



REGIONAL CENTER OF THE EAST BAY
Board of Directors Meeting
MINUTES

Monday, October 26, 2015
2151 Salvio Street, Concord
Approved 11/23/15

RCEB BOARD MEMBERS PRESENT:

Anne Struthers, President	Morena Grimaldi
Evangeline Iyemura, Vice-President	Chi Lee
Mike Treppa, Budget & Finance Committee Chair	Gwen Nash-Butler, CAC
Steve Whitgob, Treasurer	Carmen Quinones
Rose Coleman, Secretary	Darcy Ting
Nyron Battles, CAC Vice-Chair	

ABSENT:

Daniel Hogue, PVAC [excused]
Donald Morris [excused]
Marie Parra [excused]

STAFF PRESENT:

Jim Burton, Executive Director
Terri Jones, Director of Human Resources
Lisa Kleinbub, Director of Health & Behavioral Services
Nancy Kubota, Director of Finance & Administration
Steve Robinson, Director of Community Placement & Sonoma Developmental Ctr Closure Plans
Ronke Sodipo, Director of Community Services
Pam Thomas, Director of Consumer Services
Melanie Fowler, Associate Director of Adult Services
Evelyn Hoskins, Associate Director of Federal Programs
Lynn Nguyen, Controller
Meredith Rosenberg, Case Manager
Eric Stern, Case Manager
Michi Toy, Executive Assistant

GUESTS:

Lindquist, Von Husen & Joyce LLP	Sandi Soliday, ACDDC
· Sandra Martinez	Will Sanford
· Charlotte Tay	Todd Struthers
Kathy Hebert	Joshua Sullivan, CCCDDC

CALL TO ORDER

President, Anne Struthers called to order the regularly scheduled meeting of the Regional Center of the East Bay at 7:03 p.m.

WELCOME AND INTRODUCTIONS

Self introductions were made and a quorum was present.

CONSENT AGENDA / MINUTES

M/S/C “The Board moves to approve the October 26, Agenda as presented.”
 [Battles/Nash-Butler] Unanimous

M/S/C “The Board moves to approve the minutes of September 28, 2015 with the replacement of the October financial report with the September financial report that was read at the September board meeting.”
 [Battles/Nash-Butler] Unanimous

PUBLIC COMMENT

There were no public comments made.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

CONTRACT APPROVALS

Department of Developmental Services [DDS]

A-4 Contract Amendment

Mr. Burton stated that at last month’s board meeting, we had asked for the board’s approval of the A-4 letter of intent from the Department of Developmental Services. The A-4 addresses the deficiency remaining from last fiscal year. However, when we received the actual contract amendment, the State miscalculated by +\$280K. Therefore, the amount that was approved was greater than the actual amount that we will be receiving. Nevertheless, the amount should come close to balancing the budget from the last fiscal year.

M/S/C “The Board moves to ratify the B-4 contract amendment allocation of \$8,060,866 as presented.” [Battles/Lee] Unanimous

BUDGET AND FINANCE COMMITTEE- Report from 10/26/15: Steve Whitgob

Independent Audit Report for Fiscal Year 2014-15

Mr. Whitgob distributed the audit report from Lindquist, von Husen & Joyce to the board members as he summarized the report as being unqualified, meaning that the report is a clean

report with no management comments. The review and approval of this report will be an action item at the November Board Meeting.

Mr. Whitgob welcomed and introduced RCEB's independent auditors Charlotte Tay and Sandra Martinez from Lindquist, von Husen & Joyce LLP who presented a summary of the completed draft report for Fiscal Year 2014-15 at this board meeting. Ms. Tay began by stating that their experience working with RCEB for the 4th year has been great. She added that the management has been very knowledgeable and cooperative with very timely and thorough responses to their requests. Ms. Tay also was pleased with the hiring of our new controller, Lynn Nguyen as the transition was very smooth. The result of the audit was that it was a clean opinion on the financial statements as well as on compliances of the two Federal programs; Targeted Case Management [TCM] and Medicaid Waiver. The auditors are also required to look into any issues of internal control, for which they did not find any exceptions to good practice. Ms. Tay also conveyed that next year will be her last year being our auditor, and expressed gratitude not only to Nancy, Lynn and our staff at RCEB, but she also thanked Sandra Martinez, her audit manager.

