

## BOARD OF DIRECTORS' MEETING

November 28, 2011

Presiding: Anne Struthers

### Board Members

Present: Patricia Albeño  
Rose Coleman  
Mike Kuller  
Sister Marygrace

Nyron Battles  
Kathy Hebert  
Donald Morris

### Board Members

Excused: Ronald Clay  
Hilda Mariscal

Ralph Griffin  
Steve Whitgob

### Staff Present:

Bill Barbaria  
Francine Davis  
Rhonda Kimble-Kelly  
Nancy Kubota  
Ronke Sodipo

Jim Burton  
Susan Driggs  
Lisa Kleinbub  
Mark Neiman  
Pam Thomas

### Guests Present:

Tony Arrow  
Terri Ingram  
Tristan Mora  
Rocio Smith  
Emlyn Struthers

Roger Bulosan  
Gina Jennings  
Gwen Nash-Butler  
Sandi Soliday  
Alex Umegboh

### CALL TO ORDER

Vice President, Anne Struthers, called to order the regularly scheduled business meeting of the Regional Center of the East Bay at 7:05 pm. Self introductions were made.

## CONSENT AGENDA

M/S/C            “The Board moves to approve the agenda for November 28, 2011 and the minutes of October 24, 2011 as presented.”  
(Kuller/Battles) Unanimous.

## PUBLIC COMMENT

Sandi Soliday distributed fliers and informed the group that the 2012 Annual Transition Faire for Alameda County will be held on March 10<sup>th</sup> from 9:30 am until 3:00 pm. This year’s informational faire will be held at the College of Alameda in Alameda.

Anne Struthers reminded everyone that RCEB’s Helping Hand Fund is always a good source for anyone looking for the perfect place to make their year end contributions.

## COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

Ms. Struthers reported that the Executive Committee had reviewed the C-1 and C-2 contract amendments to the RCEB contract with the Department of Developmental Services (DDS) and those amendments were being presented for Board review and approval. Mr. Burton explained the C-1 contract amendment is typically received in August but was delayed due to language changes for the three regional centers that participated in the Bay Area Housing Plan. Mr. Burton noted that the language presented in these contracts was very carefully negotiated and agreed to by the three regional centers and DDS. The C-2 contract amendment does not change any of the terms of the contract but does update the amount of money in the contract.

M/S/C            “The Board moves to approve the C-1 and C-2 amendments to the contract between Regional Center of the East Bay and the Department of Developmental Services. (Battles/Morris)  
Unanimous.

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller reported that RCEB’s independent audit firm, Lautze and Lautze, has completed their draft audit report for fiscal year 2010/2011. Copies of the report were distributed and members were encouraged to present any questions directly to members of the Lautze and Lautze audit team. Mr. Kuller noted the report is unqualified and will be the final report from Lautze and Lautze after fourteen years of valuable work with RCEB. Another of the many requirements

of last year's trailer bill language is that regional centers switch audit firms every five years. Mr. Kuller introduced Roger Bulosan and Tony Arrow from Lautze and Lautze who reviewed the audit process and findings with members of the board. Mr. Bulosan noted that their team has a good, open and independent relationship with RCEB staff and have been very pleased with their longstanding relationship with this regional center. Mr. Bulosan and Mr. Arrow thanked Nancy Kubota and Mark Neiman for their cooperation and coordination during the audit process. Members were asked to carefully review the draft audit report and come prepared to consider approval at the January meeting of the Board.

Mr. Burton thanked Mr. Bulosan and Mr. Arrow for their continued efforts to support RCEB in maintaining good financial systems for the agency. Mr. Burton also thanked Nancy Kubota and Mark Neiman for their commitment to the fiscal accountability of RCEB. Their leadership has consistently allowed RCEB to present superlative audit results to this Board and community.

Mr. Kuller distributed and reviewed the Financial Status Report for October, 2011. Mr. Kuller reported that RCEB has now received the C-1 and C-2 contract amendments and this will allow us to finalize our budget projections for the year. We have requested additional details on Operations funds included in the C-2 amendment. Members were reminded that without complete budget details it has been a challenge to establish budget projections for the year. RCEB is currently projecting an insufficiency of \$67,000 in our Operations budget. This projection assumes the continuation of a hiring freeze for the remainder of the fiscal year. Mr. Kuller cautioned that this hiring freeze significantly impacts work loads and case loads. Mr. Kuller noted that steps will be taken to ensure that the Operations budget is balanced by June 30, 2012.

Mr. Kuller also reported the Budget and Finance Committee reviewed the preliminary Sufficiency of Allocation Report (SOAR) for fiscal year 2011-2012. The SOAR has been submitted to DDS and will be reviewed by ARCA and DDS. RCEB's preliminary SOAR projects a POS insufficiency of \$25.8 to \$29.3 million. The agency is currently maintaining a stable cash flow.

