

Board of Directors' Meeting

August 22, 2011

Presiding: Anne Struthers

Board Members

Present: Nyron Battles Shana Cohen
Rose Coleman Mike Kuller
Donald Morris Steve Whitgob

Board Members

Excused: Patricia Albeño Ronald Clay
Ralph Griffin Kathy Hebert
Hilda Mariscal Sister Marygrace

Staff Present:

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

Guests Present:

Sandi Soliday Rocio Smith
Todd Struthers

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. In the absence of a quorum, it was agreed that the meeting would begin with committee reports.

COMMITTEE REPORTS

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller reported our available cash resources have been stable since the passage of the state budget. We are now operating with the cash we have on hand and this will be sufficient as the state resumes a regular payment schedule. Regional centers have now received the second of three cash advances for the year. Members were reminded we had a short term line of credit available to fund payment in July for services provided in June. Mr. Kuller noted it was not necessary for RCEB to access these funds so no additional interest expense was incurred. Mr. Kuller reported that Union Bank has

confirmed they will establish a new line of credit to be made available in the event state warrants are delayed during the remainder of the fiscal year. RCEB does not anticipate a need for these funds at this time but it will be important to have the line of credit in place if the state encounters delays in federal reimbursements or the state controller's office holds payments for any reason during the fiscal year. Staff will continue to update the board on RCEB's cash flow status.

Mr. Kuller reported the Department of Developmental Services (DDS) has been working with regional centers to expedite current year allocations. Regional centers recently received their C-1 contract allocations and RCEB staff is working on the analysis to complete budget projections for the current fiscal year for POS and Operations. Mr. Kuller explained that the financial status report for July 2011, shows a comparison of our final fiscal year 2010-2011 allocation to the current fiscal year C-1 allocation. Staff will complete a preliminary sufficiency of allocation report (SOAR) for fiscal year 2011-2012 and that information will be available at the September meeting of the board.

Mr. Burton noted that our allocation was on time this year and is relatively complete so we have a better sense of our budget than we have had in recent years. For regional center operations, we have been allocated \$1.8 million less so far than what we were allocated last year although there are still some funds to allocate. Members were reminded that there will be some additional allocations but these allocations will be small and we will have less money this year than we had last year. We will have a similar challenge with our POS budget. While there definitely is additional money to be allocated in POS, the allocation formula used this year leaves us with significantly less money than we had last year. We will have approximately \$18 million less than we had the prior fiscal year and we will have about 600 more people to serve. There is more money to be allocated but members were cautioned that this budget will be a formidable challenge and it does not yet include any allocation for caseload growth.

CONSENT AGENDA

Ms. Struthers announced that we have now established a quorum for the meeting and would return to the agenda. Self introductions were made.

M/S/C "The Board moves to approve the agenda for August 22, 2011 as presented." (Kuller/Whitgob) Unanimous.

M/S/C "The Board moves to approve the minutes of July 25, 2011 as presented." (Whitgob/Battles) Unanimous.

PUBLIC COMMENT

Rocio Smith thanked the Board and RCEB staff and for their continued support to Congreso Familiar. This year's event had over 700 participants and 228 children in the child care program. Ms. Smith noted that the conference provided 40 workshops and helps to bring needed information to Spanish-speaking parents and families of children with special needs.

Ms. Smith distributed invitations to the Carlos Quintong Celebration of Self-Advocacy being held on Thursday, September 29th from 6:00 to 9:00 pm at the Ed Roberts

Campus in Berkeley. This year's event will honor all self-advocates who spoke out during California's budget crisis.

COMMITTEE REPORTS (continued)

EXECUTIVE COMMITTEE: Anne Struthers

Ms. Struthers shared that Ralph Griffin continues to focus his energy on getting healthy and asked members to keep him in their thoughts and prayers.

Ms. Struthers distributed and reviewed the DDS contract to fund former Agnews Developmental Center staff to work with consumers living in the Bay Area Housing Plan facilities. This contract provides funding for three positions who work to ensure the health needs of the consumers who moved from Agnews are being met in their community placements. Ms. Struthers requested that members ratify Mr. Burton's signature on the contract issued by DDS.

M/S/C "The Board moves to ratify Mr. Burton's signature on DDS contract AG119004." (Battles/Whitgob) Unanimous.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

Ms. Struthers reported members are continuing efforts to refer qualified candidates for board membership. Recruitment efforts are directed to ensure the RCEB Board of Directors has representatives demonstrating the skills required in law.

Ms. Struthers announced that Shana Cohen has accepted a position at UC Riverside and will be leaving the Board. Ms. Struthers wished Dr. Cohen well and thanked her for her work on behalf of the consumers and families served by RCEB.

PROVIDER/VENDOR ADVISORY COMMITTEE: Jim Burton

Mr. Burton shared that the last Provider/Vendor Advisory Committee meeting included extensive discussion about the implementation of the trailer bill language and its impact on service providers and services. The meeting also included a presentation on disaster preparedness by Sheri Burns, Executive Director of Community Resources for Independent Living (CRIL). Ms. Burns also shared information about Alameda County Voluntary Organizations Active in Disaster (AlCo VOAD). This new group has been established to better prepare Alameda County agencies to work together when disaster strikes the community.