Mr. Burton expressed thanks to the auditors' acknowledgement of RCEB, to Lynn our new Controller and to Nancy, our dedicated C.F.O. and her staff for their tremendous effort every year in meeting the high standards that we set. The review and approval of this report will be an action item at the November Board Meeting.

Operations Budget

A preliminary operations budget based on the B-1 allocation has been completed. As we reported last month, the Department allocated nearly all of the operations funds for the year, including funding for Community Placement Plan [CPP] and Continuation Funding for workload related to the Agnews closure. In addition, we received new funding for the Sonoma Closure Plan. The allocation for CPP, Agnews workload, and the Sonoma Closure Funds are all restricted funds. Having all of our operations funding allows us to finalize our preliminary operations budget for the fiscal year.

This fiscal year, RCEB received additional operations funding for caseload growth in the B-1 amendment. RCEB grew by 948 net new consumers during the past 12 months. Seeing this growth occurring over the past year, we began the process of adding new Case Management positions prior to the start of the fiscal year to try to address the growing needs of our community. The operations allocation methodology for Regional Centers is still based on the old core staffing formula. This dated formula has not had any changes or increases made despite strong support among advocates for across the board increases to rates for Service providers and for Regional Centers operations.

At this time, we are projecting a balanced budget in operations. Staff will be keep the board apprised of our operations budget for the year.

Purchase of Service Budget

The POS allocation methodology for Fiscal Year 2015-16 was based on an equitable proration of prior year expenditures from each Regional Center. This was essentially the same POS allocation methodology used last fiscal year.

The B-1 amendment provides ongoing funding for the annualized impact of the increase in State minimum wage that was effective 7/1/14. It also provides growth funding for the implementation of **new** State laws and regulations, such as the State minimum wage that was effective 1/1/16, as well as the AB1522 Sick Leave Act that was effective 7/1/15. We also received additional funding for our Community Placement Plan [CPP] and Sonoma Closure Plan. RCEB has the largest number of clients (125 clients) who are currently residing at Sonoma Developmental Center. Therefore, we received the largest prorated share of the funding allocated in the Governor's May Revise budget. Most of the Sonoma Closure POS funding is restricted for the development of new community resources and services for those individuals currently residing at Sonoma Developmental Center.

There was a recent court decision which will impact our Purchase of Service budget. The Federal Labor Act (SB856), which established overtime rules for in-home workers was supposed to be effective last fiscal year on 1/1/15, but was overturned in federal court. The Department of Labor appealed the court's decision. Funding for SB856 was put into the State Budget in Fiscal Year 2014-15, and then taken out once the decision was "stayed" by the court. However, Regional Centers were recently notified that the court's "stay order" was overturned. New overtime rules mandated under SB856 for in home workers, which will impact Supported Living Services, Respite and Personal Attendant Services, will now be reinstated. The Department has indicated they are preparing instructions for Regional Centers. The revised effective date for SB856 appears to be 10/13/15 but we have not received any official confirmation from the Department. Regional Centers have been advised that the Department is holding POS funds to address the Federal Labor Act.

Regional Centers' preliminary Sufficiency of Allocation Report (known as the "SOAR) which is the basis of the annual Purchase of Services projections is expected to be completed in late November. 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. In the SOAR report, Staff will be estimating the fiscal cost impact of services for clients and family members, and also the impact of new legislations such as the minimum wage, sick leave act and Federal Labor Act.

Staff will report back at the Budget and Finance committee at the November Board meeting when the SOAR report has been completed. A detailed Purchase of Services summary will be provided to the Board at that time.

In the meantime, our financial report shows actual POS expenditures to date through September, which is 25% of the fiscal year. This percentage does not, however, take into

account any late bills. We will be able to provide the board with more details regarding our POS projections when the SOAR report has been completed.

