

Board of Directors' Meeting
February 27, 2012

Presiding: Anne Struthers

Board Members

Present: Ronald Clay
Kathy Hebert
Hilda Mariscal
Gwen Nash-Butler
Steve Whitgob
Rose Coleman
Mike Kuller
Donald Morris
Mike Treppa

Board Members

Excused: Patricia Albeño
Sister Marygrace
Chi Lee

Staff Present:

Bill Barbaria
Francine Davis
Terri Jones
Lisa Kleinbub
Pam Thomas
Jim Burton
Susan Driggs
Rhonda Kimble-Kelly
Nancy Kubota

Guests Present:

Nyron Battles
Rocio Smith
Todd Struthers
Cleo Manspeaker
Sandi Soliday

CALL TO ORDER

President, Anne Struthers, called to order the regularly scheduled business meeting of the Regional Center of the East Bay (RCEB) at 7:00 pm. Self introductions were made.

CONSENT AGENDA

M/S/C "The Board moves to approve the agenda for February 27, 2012 as presented and the minutes of January 23, 2012 as presented."
(Kuller/Treppa) Unanimous.

PUBLIC COMMENT

There was no public comment at this time.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

Ms. Struthers reminded members of their responsibility to review and approve RCEB contracts when the contract amount exceeds \$250,000. Ms. Struthers reported that the Executive Committee had reviewed and discussed the three contracts being presented this evening and Executive Committee members recommend approval of the contracts with Delta Dental, MV Transportation and First Transit.

M/S/C “The Board moves to approve the RCEB contracts with Delta Dental, First Transit, Inc., and MV Transportation, Inc., as presented.”
(Treppa/Kuller) Unanimous.

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller distributed and reviewed the Financial Status Report for January 2012. Mr. Kuller reported that RCEB’s current Sufficiency of Allocation Report (SOAR) projects a mid-range insufficiency of approximately \$25 million and this insufficiency is about \$2 million less than last month. The mid-range projected insufficiency has decreased as a result of the conversion of voucher services to Financial Management Services (FMS)/Employer of Record (EOR) but it is still unclear if this will be an ongoing trend. In our experience, most conversions have an initial downward impact on expenditures but these figures stabilize over time. Mr. Kuller shared that we are still waiting to receive our C-3 allocation which will include our anticipated placement continuation funds and our deflection continuation funds of approximately \$2.3 million. There may also be additional POS funds allocated based on growth but DDS has not confirmed when they will issue these funds. DDS has indicated they have approximately \$170 million remaining in POS funds to allocate but at this time twenty regional centers are projecting an insufficiency in POS funds. Mr. Kuller reported that RCEB continues to implement operational efficiencies and a staff hiring freeze in a struggle to overcome the insufficiency in our Operations budget. RCEB expects to receive additional funds for caseload growth and staff continues efforts to generate revenue by adding consumers to the Waiver and our ongoing ICF State Plan Amendment (SPA) work. RCEB will continue to assess and monitor all Operations expenditures for the year and keep the Board updated on the status of the budget.

Mr. Kuller reported that the agency is currently maintaining a stable cash flow but advised the Board we may face some cash flow issues if DDS is unable to fund our projected POS insufficiency before the end of the fiscal year. RCEB currently has a

line of credit in place but members were cautioned that we cannot borrow beyond the limits of our current state contract.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

Ms. Struthers reminded the group that Kathy Hebert and Donald Morris have completed their first terms of service on the Board and both have agreed to continue to serve for a second term. Following a ballot election, Ms. Hebert and Mr. Morris were each unanimously elected to serve a second three year term of service.

Ms. Struthers also reminded members that the position of Vice President was left vacant when Ms. Struthers was elected to complete Ralph Griffin's term as president. Kathy Hebert has now agreed to serve as Vice President and Rose Coleman has agreed to assume the role of Secretary for the RCEB Board of Directors. Following a ballot election, Ms. Struthers reported that Ms. Hebert has been elected Vice President and Rose Coleman has been elected as Secretary. Following the election this evening, the Board has a full slate of officers for the year.

PROVIDER/VENDOR ADVISORY COMMITTEE: Jim Burton for Sister Marygrace

Mr. Burton said PVAC members talked about the state budget and a number of local issues. The group had an in depth discussion about the Trailer Bill Language and the new requirements that directly impact many service providers. News was shared of a new group that will include leaders of all vendor advisory groups across the state. The group's initial meeting included an insightful exercise with all attendees sharing how their group had been impacted by budget cuts.

