



**REGIONAL CENTER OF THE EAST BAY**  
**Board of Directors Meeting**  
**MINUTES**

Approved on 9/22/14

Monday, July 28, 2014 7:08 p.m.  
500 Davis Street, San Leandro, CA

**RCEB BOARD MEMBERS PRESENT:**

Anne Struthers, President	Evangeline Iyemura
Kathy Hebert, Vice-President	Chi Lee
Steve Whitgob, Treasurer	Donald Morris, CAC
Rose Coleman, Secretary	Gwen Nash-Butler, CAC
Nyron Battles, CAC Chair	Carmen Quinones, CAC

**ABSENT:**

Cecilia Corral, Diversity & Equity Committee Chair [excused]  
Sister Marygrace [excused]  
Darcy Ting [excused]  
Mike Treppa, Budget & Finance Committee Chair [excused]

**STAFF PRESENT:**

Jim Burton, Executive Director  
Terri Jones, Director of Human Resources  
Nancy Kubota, Director of Finance & Administration  
Pam Thomas, Director of Consumer Services  
Ronke Sodipo, Director of Community Services  
Melanie Fowler, Associate Director of Consumer Services, Alameda County  
Evelyn Hoskins, Associate Director of Federal Programs  
Meredith Rosenberg, Case Manager  
Dan Seda, Case Manager Supervisor  
Michi Toy, Executive Assistant

**GUESTS:**

Morena de Grimaldi	Gabriel Rogan, Area Board V
Sharon Jiminez, DDS	Sandi Soliday, ACDDC
Cleo Manspeaker	Todd Struthers
John Rodriguez, CCDDC	Bonnie Thurman, DDS

President, Anne Struthers reminded the board that there will be no Board meeting or Diversity & Equity committee meeting in August.

**CALL TO ORDER**

President, Anne Struthers called to order the regularly scheduled business meeting of the Regional Center of the East Bay at 7:08 p.m. following the Board of Director’s training session on Federal Programs.

**WELCOME AND INTRODUCTIONS**

Self introductions were made and a quorum was present.

**CONSENT AGENDA / MINUTES**

M/S/C “The Board moves to approve the minutes of June 23, 2014 as presented [Battles/Nash-Butler] Unanimous

M/S/C “The Board moves to approve the agenda of July 28, 2014 as presented” [Battles/ Nash-Butler] Unanimous

**PUBLIC COMMENT**

Cleo Manspeaker presented a plaque that she made to welcome newly hired Melanie Fowler, Associate Director of Consumer Services at RCEB.

COMMITTEE REPORTS

**EXECUTIVE COMMITTEE:** Anne Struthers

Mr. Burton informed the board that the A-1 contract amendment will be arriving around mid August from the Department of Developmental Services [DDS]. This contract amendment will include a substantial amount of money which we will need for our ongoing operations. We are expecting this to be an additional 15-20% of our total allocations [we have already received 80%], and as soon as we can get it signed and returned to DDS, the sooner the funds can flow to us.

M/S/C “The Board moves to authorize Board President Anne Struthers to sign the A-1 contract amendment upon receipt in order to expedite the processing of the contract.” (Battles/Nash-Butler) Unanimous

**BUDGET AND FINANCE COMMITTEE:** Steve Whitgob

Mr. Whitgob distributed the June Financial Status Report which reflects 12 months of expenditures through June 2014. Staff’s are still in the process of year-end close for accounting purposes, therefore not all POS and operations expenses are fully reflected in the

expended year to date column as we continue to receive and pay late bills for the prior fiscal year.

#### Fiscal Year 13-14 Purchase of Services

There has been no change in our Fiscal Year 13-14 POS budget projections since last month. Our June 2014, Purchase of Services Projections still reflect a mid-range insufficiency of approximately \$3.8M. We have worked closely with the Department in reporting our POS insufficiency. As reported to the Board previously, the Department has stated that they believe there is enough to fund deficiencies in Fiscal Year 13-14 in POS funding for Regional Centers. At this point in time, 20 of the 21 regional centers are still projecting insufficiencies in their 13-14 POS projections. Although we are ending the year with an insufficiency in POS, our agency ended recent past years with much larger insufficiencies and the Department kept its commitment to fund POS insufficiencies in the past 3 years. Our POS budgets for all past fiscal years are balanced. We expect the same to occur for Fiscal Year 13-14. We will keep the board apprised of the status of our 13-14 POS expenditures and allocations.

