

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes

November 23, 2021

Present: Committee Members: Ana Quiles, Marianne Davis, Lillian Martinez and Jeremy Sunderland

Staff Members: Ruth Janka, Michele Marra, Kim Rolfes, Alan Darby, Jesse Weller, Vini Montague, Sandra Rizo, Cheryl Blizin

Interpreters: Nancy Gallardo, Isabel

Meeting Minutes: Seth Tanner, Minutes Services

Absent: Lety Garcia, Kevin Shields

I. Call to Order & Introductions

The meeting was called to order at 6:02 p.m.; quorum established

II. Public Input

No Public Input

III. Consent Items

A. Approval of Agenda

M/S/C (M. Davis/J. Sunderland) Passed with unanimous consent to approve the agenda as presented.

B. Approval of Minutes from the October 27th meeting

On page 4, Angelina Martinez, David Coe, and Curtis Wang needed to be listed as board members rather than committee members.

M/S/C (M. Davis/J. Sunderland) Passed with unanimous consent to approve meeting minutes with revisions noted

IV. Committee Business

A. FY2021-22 Reports

1. FY 2021-22 Financial Report

FY2021-2022 Financial Report for the service month of October 2021 was reviewed with committee members. The Center's projected C-1 operations budget allocation was \$65,774,429 and the Purchase of Service (POS) budget was \$661,164,740 for a total budget of \$ 726,939,169. During the October 2021 service month, the Center spent a total of \$54,177,369, and the year-to-date expenditures were \$201,231,331. Currently there is no reported projected surplus or deficit, as the first POS Projected Expenditure ("PEP") Report is not due until December 10, 2021. The Center's year-to-date (YTD) administrative operating expenses were 15.5%, which is over the statutory 15% administrative cost cap. Committee members were informed that administrative costs have decreased by .1% as compared to the prior month and it is anticipated that the trend will continue.

The Cal Fresh Project line item was one-time funding received from DDS to assist individuals to enroll in the Cal Fresh Program, which helps individuals access food and other necessities.

Action Item: Director of Finance to remove the Cal Fresh Project line item from the financial statements.

2. COVID-19 Related Expenditure Report as of November 3, 2021

Copies of the Center's COVID-19 related expenditures reports were provided to and reviewed with the Committee.

The reports were reviewed with the Committee, which are summarized below:

FY2019-2020 Operations expenses: \$ 171,696.98 (no change from prior report)

FY2019-2020 POS expenses: \$ 19,564,575.64

FY2020-2021 Operations expenses: \$ 653,346.75

FY2020-2021 POS expenses: \$ 70,809,167.08

FY2021-2022 Operations expenses: \$ 275,665.44 projection through
Nov. 2021

FY2021-2022 POS expenses: \$ 30,250,011.38 projection through
Nov. 2021

3. Statewide Regional Center COVID-19 Related Expenses & CAREs Act
Funding

The Statewide Regional Center COVID-19 Expenditure Tracker and CARES
Act Funding report was provided to and reviewed with the committee. The
report reviewed with the committee is summarized below:

FY2019-2020 Statewide Operations COVID-19 expenses: \$ 6,203,114
FY2019-2020 Statewide POS COVID-19 expenses: \$ 687,785,512
Statewide there is total projected shortfall of \$ 489,888,626

FY2020-2021 Statewide Operations COVID-19 expenses: \$ 7,940,790
FY2020-2021 Statewide POS COVID-19 expenses: \$ 1,045,525,404
Statewide there is total projected shortfall of \$ 799,365,194

FY2021-2022 Statewide Operations COVID-19 expenses: \$ 2,660,666
FY2021-2022 Statewide POS COVID-19 expenses: \$ 251,930,801
Note that we have not received the FY2021-2022 budget from DDS.

Total Statewide CARES Act Funds Received by Centers: \$ 8,830,45719

B. FY2020-2021 Reports

1. Provider Relief Funds Financial Report

The FY2020-2021 Provider Relief Funds Financial Report for the service
month of October 2021 was reviewed with the committee. The report
showed the Center received \$991,226.62 in funding. Year-to-date
expenditures were \$932,207.44 with a remaining balance of \$59,019.18, which
needs to be spent by December 31, 2021. Slated for tech department /
laptops. The expectation is that we should have it spent by the December
state claim, otherwise will be spent by Dec. 31. Because we claim in arrears it
may show up in January state claim.