CONSUMER ADVISORY COMMITTEE: Rose Coleman

Ms. Coleman reported that Nyron Battles and Jim Burton had reviewed the January Board meeting with the group. Mr. Burton updated CAC members on the state budget situation and announced that budget hearings will begin in March. Lisa Kleinbub joined the group and shared information on how to access the new Denti-Cal services. Denis Craig from Area Board V also attended the meeting to discuss changes being implemented to the annual People First Conference. Ms. Coleman reported that RCEB CAC members have decided to work with GGRC on the planning and workshop topics for their annual local self advocacy conference instead of attending the Sacramento conference because of the state and regional center budget challenges.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton reported that the state budget situation is unchanged from our last meeting. The governor's proposed \$200 million cut to the developmental disabilities services budget has not been reviewed or discussed by the legislature but hearings will be held in March. The Director of the Department of Developmental Services has moved forward with the stakeholder process required by law. This group met in Oakland on February 24th and the Oakland meeting was similar to previous stakeholder meetings held in other areas of the state. Mr. Burton reported that there

was a general sense at the meeting that our service system really can't endure any further cuts. There was a focus on increasing federal revenues and a focus on capturing the savings resulting from health insurance covering some services for children with autism. There was also some discussion of reviewing some of the items proposed under previous trailer bill language and their failure to save money while increasing costs in some areas and diverting energy from service to consumers and families. There were consistent statements that the 4.25% reduction should not continue. There was also concern expressed about what has happened with Part C and Early Start services for children from birth to three years of age. DDS Director, Terri Delgadillo led the stakeholder meetings and will use the discussion generated by this process to produce recommendations for the legislature. These proposals should be available in March with an opportunity to comment also provided at the hearings.

Mr. Burton reminded members that Mr. Kuller reported earlier in the evening that RCEB's projected POS deficit is slightly better than last month. We are now projecting an insufficiency of \$25 million, down from the \$27 million insufficiency projected last month. This figure is based on one month's expenditure information and reflects services that are no longer being provided to consumers and families. Members were cautioned that we still face a significant deficiency but are still waiting for DDS's allocation of the remaining funds. DDS continues to believe there are sufficient funds in our service system to cover the deficit. They also believe there are sufficient funds to deal with the \$100 million cut to services that was part of the trigger mechanism included in the budget this year. Mr. Burton noted that we are not currently experiencing cash flow problems but we could begin to have difficulties as we approach the end of the fiscal year.

Mr. Burton reported that it is important to ensure that federal funds continue to come into the developmental services system. Approximately 40% of our budget is funded through the Medicaid Waiver. The regional center system has not been meeting our revenue targets because expenditure cuts have reduced the number of people on the Waiver. RCEB staff has added over 400 consumers to the Waiver in the last six weeks and have met our target number for June 30, 2012 early. It is critical that we access all possible revenues but board members were reminded it will also mean additional work for staff already carrying extremely heavy caseloads.

Mr. Burton shared that an article was released late last week regarding investigations of alleged abuse in the State Developmental Centers (SDC). Many concerns were raised about the SDC police force and the potential conflict of interest when they investigate problems at their own facilities. The state is investigating the issues raised and hearings will be held to review the problems reported in the article. Mr. Burton noted that this is an emerging story getting a lot of coverage throughout the state and we can expect to hear more in the coming weeks.

PUBLIC COMMENT

Cleo Manspeaker told members that she had met with Solano County Mental Health professionals who do presented a training on people with dual diagnoses. Ms. Manspeaker shared the presentation she made to that group. Ms. Manspeaker said

as she ages she is becoming more and more frightened that people will take advantage of her. Mr. Burton acknowledged that Ms. Manspeaker should be very proud of how successfully she has managed the challenges she has encountered in her life and we all face problems that don't appear to have easy solutions. When Ms. Manspeaker finds herself in this situation it will be important for her to remember there are good people around to support her.

Sandi Soliday reminded the group that the Alameda County Transition Fair is scheduled for March 10th and the registration deadline is fast approaching. This year's joint annual DD Council Awards Dinner will be held on June 7th at Scotts in Oakland.

ARCA REPORT: Anne Struthers

Ms. Struthers reported that the next ARCA meeting will be held in mid-March in southern California. ARCA's annual Grass Roots Day event is scheduled for April 18th this year. Ms. Struthers informed members that RCEB is not planning to participate in the organized Grass Roots Day this year given our significant local efforts throughout the year and the tremendous success of our recent Legislative Town Hall meeting. We can expect hearings to begin in Sacramento in March and Ms. Struthers encouraged everyone who is able to participate in this critical process.

ADJOURNMENT

The meeting was adjourned at 7:55 pm.

Respectfully submitted,

Rose Coleman
Secretary
RCEB Board of Directors