



REGIONAL CENTER OF THE EAST BAY

Board of Directors Meeting

Monday, September 26, 2016 7:00 p.m.

500 Davis Street, San Leandro

Approved 10/24/16

RCEB BOARD MEMBERS PRESENT:

Kathy Hebert, President
Evangeline Iyemura, Vice President
Rose Coleman, Secretary
Morena Grimaldi, Diversity & Equity Chair
Sister Marygrace Puchac, PVAC Representative
Nyron Battles, CAC Chair
Chi Lee
Maria Marquez, Self-Determination Vice-Chair
Gwen Nash-Butler
Carmen Quinones

ABSENT [excused]:

Marie Parra
Mike Treppa, Budget & Finance
Committee Chair
Stephen Whitgob, Treasurer

STAFF PRESENT:

Jim Burton, Executive Director
Lisa Kleinbub, Director of Health & Behavioral Services
Nancy Kubota, Director of Finance & Administration
Ronke Sodipo, Director of Consumer Services
Beth DeWitt, Director of Community Services
Steve Robinson, Director of Community Placement & SDC Closure Plans
Evelyn Hoskins, Associate Director of Federal Programs
Elvia Osorio-Rodriguez, Associate Director of Children Services
Priscilla Gomez, Transportation Manager
Gabriel Mendoza, Case Manager
Meredith Rosenberg, Case Manager
Michi Toy, Executive Assistant

GUESTS:

Patricia Albano
Edda Banuelos
Andrea Garibay
Arthur Lipscomb, CRA
Elizabeth Mard, DDS

Richard Palmer
Sandi Soliday
Anne Struthers
Josh Sullivan

CALL TO ORDER

President, Kathy Hebert called to order the regularly scheduled meeting of the Regional Center of the East Bay at 7:04 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 September 26, 2016 agenda as presented”
 [Battles/Lee] Unanimous

M/S/C “The Board moves to approve the July 25, 2016 minutes as presented”
 [Battles/Lee] Unanimous

PUBLIC COMMENT

Patricia Albeno from Congreso Familiar and Care Parent Network thanked RCEB for their attendance and support at their annual Congreso Familiar Conference on August 6th at Chabot College. It was a very successful event with over 1,000 participants and 50 workshops on various topics, as well as over 40 organizations with informational booths. Ms. Albeno presented RCEB with a large poster of participants and their families who attended the conference, to recognize the considerable support provided by RCEB.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Kathy Hebert

Family Home Agency [FHA] 637 Waiver Announcement

Ronke Sodipo informed the board that a Family Home Agency [FHA] is a housing option that allows adults with developmental disabilities to integrate into the community by living in a family home that they share with support staff and are included in the daily lives and responsibilities of that family. The FHA would be providing service and support to the consumers and the families, and are vendored as a FHA by the regional center. A Request for Proposal [RFP] was conducted by RCEB and we have chosen California Mentor Family Home Agency to provide this service. However, because they are a for-profit service provider, we have begun the 637 waiver process which entails a public announcement and hearing. The Board will be advised of that date when it becomes available.

CONTRACT APPROVALS

Department of Developmental Services [DDS]

C-1 Contract Amendment

Ms. Hebert distributed the Department of Developmental Services C-1 contract approval

summary where the term of the contract is from 7/1/16 to 6/30/21 with an increase in the OPS Allocation of \$10,945,934 and \$97,632,279 to the POS Allocation for a total Allocation of \$108,578,213. With this amendment, our total “C” contract allocation for this fiscal year is over \$400M.

M/S/C “The Board moves to approve the Department of Developmental Services C-1 contract Amendment of \$108,578,213 as presented.”
[Lee/Puchac] Unanimous

Soar Community Services

This contract represents the agreement for Soar Community Services to operate a Supported Living Services [SLS] agency providing support to the consumers as they live in their own homes in their communities. The effective date of this contract is 10/1/16 through 9/30/17 with a capacity of 15 residents, the estimated average monthly rate is \$7,500/client and an annual total of \$1,350,000. This is a new SLS provider for RCEB located in Richmond, California.

M/S/C “The Board moves to approve of RCEB to contract with Soar Community Services as presented.” [Battles/Nash-Butler] Unanimous

BUDGET AND FINANCE COMMITTEE - Report from September 26, 2016 – Chi Lee

Regional Centers received the C-1 contract amendment at the end of August which was good news as it allowed us to begin working on our Operations and Purchase of Services budgets for the fiscal year. The C-1 amendment provides the agency with an additional \$32.5MM in our current year allocation. The release of the amendment also helped with our cash flow as RCEB was able to claim a cash advance in the amount of \$27MM.