C. Approval of Contracts

1. Software Management Consultants, Inc. (SMCI) (SQL Developer/Network Architect Services)

This is the first contract amendment with SMCI. SMCI consultants digitized the physical records and provided assistance with internet data capture, SQL backend development, and frontend user interfaces. This amendment hired a third SQL developer consultant via SMCI who had specialized expertise and awareness of the needs of NLACRC. The consultant was to develop the data warehouse projects to capture data that isn't captured by consumer or state warehouses. The contract and amendment were for a 12-month contract, and the amendment was written in the amount of \$138.4K for a total contract value of \$375.8K.

M/S/C (M. Davis / J. Sunderland) To recommend acceptance of the SMCI contract amendment as presented to the executive committee.

2. Excellence Community Rehabilitation Program LLC (ECRP)(PL2079-055)

This contract provides non-residential community integration training, self-help and adaptive skills pursuant to Title 17 for four or more hours per day, one of more days per week, from December 1st 2021 through November 30, 2026. The expense was \$811.4K per year over five years for a total of \$4.06MM.

Payments were for actual services authorized and provided. These services are to be based in Santa Clarita and Antelope Valley.

3. Excellence Community Rehabilitation Program LLC (ECRP) (HL0972-880)

This contract provides transportation in conjunction with PL2079-055 (C.2 herein) from December 1, 2021 to November 20, 2026. The cost is

\$109K per year over five years for a total of \$546.6K. Both contracts anticipated serving 38 consumers per month.

M/S/C (J. Sunderland / M. Davis) To recommend both contracts from ECRP be approved by the executive committee.

Action Item: Organize Board Resolution documents for presentation in this order: 1) the contract summary page(s), 2) executive summary page(s), and 3) Certification page that summarizes the action taken by the Board. Additionally, a line indicating the service area(s) should be added.

D. Executed Contracts by NLACRC

1. POS Contract Renewal(s)

Contract renewal summary for Behavioral Learning Services with service between January 21, 2021 and December 31, 2025. 47 consumers were served per month with a projected annual revenue of 1.1MM per year. Services were located in Palmdale, Valencia and San Fernando Valley.

2. No Report: Addition of New Sub-Code to Existing POS Contract

3. No Report: Health & Safety Exemptions approved by DDS

4. No Report: Addition of CIE & PIP Services to Existing POS Contract(s)

5. No Report: New POS Service Contracts:

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

Two executed contracts, Valley Village Cozycroft and Valley Village Gladstone, serving the San Fernando Valley, added sub-codes due to COVID-19.

7. No Report: Health & Safety Exemptions approved by Executive Director under DDS Directive dated August 15, 2020 due to COVID-19

8. No Report: Service Provider Revision to Existing Program Design

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

The committee was provided the ICF/SPA billing summary and the ICF/SPA outstanding receivables report, dated November 18, 2021 in the meeting packet and the reports were reviewed with the committee. By fiscal year, the amount of cash disbursed by NLACRC that has not been reimbursed to NLACRC by ICF service providers is:

1. FY 2021-22: \$ 2,492,700.29
2. FY 2020-21: \$ 698,712.19
3. FY 2019-20: \$ 89,300.43
4. FY 2018-19: \$ 9,385.42

Total: \$ 3,290,098.33

Month-to-month change in the outstanding ICF/SPA receivables was an increase of 18.8 %.

F. Human Resources

1. Monthly HR Report

Copies of the monthly human resource summary as of November 2021 were presented to and reviewed by the committee.

The summary included the following information:

FY 2021-22 Authorized Positions	667
Open positions on hold	0
Open CSC positions vacant	42
Open Non-CSC Positions vacant	45
Separations	6
Sub-total	574
New hires	19
Positions filled	593

It was reported that there was a decrease in separations during November 2021, and the annualized turnover rate for November was 0.08%. 16 new hires were projected in December and January, with the majority being service coordinators. There was a reduction in separations in November despite the new COVID related requirements.

Job descriptions were being converted to new job advertisements. The American Job Center of California has received the postings, and a meeting to discuss next steps will be held in December. ZipRecruiter and ADP's Job Target function were included in December as part of the recruitment strategy. Job Target allows for posting on various sites with information transferred directly to our applicant tracking system within ADP. This was to be tested in five key positions.

Recommendation to create a turnover rate metric per client to focus on the impact on individual people. Technology would be needed in order to capture the data of direct service provider turnover. Discussion was held on the value of continuity of providers versus the quality of service. Quality service is needed despite turnover.

Strategies in place to minimize personnel changes include training for supervisors to minimize disruption when assigning caseloads. Stay interviews were also implemented to capture data to help with retention strategies.

2. Recruitment Policy Update – defer to January to allow committee a chance to review

3. Status of the Employee Referral Policy

The draft policy is under review and a meeting is scheduled with the Director of Finance on December 1st to review fiscal impact. Plan to bring to Committee in January or February 2022.

