

North Los Angeles County Regional Center  
**Administrative Affairs Committee Meeting Minutes**

February 25, 2015

**Present:** Dan Becerra, Jenean Glover, Dawn Hamilton, Debra Newman, and Tavia Wooley – Committee Members  
Ken Lane – Vendor Advisory Committee Representative  
Roger Bulosan – Lautze & Lautze  
Diane Ambrose, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

**Absent:** All present

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**I. Call to Order & Introductions**

Jenean called the meeting to order at 6:13 p.m., in Dan's absence.

**II. Public Input** – There was no public input.

**III. Consent Items**

A. Approval of Revised Agenda

One item was added to the agenda.

**M/S/C** (D. Newman/T. Wooley) To approve the revised agenda as modified.

B. Approval of Minutes from January 28<sup>th</sup> Meeting

**M/S/C** (D. Newman/T. Wooley) To approve the minutes as presented.

**IV. Presentation of NLACRC's IRS Form 990** (Roger Bulosan, Lautze & Lautze)

The center files 3 different tax returns: the federal 990, the state 199 and the state attorney general RRF-1. Copies of these completed forms were provided to the committee and Mr. Bulosan reviewed them page-by-page. It was noted that the list of board members on page 7 was from a previous year and needed to be updated. Jennifer provided Mr. Bulosan with the FY 2013-14 board roster so he could update that section.

**M/S/C** (D. Newman/T. Wooley) To present NLACRC's IRS Form 990 to the Board of Trustees and recommend that they accept it as presented.

**Action:** Kim will forward the tax returns, as modified, to Jennifer who will forward it to the Board of Trustees so they can review it prior to the March 11<sup>th</sup> board meeting.

## V. Committee Business

### A. Legal Opinion on DDS/NLACRC Contract Changes

At last month's committee meeting, Kim was asked to obtain a legal opinion on one of the new contract changes. The Welfare and Institutions Code clearly states that, "...contracts to do not include vendor approval letters issued by regional centers ...". Kim asked the center's attorney that since the statute provides an exemption for vendor approval letters, does NLACRC need to seek board approval for "vendorized" services that exceed \$250,000? The attorney's response was yes, because they are still considered contracts and regional center boards must approve any contracts that exceed \$250,000 (the language in the statute was poorly written.) So Kim will continue to bring all contracts that exceed \$250,000 for this committee for their review and the board's approval.

### B. 2<sup>nd</sup> Quarter Post-Retirement Medical Trust (PRMT) Transactions

During the 2<sup>nd</sup> quarter of FY 2014-15, the center paid \$6,490.23 in ongoing fees and \$15,459.14 in investment management fees for a total of \$21,949.37. Attached to the report was an explanation of the trust fees and how they are calculated.

### C. Financial Report for January 2015

The center's operations budget is \$37,966,835 with no projected surplus or deficit. The purchase of service (POS) budget is \$279,836,081 with a projected deficit of \$31,698,968. The financial report also includes information about the center's administrative and direct operating expenses. Year to date, our operating expenses are at 13.3%, which is under the 15% administrative cost cap.

We are expecting to receive our A-3 allocation from the Department of Developmental Services (DDS) on Friday and we need a minimum of \$8 million. If the A-3 is insufficient, Kim will draft a letter to DDS about the center's budget situation and will present it at next month's committee meeting.

### D. ARCA Summary of Regional Center POS Budgets Report

According to the report, all 21 regional centers are projecting a POS deficit for this fiscal year which collectively ranges between \$280.9 and \$302.7 million. This report also shows where each regional center is in relation to one another's POS budgets in the following categories:

1. Projected POS deficit: NLACRC is 2<sup>nd</sup>
2. Per capita by allocation: NLACRC is 13<sup>th</sup>
3. Per capita by expenditures: NLACRC is 13<sup>th</sup>
4. Percent deficit to contract: NLACRC is 5<sup>th</sup>
5. Percent change to original SOAR: NLACRC is 2<sup>nd</sup>

E. Late Bill Report for January 2015

The late bills are averaging 16.94% which is not out of the ordinary.

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

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

1. FY 2014-15: \$2,174,220.88
2. FY 2013-14: \$ 95,876.64
3. FY 2012-13: \$ 66,540.18

G. Transportation Contract

Southland Transit is our current transportation provider in the Antelope Valley. Since January 2014, they have been in breach of their contract with us for 2 reasons:

1. They have not added vehicles required to reduce ride times and increase capacity.
2. They have not had independent audits conducted for 2011, 2012, or 2013, as required.

We released a Request for Proposals for another transportation provider earlier this month and proposals are due at the end of this week. If Southland decides to discontinue providing services before we have another provider secured, we will need to have the ability to contract with the new provider quickly. As such, Kim is asking for the committee's recommendation to the Executive Committee that George be given authorization to enter into this contract, if needed.

**M/S/C** (D. Becerra/T. Wooley) To recommend to the Executive Committee to authorize George Stevens to enter into a contract with a transportation provider for the Antelope Valley, if the situation arises that requires this immediate action.

#### H. Human Resources Report

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

1.	FY 2014-15 authorized positions	424
2.	Open positions on hold	0
3.	Open positions vacant	-24
4.	Separations	-4
5.	Sub-total	396
6.	New hires	10
7.	Positions filled	406

The current annual turnover rate is 0.08%. Michele reported that the center is busy hiring new staff, especially service coordinators, on a monthly basis. On March 2<sup>nd</sup>, we will bring bringing on 4 new service coordinators.

#### VI. **Items for the Next Board Meeting Agenda**

The follow items were identified for the committee's section of the March 11<sup>th</sup> board meeting agenda:

- A. Presentation of NLACRC's IRS Form 990
- B. Minutes of February 25<sup>th</sup> Meeting
- C. Financial Report for January 2015

#### VII. **Announcements / Information**

##### A. Complete Meeting Evaluations

Dan asked the committee members to please complete evaluation forms after the meeting and submit them to him with any comments.

- B. Next Meeting: Wednesday, March 25<sup>th</sup>, at 6:00 p.m.

#### VIII. **Executive Session**

**M/S/C** (J. Glover/D. Newman) To go into executive session at 7:01 p.m.

- A. Real Estate Negotiations
- B. Union Contract Negotiations

## **IX. Adjournment**

Dan adjourned the meeting at 7:34 p.m.

Submitted by,

*Jennifer Kaiser*

Jennifer Kaiser  
Executive Assistant

[aamin.feb25.2015]

