

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes
October 27, 2021

Present: Committee Members: Lety Garcia, Lillian Martinez, Ana Quiles, Marianne Davis, and Jeremy Sunderland
 Board Members: Angelina Martinez, Curtis Wang, David Coe
 Staff Members: Ruth Janka, Michele Marra, Kim Rolfes, Alan Darby, Jesse Weller, Vini Montague, Tiffani Jones-Newman, Sheila King, Lilliana Windover, Cheryl Blizin
 Guests: Brian Davies, Cresa
 Interpreters: Shelly Hash, Lucy Paz
 Meeting Minutes: Mike S., Minutes Services

Absent: VAC Representative: Kevin Shields

I. Call to Order & Introductions

The meeting was called to order at 6:28 p.m.; quorum established

II. Public Input

It was reported that the Center hired a minute meeting taker to support the committee with meeting minutes.

III. Consent Items

A. Approval of Agenda

M/S/C (L. Garcia/L. Martinez) Passed with unanimous consent to approve the agenda.

B. Approval of Minutes from the September 29th meeting

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

IV. Committee Business

A. Regional Center POS & OPS Contracting Process Training

A training was provided to committee and board members on the Purchase of Services and Operations contracting process. It was requested that the training materials be included in the board packet for board members that did not attend

the training at Administrative Affairs committee; and that the POS & OPS Contracting training be provided annually during the October 2021 Administrative Affairs committee.

B. FY 2021-22 Financial Report

FY2021-2022 Financial Report for the service month of September 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 September 2021 service month, the Center spent a total of \$53,083,116, and the year-to-date expenditures were \$147,053,962. 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 15.6%, which is over the statutory 15% administrative cost cap. Committee members were informed that administrative costs have decreased by 0.03% as compared to the prior month and it is anticipated that the trend will continue. Additionally, committee members were informed that the center is held to the administrative cost cap based on its total annual fiscal year expenditures rather than at specific points in time during the fiscal year.

1. COVID-19 Related Expenditure Report as of September 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: \$ 171,697
FY2019-2020 POS expenses: \$ 19,529,975
FY2020-2021 Operations expenses: \$ 623,964
FY2020-2021 POS expenses: \$ 70,962,996
FY2021-2022 Operations expenses: \$ 232,536
FY2021-2022 POS expenses: \$ 24,464,499

2. 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: \$ 7,331,261
FY2020-2021 Statewide POS COVID-19 expenses: \$ 1,069,176,758
Statewide there is total projected shortfall of \$ 826,407,019

FY2021-2022 Statewide Operations COVID-19 expenses: \$ 2,129,633
FY2021-2022 Statewide POS COVID-19 expenses: \$ 220,535,599
Note that we have not received the FY2021-2022 budget from DDS.

Total Statewide CARES Act Funds Received by Centers: \$ 8,830,457

C. FY2020-2021 Reports

1. Provider Relief Funds Financial Report

The FY2020-2021 Provider Relief Funds Financial Report for the service month of September 2021 was reviewed with the committee. The report showed the Center received \$991,226.62 in funding. Year-to-date expenditures were \$976,963 with a remaining balance of \$14,263, which needs to be spent by December 31, 2021.

D. Regional Center's Contract with DDS

The changes in the Center's contract with DDS was reviewed in detail with the Committee. It was noted that there are new contract requirements involving Medicaid Enrollment Requirements to include Board Recruitment and Training; as well as procedures for enrollment and re-enrollment of board members and the executive director. Committee members were informed that the Center will provide a separate training for board members to provide technical assistance and support in completing the enrollment forms.

E. Approval of Contracts

The following contract was reviewed with the committee:

1. American Living Skills (HL0954-520)

It was noted that the contract was retroactive to August 1, 2021 and a question was raised as to whether the contract effective date would be changed to November 2021 since the contract would be presented to the Board in November 2021. It was reported that the contract effective date would not change as typically it is related to a consumer service and that an update would be provided at the Board regarding the reason that the contract was retroactive to August 1, 2021.

M/S/C (L. Garcia/J. Sunderland), Passed with unanimous consent to recommend the Board of Trustees to approve the contract.

Action: Kim to provide information regarding why the contract was retroactive to August 1, 2021 at the Board meeting.

F. Executed Contracts by NLACRC

1. No Report: POS Contract Renewal(s)
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. No Report: Addition of New COVID-19 Sub-Code to Existing POS Contract
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 One (1) first amendment added regarding daily stipend paid to consumer.

