



REGIONAL CENTER OF THE EAST BAY
Board of Directors Meeting
MINUTES

Monday, October 27, 2014 7:08 p.m.
2151 Salvio Street, Concord, CA
Approved 11/24/14

RCEB BOARD MEMBERS PRESENT:

Anne Struthers, President
Cecilia Corral, Diversity & Equity Committee Chair
Mike Treppa, Budget & Finance Committee Chair
Steve Whitgob, Treasurer
Rose Coleman, Secretary
Nyron Battles, CAC Chair
Morena Grimaldi

Evangeline Iyemura
Donald Morris
Gwen Nash-Butler
Carmen Quinones
Darcy Ting

ABSENT:

Kathy Hebert, Vice-President [excused]
Chi Lee [excused]
Sister Marygrace Puchac, PVAC Chair [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
Pam Thomas, Director of Consumer Services
Ronke Sodipo, Director of Community Services
Evelyn Hoskins, Associate Director of Federal Programs
Elvia Osorio Rodriguez, Associate Director of Children's Services/Bilingual
Elizabeth Jiminez-Winslow, Case Manager
Meredith Rosenberg, Case Manager
Eric Stern, Case Manager
Michi Toy, Executive Assistant

GUESTS:

- Bill Barbaria
- Jackie Chavez
- Cleo Manspeaker
- John Rodriguez, CCDDC
- Gabe Rogin, Area Board V
- Todd Struthers
- Denise Thornquest, DDS
- Bonnie Thurman, DDS
- Representatives from Lindquist, von Husen & Joyce, LLP
 - Sandra Martinez and Charlotte Tay

CALL TO ORDER

President, Anne Struthers called to order the regularly scheduled business meeting of the Regional Center of the East Bay at 7:08 p.m. following the Board training session on Cultural Competency.

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 September 29, 2014 as presented [Battles/Butler] Unanimous

M/S/C “The Board moves to amend the October 27, 2014 agenda with the addition of the Line of Credit vote” [Battles/Butler] Unanimous

PUBLIC COMMENT

Cleo Manspeaker spoke about her preference in living in an apartment alone while receiving supported living services vs. in a home with other clients.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

<p>Public Meeting – RCEB 2015 Performance Contract Review of Annual Objectives for 2015</p>
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Pam Thomas, Director of Consumer Services, distributed the draft plan for both the Local Public Policy Outcomes and the Public Policy Performance Measures for 2015. Ms. Thomas went over each of the measurable goals listed in the hand-out and explained how the State measures and analyzes the goals, and also focused on the optional Local Public Policy measures.

Local Public Policy Outcomes

- RCEB has added an additional outcome to the usual three optional outcomes for 2015. The fourth outcome is to facilitate outreach to families and individuals in emerging and isolated communities, to promote awareness of Regional Center services, and to identify and address barriers for families to access services. RCEB will be addressing these outcomes at the Diversity & Equity Committee meetings. One of the major events that RCEB has co-sponsored is Congreso Familiar’s yearly conference [A resource fair providing workshops, childcare, food, and live music for the 1,000+ people who attend]. RCEB will also be working with Congreso on their goal of putting on a similar conference in Contra Costa County. RCEB also hosts the STAR Conference [Conference for families to learn how to access medical, educational and social resources for children who have autism spectrum disorder], college preparedness conferences as well as numerous holiday events that RCEB has supported, such as the Asian Community Mental Health Services holiday party for children and families.

The questions asked by both the Board and the public were addressed by Ms. Thomas and Mr. Burton accordingly.

Public Policy Performance Measures

- All regional centers need to meet these performance policies which are set by the State. Ms. Thomas went over all the Performance Measures and activities that RCEB has planned in 2015 to meet those objectives.

M/S/C “The Board moves to approve the 2015 Local Public Policy Outcome and Public Policy Performance Measures as presented. [Battles/Whitgob] Unanimous

- Ms. Thomas reminded the board that an annual performance contract report which outlines how RCEB performed in meeting the 2014 objectives is due to DDS at the end of January 2015. This will be presented to you at our February meeting.

**Public Meeting- RCEB Board of Director’s Meeting
[Continuation]**

Contract Approvals

The **E-6 contract amendment** from the Department of Developmental Services [DDS] was just received last week. This contract amendment will add \$2.4M to our contract without any new contract language.