Line of credit and cash flow

At this time, we are pleased to report that the agency’s cash flow is stable. The Department of Developmental Services was recently made aware of both Union and US Bank’s decisions to charge fees to establish a line of credit, even if Regional Centers do not access the funds. This fee applies to the majority of Regional Centers. The Department indicated that, at this time, there are no delays in reimbursements to Regional Centers. The board is reminded that RCEB is currently without a line of credit until May 2016.

Staff will continue to update the board on the agency’s cash flow status.

Jim added that in terms of the line of credit, RCEB typically does not need a line of credit until around May. The choice given was for regional centers to take half of the amount of the line of credit for the full term with no fee. Ms. Kubota negotiated a different arrangement with the bank where we cut the term of the loan, but kept the full amount of the line of credit. Since we have had to use all the of line of credit in past years, we did not feel comfortable reducing the line of credit. We have notified DDS of how important cash flow will be statewide and all regional centers have reported the changes to their line of credit and almost all have had to alter their line of credit down. Therefore, we will not be in great shape with regard to cash flow if the legislature does not act on budget issues going forward.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

In RCEB’s ByLaws Section 5.10(b), officers of the Corporation shall be elected by the Board at its annual meeting, which is in November. In Section 6.2(b), opportunity should be given for those interested in holding an office, to be nominated at the board meeting prior to the annual meeting. Our current Secretary, Rose Coleman read the current Slate of Officers for 2015. Ms. Struthers inquired from the board at this October meeting if there was any interest from our members to hold an office for the 2016 calendar year. Board member Nyron Battles expressed interest in holding the position of the Secretary. There will be a ballot vote at the November meeting.

PROPOSED 2016 SLATE OF OFFICERS

Anne Struthers.....	President
Evangeline Iyemura.....	Vice-President
Mike Treppa.....	Budget & Finance Chair
Steve Whitgob.....	Treasurer
Rose Coleman or Nyron Battles.....	Secretary

Ms. Struthers stated that board member Steve Whitgob’s second term of three years is over at this board meeting, and that he has expressed interest in serving his third and last term of one year, to end in October 2016. Following a ballot election and tally, Steve Whitgob was unanimously elected to begin his last term on RCEB’s Board of Directors at this meeting.

We currently have 14 board members and are seeking an additional Alameda County member who is Latino in order to maintain ethnic representation consistent with our community.

PROVIDER/VENDOR ADVISORY COMMITTEE [PVAC]: Ronke Sodipo for Daniel Hogue

Ms. Sodipo reported on the October 9th PVAC meeting where RCEB Associate Director, Adult Services, Melanie Fowler presented on tailored day services, which was beneficial to those agencies who were thinking of offering these services. There were also discussions on the budget, special session and upcoming changes to IHSS. Ms. Sodipo also led a discussion at that meeting on employee sick leave and rate adjustments.

CONSUMER ADVISORY COMMITTEE: Nyron Battles/Gwen Nash-Butler

Mr. Battles spoke about the last meeting on October 12th where one of the main topics was on MediCare/MediCal, and the upcoming Concord office move to the new office location in the Spring of 2016. Ms. Butler also added that she is investigating the SFMTA's free rides for people with disabilities bus program, and will be working on getting the same program for the East Bay.

DIVERSITY and EQUITY COMMITTEE: Morena Grimaldi

New Co-Chair Morena Grimaldi reported on the meeting that occurred before this board meeting. One of the main topics was on the vendorization process and how our monthly Provider/Vendor Advocacy Agencies [PVAC] is a good venue to provide needed cultural competency training to our service providers. RCEB is also actively working with Spanish and Afghan support groups. We received an update on the improvements RCEB has made in addressing our American Sign Language [ASL] cases and in increased training in not only ASL, but also in increasing the cultural awareness and sensitivity to the deaf culture.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