CONSUMER ADVISORY COMMITTEE: Nyron Battles

Mr. Battles reported that CAC members held their August meeting at the Oakland Coliseum where they were able to enjoy their annual team building exercise and the Oakland A's baseball game. Their next meeting is scheduled for September 12th at RCEB's San Leandro office.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton reported the Legislature is back in session following their summer recess. They will go out of session for the year on September 9th and will not return until January unless a special session is called. The only significant budget news out of Sacramento is the state of our economy and how it will impact the triggers built into this year's budget. Members were reminded that if the first trigger is pulled it will again target our system. We would face another \$100 million cut to state general funds that would total approximately a \$150 million total cut. Mr. Burton shared that ARCA members had an opportunity to hear DDS Director, Terri Delgadillo, explain how those cuts would impact our system. She indicated the next round of cuts may be addressed through other savings or creative alternatives proposed for the future. Revenues for July were below original estimates but the decision on whether or not there are sufficient revenues to avoid the trigger cuts will not be made until December 15, 2011.

Mr. Burton again noted that RCEB's allocation for POS is very concerning. With \$75 million dollars left to allocate to the system, RCEB is facing an \$18 million reduction in our allocation. RCEB staff are putting every effort into implementing the trailer bill language required in law but these administrative paperwork exercises don't appear to be generating significant cost savings or providing anything that will be of value to the people we serve. Mr. Burton thanked his staff for their incredible efforts to move through the massive amount of work necessary to implement the required changes.

Mr. Burton reported that many changes are required by the trailer bill language but some of these changes will be significant issues for our community. Financial reviews for service providers who receive \$250,000 or more in regional center revenues will be required and full CPA audited financial statements are required if they receive \$500,000 or more. This will be a significant additional expense for service providers with no additional funding available to support the requirements. We are concerned that some of our smaller providers may decide the increased cost of doing business makes it no longer feasible to provide services. Mr. Burton also noted that parent verification of behavioral services will also be a big issue for the families of our consumers who are under the age of 18. Families receiving behavioral services will now be required to use a DDS form to document each hour of behavioral service provided. One provider has submitted 250 forms for one month of service that will need to be verified. Providers will need to submit these forms each month with parental verification and RCEB accounting staff will need to sort through the additional paperwork. This appears to be another new requirement that will generate a great deal of confusion but not much savings. Mr. Burton also reported that late this afternoon we received instructions for the new annual parental family fee that will require families to pay a fee in order to receive services. This will be another sizeable job for the regional center and another financial burden for families. We have just finished reducing supported living services costs for a number of vendors to a 15% administrative overhead cap. Mr. Burton explained the law is not clearly written and instructions from DDS have not been as thorough as we experienced with prior trailer bill language. Regional centers are working diligently to implement the changes but there is little consistency across the state because of the short time for implementation and the lack of clarity in the law and the minimal direction from DDS. DDS is monitoring regional center efforts to implement the changes and will add these new items to their regular audit review process. Mr. Burton shared that these requirements have been very hard for staff as they divert energy and attention away from serving consumers and families.

Mr. Burton also reported we are faced with a new federal requirement that changes the way regional centers pay for respite and day care services. When implemented, we will no longer be able to pay through parent vouchers for services that are partially funded by the federal government. Our current process will be changed to include a Financial Management Service/Employer of Record who makes payments directly to the employee if federal funds are used to support the service. This change is being made through emergency regulations that will go into effect on October 1, 2011. The change will impact 16,000 families statewide and over 2,000 families at RCEB.

Mr. Burton distributed information on SB 770 (Steinberg) to extend healthcare coverage for a number of services for families of children with autism. This bill doesn't do everything everyone wants it to do but it is a great start and will get something in place for these families. Mr. Burton noted that the bill will be heard on Thursday and requested the Board consider submitting a letter of support.

M/S/C "The Board moves to authorize a letter of support for SB 770 to be submitted to the Assembly Appropriations Committee."
(Whitgob/Battles) Unanimous.

PUBLIC COMMENT

Sandy Soliday shared there will be a "Going to College with a Disability" conference on October 22, 2011. This conference is being sponsored by the Family Resource Network, Area Board 5, Alameda County California Children's Services, RCEB and the Alameda County DD Council and will provide an opportunity for students with disabilities and their families to learn about the resources and supports available at the college level.

The next meeting of the Alameda County Developmental Disabilities Council will be held on September 14th with Peggy Collins as the guest speaker.

Rocio Smith announced that Cleo Manspeaker will be celebrating her birthday on September 1st and she is really looking forward to her special day. Cleo will again be participating in the annual CARH fashion show. This year's event will be held on September 24th in Castro Valley.

ARCA REPORT: Anne Struthers

Ms. Struthers reported that Terri Delgadillo provided ARCA members with a very informative budget overview. ARCA members also discussed the transition for Adult Day Healthcare Centers. This transition has been very poorly planned and services could end for consumers without transitions plans in place. Mr. Burton noted there should be services for RCEB consumers receiving this service but some regional centers have many more consumers who will be impacted. For these centers the transition of services will be a very significant undertaking. The termination of these services will be very significant for seniors and the planning for their services is just not there.

Ms. Struthers shared that ARCA is continuing their search for a new Executive Director as Bob Baldo plans to conclude his extraordinary career as he retires at the end of the year.

Ms. Struthers also reported that ARCA members had an informative presentation from Olivia Raynor of UCLA on post-secondary education options for people with intellectual disabilities.

The next ARCA meeting is currently scheduled for October but the Association is looking at rescheduling the meeting to December to accommodate the Executive Director interview process.

ADJOURNMENT

The meeting was adjourned at 8:05 pm.

Respectfully submitted,

Nyron Battles
Secretary
RCEB Board of Directors