M/S/C “The Board moves to approve the E-6 contract amendment, as presented.”
(Battles/Whitgob) Unanimous

BUDGET AND FINANCE COMMITTEE: Steve Whitgob

Independent Audit Report for Fiscal Year 13-14

The agency's independent auditors from Lindquist, von Husen & Joyce LLP presented their completed draft report for Fiscal Year 13-14 to the Budget and Finance Committee meeting earlier this evening. This report is unqualified, meaning that the report is a clean report. The review and approval of this report will be an action item at the November Board Meeting.

Mr. Whitgob welcomed and introduced our auditors Charlotte Tay and Sandra Martinez from Lindquist, von Husen & Joyce LLP who presented a summary of the draft audit report to the Board. The result of the audit was that it was a clean opinion on the financial statements as well as on the Federal program compliance.

Mr. Burton expressed his gratitude to the auditors for their prompt review as well as to Ms. Kubota and her staff for their hard work and for continuously meeting the high standards that we set. Ms. Kubota expressed her appreciation to her staff for their extreme dedication.

Operations Budget

A preliminary operations budget based on the A-1 allocation has been completed. As reported last month, the Department allocated nearly all of the operations funds for the year, including funding for our Community Placement Plan (CPP) and Continuation Funds for the Agnews closure. With a full allocation, staff was able to prepare a complete operations budget for the fiscal year.

This fiscal year, RCEB received additional operations funding for caseload growth in the A-1 amendment. Because our operations allocation has improved, we are working quickly to add new staff to better serve our consumers and their families, and to address high caseloads and workloads. Again, most of our new positions will be in case management.

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

Purchase of Service Budget

A new POS allocation methodology was developed for Fiscal Year 14-15 which is based on an equitable proration of prior year expenditures of each Regional Center.

For this current year, the Department allocated 98% of their State budgeted POS funds, including most of our Community Placement Plan funds and funding for the minimum wage increase. Although we are still uncertain whether the A-1 allocation will be sufficient to meet all of our POS obligations for the year, it appears we will be starting this fiscal year in a better position than in previous years.

Regional Centers' preliminary Sufficiency of Allocation Report (SOAR) is the basis of the annual Purchase of Services projections and is expected to be completed in 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. Staff will report back in 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 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.

With regards to Fiscal Year 13-14, Regional Centers received the E-6 amendment of approximately \$2.4M. With this additional amendment, RCEB has a balanced POS budget for Fiscal Year 13-14.

Line of credit and cash flow

At this time, we are pleased to report that the agency's cash flow is stable. However, we have been working with our bank to seek an extension or renewal of our current line of credit which expired this month.

Union Bank has provided a written commitment to renew the existing line of credit to be available for their Regional Center customers in the event that state warrants are delayed during the fiscal year. The line of credit will be in place through September 30, 2015. Although we do not anticipate an immediate need for this line of credit at this time, it is a viable option if for any reason payments to Regional Centers are delayed during the course of the year or if our POS expenditures are not fully funded.

The amount of the line of credit is \$46.6M at the reference rate (the current reference rate is 3.25%). The amount of this new line of credit is the same amount as the line provided last year. The line of credit will be used only on an "as-needed" basis and the agency does not incur any costs until funds are actually withdrawn. This line of credit will provide some security in regards to our cash flow, particularly towards the end of the fiscal year.

M/S/C "The Board authorizes RCEB to establish a line of credit with Union Bank of California for \$46,600,000 in the event State payments are delayed."
(Battles/Iyemura)

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

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

Ms. Struthers reminded the board that another candidate, Marie Parra was nominated by the Membership Development Committee at the last board meeting in September. Since Ms. Parra

could not make the meeting this month, the board will conduct a vote at our November meeting.

PROVIDER/VENDOR ADVISORY COMMITTEE: Jim Burton for Sister Marygrace Puchac
Mr. Burton informed the board that the main topic at the PVAC meeting were issues on the budget, rates, and the challenges that the providers are facing as they try to remain in business.

→ The next PVAC meeting will be on November 14, 2014.

CONSUMER ADVISORY COMMITTEE: Gwen Nash-Butler
Ms. Butler informed the board that at the October 13th meeting, Ronke Sodipo reported on the Alameda County Alliance cancellation of the Special Needs plan. Ms. Butler also reported that Lisa Kleinbub explained that there is an alternative healthcare plan option available through Kaiser.

→ The next CAC meeting will be on November 10, 2014

DIVERSITY and EQUITY COMMITTEE: Cecilia Corral
Ms. Corral stated that although there was no Diversity & Equity meeting this month, the board's training session tonight on cultural competency was very relevant. The sub-committees will be communicating and will be reporting at the next meeting.