#### Fiscal Year 13-14 Operations

Staff is still in the process of completing year end work for operations, and some late bills and journal entries are not reflected in our financial report under expended year-to date totals. However, we are happy to report that we will end the fiscal year with a balanced operations budget.

#### Status of Fiscal Year 14-15 Allocation

As reported last month, RCEB received the preliminary "A" Contract and allocation for Fiscal Year 14-15 in June. Staff is currently analyzing the 14-15 operations but since this is only the preliminary contract. We will need to wait until we receive the A-1 contract amendment, which is expected to be released by August 15, to provide the board with this year's operations budget and projections.

The Sufficiency of Allocation Report (SOAR) is typically completed and due to the State in October or November of each year. Staff will provide the Board with our Purchase of Services projections for Fiscal Year 14-15 after our completion of the SOAR report.

#### Line of Credit and Cash Flow

The timely passage and approval of the Fiscal Year 14-15 California State Budget was good news for our system. Most Regional Centers were borrowing against their lines of credit, or close to running out of cash, including our regional center. DDS made great efforts to expedite the cash advances for Fiscal Year 14-15 and regional centers received the 1<sup>st</sup> and 2<sup>nd</sup> cash advance on July 14. We were only a day away from having to borrow to meet our POS obligation on July 15. We expect to receive the 3<sup>rd</sup> cash advance on August 1<sup>st</sup>.

Although it is good news that we did not use our line of credit in Fiscal Year 13-14, there were many times during the last quarter of the fiscal year when we were days away from borrowing to meet our obligations. There should have been sufficient cash going forward contingent upon the receipt of the 3<sup>rd</sup> cash advance and timely receipts of our state claim warrants. We are

hopeful the increase in the Loan Authority for DDS in the current fiscal year will greatly help Regional Centers' cash situation.

We have made inquiries to Union Bank about a line of credit for Fiscal Year 14-15 in the event State warrants are delayed for any reason going forward. Our current line of credit expires at the end of September 2014. As of this date, the bank has made no decision regarding the establishment of a Fiscal Year 14-15 Line of Credit for their Regional Center account holders, however there are indications they may extend the current line of credit. We will keep the Board apprised on the agency's cash flow and any developments regarding a Fiscal Year 14-15 line of credit.

Mr. Burton added his appreciation to the Department of Developmental Services [DDS] for working very carefully with us so that we would not need to borrow from our line of credit. This was a relief, as we came within hours of running out of cash and we did not need to waste thousands of dollars spent on interest as a result of borrowing, as we had to in previous years.

**MEMBERSHIP DEVELOPMENT COMMITTEE:** Anne Struthers / Kathy Hebert

Ms. Struthers announced to the Board that a new candidate for board membership was interviewed this evening. The nominating committee welcomed Morena de Grimaldi and recommended her nomination at this board meeting. Ms. Grimaldi introduced herself to the board. There will be an election at the next board meeting in September.

**PROVIDER/VENDOR ADVISORY COMMITTEE:** Jim Burton

Mr. Burton stated that there was a large attendance at the July 11<sup>th</sup> PVAC meeting. There was an informative presentation by Nicole & Lindsey from the Alameda County District Attorney's Office's Victim-Witness Assistance Program.

→ The next PVAC meeting will be on September 12, 2014.

**CONSUMER ADVISORY COMMITTEE:** Rose Coleman

Ms. Coleman informed the board that their meeting consisted of reports by Mr. Burton on IHSS overtime funding as well as Gabriel Rogan's presentation on Self Determination.

→ The next CAC meeting will be on August 11, 2014

**DIVERSITY and EQUITY COMMITTEE:** Anne Struthers for Cecilia Corral

There was no meeting tonight due to the Board Training session prior to the board meeting.

Mr. Burton added that the Diversity & Equity committee has been working on several on-going efforts, and one of those efforts had materialized in the translation of all our service standards into Chinese. This will assist monolingual Chinese speaking families in better understanding what RCEB services are available. [Note: Our service standards had already been translated into Spanish]

→ The next Diversity & Equity meeting will be September 22nd from 6:00 – 7:00 in San Leandro

### **EXECUTIVE DIRECTOR'S REPORT:** Jim Burton

Mr. Burton stated that there have not been any State budget changes to report since the last board meeting. The state budget was signed and put in place early this year, and unfortunately, instead of reporting to you with a long list of cuts, changes, or trailer bills, we are implementing the initiatives that are in the budget and moving things forward.

