

Board of Directors' Meeting
June 25, 2012

Presiding: Anne Struthers

Board Members

Present: Ronald Clay
Chi Lee
Donald Morris
Sister Marygrace
Steve Whitgob

Mike Kuller
Hilda Mariscal
Gwen Nash-Butler
Mike Treppa

Board Members

Excused: Rose Coleman
Kathy Hebert

Staff Present:

Bill Barbaria
Francine Davis
Rhonda Kimble-Kelly
Nancy Kubota

Jim Burton
Susan Driggs
Lisa Kleinbub
Pam Thomas

Guests Present:

Nyron Battles
Cleo Manspeaker
Rocio Smith
Todd Struthers

Gina Jennings
John Rodriguez
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 June 25, 2012 and the minutes of May 21, 2012 as presented. (Kuller/Puchac)
Unanimous.

PUBLIC COMMENT

Cleo Manspeaker presented Jim Burton with a lovely handcrafted plaque she had prepared to honor his outstanding work as Executive Director of the Regional Center of the East Bay (RCEB). Mr. Burton thanked her for her thoughtful recognition.

Donald Morris shared that he will be celebrating his 12th anniversary working at the Regal Movie Theatre and he still loves his work.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

Ms. Struthers reminded Board members of their responsibility to review and approve contracts for RCEB. Mr. Burton referred members to their contract summary listing and reviewed each of the contracts being considered for approval this evening.

M/S/C “The Board moves to ratify President, Anne Struther’s, signature on the D Series contract with the Department of Developmental Services for the 2012/2013 fiscal year.” (Treppa/Kuller)
Unanimous.

M/S/C “The Board moves to approve the C-6 contract with the Department of Developmental Services for the 2011/2012 fiscal year.”
(Kuller/Puchac) Unanimous.

M/S/C “The Board moves to approve the Agnews State Staff Contract with the Department of Developmental Services for the 2012/2013 fiscal year. (Treppa/Kuller) Unanimous.

M/S/C “The Board moves to approve Workers’ Compensation contract with Cypress Insurance Company to cover the period of 7/1/12 through 6/30/13.” (Treppa/Kuller) Unanimous.

M/S/C “The Board moves to approve all transportation contracts covering the period 7/1/12 through 6/30/13 as presented.”
(Nash-Butler/Kuller) Unanimous.

Ms. Struthers distributed announcements to save the date of September 29th for Rocio Smith’s retirement celebration. The event will be held at RCEB and will provide a wonderful opportunity for this community to honor the extraordinary career of our friend, Rocio.

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller distributed and reviewed the Financial Status Report for May 2012. Mr. Kuller reported that DDS has issued our C-4 and C-5 contract amendments providing over \$5 million in additional POS funds leaving us with a mid-range POS insufficiency of approximately \$14.7 million. We have just received our C-6 contract

amendment providing over \$9.4 million in POS funds leaving a projected POS insufficiency of \$3.8 million or 1.5% of our total POS allocation. Mr. Kuller noted that based on the information we currently have available we expect to end the year with a small POS insufficiency. Staff will continue to monitor our POS projections very closely and continue to report the status to the Board and DDS. Mr. Kuller reminded the Board that RCEB has struggled to balance the Operations budget this year. We now expect to end the fiscal year with a balanced Operations budget but members were cautioned that we continue to have a hiring freeze in place and caseloads and workloads are being significantly impacted.

Mr. Kuller reported that the state is still struggling with the timely issuing of state warrants. RCEB has sufficient cash to meet our obligations through July 14, 2012 but we do not have cash to meet all commitments beyond this date. Staff is working with DDS to secure the necessary cash and ensure that our cash advances for fiscal year 2012/2013 are received in a timely manner. Mr. Kuller reminded members that we have approximately \$16.5 million in borrowing authority from our line of credit and using that money will be our last option if we are unable to secure sufficient funding from the state to meet all of our obligations. Members were reminded that this would also mean the agency would incur the additional costs of interest expense.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

Ms. Struthers said there was no report this evening but members were reminded to continue their targeted recruitment efforts.

PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace

Sister Marygrace reported that PVAC met on June 8th and meeting introductions included discussions of how each member entered into the field of developmental disabilities. The reports were interesting to hear and provided a great way of learning more about each other. PVAC members offered oceans of best wishes to Gina Jennings as she embarks on her new adventure in Kenya. John Rodriguez was welcomed to the group as the new representative of the Contra Costa Developmental Disabilities Council. PVAC members also honored and paid tribute to Rosalie Schubert as she retires after 36 years of service to this community. Sister Marygrace also reported that members of her group hold a guarded delight there may be only a 1.25% reduction remaining in place after the budget is approved.

CONSUMER ADVISORY COMMITTEE: Gwen Nash-Butler

Ms. Nash-Butler reported her group had no meeting in June but will resume their regular schedule in July. The group is trying to put together their annual team building event at an A's game. RCEB CAC members will be participating in the self advocacy conference hosted by Golden Gate Regional Center's CAC members in September.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton reported it appears the state will have a budget approved and in place by July 1. It was announced last week that a compromise has been reached on proposed cuts to CalWorks, IHSS and Healthy Families. They are now working to put together the Trailer Bill Language to reflect the agreement with the Governor. The budget for Developmental Disabilities for the coming fiscal year was approved with small exception as put forth in the May Revise. The Trailer Bills that implement that budget have also been approved. Members were reminded that the budget is based on a tax initiative passing in November and if it does not pass there will be trigger cuts.

