

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes
February 23, 2022

Present: Ana Quiles, Marianne Davis, Leticia Garcia and Lillian Martinez -
Committee Members

Angelina Martinez, Tom Huey/Windes, Jeffrey Ehlers/Windes- Guests

Ruth Janka, Michele Marra Alan Darby, Dr. Jesse Weller, Vini
Montague, Liz Chavez, Liliana Windover– Staff Members

Nancy Gallardo – Interpreter
Isabel Romero - Interpreter
Christianah Adeyemi - Minute Solutions

Absent: Jeremy Sunderland, Committee Member
Kevin Shields – VAC Representative

I. Call to Order & Introductions

Ana Quiles, Chair for this committee, called the meeting to order at 6:00 p.m.
and called for introductions.

II. Public Input

No public input was received.

III. Consent Items

- A. Approval of Agenda
To add a new agenda item under Section VI, H – Respite Billing
M/S/C (L. Garcia/L. Martinez) To approve agenda as amended.

- B. Approval of Minutes from the January 26, 2022 Meeting

M/S/C (L. Garcia/L. Martinez) To approve the minutes from January 26, 2022 meeting.

IV. Windes Presentation of NLACRC's FY 2020-21 Audited Financial Statements – Tom Huey

Tom Huey, Windes Auditor, presented the annual audited financial statements presentation for the fiscal year ended June 30, 2020 and 2021.

Tom highlighted vital variances in the statement of financial position. He stated that receivables and prepaid expenses increased from \$1,827,933 in 2020 to \$16,296,707 in 2021 due to the post-retirement benefit income and pension plans. He indicated that the Corporation had obtained a loan of \$1,301,694 in 2021 to finance Antelope Valley facility equipment and the receivables from DDS would offset the loan.

The deferred revenue of \$116,914 is the remainder of a grant utilized to purchase laptops for employees. Tom Huey reported a gain of \$40,621,119 in post-retirement benefit income and pension plans due to a favorable investment portfolio. This is the last year that services would be provided for the next 5 years as this term has expired and per DDS a new CPA must be obtained.

Tom Huey reported no deficiencies in the financial statements.

V. Executive Session

A. Windes Meeting with Committee Members – Tom Huey

M/S/C (L. Martinez/M. Davis) To go into executive session at 6:34 p.m.

M/S/C (M. Davis/L. Martinez) To end executive session at 6:42 p.m.

VI. Committee Business

A. FY2021-22 Reports

1. FY2021-2022 Financial Report – Alan Darby

Alan presented the financial statements for the service month of January 2022.

Alan noted that total monthly expenses for the month of January was \$51,440,167. In that number, Purchase of Service (POS) expenses totaled \$47,126,234 and Operations (OPS) expenses totaled \$4,313,935.

Total year-to-date expenditures, from July 1, 2021 to January 31, 2022 have totaled \$359,854,437. That is a POS total of \$327,000,000 and an OPS total of \$32,790,000.

As a reminder, the annual percentage of Administrative expenses versus Direct expenses must be below 15%. As of February 17, 2022, the percentage of Administrative expenses versus Direct allocation expenses stood was 14.2%. This is a slight decrease (.1%) from the last report in January when the percentage was 14.3%

2. Summary of Regional Centers PEP Report – Vini Montague

Vini reported that the Corporation has a projected surplus of \$40,676,157, ranking twelfth (12th) among other regional centers. The per capita allocation and expenditure are \$22,896 and \$21,467 ranking number eleventh (11th). She added that the original PEP projection had decreased slightly by 0.40%.

3. COVID-19 Related Expenditures Report as of February 3, 2022 – Vini Montague

Vini noted that the projected COVID-19 related expenditures for the fiscal year 2020 for operations were \$171,696.98, and the purchase of services (POS) was at \$19,959,331.20. For 2021, the projected expenditure was \$653,346.75 and the POS was at \$72,320,323.84. The projected expenditure for the current fiscal year of 2022 is \$462,450.00, and the projections for POS is at \$47,699,153.10.

4. Statewide Regional Center COVID-19 Related Expenses & CARES Act Funding – *Vini Montague*

The Corporation Provider Relief Funds received and spent by December 31st is totaling \$991,273.