A major change is the \$1/hour increase in minimum wage. Currently, rates are being changed in the system for all programs that are impacted; which is a major undertaking. Our staffs in both Consumer Services and Accounting departments are working tirelessly to get all those rate changes reflected in our system in order to have the providers reimbursed for their minimum wage increase costs. The day programs also have to submit information on their actual expenses from the last fiscal year to the Department by September, 2014, where the department is recalculating the rates and will be sending those rates to us. This will not affect the providers that already pay their workers a higher than minimum wage rate.

#### Early Start

We are anxiously awaiting the changes to Early Start, and are preparing to accept more infants/toddlers into the system and look forward to providing those services that we used to provide prior to the recession. RCEB as well as our partners are looking at creative and innovative ways to get the word out to the public and expect a significant growth in the Early Start population that we serve.

Background: Early Start serves infants and toddlers from birth to 3 years old with disabilities. Their services were cut during the recession in 2009. Effective January 1, 2015 services will be restored to the levels prior to the recession. Eligibility for thousands of infants and toddlers, who had not been eligible due to the changed criteria for developmental delays, will now have access to needed services and supports.

#### State Developmental Centers

On Friday, July 25<sup>th</sup>, Sonoma Developmental Center received news that the California Department of Public Health [CDPH] announced the decertification of 7 intermediate care facility [ICF] units that serve 166 residents at SDC. SDC retains their license to provide services, but they will not be able to receive federal reimbursements if these findings are upheld, which amounts to 50% of the cost of provision of services. Mr. Burton added that this is unfortunate for the Executive Director and staff at SDC who had been working extremely hard to improve the services at SDC. They have made progress and the changes were evident, so they were very disappointed to be decertified. Despite that, they will continue to implement their Performance Improvement Plan [PIP] that was put in place. Mr. Burton added that RCEB staff is regularly present at SDC.

The loss of federal funding could have a major budget impact, as the cost/resident is very expensive; over \$400,000 per year at SDC. We will keep the board abreast of the status going forward.

Community Placement Plan [CPP]

Mr. Burton reported to the Executive Committee two weeks ago, and is now reporting to the board that for the 3<sup>rd</sup> consecutive year, RCEB has met/exceeded its goals in regards to those that we set for our Community Placement Plan. Mr. Burton stated that RCEB has carefully and thoughtfully planned placements of individuals in good living arrangements with support from the community.

Number of Consumer Placements from Developmental Centers:

<u>YEAR</u>	<u>GOAL</u>	<u>ACTUAL</u>
2011/12	11	11
2012/13	15	16
2013/14	18	20

As of today, RCEB has about 150 individuals remaining in developmental centers and we are making good progress in placing them in appropriate settings. The efforts to place individuals from developmental centers will be increasing, largely due to the State and Federal priorities to end the placement of individuals in large segregated institutions. There is a push to provide the community resources necessary to make it possible to someday no longer need the care that is provided the State developmental centers.

Mr. Burton recognized Ronke Sodipo, Director of Community Services and her staff for their work on the Community Placement Plan.

Case Load Growth

Mr. Burton stated that at the end of the fiscal year, case load growth has started to return to the levels that we used to see. We grew by a net of 504 new individuals to serve last year. In the previous years, our growth was around 300 new individuals. With the change in Early Start, more significant case load growth is expected. With this expected case load growth, additional case manager/case manager supervisors, support staff, etc. will also need to grow. Although we do not have a budget yet, we are moving forward with the planning for the new staff that we will need, and strive to have them on board as soon as possible.

Association of Regional Center Agencies [ARCA]

Mr. Burton informed the board that ARCA just established a Diversity & Equity Committee, similar to RCEB, with an on-going focus to address the disparities that exist in our service system. ARCA's new committee will focus their effort on best practices occurring throughout the State and this will be very helpful for everyone to know what is working around the State.

### Budget

As part of the budget process this year, the Governor vetoed language that would have provided for a study of both the provider rates and the core staffing formula used to allocate funds for regional center staff. Many reasons were cited for that decision {time, effort, staff, money}, but with intervention from DDS and help from the Secretary of HHS, the Governor empowered the Futures of Developmental Services in California task force to look at the community service system and to start doing many of the same things that were envisioned in the initial budget language.

