% increase from \$572M to \$645M (impacts Cyber, and Liability premiums)
- Experience Modification increased by 8% - from 308% to 333% (impacts Workers' Compensation premium)
- Payroll increased by 27% - from \$34,386,271 to \$43,762,825 (impacts Workers' Compensation premium)

B. Approval of Contracts– Vini Montague

Vini reviewed the contract as presented in the packet.

1. Jaravata Northridge Home PL2122-109 (*Page 60*)
POS Contract – Provides Supplemental Residential Services Program Support
5-year contract effective September 1, 2022 through August 31, 2027

Projected total contract amount is \$1,860,736.20
Projected to serve 3 consumers per month.

M/S/C (A. Quiles/L. Garcia) To approve POS Contracts PL2122-109 as presented. It was also decided to review this contract at the August 31st Executive Committee Meeting.

C. Financial Reports – Vini Montague

1. FY2021-2022 Financial Report (*Attachment 1*)

Vini reviewed the information from this report as presented in the packet.

Expenses through June 2022 - \$13,386

YTD Expenditures- \$663,257,053

Projected Annual Expenditures - \$692,190,619

Projected Annual Surplus- \$39,547,773

The Administrative vs. Direct Allocation Report percentage should be below 15% annually, currently at 14.5%

2. FY2021-2022 Summary of Regional Centers PEP Report (*Page 19*)

Vini reviewed the information from this report as presented in the packet.

Projected Deficit/Surplus - \$41,463,886 NLA ranks #13 among Regional Centers.

Percent of Deficit to Contact- 6.29% NLA ranks #4 in this category.

3. FY2022-2023 Financial Report (*Attachment 2*)

Preliminary Budget - \$656,642,383

Monthly Expenditures for July - \$45,527,399

YTD Expenditures - \$47,263,697

Currently no projection for surplus/deficit as POS Expenditures Projections will be done in December.

Administrative vs. Direct Allocation Report percentage should be below 15% annually, currently at 16.4%. This will be monitored but is not currently of concern as this FY has just begun.

4. Social Recreation, Camp and Non-Medical Therapies Service Report (*Page 21*)

This report lists the current number of authorizations in the system. There is currently 7 authorizations total. Payments have only been issued for the service month of July thus far. There are around 50 authorizations and payment agreements that are in various phases of processing.

Evelyn McOmie explained that there are currently 33 applications that have not been submitted. Some delays in submission are due to apprehension on the part of the families to provide their Social Security Number. The SSN is obtained for OIG clearance, which is required to check for any previous fraud. After clearance, a payment agreement is signed and the application is sent to accounting for verification. This Service Code became live May 24, 2022. In an ideal situation, reimbursement is issued within 6-8 weeks.

Ana Quiles stated that any time a family has an expenditure from their budget to provide services that NLA is responsible for and has the means to do so, the reimbursement should be expedited in the best interest of the families. She recommended analysis of the process and what other mechanisms can be used to make accessing services in an easier manner. Evelyn stated that solutions to this issue are currently being vetted by DDS. Evelyn will pull data to analyze where delays are happening in each area at any step and report it back to the Committee at the next Committee Meeting along with proposed solutions to overcome the barriers.

Rocio Sigala suggested the creation of an informative visual that explains the process and the importance of compliance with the OIG check. The infographic can also include vendor and service information.

