

North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes
September 28, 2016

Present: Bridget Moss, Debra Newman, Lou Papanozzi, and Todd Withers – Committee Members
Diane Ambrose, Jennifer Kaiser, Michele Marra, Kim Rolfes, and George Stevens – Staff Members

Absent: Dan Becerra and Jenean Glover

I. Call to Order & Introductions

Lou called the meeting to order, in Dan's absence, at 6:10 p.m.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

Item IV.D.f. was added to the agenda.

M/S/C (D. Newman/B. Moss) To approve the revised agenda as modified.

B. Approval of Minutes from August 31st Meeting

M/S/C (D. Newman/L. Papanozzi) To approve the minutes as presented.

IV. Committee Business

A. Request for Proposals for CPA Firm – Timeline

Regional centers must change their CPA firms every 5 years. The CPA firm conducts our annual audit and prepares our tax returns. Kim presented the committee with the final draft of the timeline for this process.

M/S/C (D. Newman/B. Moss) To recommend to the Board of Trustees to approve the timeline, as presented.

B. Financial Report

The center's operations budget is currently \$48,057,128 and the purchase of service (POS) budget is \$376,866,488. We will not have a forecast of any deficit

or surplus in the POS budget until we complete our first Sufficiency of Allocation Report (SOAR) and submit it to the Department of Developmental Services (DDS) in December. Year to date, the center's operating costs are at 19.7%, which is over the 15% cost cap. However, this number is high because we have a lot of initial expenditures (e.g. insurance) that are paid out of operations at the beginning of each fiscal year. The percentage will decrease in the coming months. Also, Lou signed our C-1 contracts last week and they have been sent to DDS. As soon as DDS finalizes the contract language, they will send us our allocation.

1. FY 2015-16 Statewide ARCA POS Expenditure Report

According to the most recent report, dated September 10th, only 5 of the 21 regional centers are projecting a potential POS deficit for this fiscal year; the other 16 regional centers are projecting POS surpluses. The total statewide surplus is between \$51 and \$56 million. DDS will undoubtedly use some of these surplus funds to resolve the centers with POS deficits. This report also shows where each regional center is in relation to one another's POS budgets in the following categories:

- Projected POS deficit: NLACRC is 1st
- Per capita by allocation: NLACRC is 13th
- Per capita by expenditures: NLACRC is 12th
- Percent deficit to contract: NLACRC is 2nd
- Percent change to original SOAR: NLACRC is 8th

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

By fiscal year, the amount of cash disbursed by NLACRC but not reimbursed by ICF providers is:

1. FY 2016-17: \$ 618,709
 2. FY 2015-16: \$1,518,069
 3. FY 2014-15: \$ 17,272
 4. FY 2013-14: \$ 25,609
 5. FY 2012-13: \$ 3,543
- Total: \$2,183,202

This is a decrease of \$1,080,569 since last month's report.

D. Contracts

1. Contracts for Review and Recommendation

- a. Aacres CA LLC
- b. CBEM LLC
- c. Elwyn California (PL-1170)
- d. National Support Services, Inc.
- e. Pathpoint
- f. Elwyn California (PL-1387, 1389, 1391, and 1427)

Summaries of each contract were provided and Kim reviewed them with the committee.

M/S/C (B. Moss/D. Newman) To recommend to the Board of Trustees to approve the 6 contracts listed above, as presented.

2. Contracts – Other

- a. Contracts Executed by NLACRC for the Office Relocation
- b. Contracts Executed by NLACRC for AB1522 (Sick Leave)
- c. Contracts Executed by NLACRC for Minimum Wage Increase
- d. Contracts Executed by NLACRC for ABX2-1

Kim provided the committee with updated summaries on these payment increases for our service providers. We are almost done with processing the increases.

3. Contracts – Updates

- a. Change in Life Insurance/Long-Term Disability Insurance Carrier

We are currently using Mutual of Omaha for these 2 insurance coverages. However, we have found that Voya would be more cost-effective for us and it also includes critical care illness and accidental death and dismemberment insurance. As such, we are going to switch carriers. The annual Voya premium is just under \$25,000.

E. Monthly Report on the Oakdale Move

1. Newsletter (Volume 1, Issue 4)
2. Final Phase Update

Copies of the final newsletter were provided. The move has been going very smoothly and we are preparing to move the second half of our staff

this weekend. The center's phone system will be coming down at 5:00 p.m. on Friday, but we still have on-call staff and our answering service.

F. Human Resources

1. Monthly Report

Copies of the summary were provided and reviewed. The summary included the following information:

1.	FY 2016-17 authorized positions	451
2.	Open positions on hold	-0
3.	Open positions vacant	-25
4.	Separations	-4
5.	Sub-total	422
6.	New hires	8
7.	Positions filled	430

We will have 9 new hires starting in October, including 7 service coordinators.

2. 1st Quarter Report

During the 1st quarter of this fiscal year, the center had 0 positions on hold, 26 new hires, 2 promotions, and 14 separations for a quarterly turnover rate of 0.09%.

G. Audit Updates

1. Draft Audit Report (July 1, 2013 through June 30, 2015)

DDS released their draft audit report. The center did so well that DDS offered to cancel the exit interview, which we agreed to. The committee expressed their appreciation to Vini Montague and the accounting staff. Kim will present the final audit report to this committee once we receive it.

2. Confirmation of FY 2014-15 Audits

NLACRC was required to do 12 service provider audits and we conducted 17. A list of the completed audits was sent to DDS; copies of it and the

cover letter were provided to the committee.

3. Summary of FY 2015-16 Audits

NLACRC was required to do 12 service provider audits and we conducted 16. In the process, we recovered over \$42,000 in overpayments. This information was submitted to DDS. Copies of the information and cover letter were provided to the committee.

4. California State Auditor Update

As reported at last month's committee meeting, NLACRC was 1 of 5 regional centers randomly selected for an in-home respite audit by the California State Auditors. The audit was conducted in June and there were 2 audit findings. First, regulations require that all in-home respite providers conduct a program evaluation (a self-assessment) and submit a written summary of their evaluation on an annual basis to the regional center, user regional centers, and DDS. NLACRC has not been collecting this information from our in-home respite service providers. Kim has been working with Yolanda Bosch, the center's community services director, to implement and comply with this regulatory requirement. The center plans to send out notices to our in-home respite service providers seeking their annual program evaluation for FY 2015-16. Second, regulations provide that the center review all vendor files, biennially, to verify the vendor continues to comply with vendorization requirements. The center's community services staff have been reviewing vendor files biennially; however the center's review has not been documented or saved as part of the vendor file. Yolanda Bosch has changed community services procedures to provide that the biennial review checklist is signed and maintained in the vendor file. The draft audit report will be issued on October 5th for our review and input. The final report will be issued on October 25th and available to the public.

V. Executive Session

A. Lease

M/S/C (D. Newman/B. Moss) To go into executive session at 7:05 p.m.

The executive session ended at 7:17 p.m. and the meeting continued.

VI. Items for the Next Board Meeting

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

- A. Minutes of the September 28th Meeting
- B. Financial Report
- C. 1st Quarter Human Resources Report
- D. Approval of CPA Request for Proposals Timeline
- E. Approval of Contracts

VII. Announcements/Information/Public Input

- A. Next Meeting: Wednesday, October 26th, at 6:00 p.m. (Oakdale office)

VIII. Adjournment

Lou adjourned the meeting at 7:18 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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