B. Update on Personnel & Administrative Services Report – Vini Montague

Vini reported that the Executive Director Compensation report was due on January 28, 2022 and has been completed and submitted to the Department of Developmental Services (DDS).

C. Approval of Contracts – Alan Darby

There are three (3) contracts to present. All three (3) contracts are for new POS services. The first two (2) are for Independent Living Services (ILS) as per Title 17

1. Beyond Expectations LLC (HL0985, HL0986, HL0987)

The first vendor provides (ILS) pursuant to Title 17.

These services are for community-based day programs providing functional skills training necessary to foster self-sustaining & independent living for adult consumers

This is a (5) year contract beginning March 1st, 2022 – February 28, 2027. The projected Annual Cost is \$103,750 per year which totals out to \$518,750 over (5) years. The Contract term will be retro-active to the vendorization & rate approval of March 1st.

This vendor is expected to serve 11 consumers per month. The rates will be established by DDS based on the current temporary rate for service code 520. These rates include the rate increase as per AB 79 8.2%. The rate schedule is as follows:

1. 1:1 @ \$38.77 per hour
2. 1:2 @ \$25.33 per hour
3. 1:3 @ \$17.55 per hour

2. Integrated Resources Institute (HL0982)

The 2nd contract is also for an ILS service vendor under Title 17 – the vendor is Integrated Resources Institute (HL0982) These services are also for community-based day programs - for adult consumers - providing functional skills training necessary to have self-sustaining & independent living.

This is a (5) year contract, beginning March 1st, 2022 – February 28, 2027. The projected Annual Cost totals \$103,750 per year, which is \$518,750 over (5) years.

This vendor is projected to serve 11 consumers per month. The rates will be established by DDS based on the current temporary payment Rate for services code 520 & includes AB 79 8.2% rate increase. These will be 1:1s @ \$38.77 per hour

3. Skills LLC (PL2086)

The third contract is for vendor Skills LLC that provides socialization training program services pursuant to Title 17 – section 54356. This is a five (5) year contract beginning on March 1, 2022 and will end on February 28, 2027. The projected annual cost is \$70,876.08, which is \$354,380.40 over the five-year term. The vendor is projected to serve 33 consumers per month.

The hourly rate will be \$29.83. This rate is a negotiated hourly rate based on a cost statement which includes the SB 81 8.2% rate increase. This rate complies with WIC Section 4691.9(b)

M/S/C (M. Davies/ L. Garcia) To approve contracts for Beyond Expectations, Integrated Resource Institute, and Skills LLC.

D. Executed Contracts by NLACRC – Alan Darby

1. Minimum Wage Increase

Alan Darby reported that the Board executed two contracts. The first contract was a fourth (4th) amendment to an existing contract. This amendment increases the minimum wage payment for vendor Community Option Integrated Services. This contract began July 1, 2017 and ends on June 30, 2022.

The second signed contract was to add CIE and PIP services to 11 existing POS contracts. This action was approved by Board resolution on September 9, 2021.

2. POS Contract Renewal(s)

No Report

3. Addition of New Sub-Code to Existing POS Contact

No Report

4. Health & Safety Exemptions approved by DDS

No Report

5. Addition of CIE & PIP Services to Existing POS Contract(s)

No Report

6. New POS Service Contracts related to COVID-19 (Page 81)

No Report

7. Addition of New COVID-19 Sub-Code to Existing POS

No Report

8. Service Provider Revision to Existing Program Design

No Report

E. Intermediate Care Facility (ICF) State Plan Amendment (SPA) Summary
– Vini Montague

1. ICF/SPA Billing Summary

Vini Montague reported that the negative ICF cash impact for 2022 is \$2,984,375.87. There are outstanding receivables from 2021 with a negative cash impact of \$142,872.64. The negative cash impacts for fiscal year 2020 and 2019 are \$37,922.71 and \$3,166,177.68.

2. ICF/SPA Receivables

As of February 17, 2022, the receivables had decreased by 24.9% timing on payments received.

F. Human Resources – Michele Marra

1. Monthly HR Report

Michele reported 77 vacancies, 604 filled positions, and 677 authorized positions. She indicated 7 new roles for an, Chief Information Officer, Consumer and Community Services Officer, IT Support Manager,

Placement Supervisor, Employment Supervisor, School Age Manager and Adult Manager. There were 10 new hires, 4 promotions, 1 voluntary demotion, and 4 transfers. There were 6 separations as of February 28, 2022, leading to an annual turnover rate of 0.08%.