Mr. Burton shared that one of the important issues of getting a budget done in a timely fashion is the impact on cash flow. RCEB does not have a line of credit for the coming fiscal year and we were looking at a very serious situation if the budget was not approved on time. The bulk of the cash flow problem that was created this year happened because we have become so dependent on federal funds and the slow rate at which the federal government reimburses the state. Our current year line of credit will see us through payments for June services if the needed state funds are not yet available to us. Managing the limited funding available to us has been a significant challenge since March but we have received tremendous assistance from DDS.

Mr. Burton reported that at this point DDS has allocated all of the funds they have to allocate and DDS continues to believe there are sufficient funds within the system to balance the budget. DDS can re-allocate funds from other regional centers to cover deficiencies. RCEB has done all of the things we are required to do in terms of notifying DDS and implementing all of the required trailer bill cuts. Members were reminded that RCEB's projections have been on track and on target all year.

Mr. Burton shared that RCEB is working to implement the initiatives targeted to generate the \$200 million budget savings. The implementation of SB 946, the bill requiring health insurance coverage and payment for certain services for persons with the diagnosis of autism, is critical to realizing the projected savings. RCEB has begun this transition of services and expects it will impact approximately 400 families. It is important for people to understand that we do not want this transition to result in delays or disruptions in services. We have gotten very good cooperation from parents, service providers and health plans and we are hopeful we will continue to move forward in a collaborative fashion. A number of health plans have agreed to sign up the providers being used by the regional center. Trainings are being offered to families and case managers are working closely with families to assist in the complicated transition to health plan services.

Another important piece of realizing the \$200 million savings is the continued pursuit of federal funds. RCEB is planning to aggressively enroll consumers in the federal Medicaid Waiver program. Members were reminded that staffing shortages add to the challenge of enrolling people at RCEB.

Mr. Burton reported that the complex trailer bill language found in AB 1472 can be reviewed on RCEB's website. Much of the trailer bill is related to difficult to serve consumers. It will be very difficult to place anyone in a developmental center or out of state. The significant challenge will be ensuring that we have places to serve people in the community and that will require careful resource development planning with limited resources.

Mr. Burton reminded the group that we continue to implement the requirements of the prior year's trailer bill language. As required, we will again issue 13,000 annual statements to consumers and families that will list services paid. To date, this time consuming and costly process seems to have saved virtually nothing. Another requirement of the trailer bill language is the CPA review or audit for service providers. The requirement is very costly for small providers. A lot of effort went into crafting a bill to reduce the impact of the requirement on smaller service providers but the bill died before reaching committee. Many providers have not yet complied with the audit requirement but we are not clear on the consequences of failure to provide the audit information and we are awaiting guidance from the state.

Mr. Burton again shared that caseloads are at an all time high as a result of the continued hiring freeze. We have seen very significant increases in workloads throughout RCEB but the reduction in the percentage of our payment reduction should allow us to begin to improve our staffing. Mr. Burton acknowledged that all funding restored to our budget will be used to hire additional staff.

Mr. Burton reported that service coordinator caseloads are monitored by law and with the inability to hire staff, RCEB has failed to meet the ratio requirements for the second year. Staff will be preparing a response for DDS to outline what is needed to meet the requirements of the law.

Mr. Burton referred members to their packets to review the summary of SB 764 (Steinberg). The bill is about a pilot project for Telehealth and the Senator and his staff are looking for support of the bill. Telehealth programs have been very successful in geographically isolated areas of the state.

M/S/C "The Board moves to approve support of SB 764 (Steinberg).
(Kuller/Nash-Butler) Unanimous.

Rocio Smith commented it would be important that the Telehealth process should be an option for families and family choice must be a priority.

Ms. Struthers and Mr. Burton thanked Gina Jennings for her extraordinary contributions to this system. To recognize those contributions the Board and RCEB managers are sending a contribution to Start with One Kenya on her behalf.

PUBLIC COMMENT

Rocio Smith announced that Area Board 5 would be meeting in the RCEB Concord office on Wednesday evening and all were welcome to attend. Ms. Smith also distributed programs for Congreso Familiar and reminded everyone this year's event

would take place on Saturday, August 11th at Chabot College in Hayward. DDS Director, Terri Delgadillo, will be attending and speaking at this year's Congreso Familiar.

Sandi Soliday reported this year's annual joint DD Council dinner was a great success. The next Alameda DD Council meeting is scheduled for July 11th at 9:00 and will be their annual planning meeting.

Cleo Manspeaker shared that she will again be participating in the CARH fashion show and this year the event will be held on September 15th. Tickets for this event will be \$40 and those interested in attending should contact CARH to purchase tickets.

ARCA

Ms. Struthers reported that the ARCA group had met last week in Sacramento. ARCA is going through a transition under their new leadership and staff and members are working hard to forge new relationships as they continue to respond to the critical needs of the regional center community.

ADJOURNMENT

Following a brief closed session to discuss personnel issues, the meeting was adjourned at 8:28 pm.

Respectfully submitted,

Mike Kuller
Treasurer
RCEB Board of Directors