



Regional Center of the East Bay
REGIONAL CENTER OF THE EAST BAY

Board of Directors Meeting

Monday, February 25, 2019
500 Davis Street, San Leandro
Approved 3/25/19

RCEB BOARD MEMBERS PRESENT:

Kathy Hebert, President
Lilian Ansari, Vice President
Evangeline Iyemura, Treasurer
Nyron Battles, Secretary
Morena Grimaldi, Diversity & Equity Chair
Sister Marygrace Puchac, PVAC
Dinah Shapiro
Linda Stevens
Gerald Tamayo
Steven Whitgob

ABSENT [excused]:

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STAFF PRESENT:

Lisa Kleinbub, Executive Director
Terri Jones, Director of Human Resources
Lucy Rivello, Director of Health & Behavioral Services
Lynn Nguyen, Director of Finance & Administration
Ronke Sodipo, Director of Client Services
Melanie Gonzales, Associate Director of Client Services
Christine Hanson, Associate Director of Adult Services
Evelyn Hoskins, Associate Director of Federal Programs
Elvia Osorio-Rodriguez, Associate Director of Children's Services
Silvia Siu, Controller
Priscilla Gomez, Transportation Manager
Eileen Florendo, Case Manager
Herb Hastings, Consumer Advocate
Michi Toy, Executive Assistant

GUESTS:

Brian Blaisch
Teresita DeJesus
April Hope
Gwen Nash-Butler, CAC Chair

Frank Paré
Reneé Perls
Jeri Pietrelli
Carmen Quinones

Caroline Ortiz
Chloe Page

Shani Stewart

CALL TO ORDER

Board President, Kathy Hebert called the regularly scheduled meeting of the Regional Center of the East Bay to order at 7:02 p.m.

WELCOME AND INTRODUCTIONS

Self-introductions were made and a quorum was present.

CONSENT AGENDA / MINUTES

M/S/C “The Board moves to approve the February 25, 2019 agenda as presented.”
[Battles/Shapiro] Unanimous

M/S/C “The Board moves to approve the January 28, 2019 minutes as presented.”
[Shapiro/Whitgob] Unanimous

PUBLIC COMMENT

Parent Jeri Pietrelli offered helpful suggestions to add to RCEB’s website to make it more user-friendly and also inquired about program oversight details. Ms. Kleinbub responded to an inquiry regarding Welfare & Institution Code [WIC] section 4731 complaint process and Sister Marygrace Puchac addressed the program oversight process.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Kathy Hebert

CONTRACT APPROVALS

Telecare Corporation

This contract with Telecare Corporation is to develop one four-bed Community Crisis Home [CCH] in Oakley for consumers at risk to be admitted to a community crisis center type facility. This development is part of the community placement plan.

Term: February 2019 – January 2029

Total Capacity: 4 individuals

Maximum facility rate/month is \$69,977

Maximum annual disbursement \$839,724

[Each client will have an individualized services and supports rate]

M/S/C “The board moves to approve the funding for Telecare Corporation to develop one CCH home as stated.” [Shapiro/ Battles] Unanimous The motion was adopted.

BUDGET AND FINANCE COMMITTEE

Budget and Finance Report for February 25, 2019 – Evangeline Iyemura

Update on the Independent Audit Report for Fiscal Year 2017-18

Ms. Iyemura distributed the February Financial Status Report to the board members. At last month’s November board meeting, the Agency’s independent auditors, Marcum LLC., presented a draft of the audit report to the Board. This report is unmodified, or a clean report with no Management comments. The report was not available for the Board’s final approval because we were waiting for the latest valuation of the unfunded liability from CalPERS. We finally received this information from CalPERS in February 2019.

RCEB engaged an independent actuary, Milliman, to perform a FASB actuarial valuation of the projected benefit obligation, which resulted in an unfunded liability of \$65M. This is compared to the \$13M amount projected under the GASB valuation provided by CalPERS. This \$52M reporting difference under the two methodologies is due to the different assumptions used in the valuation. The majority of the difference is attributable to the discount rate used in the FASB valuation of 4.25% versus the 7.15% used in the GASB valuation.

