

North Los Angeles County Regional Center  
**Administrative Affairs Committee Meeting Minutes**  
September 29, 2021

**Present:** Lety Garcia, Lillian Martinez, Ana Quiles and Jeremy Sunderland – Committee Members  
Kevin Shields – VAC Representative  
Cheryl Blizin, Ruth Janka, Michele Marra, Vini Montague, Kim Rolfes, Alan Darby, Jesse Weller, Gabby Eshrati, Michael Fernandez, Sheila King, Arsho Garlanian, Stephanie Margaret, Evelyn McOmie, Venus Rodriguez-Khorasani, Tiffani Jones-Newman, Jazmin Zinnerman, and Lilliana Windover – Staff Members  
Don Wood, Nick Vukotic, - Guests  
Nancy Gallardo, Isabel Romero - Interpreters

**Absent:** Marianne Davis

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**I. Call to Order & Introductions**

Ana called the meeting to order at 6:00 p.m.

Guests Don Wood, Attorney with Wood & Finck, and Nick Vukotic of Maxim Healthcare were introduced.

**II. Public Input**

No public input

**III. Consent Items**

A. Approval of Revised Agenda

Note that agenda item IV.M.6 (Report on Personnel Classification) will be deferred

**M/S/C** (J. Sunderland/L. Garcia) To approve the revised agenda.

B. Approval of Minutes from the August 25th meeting

**M/S/C** (L. Garcia/J. Sunderland) To approve meeting minutes as presented.

#### IV. Committee Business

##### A. Maxim Contracts (PL1024-062)

1. Revised Maxim (PL1025-062) FY2021 – Second Amendment - (*Packet 2, page 5*)
2. Revised Maxim (PL1025-062) FY2022 – Renewal Contract effective July 2, 2021- (*Packet 2, page 11*)

Maxim is seeking a rate increase of its usual and customary rate of \$5.00 per hour from \$28 per hour to \$33 per hour effective March 1, 2021, which includes the contract ending June 30, 2021 and the 5-year renewal contract effective July 1, 2021. The committee members were informed that each of the Board Resolutions presented were revised to show the rate reduction of Maxim's usual and customary rate by \$1.00 per hour from \$34 per hour to \$33 per hour that was offered by Maxim. Additional information regarding personal assistance services was reviewed with committee members. This review included a review of the following information: Maxim's Original Vendorization Date; Maxim's Service & Rate Type, Rate Setting Methodology, Maxim's Rate History; Maxim's Rate Increase Request; Service Provider Rates (Traditional Personal Assistance Services); Fiscal Impact for the Contract Ending 06/30/2021; Fiscal Impact for the Contract ending 06/30/2026; Consumers Served by Maxim; Alternative Service Provider Information; Consumers served by Maxim with agency provided workers and parent-referred workers, also known as the parent-conversation program.

Executive Session (Legal)

**M/S/C** (J. Sunderland/L. Garcia) to go into Executive Session at 6:13 p.m.

Committee members returned from Executive Session at 6:32 p.m.

**M/S/C** (L. Garcia/J. Sunderland) to recommend the Board terminate the Maxim contract effective November 30, 2021.

##### B. Family Home Agency Monitoring Review Report

The Draft DDS Family Home Agency ("FHA") Monitoring Review Report was reviewed in detail with committee members. Additionally, the Center's action plan

and strategies to address each of the audit findings was reviewed and discussed with committee members.

C. FY 2021-22 Financial Report

FY2021-2022 Financial Report for the service month of August 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 \$660,679,508 for a total budget of \$726,453,937. During the August 2021 service month, the Center spent a total of \$50,198,265, and the year-to-date expenditures were \$93,970,846. 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 15.9%, which is over the statutory 15% administrative cost cap. This is because during the beginning of each fiscal year some of the annual payments made by the center must be allocated to Administrative costs pursuant to statute, including but not limited to some of the center's insurance premiums, which are typically paid during July and August. It is anticipated that the administrative cost will decrease as the center incurs more of its direct expenditures as part of its ongoing operations. Committee members were informed that 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.

