

Board of Directors' Meeting

March 23, 2009

Presiding: Ralph Griffin

Board Members

Present:	Patricia Albeño	Nyron Battles
	Ronald Clay	Shana Cohen
	Mike Kuller	Hilda Mariscal
	Donald Morris	Carmen Quinones
	Will Sanford	

Board Members

Excused:	Kathy Hebert	Chi Lee
	Claudia Sladen	

Board Members

Absent: Lauri Parks

Staff Present:

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

Guests Present:

Gina Jennings	Cleo Manspeaker
Rocio Smith	Sandi Soliday

CALL TO ORDER

The regularly scheduled business meeting of the Regional Center of the East Bay was called to order at 7:02 pm by President, Ralph Griffin. Self-introductions were made.

CONSENT AGENDA

M/S/C “The Board moves to approve the agenda for the March 23, 2009 meeting and the minutes of the February 23, 2009 meeting as presented.” (Sanford/Kuller) Unanimous.

PUBLIC COMMENT

Cleo Manspeaker presented Mr. Burton with an originally designed plaque and thanked him for being a wonderful director. Ms. Manspeaker also shared that she had spoken at the February 27th forum and asked Department of Developmental Services (DDS) representatives not to take away her supported living services.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Ralph Griffin

Mr. Griffin reported that members of the Executive Committee had reviewed the by-laws of the corporation and suggested they continue without changes. Mr. Griffin asked members for questions or recommendations for necessary changes and none being presented, it was agreed to leave the by-laws as currently written.

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller distributed and reviewed the Financial Status Report for February 2009. Mr. Kuller reported that RCEB's financial status has changed and now reflects the 3% payment reduction put in place effective February 1, 2009. RCEB is now projecting an insufficiency in the POS budget between \$10.4 million and \$13.3 million. Members were reminded that all regional centers received only a small portion of their projected base deficiencies and we are still expecting a plan from DDS on how the state-wide deficit for the current fiscal year will be addressed. RCEB's POS trends and projections have remained consistent with our Sufficiency of Allocation Report (SOAR) submitted to DDS last fall. RCEB staff will continue to carefully monitor our budget status. With the passage of the State budget, we no longer anticipate a cash flow problem but staff will continue to monitor the situation and keep the Board informed.

Mr. Kuller reported that the agency has employed many measures to reduce our Operations budget while maintaining services to consumers and families. We will continue to take all necessary steps to balance our Operations budget and at this time we expect a balanced Operations budget at the end of the fiscal year if there are no further State reductions to regional center operations.

MEMBERSHIP DEVELOPMENT COMMITTEE: Ralph Griffin

Mr. Griffin reminded members that Anne Struthers and Steve Whitgob had been nominated for membership at the February 23rd meeting of the Board. Mr. Griffin informed the group that Dr. Whitgob had declared a potential conflict of interest and we will submit a request for a conflict of interest waiver from DDS. The Board will not act on Dr. Whitgob's membership application until we receive a response to this request from DDS. Members were also reminded that Lauri Park's first term of service has ended and they are being asked to consider her re-election to a second three-year term of service. Following a ballot election, Mr. Griffin reported that Ms. Struthers and Ms. Parks were both unanimously elected.

SUPPORTS AND SERVICES COMMITTEE

There was no report this evening.

PROVIDER/VENDOR ADVISORY COMMITTEE: Will Sanford

Mr. Sanford reported that his group had an extended discussion about the State budget and its impact on services to consumers and families. Members shared information and ideas on how to maintain services with the 3% rate reduction in place.

Mr. Sanford reminded the group that the East Bay Legislative Coalition is holding their annual Legislative Breakfast on Friday, April 24th. This year the event will be at Stepping Stones in San Leandro and invitations will be going out very soon.

CONSUMER ADVISORY COMMITTEE: Ronald Clay

Mr. Clay reported that Jim Burton had joined the CAC meeting and explained how the 3% cut in regional center and service provider funds will affect our community. Mr. Clay also reported that the annual People First Conference will be held in Sacramento in June. Participants will be selected through a lottery drawing again this year.

Mr. Battles informed the group that CAC members will now take turns giving the CAC report at each board meeting so they will have an opportunity to actively participate in committee reports and improve their public speaking skills.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton reported that many things have occurred since the budget was passed on February 20th. RCEB predicts a \$10-13 million deficit in Purchase of Services (POS) for the current fiscal year. Statewide, DDS has estimated there is a \$100-120 million deficit in POS and they have been very concerned about

going before the Legislature and reporting a deficiency in the system as that could lead to additional cuts in our service system. All twenty-one regional centers have deficiencies but there is not much time left in the fiscal year to address the problem. Mr. Burton reported that DDS Director, Terri Delgadillo has been working diligently to cover this deficiency and she has made a lot of progress. The Department has \$25 million in reserve funds available. Additionally, they have identified approximately \$57 million in new Medicaid Waiver dollars being brought in this year that they will apply to the deficit if they receive Administration approval. Mr. Burton noted that the solution is really coming from Medicaid Waiver funds and RCEB has put forth tremendous efforts to identify and enroll eligible consumers to the Waiver. Mr. Burton thanked Pam Thomas and her staff for their efforts and noted that securing additional federal funds is the best way to preserve services.