Marcum LLC. has issued a final draft of the audit report, which now includes the CalPERS unfunded liability of \$65M reported in the FASB valuation and the related footnote disclosure. The Budget and Finance Committee has reviewed the final draft of the audit report which is also a clean report. The Committee recommends that the Board approve the Fiscal Year 2017-18 Independent Audit Report as presented.

M/S/C “The Budget and Finance Committee motions to approve the Fiscal Year 2017-18 Independent Audit Report as presented.” [Shapiro/Battles] Unanimous
The motion was adopted.

Questions were asked and addressed by Ms. Iyemura.

Purchase of Service

The regional center just received the E-2 intent letter on February 14, 2019 and we are still waiting for the official contract amendment. The E-2 allocation includes additional POS funding of \$6.5M: \$51k for regular POS, \$1.3M for regular Community Placement Plan (CPP), \$1.7M for Sonoma CPP, \$225k for Fairview CPP, and CPP and safety net start-up funding of \$3.2M.

Through January 2018, our fiscal year 2018-19 POS expenditures have 57% in base. At this time, we are projecting for NON-CPP POS Expenditures a deficit ranging from approximately \$3.3M (best case) to \$5.1M (worst case). This is a decrease of \$1.1M (best case) and \$1.4M (worst case) over the previous month’s projections.

Currently, 14 Regional Centers including RCEB, are reporting a deficit POS budget in their projections. Statewide, the projected system deficit is at a low of \$42M and a high of \$70M. For CPP POS Expenditures, our deficit has decreased over the previous month's projections mainly due to the additional CPP funding received in the E-2 of \$6.5M. Even with the additional funding, we continue to project a CPP deficit of \$2.6M.

We continue to monitor our POS budget closely, including CPP, and will work with the Department to request for additional funding to cover our projected deficit.

Operations

The E-2 allocation provides \$156k regular OPS budget, mainly for the additional rent and facility maintenance costs for the new Concord office. Also included in the E-2 amendment is the funding of the remaining \$1.3M of the approved Operations Community Placement Plan (CPP) for Agnews and Sonoma.

Through January 2019, we have expended 52% of the total operations budget of \$46.2M. At this time, we are projecting a balanced budget in operations. Staff will be keeping the board apprised of our operations budget for the year.

Cash Flow Status

The agency is currently maintaining a stable cash flow. To date, we have been receiving full reimbursement for our claims through January. We have received documents to re-establish our Line of Credit for Fiscal Year 2018-19. These documents will be finalized for Board approval at the March meeting.

MEMBERSHIP DEVELOPMENT COMMITTEE: Kathy Hebert

Board Member Nomination

In January, the Membership Development Committee interviewed two board applicants. In following with our Board ByLaws, Section 5.5 Election, *Directors shall be elected at the meeting of the Board of Directors of the Corporation following the meeting of the Board at which the Director was nominated*, Ms. Hebert nominated the two individuals at this February board meeting and an election will commence at the March board meeting.

Board Election

At our last board meeting in January, Ms. Hebert nominated both Brian Blaisch and Chloe Page to serve as board members; therefore, a board election was conducted this evening. The ballots were distributed to the Board members and tallied by Lilian Ansari with the result being a unanimous vote for both nominees to serve on the board effective this meeting.

Board member Nyron Battles's second service of three years will end this month, so he has graciously volunteered to serve his last term of one year. A ballot vote was conducted with a unanimous vote for Mr. Battles to continue his service on the board.

ByLaw Update Vote

Ms. Hebert presented the suggested changes to the existing ByLaws that were discussed by the Executive Committee on January 9th. This list was also sent to the board members in their January and February board packets. The following changes were brought forth to vote on this evening:

SUGGESTED CHANGES TO THE RCEB BY-LAWS Effective 2/25/19

Suggested Change: CFO title elimination from multiple pages in the Bylaws relating to Officers of the Board of Directors

Eliminate the title “Chief Financial Officer” wherever it is showing up in the Bylaws if it is attached and relating to the Treasurer (pages 7,9,14,15,18,27).

Reason → The CFO is associated with a Director position within the RCEB Corporation, not the Board of Directors. The “any other Officer of the Corporation” covers the CFO of the Corporation, and does not need to stand alone, whereas the Executive Director does need to be named.