Mr. Burton added that the task force was reconvened in an organizational meeting for the purpose of looking at how to take on both the rates and rates of reimbursement for regional center services. The task force will develop recommendations to strengthen the community system in the context of a growing and aging population, resource constraints, and availability of community resources to meet the specialized needs of clients, and past reductions in the community service system. Issues to be examined will be community rates, impact of new State and Federal law and regulation and staffing levels at regional centers. It is clearly understood by the Secretary and many others, that the constraints on rates and reimbursements to regional centers have limited the availability of services, which has made it very difficult for those we serve to access services.

Although there are those who think that the task force was set up to solely look at developmental centers and not the bigger issues, at least it is being looked at and has some promise to impact the future. The first meeting was conducted and the Secretary gave a realistic time frame of 6 months to a year and definitely less than 2 years to complete the review.

### Allocation Methodology

*Ms. Struthers* inquired about future of the allocation methodology. Mr. Burton explained that regional centers had a strained relationship with DDS over the past few years. This has recently changed and there is a great spirit of collaboration between DDS and the regional centers and a focus on problem solving. Mr. Burton stated that he is on a committee working on a simpler, more transparent process of allocating funds with the purpose of preventing large deficiencies at the beginning or the end of the year [\$30M as in the past]. This committee had their first meeting, and will have their second meeting this week, and Mr. Burton is confident that they will develop a better process for the allocation of funds than was previously used.

Mr. Burton also added that ARCA is working collaboratively in the negotiation of the regional centers' annual contract. As with the allocation methodology, DDS and the regional centers have been able to work together to resolve issues and problems.

### Events

Congreso Familiar will have their yearly conference on August 9<sup>th</sup> at Chabot College. The central focus of this event is to give Spanish speaking families an opportunity to meet, learn about services and resources, gain new skills and knowledge so that they can ensure that the needs of their family member with developmental disabilities are addressed. Last year, there

were around 1,000 people who attended and participated in the 70+ workshops that were given.

John Rodriguez, Contra Costa Developmental Disabilities Council added that Congreso can always use more volunteers at this event. Mr. Rodriguez also thanked Mr. Burton and RCEB staff for the support that they have been giving to Congreso over the years.

#### Transportation

Mr. Burton explained that we have been experiencing many challenges and problems recently with our transportation companies who transport our clients. RCEB will be meeting and working with our main vendors to resolve these issues.

#### Day Care

Mr. Burton reminded the board that two years ago, the Federal government changed the rules that required regional centers to have a financial management service [FMS] or employer of record [EOR] to handle the payroll to eliminate the parent voucher form of reimbursement for respite and daycare. When RCEB needed to transfer day care from parent reimbursement to the new system, we could not find any company willing to serve as an FMS or EOR for this service. As a result, we had been struggling for a few months to pull this together, and have finally completed a workable system that meets Federal and State requirements. RCEB has made arrangements with the service providers who will work with around 400 families. As a result, over the next few months we will be transferring the day care from parent voucher system to employer of record. There will be no loss of hours or change in the level of service, only how the day care providers will be paid.

#### **PUBLIC COMMENT**

*Sandi Soliday, Alameda County Developmental Disabilities Council*

August 6, 2014: The East Bay Legislative Coalition [EBLC] is planning a candidate's forum to be moderated by the LWV at the Orinda Library on 9/26<sup>th</sup>.

August 13, 2014: This is the ACDDC annual planning meeting part 2, where the results of the July planning meeting will be reviewed and plans will be made for the upcoming year.

*John Rodriguez, Contra Costa County Developmental Disabilities Council*

The CCCDDC had their annually planning retreat on August 23<sup>rd</sup> at the Concord House. Mr. Rodriguez expressed thanks to Sister Marygrace Puchac for her hospitality.

Mr. Rodriguez informed the board of the recent study by the UC Davis MIND Institute regarding the association between maternal exposure to agricultural pesticides and autism in their offspring.

September 24, 2014: CCCDDC next meeting

**ARCA REPORT:** Anne Struthers

The last ARCA Executive Committee meeting was held on July 17<sup>th</sup>.

Board member *Nyron Battles* advised that there was a discussion at the ARCA CAC meeting last week on adding more CAC members.

August 22, 2014:      Next ARCA meeting will be in Torrance, California

**Executive Session**

On a personnel matter

**MEETING ADJOURNED**

The board meeting adjourned at 8:10 p.m.

There will be **NO BOARD MEETING** in the month of August  
The next Diversity & Equity meeting will be at 6:00 P.M. on September 22, 2014 in San Leandro  
The next board meeting will follow the Diversity & Equity meeting at 7:00