- D. Regional Center's Contract with DDS – (Page 22)
There were no significant changes to the contract. The contract as presented in the packet shows edits that were made, including verbiage for guidelines that are required. Anything that is underlined were moved from General Provisions to an attachment. Vini stated that the Gender Identity clause is specific to what the state can and cannot do under the public codes.
- E. 4th Quarter Report on US Bank Transactions (PRMT) (Page 43)
For the Post-Retirement Medical Trust account, total quarterly fees were \$32,179.28.
- F. 4th Quarter Report on US Bank and Highmark Transactions (UAL) (Page 46)
For the CalPERS Unfunded Trust account, total quarterly fees were \$13,178.34.
- G. Review FY 2020-21 Action Log - Ruth Janka (Page 47)
This report outlines the actions taken by the Committee in the previous Fiscal Year and is presented in the packet.
1. Revision of Critical Calendar (Page 58)
For future years, Ruth recommends moving this agenda item to the Annual Orientation in August on the Critical Calendar. Action Item Reviews for this Committee will be conducted at the beginning of the Fiscal Year.
- M/S/C** (A. Quiles/A. Rodriguez) To approve the updated Critical Calendar.
- H. Executed Contracts by NLACRC
Vini reviewed 2 Executed Contracts as presented in the packet.
1. No Report: Minimum Wage Increase
 2. No Report: POS Contract Renewals
 3. No Report: Addition of new Sub-Code to existing POS Contract
 4. No Report: Health and Safety Exemptions approved by DDS
 5. No Report: Addition of CIE and PIP Services to Existing POS Contract
 6. New POS Service Contracts related to COVID-19 (Page 65)

7. Addition of COVID-19 Sub-Code to Existing POS Contracts (*Page 66*)
8. No Report: Service Provider Revision to Existing Program Design
9. No Report: April 1, 2022 Rate Increase
10. No Report: May 11, 2022 ESBH Consumer Cost Changes

I. Family Resource Center Antelope Valley - Vini Montague (*Attachment 3*)

Concerns were raised in regards to staffing in Antelope Valley. Vini shared that staff is on-site 2 days per week, working from home 3 days per week. This schedule will rotate between multiple groups to ensure that there will be staff on site at least 4 days per week.

California State University Northridge (CSUN) has an Advisory Committee that meets bi-annually. The next meeting will take place on September 16th and an invitation has been extended to NLA Board Members to attend this meeting. David Coe stated that it could be considered that CSUN report out at future Committee Meetings. Ana Quiles recommended a meeting with CSUN outside of Committee/Board Meetings to allow enough time for discussion. The Committee should also consider a Prep Meeting to outline key questions for the CSUN meeting. Lizeth Chavez will contact CSUN to set up this meeting. David Coe also recommends Board Support assistance in gathering questions from the Board/Committee Members and relaying information to CSUN.

J. Procurement Policy - Vini Montague (*Page 67*)

Vini reviewed the framework of the policy as presented in the packet. Highlights include:
Single or sole source vendors allowable in the following situations:

1. Monopolistic environments
2. Emergencies
3. IT or Specialized Expertise
4. Compatibility Reasons
5. Maintenance or repair vendors preferred by clients
6. Contracts under \$100,000

Vini asked for feedback from the Committee for potential amendments. Ana Quiles proposed that items 1, 4, 5 and 6 be removed from this list for reasons that will allow vendor opportunities to be more easily accessed to the community. Ana also asked that data for previous contract amounts be provided to the Committee and that data related to upcoming vendor expirations to be posted on NLA's website to inform the community that proposals can soon be submitted. Vini will look into the previous contract amounts and report at the next Committee Meeting.

K. Board Contract Policy - Vini Montague (*Page 68*)

Vini presented the revised policy with the edits recommended by the Committee at a previous meeting. The Committee is being asked to approve the policy for presentation to the Board.

M/S/C (A. Quiles/R. Sigala) To approve the revised Board Contract Policy for presentation to the Board.

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

1. ICF/SPA Billing Summary (*Attachment 4*)

Vini reviewed the report as presented in the packet.

Negative cash impact from ICF/SPA program for FY 2022 is \$650,405.

For FY 2021, the negative cash impact was \$2,214,000.

2. ICF/SPA Receivables (*Attachment 5*)

This report reflects change in Outstanding Total Receivables from month-to-month. From July to August, there have been an increase in total receivables by 16.9%.

