



REGIONAL CENTER OF THE EAST BAY
Board of Directors Meeting
MINUTES

Monday, January 26, 2015 7:05 p.m.
500 Davis Street, CA
Approved 2/23/15

RCEB BOARD MEMBERS PRESENT:

Anne Struthers, President
Kathy Hebert, Vice-President
Cecilia Corral, Diversity & Equity Committee Chair
Sister Marygrace Puchac, PVAC Chair
Steve Whitgob, Treasurer
Nyron Battles, CAC Chair

Morena Grimaldi
Evangeline Iyemura
Chi Lee
Gwen Nash-Butler
Carmen Quinones
Darcy Ting

ABSENT:

Rose Coleman [excused]
Donald Morris [excused]

Marie Parra [excused]
Mike Treppa [excused]

STAFF PRESENT:

Jim Burton, Executive Director
Terri Jones, Director of Human Resources
Lisa Kleinbub, Director of Health & Behavioral Services
Ronke Sodipo, Director of Community Services
Pam Thomas, Director of Consumer Services
Melanie Fowler, Associate Director of Adult Services
Elvia Osorio Rodriguez, Associate Director of Children's Services/Bilingual
Priscilla Gomez, Fiscal Monitor
Meredith Rosenberg, Case Manager
Michi Toy, Executive Assistant

GUESTS:

Bill Barbaria
Daniel Hogue, PVAC
Jeyashri Ramiya
Vikram Ramiya
Gabe Rogin, SCDD

Sandi Soliday, ACDDC
Todd Struthers
Josh Sullivan, CCCDDC
Geneva Ziaouré, PVAC

CALL TO ORDER

President, Anne Struthers called to order the regularly scheduled meeting of the Regional Center of the East Bay at 7:05 p.m. following the Diversity & Equity Committee meeting.

WELCOME AND INTRODUCTIONS

Self introductions were made and a quorum was present.

CONSENT AGENDA / MINUTES

M/S/C "The Board moves to approve the minutes of November 24, 2014 and the January 26, 2015 agenda as presented" [Whitgob/Battles] Unanimous

PUBLIC COMMENT

Jeyashri Ramiya, mother of an RCEB client, informed the board about her difficulties in finding an alternate daycare resource in her area to replace the parent voucher system that she had been using. She inquired on the reasoning regional centers discontinued the voucher system and what options are available to them. Mr. Burton explained that effective 9/1/14 Federal and State Law changed, eliminating the Family Voucher Daycare model. The case managers have informed impacted families of all the alternatives. Mr. Burton stated that we would follow up with her son's case manager to make sure that this has occurred for her family.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

Contract Approvals

Department of Developmental Services [DDS] A-2 Contract Amendment

Ms. Struthers distributed the Department of Developmental Service's [DDS'] A-2 contract amendment approval sheet highlighting an additional \$553,913 to RCEB's POS and \$213,189 to the OPS for a total allocation of \$767,102.

Mr. Burton stated that this particular contract amendment contains many contract changes in a summary included in the board packet. The Department and the Association of Regional Center Agencies [ARCA] engaged in contract negotiations and this contract includes all mutually agreed upon changes. Mr. Burton went over the highlights of these changes with the board including:

- DDS must notify regional centers by September 1st of what the Medicaid Waiver enrollment targets are for that year.
- DDS must respond within 120 days when a regional center requests proposed changes to service standards.
- The requirement for the September initial SOAR report has been deleted.
- A requirement to change our Request for Proposal Policy consistent with recent changes in law.
- A notable change is the Department's acceptance of an electronic record of a document in lieu of an original physical document.

Mr. Burton went over the details of the dollar amounts in the contract amendment. Both the OPS and POS allocations are for the Community Placement Plan [CPP] which is a very specific plan for placing people from State Developmental Centers. The OPS allocation is for the staff responsible for carrying out that responsibility and the POS allocation is for the services that are purchased for people who are placed in the community. This includes funds needed for new program start-ups over a 5 year period.

The contract amendment is for the fiscal year 2014-15 and was approved by the Executive Committee at their meeting on 1/14/15.