Mr. Burton reported that RCEB issued vendor payments on time this month and the 3% rate reduction was reflected in those payments. Mr. Burton explained that we had questioned whether the 3% reduction for residential services would be taken on the regional center supplement to the rate or on the full residential rate. We were instructed by DDS to take the reduction on the full rate and these payments were issued on March 16th. On March 20th, DDS reversed this decision and we were instructed to re-calculate the reduction based on the regional center supplement only. RCEB accounting staff is now in the process of preparing a special check run to refund the difference in the two rates to residential service providers. Mr. Burton acknowledged our accounting staff for their hard work in processing these rate changes and ensuring that providers receive their payments on time.

Mr. Burton informed members that State funding is still not flowing as it should but is starting to get back to normal. We do not anticipate any problems with cash flow over the next few months.

The budget for next fiscal year includes a \$100 million reduction in State General Funds. Mr. Burton reported that a tremendous amount of effort has gone into a public stakeholder process that included three public meetings throughout the state. 1400 people participated in this process and nearly half of those people appeared at the meeting held in Oakland. Mr. Burton noted that we should be very grateful to Terri Delgadillo for listening so carefully to the concerns expressed by our consumers, families and service providers. There has been a very positive effort from the state-wide stakeholders group. This group has been working with Ms. Delgadillo to find solutions that will produce the \$100 million savings so we can avoid the additional 7.1% rate reduction for service providers. The report from this group with their draft recommendations is due to the Legislature on April 1st. Budget hearings have been scheduled for April 22nd in the Assembly and May 7th in the Senate to review recommendations from this report. Mr. Burton cautioned that whatever recommendations are generated from this process, they will not be easy for us. Members were reminded that the

current 3% rate reduction will end on June 30, 2010 but the budget reduction will remain. We will then need to find a way to cover the \$117 million deficiency.

Mr. Burton acknowledged that this budget information is sobering but we must also realize there are potential problems that could also impact our budget. The Legislative Analyst's Office has announced that the \$42 billion deficit could be understated and there may be an additional \$8 billion deficit due to declining revenues and declining economic activity. If voters don't approve the package of propositions on the ballot in the May election, there will be an additional \$5.8 billion budget hole. If Proposition 1D doesn't pass, there will be an additional \$265 million budget deficit in our community services budget. The trigger included in the current budget will require federal stimulus funds of at least \$10 billion. If we receive less than this there will be increased taxes and additional spending cuts to SSI, MediCal, Cal Works, and IHSS. Loss of service in many of these systems would require that regional centers provide the service and the funds would need to be in our budget. It is important to remember that regional center services are layered over other services in the community so the impact of reductions in all systems will be great. RCEB will need to do whatever is needed to ensure vital services are continued. Mr. Burton urged members to watch the May/June budget revisions carefully.

Carol Bohnsack announced that at 1:00 pm today the last regional center client was moved from Agnews to his community home. There were many, many tears and even more smiles for this bittersweet moment. Ms. Bohnsack reported that it has been a remarkable five years and we now have fifteen gorgeous new homes, wonderful services and happy families. Mr. Burton thanked Ms. Bohnsack and her staff for these amazing outcomes.

Mr. Burton reported a tremendous effort went into putting together the Capitol People First settlement and the proposed settlement agreement is now being publicly posted. It is expected that the court will provide final approval on April 24th.

Mr. Burton also reported families have been working to have their health plans cover treatments for autism and they have had some success. The Department of Managed Health Care has ordered that speech, language, occupational therapy and physical therapy services must be provided for children with autism. While this is good news, they have not yet taken a position on behavioral services.

PUBLIC COMMENT

Cleo Manspeaker shared that she will be participating in the CARH fashion show on May 1st. This year's event will be held at the Radisson Hotel in Dublin. Cleo also said that she had been on a recent TV newscast while participating in a local demonstration and she is glad to have an active role in her community.

ARCA REPORT: Ralph Griffin

Mr. Griffin noted that Jim had covered most of the information brought back from the recent ARCA meeting. Mr. Griffin did report that the ARCA organization has many new members. These are very challenging times to be joining the group but the energy and ideas of new members will be most welcomed.

ADJOURNMENT

Following a closed session to discuss personnel, pending litigation and real estate negotiations, the meeting was adjourned at 8:30 pm.

Respectfully submitted,

Nyron Battles
Secretary
RCEB Board of Directors