M. Human Resources – Clarence Foster

1. Ensure personnel policies in compliance with DDS contract

Clarence reviewed the 9 policies that have been updated to comply with DDS requirements:

- a. Maintain personnel records and practices
- b. Comply with applicable state federal law related to child and family support enforcements
- c. Zero harassment tolerance policy, mandatory training for all NLA Staff
- d. Whistleblower policy
- e. Payment recruit benefits
- f. Use state funds to promote to assist, promote and deter union organizing
- g. Employee Retention Requirements
- h. Mandated reporting, child abuse training
- i. HIPAA Acknowledgement

2. Monthly Human Resource Report - (*Page 71*)

Clarence reviewed the report as presented in the packet for June. Categories were modified per requests from the Board. Highlights include:

Overall On Hold Positions - 5

Open Positions Vacant - 78

Positions Filled as of June 30 - 610

FY21-22 Authorized Positions - 692

% Filled - 88.15%

New Hires as of June 30 - 12

Separations as of June 30 - 11

Annual Turnover Rate - 0.18%

San Fernando Open Positions - 56

Antelope Valley Open Positions - 16

Santa Clarita Open Positions - 6

Clarence reviewed the report as presented in the packet for July. Highlights include:

Overall On Hold Positions - 6
Open Positions Vacant - 88
Positions Filled as of July 30 - 608
FY22-23 Authorized Positions - 703
% Filled - 86.49%
New Hires as of July 31 - 12
Separations as of July 31 - 13
Annual Turnover Rate - 0.18%
San Fernando Open Positions - 58
Antelope Valley Open Positions - 22
Santa Clarita Open Positions - 5

Leticia Garcia recommended an amendment to the current qualifications for CSCs. Current requirements are a Bachelor's Degree plus 2 years of work experience. Leticia proposed the removal of the work experience requirement to attract more candidates in an entry-level position. Clarence stated that he will reach out to the ELT Team to further discuss the qualifications for CSCs as well as more part-time positions that can could accommodate a wider variety of candidates. Clarence will also report back data to the Committee in regards to job fairs.

3. 4th Quarter Human Resources Report - (*Page 73*)

Clarence reviewed the report as presented in the packet. Highlights include:

New Hires-43
Promotions-11
Separations-41
Quarterly Turnover Rate- 0.19%

Clarence stated that HR is reviewing a number of potential barriers to lower turnover rates. Leadership Training will be part of the solution to turnover.

4. Personnel Classification/Salary Schedule Update

Clarence reported that all job descriptions have now been linked to the job application for better clarification of the position's duties and qualifications.

N. Equity Report Matrix Update – *deferred*

This document is included in the packet for the Committee's Review. Discussion on this item will take place at the next Committee Meeting.

V. Review of Meeting Action Items

- A. Administrative Affairs Committee Action Log (*Page 74*)
- B. Social Recreation, Camp and Non-Medical Therapies Report: Analyze data related to delays in the Social Rec application process and propose solutions to barriers. (Evelyn McOmie, due by next Committee Meeting)
- C. Family Resource Center Antelope Valley: Schedule Meet and Greet, provide Committee Members with updates/solicit feedback via Board Support (Lizeth

- Chavez, by next Committee Meeting)
- D. Procurement Policy: Determine previous contact amounts to present to Committee (Vini Montague, by next Committee Meeting)
 - E. Human Resource Updates: Discuss CSC Qualifications and Part-Time Positions with ELT Team (Clarence Foster, by next Committee Meeting)

VI. Board Meeting Agenda Items

The following items were identified for the committee's section of the August 10th Board Meeting agenda:

- A. Minutes of the August 31st Meeting
- B. FY2021-22 Financial Report
- C. Approval of Contracts moved to Executive Committee
- D. Monthly Human Resources Report
- E. Board Contract Policy

VII. Announcements / Information Items / Public Input

- A. Next Meeting: Wednesday, September 28th, 2022 at 6:00 pm
- B. Committee Attendance - (Page 77)

No public input

VIII. Adjournment

David Coe, Committee Chair, adjourned the meeting at 8:00 p.m.

Submitted by:

(*) *Lizeth Chavez*

Executive Administrative Assistant

() The majority of these minutes are taken from the Minutes Service submission and reviewed/edited as presented herein by NLACRC staff.*