M/S/C “The Board moves to ratify the vote from the Executive Committee approving the A-2 contract amendment allocation of \$767,102 as presented.”
[Battles/Puchac] Unanimous

Asian Community Mental Health Services [ACMHS]

The contract approval form was distributed as Mr. Burton explained that this particular contract is for a nine month extension to the existing case management contract between RCEB and ACMHS with the rates of reimbursement remaining the same.

The terms of the contract extending the existing contract to 6/30/15 and was approved by the Executive Committee at their meeting on 1/14/15.

M/S/C “The Board moves to ratify the vote from the Executive Committee approving the Asian Community Mental Health Services [ACMHS] contract extension to 6/30/15, as presented.” [Battles/Nash-Butler] Unanimous

MV Transportation

As the contract approval form was distributed, the Director of Community Services, Ronke Sodipo explained to the board that we have just completed a 5 year term in the contract with MV Transportation, and by law, are only allowed to do a 2 year extension three times. Due to some service issues that we are experiencing with them, legally we are limited to these 60 days to work these issues out with the vendor.

This extension of the existing contract is from 1/1/15 to 2/28/15, everything else remains the same. We did not receive this in time for the Executive Committee to approve.

M/S/C “The Board moves to approve the transportation contract extension of 60 days with MV Transportation Company as presented.”
(Battles/Nash-Butler) Unanimous

2015 Work Schedule

Work Plan

- Consistent with board governance policy *4.4 Board Responsibilities*, the board strives to achieve 4 major goals with multiple objectives every year. Mr. Burton added that these are basically the same goals/objectives every year but with adjustments which do not change the overall plan.

M/S/C “The Board moves to approve the 2015 Work Plan as presented.”
[Battles/Whitgob] Unanimous

Master Calendar

- The Board of Director’s Master Calendar is a schedule of target months for the completion of reports and activities. Mr. Burton re-iterated that consistent with the Work Plan, it is basically the same calendar that we have been using annually.

M/S/C “The Board moves to approve the 2015 Master Calendar as presented.”
[Battles/Whitgob] Unanimous

BUDGET AND FINANCE COMMITTEE: Steve Whitgob

Mr. Whitgob distributed RCEB’s Financial Status Report dated January 26, 2015.

Purchase of Service

Regional Centers has typically submitted a preliminary Sufficiency of Allocation Report [SOAR] to the Department which is the basis of Regional Centers’ Purchase of Services projections each fiscal year. The SOAR report advises the Department of Regional Centers’ projected expenditures for the current fiscal year and reports any funding insufficiencies in Purchase of Services.

However, beginning this current fiscal year, the Department of Developmental Services in collaboration with the Association of Regional Center Agencies [ARCA] determined that the regular monthly Sufficiency of Allocation Reports are adequate to provide DDS with expenditure data needed to determine Regional Centers’ projected POS expenditures. Therefore, staff completed and submitted our initial monthly SOAR report for the fiscal year in mid December. Based on expenditures through December 2014, we are projecting a mid-range insufficiency for NON-CPP POS Expenditures of approximately \$18.7M.

There are several new program expenditure factors that have impacted our POS expenditures for Fiscal Year 14-15:

- 509 net new consumers from 1/1/14 through 12/31/14 to be served.
- The minimum wage increase effective 7/1/14 impacted our Residential, Supported Living Services, Respite, Day Care and some Day programs.

- Day Care Vouchers were all transferred to an Employer of Record Agency due to Federal and State legal requirements and the hourly rate increased from \$8.57/hour to \$11.51/hour.
- A 5.82% rate increase due to SB856 the Federal Labor Act effective 1/1/15. This law would have impacted Supported Living Services, Respite and Personal Attendant Services. RCEB was preparing to implement the increase in early January, which was a regulatory requirement of the U.S. Department of Labor, but it was overturned by the federal court. The Department of Labor had announced its plan to appeal the federal court's decision. Therefore our current SOAR projection [through 12/14] still includes the fiscal impact both in expenditures and DDS funding. RCEB received \$1.2M in additional POS funding for the Federal Labor Act. Although we will need to adjust our SOAR projections accordingly, we are expecting the funding will be de-allocated from our contract as well.