→ The next Diversity & Equity Committee meeting will be on November 24th, 2014

EXECUTIVE DIRECTOR'S REPORT: Jim Burton
Mr. Burton expressed his appreciation to those attending the public meeting to discuss our 2015 Performance Contract Objectives.

Budget

Mr. Burton stated that legislatively, this is a quiet time until the Governor releases the budget in January. Until then, the legislature will increase their advocacy to try to impact the Governor's budget. There is great hope that the Governor will amend the kind of budgets that we have been receiving in the past years, and provide some form of rate adjustments for our service providers and regional centers because of the financial challenges that we are all facing.

The Lanterman Coalition has come up with a singular position to focus on this year vs. numerous proposals as in previous years. Their position is to support a 10% rate adjustment for providers and regional centers this next fiscal year and 5% annually after that until the State completes rate studies to determine and account for the actual cost of services. Currently, the

list of people who have signed on is very extensive and a great deal of effort is underway. The best thing that can happen is a proposal from the Governor. After January, we can begin the advocacy process in the spring. Mr. Burton added that he has hope that something will happen this year, and that timing is very important because of the struggles that nearly all providers are going through just trying to stay in business. Some of the issues they are dealing with are the affordable care act requirements, Department of Labor requirements for over-time and minimum wage, etc. We need to have these things fully reflected in state rates and budgets. Mr. Burton stressed to the board that we need to continue to have hope, especially now after the difficulties we experienced in the recession.

The hearings will begin in March and into April so we have to continue to press on these important issues. Mr. Burton stated that it will take a grassroots effort in working with the local legislators in order to make these changes. People with developmental disabilities and their families are the best advocates in Sacramento.

Department Contract

The Department of Developmental Service's E-6 contract amendment that the board approved tonight brings in an additional \$2.4M. It is part of an effort by the Department to come up with \$90M that was needed to balance last fiscal year. The good news is that the state found resourceful ways to come up with \$90M and were able to balance last fiscal year. The concern however, is that if we were off by that amount for services that we purchased last year then there is a high likelihood that we have at least a \$90M+ problem this fiscal year. Since all the resources including federal funds were used to balance last year's budget, there is nothing to draw from to help with this year. Part of our predicament is due to the trailer bill budget proposals that were put forward and implemented over the year. The estimates of projected savings were rough estimates which actually didn't happen to the degree that DDS put forward. Therefore, we are expecting a deficiency this year. The Regional Center will be working closely with the Department, in sorting this out.

Mr. Burton stated that last year was the first time he remembers where the regional centers projected Purchase of Service [POS] to be \$90-\$100M short, and their projections were correct.

Self Determination & CMS Rule

Mr. Burton informed the board that the State is making good progress in this regard. Mr. Burton referenced the DDS website that indicates the service list and description updates which reflect the new Centers for Medicare & Medicaid Services [CMS] rules. The CMS rules will significantly change how we provide services in California as well as all states. Mr. Burton recommended for everyone to not only look at the services, but to read the definitions to see what is and isn't allowable.

[<http://www.dds.ca.gov/SDP/SDPUpdates.cfm>]

The Federal government is using the \$2 billion that they provide to California for our services to make sure that the services support full integration in the community. The number of things that will change as that process moves forward will be significant. There are still many issues to

work out on Self Determination, such as who will be able to participate [less than 2,500 people] and who are already self-directed. For RCEB, 153 people can voluntarily participate in this pilot program. The submission deadline to the federal government of California's Self Determination Program by the Department is looking more like December, 2014.

Developmental Centers

The Futures of Developmental Centers Task Force chaired by the Secretary of Health and Human Services, is continuing to meet and come up with ideas. It is moving at a deliberate pace. The Lanterman Developmental Center, which is in the final stages of closing, has just 11 consumers remaining. There may well be legislative hearings on the state developmental centers.

Local Issues

Minimum wage- This is a very complicated issue as cities have different approaches to dealing with minimum wage and local minimum wage ordinances at the same time that DDS is trying to deal with statewide minimum wage issues. It appears that the only process for now will be to do a health and safety request for each individual who is impacted by the local minimum wage, which will be a massive amount of work for regional centers and service providers.