Page 19 Section 8.4 Standing Committees

Suggested Change: Adding a paragraph

Add a new point (5) below point (4) on page 19:

(5) Action Without a Meeting. Any action required or permitted to be taken by the Board’s Executive Committee may be taken without a meeting, if all members of the Board’s Executive Committee individually or collectively consent in writing via e-mail or documented from a phone confirmation to that action. The written consent or consents shall be filed with the minutes of the proceedings. An action by written consent shall have the same force and effect as a unanimous vote of the directors.

Page 19 Section 8.4(4) Standing Committees

Current Wording: (green color indicates added words)

*Meetings of the Executive Committee shall be held at the call of the President or any two (2) members of said Committee. Notice of the meeting shall be given to each member of the Executive Committee either **by phone call** orally or in writing, by ~~means of telephone,~~ **e-mail** ~~facsimile, personal visit~~ or **regular** mail, not less than seven (7) days before the time at which the meeting is scheduled to take place, unless notice is waived by such member in writing.*

M/S/C “Motion to add/delete wording to update the ByLaws as presented.”
 [Battles/Shapiro] Unanimous The motion was adopted

Board member Mr. Whitgob inquired about the possibility of the board returning to having two finance positions; “Treasurer” and “Budget and Finance Committee Chair” for additional oversight on the Board. This matter will be discussed by the Executive Committee at their March meeting and brought forth to the Board members.

PROVIDER/VENDOR ADVISORY COMMITTEE [PVAC]: Sister Marygrace Puchac

The PVAC meeting was on February 8th where Steve Robinson, RCEB Director of Community Services presented on *Unanticipated Rate Adjustments and Health & Safety Waiver Requests*. Ms. Puchac added that minimum wage with all its complexities and variabilities is very challenging, as the State has designated that as of January 1st, the minimum wage moved from \$11/hr to \$12/hr for those organizations having more than 26 employees. For those with less than 26 employees, the minimum wage increased from \$10.50/hr to \$11/hr. However, many cities have instituted their own minimum wages, so that adds another challenge. If service providers wanted to be included in the minimum wage rate increase, there were many documents that have to be submitted to the State by March 1st.

Another issue discussed was the Health & Safety Waiver request, where a rate adjustment would be needed for an individual in order to ensure and protect that person’s health and safety, whether that need be temporary or on-going. This waiver request includes a lot of accountability and forms that need to be submitted to and approved by the State.

Service provider rates have only increased by 7% in the last 16-20 years. In 2009, the State had subtracted 3% from the budget, and in 2010 they subtracted 1.25% from every program. Then in 2013, the programs received 4.25% and in 2016 it was 7% (5% to staff, and 2% to programs). Therefore, the agencies are supporting an 8% increase to rates (which was actually in last year’s budget) as a down payment.

CONSUMER ADVISORY COMMITTEE [CAC]: Nyron Battles

Mr. Battles summarized the Monday, February 11th CAC meeting during which Ms. Kleinbub updated the committee on the Governor’s Budget and the issues that ARCA and the regional centers will be focusing their grassroots activities on, such as increasing service provider rates, housing, and transportation. The next CAC meeting will be on March 11, 2019.

DIVERSITY and EQUITY COMMITTEE: Morena Grimaldi

Ms. Grimaldi stated that the Diversity & Equity Committee met before the board meeting where they received updates from the different family support groups. At the last reporting in January, we were waiting for DDS to issue the list of agencies that they selected to receive funds based on their project proposals geared towards increasing equity with access to regional center services. We now know that there are four of our local agencies that were approved.

The committee also brainstormed on their Mission Statement to see if they needed to make any updates to reflect the current needs of the community. Also discussed were the POS Disparity meetings in February and March and the importance on getting input from the community.

Detailed minutes of our monthly meetings are available on the Diversity & Equity page of our website <https://www.rceb.org/pod/agenda-minutes>. The next Diversity & Equity meeting will be on March 25, 2019 in San Leandro at 6pm.