The total RCEB Fiscal impact for the minimum wage, day care voucher transfer and the Federal Labor Act is approximately \$13.3M in new growth expenditures. RCEB received a total of \$10.5M new POS funding to fund the Minimum Wage and Federal Fair Labor Act increases.

We are unclear exactly how much new caseload growth will impact our POS projections but we will monitor this closely.

This fiscal year, the Department in collaboration with ARCA, distributed on the A-1 allocation approximately 97% of DDS's F/Y 14-15 enacted POS budget. The Department is still holding on to the remaining 3% for POS costs. We also received our A-2 amendment which consisted of \$553,913 for Community Placement Plan funding, and \$213,189 for Community Placement Plan operations.

We are still unclear as to how much we will receive to fund all or some portion of our current year insufficiency. DDS reported there is still \$124M remaining in POS funds left to allocate and the Governor's Budget requests an additional \$159 million for POS insufficiency this fiscal year. At this time, all 21 of the 21 regional centers are currently projecting insufficiencies in their POS projections. Our Purchase of Services expenditures continue to reflect impact of the past trailer Bills, some of which are not generating savings.

Operations

We are currently projecting a balanced operations budget for current year.

Cash Flow status

The agency is currently maintaining a stable cash flow at this time. We have been advised by DDS that timely cash warrants should be available through March. After March, the Department will begin to offset our cash advance.

The agency has an active line of credit of \$46.6M in the event of a slowdown in our receipt of the state warrants.

Staff will update the board monthly on the status of the agency's cash flow.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

We have three board members whose first term of 3 years is completed after this board meeting. Therefore, they have graciously agreed to serve a second term of 3 years. Following a ballot election and tally, the following board members were unanimously elected to begin their second 3 year term on RCEB's Board of Directors at this meeting:

- Chi Lee
- Gwen Nash-Butler
- Mike Treppa

PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace Puchac

Sister Marygrace spoke of the well attended January 9th meeting where the introductory subject was to "Share your goals" which generated interesting and varied responses. There was a Day Program Capacity Report 2014 presentation by Gabe Rogin, State Council on Developmental Disabilities. According to the report, a majority of day programs stated that they were either full, or close to full capacity.

Elections

PVAC Representatives were nominated and voted on at this meeting:

PVAC Co-Chairs

- Daniel Hogue, Executive Director at Las Trampas – Board Representative
- Geneva Ziaouré, Program Director at Manos Home Care – PVAC Meeting Chair

Head of Membership

- Mary Brett, Executive Director of Community Access

Secretary

- Sarah Burgett, Toolworks

The next PVAC meeting will be on February 13, 2015.

DIVERSITY and EQUITY COMMITTEE: Cecilia Corral

Ms. Corral stated that there was a Diversity & Equity meeting that met prior to this board meeting, with a large attendance of 20 people. Ms. Corral stated that the three sub-committees are focusing on strategic planning for this year. At this meeting, we discussed when/where we should hold the public meetings on POS Variance Data that we are required to hold by the end of March, and how to offer it in languages other than English.

→ The next Diversity & Equity Committee meeting will be on February 23, 2015 before the board meeting.

CONSUMER ADVISORY COMMITTEE: Nyron Battles

Mr. Battles stated that the attendance at this meeting was very low, due to many individuals being ill. The subject of the meeting was the January conference in Sacramento and one in Stockton. Also discussed was the Governor's budget.

→ The next CAC meeting will be on February 9, 2015

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Personnel

Mr. Burton started his report by informing the board of the 12/29/14 passing of *Nunzio (Bob) Perotti*, a strong believer and advocate for the Lanterman Act, former RCEB board President and very active in the leadership of The ARC Alameda County.

Mr. Burton also updated the board on the status of *Santi Rogers*, Director of the Department of Developmental Services, who broke his collarbone in a skiing accident.