The committee was informed that the center received \$149,331 in funding for the Self Determination Program Participant Support, and an RFP is being prepared to award these same funds to entities or individuals.

1. C-1 Allocation

The C-1 operations budget allocation was reviewed with the committee. It was shared that the allocation shows the center received \$65,612,878 in operations funding. However, the center's total operations budget was reduced by (\$5,579,126), from \$71,192,004 to \$65,612,878. The (\$5,579,126) total reduction in operations funding includes (\$3,806,781) of unallocated reductions that have not been restored by the State's Legislature and (\$1,772,345) for staff turnover.

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

Copies of the 2021 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: \$ 19,475,670  
FY2020-2021 Operations expenses: \$ 625,094  
FY2020-2021 POS expenses: \$ 70,155,145  
FY2021-2022 Operations expenses: \$ 172,023  
FY2021-2022 POS expenses: \$ 18,285,049

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

Copies of the Statewide Regional Center FY2019-20 and FY2020-21 COVID-19 Expenditure Tracker and CARES Act Funding report were provided to the committee. The report was reviewed with the committee which is summarized below:

FY2019-2020 Statewide Operations COVID-19 expenses: \$ 6,214,044  
FY2019-2020 Statewide POS COVID-19 expenses: \$ 687,856,067  
Statewide there is total projected deficit of \$ 489,970,110

FY2020-2021 Statewide Operations COVID-19 expenses: \$ 7,309,535  
FY2020-2021 Statewide POS COVID-19 expenses: \$ 1,073,636,708  
Statewide there is total projected deficit of \$ 826,844,708

FY2021-2022 Statewide Operations COVID-19 expenses: \$ 1,922,417  
FY2021-2022 Statewide POS COVID-19 expenses: \$ 170,610,380  
Note that we have not received the FY2021-2022 plan from DDS yet.

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

D. FY2020-2021 Reports

1. Statewide RC Purchase of Service Expenditure Projection Report

Copies of the September 10, 2021 report were provided to and reviewed with the Committee. According to the report, all of the 21 regional centers are

projecting a potential POS surplus for this fiscal year. Statewide, the regional center system is projecting a POS surplus of approximately \$335 million. NLACRC is #16 in Projected Deficit/Surplus, #13 in Per Capita Allocation, #12 in Per Capita Expenditures, and #11 in the Percent of Deficit to Contract in the state. The percentage of change from the original PEP to current PEP is 0.16%, and NLACRC ranked #11 statewide.

## 2. Provider Relief Funds Financial Report

The FY2020-2021 Provider Relief Funds Financial Report for the service month of August 2021 was reviewed with the committee. The report showed the Center received \$991,226.62 in funding. Year-to-date expenditures were \$975,913 with a remaining balance of \$15,313, which needs to be spent by December 31, 2021. Most of the expenditures have been used for technology, including laptops for employees, and for COVID-19 related janitorial services.

### E. Recommended Change to FY2021-22 Critical Calendar

Recommend moving “Review POS Projection of surplus/deficit” from September to January since the new fiscal year PEP report is not due until December 10.

**M/S/C** (L. Garcia/L. Martinez) To recommend approval of the revised committee critical calendar to the Board.

### F. Review FY2020-21 Action Log

The committee reviewed a log of all actions taken by committee in FY2021.

### G. Regional Center’s Contract with DDS: Deferred

The review of the Center’s contract with DDS was deferred until the new contract language is received, which will be presented to Administrative Affairs Committee for review.

### H. Approval of Contracts

The following two contracts were reviewed with the committee:

1. CSUN Family Resource Center (OPS) – 3-year contract to implement the family resource center on behalf of the center

2. Brilliant Corners HDO (PL18641-999) – 2nd Amendment received additional funds for renovation

**M/S/C** (L. Garcia/L. Martinez), to recommend the CSUN Family Resource Center contract to the Executive Committee for approval, and to recommend the Brilliant Corners second amendment to the Board for approval.

I. Executed Contracts by NLACRC

1. POS Contract Renewal(s)  
One (1) contract was renewed
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. New POS Service Contracts:  
One (1) new contract for 1:1 support in a residential facility
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. Service Provider Revision to Existing Program Design  
One (1) first amendment added regarding daily stipend paid to consumer.