G. 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 October 20, 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: \$ 1,954,775
2. FY 2020-21: \$ 715,201
3. FY 2019-20: \$ 89,300
4. FY 2018-19: \$ 9,385

Total: \$ 2,768,661

Month-to-month change in the outstanding ICF/SPA receivables was a decrease of 26.8%.

H. Report on Lease Agreements

The committee was provided an overview of the Center's leases for each of the Center's business offices located in the San Fernando Valley, Antelope Valley, and Santa Clarita. The committee was informed that twice a year, the Center provides a report to DDS on the annual cost of each of the Center's leases, facility maintenance costs, and utilities, which is utilized by DDS to allocate funding to the Center for the cost of the Center's leases, facility maintenance costs, and utilities.

I. Human Resources

1. Monthly HR Report - (*Packet 1, page 105*)

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

The summary included the following information:

FY 2021-22 Authorized Positions	634
Open positions on hold	0
Open CSC positions vacant	-34
Open Non-CSC Positions vacant	-34
Separations	-10
Sub-total	556
New hires	16
Positions filled	572

It was reported that there was a decrease in separations during October 2021, and the annualized turnover rate for September was 0.15%. The reasons stated for separations included 4 retirements; 3 for personal reasons including hours, vaccination, or finding other employment; 3 for other reasons. It was reported that all Center staff must be vaccinated by November 30th. Further, on Monday, human resources will start accelerated CSC hiring panels, and will likely do the same with non-CSC positions. The committee was informed that human resources is expanding recruitment platforms and at the next meeting an update would be provided to the Committee on the timeline related to recruitment platform utilization and rewriting job positions

2. CalPERS Health Care Resolution

It was reported that in December 2019, the Center ratified a contract with the union agreeing to provide bargaining unit employees, which is also provided to management, non-bargaining, and retiree, \$700 towards their health insurance. It was reported that the \$700 contribution is effective January 1st, 2022 and there was no action needed by the committee.

3. Recruitment Policy

The draft recruitment policy was presented to the Committee. Feedback from the Committee was requested to help capture the values they wish to promote such as diversity, equity, and inclusion as they fill positions.

A recommendation was made that committee members have the opportunity to review the policy and provide feedback rather than reviewing the policy during the Committee.

A recommendation was made to explicitly include the building of a recruitment pipeline. It was reported that the recommendation for recruitment would be placed in Section 6.1 of the policy. A recommendation was made to ensure that the Center's hiring panels are diverse and inclusive. It was also requested that the verbiage used in the policy be clear so that if someone had to step in, they could follow the process. A recommendation was made to ensure job descriptions reflect the brand and benefits of the Center including specific growth opportunities. It was reported that the Center is converting its job descriptions into a document that provides information regarding professional development opportunities, public service loan forgiveness, diversity, equity and inclusion, benefits, etc. Dr. Weller created a job description template that the Center has been utilizing to support the Center's recruitment efforts.

An inquiry was made regarding the use of referral incentives to increase the Center's hiring of staff. Discussion was held about referral incentives in which it was shared in one example that when a referred applicant is hired, then the employee who recommended the applicant for hire is given a monetary incentive at various points in time based on the applicant meeting certain employment timelines. It was reported that the Center is developing an Employee Referral Policy and the human resources staff will be working with fiscal staff to establish the fiscal parameters for incentives. The Employee Referral policy would be brought to the committee for review. A request was made to provide a hiring process timeline regarding the typical time it should takes to fill a position from the time the of the job posting to the time of hire. It was reported that the hiring timeline was in process. Another suggestion was to waive the Master's education requirement for positions, if the applicant already has experience in a similar position. A recommendation was made to include the locations of job fairs in the policy to demonstrate that they would be held in in the San Fernando Valley, Antelope Valley, and Santa Clarita Valley.

A suggestion was made that the Center ensure that the Recruitment Policy identify the culture of the Center's hiring process and the process for

scoring and evaluating the applicant. Another recommendation was made to consider the life experience of an applicant who may have a family member who is a consumer as it relates to their qualifications and possibly provide additional credit for this type of experience. Additionally, it was recommended that the Center should consider dedicating a portion of the positions hired for the purpose of supporting and increasing the employment of consumers. It was recommended that the Center allow stakeholders to apply for open positions. An inquiry was made if hiring a stakeholder would create a conflict of interest. It was reported that the conflict of interest could be mitigated so long as the stakeholder did not support their own family members.