Performance Contract Year End Report – Pam Thomas

Ms. Thomas informed the group that this yearly report for the Department of Developmental Services (DDS) quantifies who the regional center serves as well as our regional center's performance in 2014. Ms. Thomas distributed the reports and stated that RCEB has three local objectives, for which she went into more detail on how we have achieved them throughout the year. The three Local Public Policy Outcomes with one highlight per category are:

1. Support multi-cultural family conferences that address the needs of our culturally diverse East Bay community. Ms. Thomas added that RCEB co-sponsors the yearly Congreso Familiar Conference in the summer, which has been a successfully growing event for those Spanish speaking families.
2. Assist families and consumers with the preparation for transitioning from school to day/work services. Ms Thomas stated that the transitional fairs that they put on have been growing in popularity over the years, and have Spanish translation.
3. Increase the number of educational programs and training supports related to autism to address the rise in autism cases. Ms. Thomas added that RCEB puts on a Services, Treatment, Advocacy and Research [STAR] conference every other year that is co-sponsored by many community agencies. This conference is also translated in Spanish.

State Budget

The Governor's Budget Highlights from DDS dated January 2015 was distributed as Mr. Burton covered the highlights of this budget. Mr. Burton clarified that the Governor's Budget is a *proposal*, and is the first step in the process, not the last step. This budget reflects the priorities of this administration. This is a "No growth" budget and a continuation of what is, without any

cuts. The budget is \$5.7B to serve 278,000 people in California with developmental disabilities as well as for those at-risk for developing a developmental disability. This \$5.7B includes a \$5.1B for community services, such as RCEB, and the remainder for State developmental services. It reflects that Lanterman Developmental Center closed at the end of December 2014. There are now three developmental centers remaining; Sonoma Developmental Center, Fairview, Porterville Developmental Center and one large facility, Canyon Springs. By the end of the next budget year, there will be less than 1,000 residents living in these four developmental centers total.

Mr. Burton added that there is good news in this budget in that there is an additional \$154M to add to the \$120+M that the Department has left to allocate to all the regional centers to fill the significant deficiency that currently exists among all the regional centers. Mr. Burton stated that this is a good sign that this administration acknowledges the need, and proposes no new cuts.

Fair Labor Standards and Overtime Requirements

The regulations and the interpretation of the Fair Labor Standards Act by the Department changed. It originally required that over-time be paid to those who provide in-home respite, supported living, and to individuals who provide care to the developmentally disabled. The State had calculated that for many providers the impact would be over 5.82% to our service system. The rates were to be increased on January 1, 2015 so that overtime could be paid under the same rules and conditions that everyone else is paid overtime. RCEB and our service providers completed all the necessary calculations and were ready to change rates and were set to implement them. Some service providers have even paid overtime as of the beginning of this year. However, the U.S. District Court in Washington D.C. intervened and stated that this act by the Department of Labor is not legal, and cannot be done through regulations and that it needs to go back to Congress. The Department of Labor appealed that restraining order, so now we will have to wait on the results while continuing to pay at the current rates.

Case-Load Growth

Mr. Burton stated that there is \$308M additional for case-load growth next fiscal year. The number of people served is increasing significantly every year and we foresee a significant growth this coming year since the eligibility for Early Start expanded back to the way it was before the recession. The good news is that the State is budgeting for that growth.

Developmental Centers

Mr. Burton informed the board that there is an increase in the budget to expand the Porterville Secure Treatment Program at that developmental center to add an additional 25 beds to attempt to address the long waiting list of those who have been incarcerated too long and court ordered to Porterville. Questions were raised by the board on how to solve that situation, and Mr. Burton addressed them accordingly.

Mr. Burton noted that there are less than 1,000 people remaining in California's state developmental centers [150 of them being RCEB consumers]. Sonoma Developmental Center is losing their federal funding of \$8.8B because four of the units are not certified by the federal government, and may lose another \$38M because the federal government may not certify other units. The Association of Regional Center Agencies [ARCA] took the position to support the Lanterman Coalition's position on the budget, as well as to support the development of a closure plan for Fairview and Sonoma developmental centers. Further questions were asked by the Board and answered by Mr. Burton.