EXECUTIVE DIRECTOR'S REPORT: Lisa Kleinbub, Executive Director

We hosted a successful Legislative Breakfast on February 1st as part of the East Bay Legislative Committee at our San Leandro office. There were many legislative staff members in attendance and organizing representatives. Three major points that were made at this breakfast:

1. Fund an 8% down payment on all rates for service providers
2. Fund accessible and affordable housing
3. Fund accessible transportation for people in the community

The presentation was on point with 3-4 speakers. There was a train theme relating to how we cannot get stuck on the tracks reaching our dream of having an inclusive community. This is the second year where the East Bay Legislative Committee hosted a legislative breakfast. In the past, we participated in a Town Hall Legislative meeting in the State building. There's been a lot of interest in the legislative breakfast since it gives the community an opportunity to sit down to discuss issues with legislators/staffers. Unfortunately, the date of the event was the same day that the local legislators met, so their staff members attended instead.

Budget

There has been little or no movement on anything in the budget since the Governor released the budget on January 10th.

On March 6th, there will be a hearing with the Assembly Budget Committee where testimony on all of the budget items related to the Department of Developmental Services both for headquarters and regional center funding will be heard. The proposals regarding rates in the Governor's budget are pending the results of DDS's rate study to be presented to the legislature. Therefore, there were no funds to increase rates for service providers in the Governor's budget. There were also no increases for funding at regional centers other than funding for our growth positions using the usual core-staffing formula. The position of the Lanterman Coalition which includes the Association of Regional Center Agencies [ARCA], California Disability Services Association [CDSA], many provider organizations, and Disability Rights is that an 8% down payment on provider rates is necessary this year as a down payment on the rate study. ARCA's position supports both an increase of 8% for service providers and 8% for case management related positions at regional centers to cover some of the gaps in case management positions across the state.

Currently in the legislature, there are a number of bills that will impact our service system. One proposed bill is from Assemblyman Devon Mathis to restore social recreation funding for social recreation and camping. Assemblyman Jim Frazier has proposed bills to eliminate the 14-day furlough calendar as well as half-day billing [requirement that people attend a certain percentage of the day in order to get paid for a full day of day services]. There are a number of spot bills with no content to them, but they will include other legislation impacting our community. There is also a bill regarding the use of physical restraints in schools, which relates to a tragedy in El Dorado County at a non-public school.

RCEB will be attending Grassroots Day and meeting with our local legislators in Sacramento on April 3rd along with ARCA and other regional centers. That day also coincides with another disability advocacy day, so it should be an energizing and exciting day at the Capitol.

Rate Study

The rate study was required as part of ABX2 1. The legislature with the rate increases enacted in 2015/16. DDS was required to present a rate study to the legislature about how to reform rates in such a way that allows for available quality and sustainable services. It is due to be released this Friday to the legislature. Therefore, DDS along with their consulting firm Burns & Associates, Inc. are giving presentations about the rate study starting today and all day tomorrow in Sacramento then in Southern California later this week. There is now information posted on DDS's website about the rate models that they are proposing. They are looking at 62 rates in our service system, but not all rates. Those tied to MediCal are not being considered for change. Highlights include models specific to regional centers recognizing geographic differences in the areas of wages, transportation, and the cost of real estate used as part of the formula. They will be categorizing the positions of workers who are part of the wage assumptions using the Bureau of Labor Statistics on Average Wages. There is an adjustment factor for bi-lingual staff. Rates include adjustments for service provider training and preparation and travel to develop productivity factors.

Ms. Kleinbub added that we are not certain that we will be satisfied in this community with this new rate structure in all categories of services. Some categories do seem to be in the ballpark for a sustainable rate increase, but there are other categories that we are concerned about due to the underlying assumptions about the rate. The geographic differentials in most ways do make sense, but some of the assumptions of level of staff skill may not be correct. The rate model does not take into account local minimum wage. Although we have been told that issue will be solved with the rate study, it does not appear that it has been addressed at this point. There will be testimony taken and a comment period through March 22nd. We can expect an analysis by ARCA on this rate study reflecting input from all regional centers.

Self-Determination

Ms. Kleinbub stated that some staff members attended a long awaited DDS Train-the-Trainer workshop last week, and additional staff members will attend one at the San Andreas Regional Center next week. Therefore, we will be able to start to offer orientations for those individuals selected along with their families in April/May. The orientation gets into very specific details

about Self-Determination. We will be working on getting trainers ready and able to do the training. We have a very active local advisory committee on Self-Determination and an Associate Director at RCEB who is organizing and coordinating things on our end. We are looking forward to seeing this program rollout and witness how it will work for people to obtain services in a slightly different way. The Self-Determination program is scheduled to rollout to all interested consumers in June 2021.