In-Home Support Services [IHSS] and Overtime Pay- The Department of Labor rules on overtime will be changing, especially in how it relates to our supported living providers who have in-home support service workers who are also direct care staff, and whether or not their combined hours are also considered for overtime, is very complicated. Effective January 1st, all supported living and respite programs will receive a 5.82% rate increase. The problem is that the department of labor regulation affects every service provider and every individual differently. Some providers believe this increase will be sufficient, and others are concerned about whether or not they will be able to continue to provide services for everyone with only this increase. The Department does not have the data or information to do this adjustment for each individual. The maximum hours/week that an IHSS person can work is 40 regular hours, and anything above that will be considered overtime up to a maximum of 66 hours/week. Mr. Burton clarified that IHSS is the generic resource upon which the supported living services [SLS] are built. In the past, the hours worked were separated for the employee who worked both as an IHSS and SLS on the same day, but now those hours may be combined since they are no longer considered working under separate employers. The Obama administration came forward with a proposal to not enforce the law, which did not get any support from the advocates. There are many details that need to be ironed out, and we hope that the solution will be workable for our service providers as well as for the regional centers.

Affordable Care Act- Some of our service providers have not had this impact them at all since they have been providing health insurance to their employees for a long time. For others, it will have a huge impact. The Governor signed a bill providing for sick leave for workers, but there is nothing built into the rates for those days.

Case Load/Work Load- Regional Center staff workloads has been an issue for regional centers statewide for many years, reaching terrible levels during the recent recession. Mr. Burton stated that RCEB has opened up 7 new case management positions this fiscal year, some nurse positions and a new Forensic Services Specialist position and are moving forward in hiring to fill these direct-care positions in order to lower our caseload/workloads and provide services for our growing population. Mr. Burton added that we need to continue to press the State to fix these antiquated, broken methods of allocating funding for our service providers and for regional centers. These methods go back many decades and it will take a few years to fix, but we need to start.

Ms. Anne Struthers advised the board that Capitol Briefing Day is coming up on February 24th to educate the new legislators. Grassroots Day, which RCEB will participate in, will be in April, and Disability Awareness Day in May.

PUBLIC COMMENT

Gabe Rogan, Area Board V

November 14, 2014: Carlos Quintong Self Advocacy Celebration at the Ed Roberts Campus will be from 6:00 p.m. to 9:00 p.m. with music provided by The Dream Achievers band. Mr. Burton and John Rodriguez added that this celebration is to honor the memory of Mr. Quintong, who was an early advocate with statewide impact.

December 3, 2014: The next meeting for Area Board V will be at the Alameda County Public Health Department building at 1000 Broadway, Oakland from 7:00 p.m. to 9:00 p.m. This will be an important meeting since the passage of AB1595 (Chesbro) which will change the structure from Area Boards to State Council Regional Offices, at the beginning of the year. Also discussed will be the council's roll in the Self-Determination Advisory Committee as they partner with RCEB on it.

John Rodriguez for Sandi Soliday, Alameda County Developmental Disabilities Council

October 30, 2014: ACDDC combined with CCDDC will have their first Employment Committee meeting at the Public Health Department from 10:00 a.m. to 12:00 p.m. It will be open to the public

November 12, 2014: The next Alameda County DD Council meeting is at the Public Health Department from 9:30 a.m. - 12 p.m. There will be a presentation about the Common Core State Standards.

November 15, 2014: There is a Going to College with a Disability Conference from 9:00 a.m. to 3:00 p.m. at the Ed Robert's Campus

John Rodriguez, Contra Costa County Developmental Disabilities Council

October 22, 2014: CCDDC's last meeting was held at the Antioch Police Dept. Community room. There was a presentation on System Sustainability by Will Sanford and Barbara Maize.

October 23, 2014: Asian Community Mental Health Services [ACMHS] had their 40th anniversary gala at the Mira Vista Golf & Country Club.

October 24, 2014: Central and East County Transition Fair was well attended at the Willow Creek Center in Concord.

October 28, 2014: At the regularly scheduled Contra Costa County Board of Supervisors meeting, Congressman George Miller will be honored for his work.

November 19, 2014: The next CCDDC meeting will have a presentation on conservatorship.

ARCA REPORT: Anne Struthers

Ms. Struthers reiterated the importance of advocating for change at the Capitol Briefing Day, Grassroots Day, and local advocacy.

CLOSED SESSION – Personnel Issue

The board members met for ten minutes to discuss a personnel issue.

MEETING ADJOURNED

The board meeting adjourned at 8:45 p.m.

The next Board Meeting will be at 7:00 p.m.
The Diversity & Equity meeting will precede the board meeting on November 24th in
San Leandro