Mr. Burton and Ms. Struthers asked the Board to support this action:

M/S/C "To support the development of a proper closure plan for Sonoma and Fairview Developmental Centers." [Battles/Nash-Butler] Unanimous

Budget Hopefuls

Mr. Burton stated that there are several items that we are hoping for in the budget revisions:

- Rate adjustment and increases- for service providers
- Funding increases- for regional centers
- Proposals for State developmental center closure plans- Sonoma and Fairview

Grassroots Efforts

Mr. Burton added that this Governor's Budget sets the stage for great grassroots advocacy that can really have an impact on our service provider rates, regional center funding, and on developmental center closures. We need to actively work with our legislators and work to convince the Governor to fix these items that have been left unattended to for decades. The Governor is being careful as he is very concerned that California will once again be in a recession. But for the first time, California has a reserve. We have great concern over our providers who are struggling every day to keep their doors open in this system which has been on the brink. We have been attempting to maintain what we have and have not been able to grow our service system to accommodate the additional people we need to serve without any start-up funding for new program developments. Mr. Burton encouraged everyone to really get involved in the grassroots efforts by calling local legislators, writing letters, legislation service events, and anything else to bring about change.

Mr. Burton brought attention to the Lanterman Coalition letter to Governor Jerry Brown titled *The California Developmental Disabilities System*, which includes a recommendation for a 10% adjustment to service provider rates and regional center reimbursements for the upcoming fiscal year, and following with a 5% adjustment yearly until the State modifies the funding formulas and bring it current and up to date.

Board President Anne Struthers directed the Board to the Lanterman Coalition letter in their board packet to get the support from the board:

M/S/C “I move to have the Board of Directors at Regional Center of the East Bay support the Lanterman Coalition’s recommendation of the 10% increase this year and subsequent 5% increases the following years.” [Battles/Puchac]
Unanimous

Grassroots Events:

February 27, 2015: Legislative Townhall Meeting at the State Building in Oakland from 10 am to 12 pm. Many legislators and their staff will be sitting on the panel, and it will make an impact for them to see the auditorium full of advocates, consumers and families.

April 15, 2015: Grassroots Day at the Capitol in Sacramento. All regional centers are actively participating to meet with all our legislators and their staff.

Mr. Burton stressed that with all of us united and supporting the Lanterman Coalition’s position, we have a greater possibility of improving the situation that we are facing today. It is important to participate in both events to communicate with the local staff at the Townhall Meeting, and the Sacramento staff on Grassroots Day.

Ms. Struthers added that there are a lot of new legislators who are new to the developmental disability system, so it is up to us to dispel the perceived myth that regional centers are well funded and to make these new legislators and their staff aware of the actual dire situation. Mr. Burton added that a lot of the leadership is coming from the East Bay, so we are encouraged, especially with Assemblymember Tony Thurmand [D-Richmond] who once worked at RCEB as well as at Golden Gate Regional Center [GGRC].

PUBLIC COMMENT

Sandi Soliday, Alameda County Developmental Disabilities Council

Ms. Soliday announced that the Shriver Center will be opening either in February or March.

February 3, 2015: This will be the second meeting of the East Bay Employment Task Force, which is an initiative between both counties and agencies to expand employment opportunities.

February 11, 2015: This is the next ACDDC meeting. Maura McDonough of North Bay Regional Center will speak on their employment first initiative and the employment summit that they are having.

March 14, 2015: This will be the Alameda County Transition Faire at the College of Alameda between 9:30 am to 3:00 pm.

Josh Sullivan, Contra Costa County Developmental Disabilities Council

January 28, 2015: This will be the next CCCDDC meeting where there will be a presentation titled *The 2015 Proposed State Budget* given by Assemblymember Susan Bonilla's staff.

February 27, 2015: This is the annual East Bay Legislative Committee (EBLC) Townhall meeting at the State Building in Oakland from 10:00 am to 12:00 pm. The theme this year is "Open the doors to opportunity: WE ARE YOU". One of the key speakers will be Tony Anderson, Executive Director of the ARC.

ARCA REPORT: Anne Struthers

April 15, 2015: The Grassroots event in Sacramento will be on the 15th of April. Mr. Burton reiterated that it is really important to be involved in the grassroots events especially this year on behalf of all our services.

March 20, 2015: The next ARCA meeting will be at Alta Regional Center

MEETING ADJOURNED

The board meeting adjourned at 8:50 p.m.

<p>The next Board Meeting will be at 7:00 p.m. on February 23, 2015 The Diversity & Equity meeting will precede the board meeting in San Leandro</p>
--