Family Home Agency

Ms. Kleinbub spoke of Enriching Lives, a Family Home Agency [FHA]. Enriching Lives provide support to individuals who live in a family home. The individuals reside and share responsibilities with the host family and become part of that family and the community. Only two individuals with developmental disabilities can live in a home. The family receives training and a stipend for their service. This FHA has requested that RCEB submit a 637 proposal, which will allow the agency to change what is in regulation. Since FHA's are only supposed to serve adults, Enriching Lives is requesting a waiver to serve an adult consumer along with their minor child instead of only strictly adults. This arrangement is a good option for those clients who have minor children to live in a more supported environment as they raise their family. The adult consumer retains all their parental rights. RCEB will be submitting their request to DDS since we already held a required public meeting. No one attended to either support or object the proposal.

Diversity & Equity

Ms. Kleinbub stated that we had asked and received \$100K from DDS for start-up funds to identify two providers to develop FHA's. One of the proposals is to work with the deaf community to provide homes where the family is proficient in sign language (this is a very important issue with our deaf community), and the other is to work with monolingual Asian consumers with culturally and linguistically congruent host families. The goal is to find new living models for groups who are underserved.

Ms. Kleinbub and Ms. Sodipo attended the Deaf Plus Adult Community's yearly gala dinner event last weekend. Deaf Plus offers ASL day service and supported employment services for those who are deaf and hard-of-hearing. At the dinner RCEB received a Community Partner award. We are very pleased to receive their recognition. We have been working hard to figure out the best way to support this particular community whose strong advocacy has encouraged us to address their needs. Our Case Manager Supervisor, Reneé Chatowski advocated a few years ago to hire deaf case managers for this group of consumers and now we have two deaf case managers at our regional center, as well as several bi-lingual (ASL and hearing) case managers.

PUBLIC COMMENT

Reneé Perls commented that there is no public transportation to/fr Oakland to Lafayette. There is no bus to the BART station. Ms. Perls was directed to one of our RCEB Consumer Advocate to assist with her transportation concerns.

Pam Perls added that the Contra Costa DD Council's next meeting is this Wednesday at RCEB/Concord.

Kathy Hebert for Sandi Soliday, Alameda County Developmental Disabilities Council [ACDDC]

March 23: The Alameda County Transition Faire planning is in full swing. It will be at the College of Alameda. Service provider invitations have gone out, and family registration forms will be ready the first week of February. Please contact Sandi if you're interested in volunteering.

March 27: This is the next EBLC meeting at the Concord RCEB Office at 12:30 pm.

Kathy Hebert for Sheraden Nicholau, State Council on Developmental Disabilities [SCDD], Bay Area Office

Feb 27: This Wednesday is our next Regional Advisory Committee meeting at the San Mateo Co Office of Education, from 630p-9p. Agenda items include RAC member reports, a review of the annual reports for the SCDD Clients' Rights Advocacy and Volunteer Advocacy Service program, and a Forensics overview.

SCDD, Bay Area is co-hosting two sets of a 2-part UC Davis MIND taught Supported Decision Making trainings for professionals, family advocates and self-advocates:

1. **Feb 28:** in Concord with the Contra Costa Co Developmental Disabilities Council.
2. **April 10:** in San Mateo with Golden Gate Regional Center.

March 7: The next SCDD legislative and public policy committee meeting in Sacramento

March 11: The next self-advocates advisory committee

March 12: The next State Council Meeting is on 3/12 in Sacramento

ARCA REPORT: Lisa Kleinbub

Ms. Kleinbub stated that although there was no ARCA meeting, we are all are focused on Grassroots day on April 3rd at the State Capitol. There will be an ARCA meeting in March where new legislation will be presented and ARCA's positions will be decided.

MEETING ADJOURNED

The board meeting adjourned at 8:25 p.m.

The next Board Meeting will be at 7:00 PM on March 25, 2019 in San Leandro