Michele reported that she would incorporate the feedback provided by the committee and bring the revised draft Recruitment Policy to the committee for review.

The Committee was informed that the Center is still recruiting for a HR Director, and an interview was being scheduled with a potential candidate.

Action: Michele to provide a Draft Recruitment Policy and Employee Referral Policy to the Committee.

4. Report on Personnel Classification-Salary Schedule

It was reported that CalPERS and California Code of Regulations requires pay schedules approved by the Board of Trustees. It was reported that in 2019 the Center moved from providing an annual step increase to providing an annual cola. The salary schedule for FY 2020-2021 and FY 2021-2022 was presented to the Committee for review and recommendation.

M/S/C (L. Garcia/J. Sunderland), Passed with unanimous consent to recommend the Board of Trustees to approve the Salary Schedules.

5. Organization Chart

It was reported that the Center is always looking at how to best utilize its staff resources, and based on discussions, it was recommended to create a Public Information Officer position as a 5th executive; to remove the organizational development department; and to provide the Public

Information Officer with two public information specialists; a legislative specialist and an emergency management coordinator. The recommended change also included moving the training supervisor under the HR director.

An inquiry about whether the community services department would remain under the new Chief Financial Officer after the Deputy Director-Chief Financial Officer retires. It was reported that the community services department would remain under the Chief Financial Officer. It was reported that the CFO position is responsible for community services department, information technology, facilities services, accounting, and contract, records, and privacy administration, all of which will remain under the new Chief Financial Officer. The Deputy Director provides support when needed. An inquiry was made the department that the Deputy Director would be placed. It was reported that the Deputy Director position has moved between departments in the past

M/S/C (L. Garcia/L. Martinez), Passed with unanimous consent to recommend the Board of Trustees to approve the Organization Chart.

J. Status of Request for Proposal for New CPA Firm (WIC 4639)

The status of the selection of the new CPA firm was shared with the Committee. It was reported that the Selection Committee would be meeting on Tuesday, November 2nd, to review the CPA selection process and timeline. Additionally, it was reported that on Friday, November 5th, the applicants conference would be held for interested applicants. The deadline for the submission of proposals by CPA firms is December 31, 2021.

K. Audit Updates

1. DDS Required Biennial Compliance/Financial Audit of NLACRC update

The final DDS biennial audit report was presented to the committee and it was reported that the Center had no audit findings. Additionally, the committee was informed that the final DDS biennial compliance/financial audit report was posted on the Center's website consistent with statute and the Board's Transparency Policy.

2. Workers Compensation Audit Update

The committee was informed that the audit by the Center's worker's compensation carrier (Berkshire Hathaway) of the center's prior year payroll resulted in a refund to Center in the amount of \$175,510.

L. Board Policy-Revised Awarding Start-Up and Development Funding Policy

Due to the change in the Center's contract with DDS under Article II, Program Provisions, Section 2. Resource Development, Subsection c.(4) through (7), the Board Policy for awarding Start-Up and Development Funding needed to be updated accordingly. The changes to the Board policy were reviewed with the committee

M/S/C (L. Garcia/L. Martinez), Passed with unanimous consent to recommend the Board of Trustees review the changes to the Awarding Start-Up and Development Funding Policy.

V. Items for the Next Board Meeting

The following items were identified for the committee's section of the November 10th board meeting agenda:

- A. Minutes of the October 27th Meeting
- B. Regional Center POS & OPS Contracting Process Training
- C. Center's Contract with DDS
- D. FY 2021-22 Financial Report
- E. FY 2020-21 Provider Relief Funds Financial Report
- F. Revised Awarding Start-Up and Development Funding Policy
- G. Final DDS Audit Report for FY2020 and FY2021
- H. Approval of Contracts
- I. Monthly HR Report
- J. Approval of Report on Personnel Classification-Salary Schedule
- K. Approval of Organization Chart

VI. Executive Session

M/S/C (L. Garcia/L. Martinez) to enter Executive Session at 8:49 p.m.

- A. Lease Update
- B. Quarterly Legal Update

The public meeting closed at 8:49 p.m. for Executive Session and the public meeting resumed at 9:44 p.m.

VII. Announcements/Information/Public Input

- A. Next Meeting: Tuesday, November 23rd at 6:00 p.m.

VIII. Adjournment

The meeting adjourned at 9:45 p.m.

Submitted by,

Minutes Services

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