J. 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 September 22, 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: \$ 1,261,290
2. FY 2020-21: \$ 2,449,617
3. FY 2019-20: \$ 60,834
4. FY 2018-19: \$ 9,385

Total: \$ 3,781,027

Month-to-month change was an increase of 15.1%.

K. City National Signature Cards and Credit Line

1. Board Resolution for City National Bank's Supersedure Agreement (Business)  
Adding Alan Darby 10/13 and remove Kim 12/29
2. Board Resolution to Obtain Credit and Grant Security  
Adding Alan Darby 10/13 and remove Kim 12/29

**M/S/C** (L. Garcia/L. Martinez) to go recommend approval by the Board on the two (2) documents above.

L. US Bank Signature Cards

1. PRMT: Form of Direction-Authorized Signers – Add CFO effective 10/13/2021- (Packet 1, page 95)
2. PRMT: Form of Direction-Authorized Signers – Remove Deputy Director-CFO effective 12/29/2021- (Packet 1, page 97)  
51:20
3. UAL: Form of Direction-Authorized Signers – Add CFO effective 10/13/2021- (Packet 1, page 99)
4. UAL: Form of Direction-Authorized Signers – Remove Deputy Director-CFO effective 12/29/2021- (Packet 1, page 101)
5. Board Resolution to add CFO effective 10/13/2021 and remove Deputy Director-CFO effective 12/29/2021- (Packet 1, page 103)
6. Board Resolution for Form of Direction – Authorized Officers to execute Form of Direction-Authorized Signers for PRMT and UAL - (Packet 1, page

**M/S/C** (L. Garcia/L. Martinez) to go recommend approval by the Board on the six (6) documents above.

M. 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:

<b>FY 2021-22 Authorized Positions</b>	<b>633</b>
Open positions on hold	0
Open positions vacant	74
Separations	-15
Sub-total	544
New hires	15
Positions filled	559

Notable that September saw 15 separations, the most the regional center has seen in one month's time, and the annualized turnover rate for September was 0.22%. The reasons stated for separations included 1 retired; 1 relocated; 7 for personal reasons; 6 found other employment elsewhere. Projecting 23-24 new hires for October.

The Human Resources department has implemented a very aggressive recruitment effort and is fully moving to ADP's recruitment tool and applicant tracking system which will facilitate and streamline recruitment.

It was noted that there has not been a significant amount of personnel resigning due the COVID-19 vaccine mandate. It was also noted that of the 20 open bilingual CSC positions, 7 have been filled.

2. 1<sup>st</sup> Quarter HR Report- (*Packet 1, page 107*)

Copies of the 1<sup>st</sup> quarter human resource report were presented to and reviewed by the committee and showed thirty-six (36) new hires, ten (10) promotions and thirty-two (32) separations during the period, for an annualized turnover rate of 0.16%, with the hope of seeing downward trend in turnover as the year progresses and we continue increased recruitment efforts.



### 3. Update on Meeting with America's Job Center of California

A partnership meeting was held on September 21 with America's Job Center of California ("AJCC"), formerly known as the Workforce Center. They offer a variety of supports and services through grants they receive. The center will develop and provide AJCC with the number and types of positions, along with salary ranges, and the AJCC can support recruitment events such as job fairs and they can promote through a variety of media. Community Services also participated in the meeting to see how they can partner with service providers to increase employment opportunities for our consumers. Plan to arrange a meeting between AJCC and service provider community as well.

### 4. Update on Contact of USC and UCLA MSW Chairs

UCLA contact is Carmen Mancha, Field Education Coordinator, and the USC contact is co-chair of the Doctorate of Social Work program, Nadia Islam. A plan is in place to reach out to these individuals to schedule partnership meetings. Also utilizing Handshake (college and university job boards), and continue looking for contacts at campus job centers. Recommendation to connect with CSUN to see if they have a social work program that could possibly be a resource for potential employees. Dr. Ivor Weiner of CSUN may be able to provide an introduction.