State Budget – Special Session Update

Mr. Burton stated that there is no update in regards to the Special Session. The legislature ended both the regular and special sessions and will probably not be reconvening until January when the regular session resumes. It is unclear at this point what will be done during the special session. Mr. Burton encouraged all to increase their contact with the legislative leaders and the Governor, and to let them know that they have failed in reaching a successful outcome to the "special session" that they created. In acknowledging this failure, they need to resolve it. Many of the legislative leaders are leaving and will not be in that position going forward. Mr. Burton stated that it will take a concerted effort to demand action as we still have to press our case with the legislators and the Governor. Both special sessions on transportation as well as for health and developmental service issues have been left unresolved. The managed care tax was to provide funding in order to be able to take care of a number of State budget issues including; MediCal rates, 7% reduction in IHSS hours, rate increases for service providers, and regional centers. There was no agreement reached over the managed care as they could not convince Republican members to vote for it. Therefore, no final bill was put forward even though they had a number to choose from. Without that managed care tax, the Governor has

indicated that he will not sign any bills. The managed care tax does need to be addressed, as it is only in place through June 30, 2016 and if it goes away, the State of California will lose from \$1.1 to \$1.3 billion in Federal funds that we are currently receiving, which could result in program reductions in Health and Human Services. We are very concerned about the future of our service system without adequate funding. It is unthinkable to imagine what would occur if the State implemented large cuts to an already struggling service system like ours.

Program Closures

Mr. Burton announced that we are regularly informed of program closures occurring in our community. Everyone is doing their utmost to keep their programs going, which has been very challenging. This is the result of the lack of action on rates of reimbursement by the Governor and legislature and will only get worse if they do not act soon on this critical issue.

Mr. Burton added that although we failed to have a positive outcome on the bills that addressed the lack of funding for services and supports for people with developmental disabilities and their families, it was not due to the lack of effort by all. We did succeed in many respects. Now that we have the attention of the legislators and they know who we are, we have to keep up the push to get through to the Governor how serious this situation is in the developmental disability service system.

Department of Developmental Services Task Force

The Health and Human Services Secretary has scheduled the next developmental services task force on October 28th. This group has had a number of meetings and discussions on how to repair the rate structure for our service providers and funding for regional center staff. The process was stopped pending the result of the special session. A lot of good work has been done so far, and hopefully we will see both short and long term solutions coming from this effort.

Sonoma Developmental Center [SDC]

The Department of Developmental Services [DDS] released their 120 page “Plan for the Closure of Sonoma Developmental Center” dated October 1, 2015 on their website:

http://www.dds.ca.gov/SonomaNews/docs/closurePlan10_01_15.pdf

Mr. Burton added that this is a very thorough report which goes further than the report that was done for the Agnews closure. We are working to put supports in place for the Sonoma Developmental Center closure and to provide good transitions. There is great commitment among the Department and regional centers, to ensure every individual who resides there will be transitioned to the community only when there are great options available for them in the community encompassing a complete range of needed services.

Mr. Burton added that this issue is very important and that we continue to meet monthly with the families. For many of the residents, Sonoma Developmental Center is the only home that they have known- some of them over 50 years, therefore, their view of what is available in the

community is what they have known at SDC. The families are particularly worried because of the state that our service system is in. Mr. Burton added that we will do everything necessary to make this work for the residents and their families.

Minimum Wage / Fair Labor Standards

Mr. Burton exclaimed how challenging it has been for Nancy and our Accounting staff as well as for Ronke and her staff having to process Health and Safety rate increases to cover local minimum wage increases. It requires an unbelievable amount of changes, client by client to address. We are diligently working through it and getting the rate increases in place as quick as we can but we are forced to use a very inefficient process. We hope that with the overtime requirements and the fair labor standards act, that a simple, straight forward, automated system is implemented by the State.

Department of Developmental Services Audit Branch

The DDS audit branch has just completed the audit of RCEB, covering a period from July 1, 2011 through June 30, 2013. The audit is a terrific audit and it was determined that of the \$300M, we owe DDS \$441.72. Mr. Burton once again acknowledged the work done by Nancy and the Accounting staff as they made sure that the State and Federal dollars were spent in accordance with the multitude of rules and requirements. The DDS auditors will be back on February 29, 2016 for their regular audit of RCEB.