NLA is in a partnership with AJCC for a job fair on February 24, 2022 from 2-4:30pm in the Antelope Valley. She added that she had made arrangements with other organizations such as Loud and Proud, and the College of the Canyons to participate in their job fairs.

Michele reported that resumes are being received for the Chief Human Resources Officer position. Two candidates were provided with a written assessment, three were scheduled for phone screening, and one was in the interview process. She had also contacted an external recruiting firm Stanton Chase to develop a job posting for the position.

Ana Quiles suggested organizing hiring fairs where potential candidates are screened for vacant placements.

Leticia Garcia inquired about the Resources Development Specialist position, which had been vacant for over two years. Michele explained that the role was unique and could not be contracted out. She clarified that she was working with Community Services to fill the position.

2. Organizational Restructure Proposal

Michele highlighted the need to create additional positions for a Chief Consumer and Community Services Officer and Chief Information Officer at the executive level to disburse the various operational functions that are currently assigned to the Deputy Director and Chief Financial Officer. Additionally, she commented that Silvia Renteria-Haro had been promoted to a Consumer Services Manager for the Santa Clarita Valley office, and Jazmin Zinnerman would be repositioned. She explained that a School Age Manager and Adult Manager were required to support case management functions in School Age and Adult units respectively.

Michele noted that the Center needed an Employment Supervisor to support employment initiatives and collaborate with the Employment Specialist.

Ruth emphasized the need for the additional positions to reduce management staff workloads and allow for effective oversight of the various operations.

M/S/C (M. Davies/L. Martinez) To present the revised organizational chart to the Board for approval.

3. Employee Referral Bonus Policy

Michele stated that the employee referral bonus program had been amended to incorporate the recommendations made at the previous Committee meeting and to include more consistent language.

M/S/C (M. Davies/L. Garcia) To recommend the employee referral policy and procedure as revised and presented to the Board for approval.

4. Project Plan for NLACRC Salary Schedules Posted on Website

Michele reported that by March 31, 2022, the HR department would compile a list of job advertisements for which the IT department could generate links.

G. Update on Request for Proposal for new CPA Firm (WIC 4639) – Alan Darby

1. Review RFP for CPA Timeline

Alan Darby reported that the selection committee had unanimously agreed to recommend Lindquist von Husen & Joyce LLP to the Board due to their expertise with regional centers.

Under current law – Regional Centers must change accounting firms every 5 years

The ‘CPA Search Committee’ interviewed two firms and scored – out of 100 - based on

- o Overall Firm Experience & Qualifications

- Staff Qualifications
- Peer Review
- Project Description, Approach & Timeline
- Project Pricing

After conducting interviews – the selection committee has agreed to recommend the firm of Lindquist von Husen & Joyce LLP. Lindquist received a score of 93.80 out of 100. The other firm (AGT) – received a score of 89.80 out of 100

Lindquist has worked with many non-profits – and more specifically with other Regional Centers

- Tri-Counties
- East Bay
- Golden Gate

M/S/C (M. Davies/L. Garcia) To recommend Lindquist von Husen & Joyce LLP to the Board for tax and audit services.

H. Board Respite Policy

Ana Quiles discussed best practices to new board members for the submission, deadline, and processing of the board support policy invoices for childcare/attendant care services. The Board agreed to limit submission of billing to a twelve-month period, except in deserving circumstances, where the CFO or Executive Director can grant an exception. It was noted that the preference was for monthly submissions. Additionally, it was recommended to include a timeline for submission of billing and the expected payment date in the Board Support Policy.

ACTION: Ruth Janka will coordinate with the CFO to outline the submission timeframe and exception clauses for the respite policy.

VII. **Items for the Next Board Meeting**

- A. Minutes of the February 23rd Meeting
- B. FY 2021-22 Financial Report

- C. Approval of Contracts and CPA
- D. Monthly Human Resources Report
- E. Organizational Restructure Proposal
- F. Employee Referral Policy

VIII. Announcements / Information / Public Input

- A. Next Meeting: Wednesday, March 30, 2022 at 6:00 p.m.

IX. Adjournment

The meeting was adjourned at 7:36 PM.

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.*