### 5. Solicitation of Feedback on the Development of a Recruitment and Hiring Policy

Discussion about developing a recruitment and hiring policy. The goal is to attract and select external job candidates and have our recruiters and hiring managers support an effective hiring process. The regional center is committed to equal opportunity at every selection phase and would welcome the input of the Diversity, Equity and Inclusion supervisor to support this effort. It's also important to identify NLACRC's brand in an attempt to attract potential employees, and an example is that NLACRC offers a great deal of on the job training and provides entry level opportunities for recent college graduates. The committee requested that a draft policy be created and brought to the committee for review and feedback at the next meeting, then determine

if the policy development discussion should stay in Administrative Affairs or if it should be addressed in a separate workgroup meeting.

**Action:** Michele to provide a draft Recruitment and Hiring Policy for the committee's review during their October 27<sup>th</sup> meeting.

6. Report on Personnel Classification - Deferred

N. Request for Proposal for New CPA Firm (WIC 4639)

The draft Request for Proposal ("RFP") for a new CPA firm was reviewed with the Committee. It was recommended that on the last date the proposals are due that the time be added to the RFP. A recommendation was made to the committee to present the RFP to the Board for final approval and to recommend the Board establish a Selection Committee to seek a new CPA firm, which would include board members Lillian Martinez, Angelina Martinez and Ana Quiles; and staff members Alan Darby and Vini Montague. Staff member, Kim Rolfes, would provide staff support up until her retirement.

**M/S/C** (L. Garcia/L. Martinez) to recommend presenting the Request for Proposal to the Board for final approval and to establish a Selection Committee to seek a new CPA Firm, which would include board members Lillian Martinez, Angelina Martinez and Ana Quiles; and staff members Alan Darby and Vini Montague.

O. Audit Update

1. DDS Early Start Update

The DDS biennial compliance audit of the center's early start services will be starting in February of 2022. The final report will be presented to this committee when it is complete.

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

The center made the decision to skip the DDS exit interview so that the DDS auditors could move forward with issuing the draft report to the center because there were no audit findings identified by the DDS auditors during their audit of FY2019-2020 and FY2020-2021. The center anticipates that the draft DDS audit report will be forthcoming

in the very near future. It was shared with the committee that receiving a DDS audit report with no audit findings is special because it is not often that an outcome of no audit findings is provided. Staff from Accounting, Community Services, Human Resources, and Case management were acknowledged and recognized for achieving this very successful audit outcome.

3. Workers Compensation Audit Update

The yearly audit of the center's payroll related to our workers compensation insurance is scheduled for September 30<sup>th</sup>. The committee was informed that the center pays an annual workers compensation premium based on an estimate of our annual payroll. Since the premium is based on an estimate of the center's payroll, an audit is conducted to determine whether the center underpaid or overpaid the insurance premium. The audit outcome will result in either a refund to the center or an additional premium due by the center to the insurance carrier. The outcome of the audit will be shared with the committee.

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

The following items were identified for the committee's section of the October 13<sup>th</sup> board meeting agenda:

- A. Minutes of the September 29th Meeting
- B. FY 2021-22 Financial Report
- C. FY 2020-21 Provider Relief Funds Financial Report
- D. Approval of revised FY2021-22 Critical Calendar
- E. Approval/Termination of Contracts
- F. Monthly HR Report
- G. 1<sup>st</sup> Quarter HR Report
- H. RFP for New CPA Firm
- I. Establish a Selection Committee for a new CPA Firm

**VI. Executive Session**

**M/S/C** (L. Martinez/L. Garcia) to enter Executive Session at 8:07 p.m.

- A. Union Negotiations
- B. Lease Update
- C. Consumer Matter

Executive session ended at 8:27 p.m.

## **VII. Announcements/Information/Public Input**

- A. Next Meeting: Wednesday, October 27th at 6:15 p.m.

Maxim Healthcare representative expressed a desire to further negotiate their contract with NLACRC, and he was instructed to correspond directly with the Deputy Director-CFO outside of the committee meeting.

## **VIII. Adjournment**

Ana Quiles adjourned the meeting at 8:33 p.m.

Submitted by,

Cheryl Blizin  
Executive Assistant

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