Events/Changes

Mr. Burton spoke about the October 23rd Carlos Quintong Self Advocacy Celebration at the Ed Roberts Campus/Berkeley put on by the *SCDD, Bay Area Office* [formerly Area Board V] and how it was a wonderful event with great recognition awarded to the self-advocates. There was terrific music entertainment performed by the Dream Achievers band and a good time was had by all.

La Familia and the *Asian Community Mental Health Services [ACMHS]* both had their annual dinners, which were very well attended. Also, *Friends with Children with Special Needs [FCSN]* held their annual gala, which is always a great event with around 1,000 attendees. There was also an important conference held in Santa Clara by the Autism Society where much of the focus was on the lack of affordable housing.

Jim Shorter, the Executive Director of the *Golden Gate Regional Center* announced his upcoming retirement.

Mr. Burton also added that *Mareva Brown*, one of the most senior legislative staffers in Sacramento is slowly recovering from a brain aneurism and is now hospitalized.

The Association of Regional Center Agencies [ARCA] contract negotiations committee just completed their contract negotiations; so we have new contract language that will be forwarded to the board and we will hold a training session on this new contract language at our next board meeting.

PUBLIC COMMENT

Will Sanford, Futures Explored

Mr. Sanford expressed his thanks to both RCEB for including an adult changing facility requirement at the new Concord office, and to Nancy and the Accounting staff for implementing the minimum Wage adjustments in the system. He also commented on the challenges his staff had in moving from the same office building to another location. Mr. Sanford acknowledges the difficulties the system is experiencing without the required appropriate funding, where the regional centers are in need to hire more case managers and the vendors need to hire more bilingual staff, but not being able to afford to do so.

Morena Grimaldi, RCEB Board Member

Ms. Grimaldi informed the board about the Contra Costa Transportation Authority's open meeting with the goal of getting input on how to improve the system.

You can provide their input on their site at www.ccta.net or 925-256-4745.

Josh Sullivan, Contra Costa County Developmental Disabilities Council

Oct 28: CCCDDC 10:00am Board Meeting at RCEB/Concord- with a presentation on Transportation: Contra Costa Transit Authority, the TEP, and the need to engage our community members. The survey's that Morena spoke about will be available at this meeting.

Nov 3: CCCDDC will be presenting at the Board of Supervisor's meeting on what their roles are as well as to celebrate the 25th anniversary of ADA and to celebrate their 50th anniversary.

Sandi Soliday, Alameda County Developmental Disabilities Council

Ms. Soliday expressed appreciation to both Mr. Burton, Will Sanford and to Nickole Bouslog for speaking at their last ACDDC meeting and agrees that the tone of advocacy needs to change in order to be heard.

Ms. Soliday informed the board of Bill Pelter, the Assistant Executive Director of the Cerebral Palsy Center for the Bay Area's sudden heart attack and he is recuperating.

Oct 29: This is the next Alameda County VOAD meeting at 1100 San Leandro Blvd.

Nov 4: The next EBLC meeting in Oakland is where Assembly Member Rob Bonta and his staff are invited to hear their requests in regards to the Special Session. There will be activism brainstorming on more radical advocacy.

Dec 9: This is the next ACDDC meeting where there will be a presentation by Steven Dale of the Dale Law Firm on the 'Achieving a Better Life Experience' [ABLE] Act.

ARCA REPORT: Anne Struthers

Ms. Struthers stated that the last meeting on October 15 & 16th was a strategic planning meeting in San Diego where they completed their 5-year plan. Ms. Struthers informed the board that a new ARCA representative needs to step up so that they can receive training before her final term with RCEB board ends in March 2016. Mr. Burton added that Ms. Struthers is the new President of ARCA, and successfully leads 42 individuals who are ARCA members.

MEETING ADJOURNED

The board meeting adjourned at 8:42 p.m.

The next Board Meeting will be at 7:00 p.m. on November 23, 2015 in San Leandro
There will be a board training meeting at 6:00 on ARCA's new contract language
There is NO next Diversity & Equity Meeting in November or December 2015