Mr. Burton shared that these figures do not reflect an increase in spending but rather the absence of \$18 million not included in our budget at the beginning of the fiscal year. Additionally, our case load is growing at 4% and no funds have been provided to serve the new people coming into the agency. The state has not allocated all available funds but we are not aware of what is available or what the plan might be for allocation of those funds. Members were reminded that services funded through the POS budget are an entitlement as identified in the Lanterman Developmental Disabilities Services Act. The process, by law, requires that we inform DDS of any projected budget deficiency and RCEB has done that. It will then be up to the Director of DDS to decide if there are enough funds to reallocate among regional centers to cover reported deficiencies. If there is a system wide deficiency, the Director of DDS is required to report to the

Legislature that there is not sufficient money to cover the obligations in place under law. It will then be up to the Legislature to decide whether to fill the budget gap or enact law to reduce services. Mr. Burton noted we will continue to keep DDS informed of our budget projections and work with them to the greatest extent we are able. It is important to understand that the recent changes in law generated by the trailer bill language do not appear to be generating anticipated savings but they are generating massive amounts of work for families, service providers and regional center staff.

**MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers**

Ms. Struthers reported the Membership Development Committee was pleased to place the names of Chi Lee and Gwen Nash-Butler into nomination for Board membership. The election will take place at the January meeting of the Board of Directors.

Ms. Struthers reviewed the proposed slate of officers for 2012. Following a ballot vote, Ms. Struthers announced that the following officers had been unanimously elected to serve for calendar year 2012.

President – Ralph Griffin  
Vice President – Anne Struthers  
Secretary – Kathy Hebert  
Treasurer – Mike Kuller

**PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace**

Sister Marygrace reported there was no PVAC meeting in November but their next meeting is scheduled for December 9<sup>th</sup>.

**CONSUMER ADVISORY COMMITTEE: Rose Coleman**

Ms. Coleman reported that Jim Burton shared with the group that there had been no major changes in the budget since the last meeting. Jim also discussed the budget “trigger” and what that might mean for consumers if it is activated. Jim reported that consumers will be able to access dental services in January through a new system that will be similar to the old Denti-Cal service. Ms. Coleman reported that Nyron Battles was chosen by the group as the Chairperson for 2012 and she will serve as Vice Chair for 2012.

**EXECUTIVE DIRECTOR’S REPORT: Jim Burton**

Mr. Burton reported that the revenue the state is bringing in is not meeting the expectations that the Governor and the Legislature put into the budget and, as a result, trigger cuts are very likely. The Director of the Department of Finance has until December 15<sup>th</sup> to announce whether revenues are sufficient and whether or

not these triggers will be pulled. For our service system it will be up to \$100 million in additional cuts this fiscal year and \$200 million next fiscal year. This will be \$100 million in state general funds and with the loss of matching federal funds it will be a total cut of about \$135 million. What has to be decided is where the up to \$100 million in cuts will occur. The Director of DDS will present proposed actions that will have up to \$100 million fiscal impact and we have no idea what these will be. Mr. Burton shared that it could be January before we hear the proposals and these proposals will have to be approved by the Legislature. The expectation is that there will be at least one public hearing to allow comments on these additional cuts. Mr. Burton cautioned that these cuts are extremely serious on top of so many cuts over these last few years and on top of a potential budget deficiency in the current fiscal year. Everyone present was reminded that significant advocacy efforts will be needed this year.

Mr. Burton reported that staff continues to work on implementation of the trailer bill language and emergency regulations but these changes are requiring many, many hours of work. We have seen very little savings from these changes to the law while implementation has taken massive amounts of staff time. Additionally, the changes appear to have little or no value to the consumers and families we serve. We are changing services for 4500 of our consumers who were using voucher services and are nearing the end of that process. We also recently put together all of the information to inform families of the annual family program fee for families with children under the age of 18. This fee will impact over 1900 families currently being served by RCEB. We are also working to transfer parent vouchered day care services to a financial management service system. This will be the most complex service transfer required by the emergency regulations and we will do our best to help families through the transition. Mr. Burton shared that all regional centers are struggling with this piece of the voucher transfer but we must find a way to implement the change or California will lose federal funding for these services.

Mr. Burton also reported that Adult Day Health Care services were to end on December 1, 2011 but these services have now been extended to March 1, 2012 to allow for a properly planned transition. RCEB will have nine people impacted by this transfer but some regional centers have many more consumers who depend on this critical service.

Mr. Burton noted that, as Ms. Coleman mentioned in her report, dental services for adults with developmental disabilities who rely on Medi-Cal will be restored on January 13, 2012. DDS has worked for many months to restore this vital service to consumers. RCEB has been providing temporary dental services and will keep those services in place until the new dental plan is able to take over in January.

Mr. Burton reminded everyone that RCEB will hold their annual Winterfest celebration on December 14<sup>th</sup>. RCEB staff held a series of fundraising events this

fall in order to cover the full cost of the Winterfest celebration. Board members were encouraged to attend this very special event.

Mr. Burton thanked Ms. Struthers and the Board for their remarkable commitment of public service to our agency and this community.

#### PUBLIC COMMENT

Rocio Smith reminded everyone that this year's Legislative Town Hall Meeting has been scheduled for January 27<sup>th</sup> at the State Building Auditorium in downtown Oakland.

#### ARCA REPORT: Anne Struthers

Ms. Struthers reported that the next ARCA meeting is scheduled for December 8<sup>th</sup> and 9<sup>th</sup> in southern California and is expected to be another spirited meeting.

#### ADJOURNMENT

The meeting was adjourned at 8:20 pm.

Respectfully submitted,

Nyron Battles  
Secretary  
RCEB Board of Directors