G. Personnel and Administrative Services Report Due December 1, 2021

Required under DDS contract to provide these reports.

1. Report on Personnel Classifications

The contractual requirements for personnel classifications as required per DDS. Each classification had a salary range with and without ABX. This information was posted to the website and provided to DDS.

2. Report on Administrative Expenditures for FY2020-2021

The expenditures for each type of services, recipient of funds, and purpose of expenditures were listed and posted on the website provided to DDS.

3. SB134 Report on Personnel Salaries, Wages & Benefits

SB134 requires that all employee benefits for all managerial positions be posted. Each benefit was listed with eligible managerial positions. The information was posted on the website provided to DDS.

H. Update on Request for Proposal for New CPA Firm (WIC 4639)

1. Review RFP for CPA Timeline

The status of the selection of the new CPA firm was shared with the Committee. The deadline for the submission of proposals by CPA firms is December 31, 2021.

I. Quarterly Fees Report(s) for PRMT and UAL

1. Quarterly PRMT Fees Report for period ending 09/30/2021

YTD total investment management fees from Highmark and US Bank totaled \$36K, and NLACRC made a contribution of \$36.5 to replace fees charged by US Bank in 2020 and 2021.

2. Quarterly CalPERS Unfunded Accrued Liability Trust (UAL) Fees Report for period ending 09/30/2021

The year-to-date total fees for the trust were \$727K. Contributions including \$36K to replace dispersed funds for a 21-2022 annual lump sum payment to CalPERS as authorized in June of 2021; \$3MM for 2019-20 as approved in June 2021; \$2.5MM for 2021 as approved in May 2021; and \$3.2K to replace 2021 fees charged by US Bank to UAL.

J. FY2021-2022 Administrative Affairs Committee Critical Calendar

A recommended revised Critical Calendar was presented to and reviewed with the Committee. Added more context for clarity. Contract process training was added to October. Request to add summary of any potential Board Conflict of Interest to September as it pertains to contracts.

M/S/C (L. Martinez / M. Davis) to recommend to the Board for approval.

K. Board Policies

1. Revised Awarding Start-Up and Development Funding Policy
Went to Board for Review in November, Recommendation to take to Board to Approve then revised policy will become policy.

M/S/C (M. Davis/J. Sunderland) to recommend to take to Board for approval

2. Discussion regarding a Board Policy for an Operations Request For Proposal (RFP) Policy

The purpose of this discussion is to provide for diversity and not limit opportunities only to current vendors. Recommendation that this take place through an RFP process, expand quotes or advertisement, or alter the threshold of \$250 for board approval.

Recommendation that this be a procurement rather than RFP policy.

Framework for single or sole source vendors, which choices are driven by 1) monopolistic environments, 2) emergencies, 3) IT or specialized expertise, 4) compatibility reasons, 5) maintenance or repair vendors preferred by clients and/or 6) Contracts under \$250K, which would not go to the board. Outside of these parameters, a written price or rate quotation from at least two vendors or an RFP process would be required. A request for quote would be for price-based purchases. RFPs would be for quality-based purchases.

Discussion included the immediate concern that all vendors in consideration were both previously used vendors and under the \$250K benchmark. For these smaller purchases, diversity of options was desired. Review of other non-profits for this procedure was suggested.

During solicitation of proposals, wording could include “one of the parties could be a non-vendor.” It was stated that the essential need was making the community aware and the information accessible. One obstacle for RFPs was that they make it harder to hit deadlines and provide for needs without delay. RFPs require no less than four months to process.

Others voiced the importance of modeling inclusion and that using more time to make that happen would be of value. Discussion also included the goal to improve the resources, not make the process harder.

Action Item: Send the framework for committee consideration. Committee members to review the concepts and return with thoughts.

V. Items for the Next Board Meeting

The following items were identified for the committee’s section of the January 10, 2022 board meeting agenda:

- A. Minutes of the November 23rd Meeting
- B. FY 2021-22 Financial Report
- C. FY 2020-21 Provider Relief Funds Financial Report
- D. Approval of Contracts
- E. Monthly HR Report
- F. FY2021-2022 Administrative Affairs Committee Critical Calendar
- G. Revised Awarding Start-Up and Development Funding Policy

VI. Executive Session

M/S/C (M. Davis/L. Martinez) to enter Executive Session at 7:29 p.m.

- A. Lease Update

The public meeting closed at 7:29 p.m. for Executive Session and the public meeting resumed at 7:41 p.m.

VII. Announcements/Information/Public Input

- A. Next Meeting: Wednesday, January 26 at 6:00 p.m.

VIII. Adjournment

The meeting adjourned at 7:41 p.m.

Submitted by,

Minutes Services and Revised by Cheryl Blizin

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