

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

April 29, 2015

**Present:** Dan Becerra, Jenean Glover, Dawn Hamilton, Debra Newman, and Tavia Wooley – Committee Members  
Lou Paparozzi – Board Member  
Ken Lane – Vendor Advisory Committee Representative  
Tanner Scharch - Guest  
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**

Dan called the meeting to order at 6:13 p.m.

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

**III. Consent Items**

A. Approval of Agenda

**M/S/C** (J. Glover/T. Wooley) To approve the agenda as presented.

B. Approval of Minutes from March 25<sup>th</sup> Meeting

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

**IV. Committee Business**

A. Financial Report

The center's operations budget is \$38,428,260 with no projected surplus or deficit. The purchase of service (POS) budget is \$290,298,037 with a projected deficit of \$19,303,958. 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%, under the 15% cost cap.

We are also still carrying a POS deficit for FY 2012-13. We have been in communication with the Department of Developmental Services (DDS) about this and DDS agreed to send us another contract amendment to cover the shortfall.

B. Sufficiency of Allocation Report (SOAR) Changes

Kim presented the monthly POS Surplus/(Deficit) change report (February 2015 compared to January 2015) since the report was not available at the April 8<sup>th</sup> Board meeting. The report showed that our projected POS deficit decreased by \$645,190. The POS deficit decreased primarily due to changes in the projected start dates of new programs and due to changes in our current growth trends.

C. ARCA Purchase of Service (POS) Statewide Expenditure Report

According to the report, 18 of the 21 regional centers are projecting a POS deficit for this fiscal year which collectively ranges between \$141.2 and \$157.8 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 6<sup>th</sup>

D. Update on Credit Line and Cash Flow

We are currently anticipating that we will need to borrow from our credit line during the month of June 2015 when we pay our May 2015 state claims. Based on our most recent cash forecast, we anticipate borrowing \$11.8 million in June. The cost to borrow \$11.8 million is \$738 per day or \$5,167 per week. Typically, DDS has been able to provide regional centers with 2 cash advances in July, so if DDS continues this practice we may have enough cash to pay our claims through the month of July without needing to borrow, however it will be very tight. Kim reported that our credit line documents to increase our revolving line of credit from \$25 million to \$30 million and to increase our bridge line of credit from \$30 million to \$58 million will be ready for our May 13<sup>th</sup> Board meeting.

**M/S/C** (T. Wooley/D. Newman) To recommend to the Board of Trustees to approve executing the credit line documents.

E. Late Bill Report

The late bills are averaging 16.92% which is not out of the ordinary.

F. 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 2014-15: \$1,993,843
  2. FY 2013-14: \$ 88,222
  3. FY 2012-13: \$ 66,540
- Total: \$2,148,605

One of the ICF providers is responsible for \$560,000 of the total amount, and they are going out of business. DDS has offset their claim by \$360,000 and has already paid them \$200,000.

G. Approval of Contracts

Summaries of the contracts were provided to the committee.

1. Nurture & Nature Applied Behavioral Analysis & Consultation (605)
2. Nurture & Nature Applied Behavioral Analysis & Consultation (612)
3. Nurture & Nature Applied Behavioral Analysis & Consultation (615)

**M/S/C** (T. Wooley/D. Newman) To recommend to the Board of Trustees to approve the 3 contracts with Nurture & Nature as presented.

4. Valley Village (091)

**M/S/C** (T. Wooley/J. Glover) To recommend that the Executive Committee approve the contract with Valley Village, as presented, on behalf of the Board of Trustees.

5. A Change in Trajectory (062)

**M/S/C** (D. Newman/T. Wooley) To recommend to the Board of Trustees to approve the contract with A Change in Trajectory as presented.

H. Human Resources Report

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

1.	FY 2014-15 authorized positions	426
2.	Open positions on hold	0
3.	Open positions vacant	-21
4.	Separations	-2
5.	Sub-total	403
6.	New hires	0
7.	Positions filled	403

The current annual turnover rate is 0.04%. Michele reported that the center is busy hiring new staff, especially service coordinators, and will be bringing on 10 new service coordinators on May 4<sup>th</sup>. Michele will be working with Vini to develop the center's staffing plan for next fiscal year.

I. ARCA Dues

We received our statement for our ARCA dues for next fiscal year. The dues amount is \$82,530.00 which is the same amount we paid for this fiscal year.

**M/S/C** (J. Glover/T. Wooley) To recommend to the Board of Trustees to approve paying the ARCA dues for FY 2015-16 in the amount of \$82,530.00.

J. Insurance Update

As this committee does not meet in June, at next month's committee meeting we will need the committee to authorize an officer to secure insurance in June for next fiscal year.

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

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

- A. Minutes of April 29<sup>th</sup> Meeting
- B. Financial Report
- C. Approval of Contracts
- D. Approval to Pay ARCA Dues

**VI. Announcements/Information/Public Input**

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. DDS Request

George reported that after reviewing some of our service expenditures, DDS has asked us to explain the increase in some of our POS spending categories. We are committed to providing services to our consumers as identified on their Individual Program Plans (IPPs). But we also need to be able to explain why we purchased specific services for consumers to DDS. We are currently putting together a response to DDS.

C. Next Meeting: Wednesday, May 27<sup>th</sup>, at 6:00 p.m.

**VII. Executive Session**

A. Quarterly Legal Update

The committee went into executive session at 7:20 p.m.

**VIII. Adjournment**

Dan adjourned the meeting at 7:40 p.m.

Submitted by,

*Jennifer Kaiser*

Jennifer Kaiser  
Executive Assistant

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