Operations:

The C-1 contract amendment provided nearly all of our operations allocation for the year, including our allocations for our Community Placement Plan (CPP), continuation funding for workload related to the Agnews closure, and funding for the Sonoma Closure Plan. The allocation for CPP, ongoing Agnews workload, and the Sonoma Closure are considered to be restricted funding. The current year operations allocation also included restricted ABX2 1 funding for increases in Regional Center staff salaries and benefits and also budget cut funding which was provided to Regional Centers specifically to hire more Case Managers to improve caseload ratios for Medicaid Waiver clients and to bring us closer to meeting Federal funding requirements. Having all of our operations funding allows us to finalize our operations budget, and we are currently in the process of completing our preliminary operations budget projections for the year. We will provide the Board with a detailed operations report at the next board meeting.

This month’s financial statement shows our allocation to date and actual expenditures through August 31, 2016 and compares the C-1 allocation and last year’s B-1 allocation. The statement also compares actual expenditures for the same time period. We expect to have our standard

financial statements available at the board meeting in November once the detailed Sufficiency of Allocation Report (SOAR) is completed.

RCEB grew by 752 net new consumers during the past 12 months and our C-1 allocation for Operations includes funding to account for this caseload growth

Purchase of Service

For Purchase of Services, Regional Centers received the POS allocation based on an equitable proration of prior year expenditures that each Regional Center actually spent.

In the C-1 amendment, RCEB received \$11MM more in Regular POS funding than in last year's B-1 allocation. In addition, we received ongoing funding for the annualized impact of the increase in State minimum wage effective 1/1/16 and ongoing funding for the implementation of new State laws and regulations such as the AB1522- Sick Leave Act effective 7/1/15, and the Federal Labor Standards Act effective 12/1/15. We also received a reduction of \$8.90MM for our Regular and Sonoma Community Placement Plan as most of the one-time start up and resource development funding were provided in last year's budget. This totals to more than \$35MM in Regular POS funding than we received last fiscal year.

The C-1 amendment allocated \$6.3MM for the Sonoma Closure Plan (last year, we received \$14.1MM).

We 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.

With regards to Fiscal Year 2015-16, Regional Centers ended the fiscal year with a sufficiency of nearly \$11MM. Most Regional Centers ended Fiscal Year 2015-16 with sufficiencies in their POS budgets.

Line of credit and cash flow

At this time, we are pleased to report the agency's cash flow is stable however we want to remind the Board that our current Line of Credit will expire at the end of this month.

Also, the Board is reminded that starting this fiscal year, Regional Centers who bank with Union Bank will be charged a fee for having a line of credit. The fee could be as high as 20 basis points or 2%. Union Bank claimed their exposure on the total aggregate lines of credit, which is around \$400MM, is "no longer sustainable". The total annual fee for RCEB to maintain our Line of Credit amount of \$49.6MM could cost the agency approximately up to \$99,200 this fiscal year.

Last September, the board authorized RCEB to go forward to establish a \$49.6MM line for fiscal year 2015-16 for 4 months of the year. The fee was waived for one year only, and we had no line of credit for 8 months. Once we are notified that our current Line of Credit has expired, the Board will need to consider our Line of Credit options again. Since the Line of Credit is most

needed at the end of the fiscal year, the board may want to approve a shorter term line of credit. For example, establish our \$49.6M line of credit only for the period for 4 months from May through August 31st. The benefit to this option is that RCEB would only be obligated to pay the fee for 4 months, or \$33,000. The downside is that RCEB would not have a line of credit for the remaining 8 months.

In all scenarios, Union Bank has agreed to remove the “borrowing” limits that were in place in previous fiscal year. Our borrowing ability was based on our allocation and aggregate claimed amounts. Going forward, Union Bank will remove the borrowing limits and our borrowing authority will be up to the full amount of the Line of Credit.

Although a line of credit is not needed at this time, it is prudent for the agency to retain a Line of Credit in the event that state warrants are delayed, or for any reason there are delays in federal reimbursement. The last time RCEB used our Line of Credit was in late June and early July 2013 due to delays in Federal reimbursement. We were 2 to 3 days away from borrowing this past July due to delays of our cash advances by the Controller’s office.

At the next board meeting, we will update the Board on the line of credit and will continue to update the board on the agency’s cash flow status.

Mr. Burton elaborated on the new Line of Credit charges by Union Bank and explained that due to the size of our regional center system in the State, it is very difficult to find a bank that would be willing to provide any line of credit to a non-profit corporation solely dependent on State and Federal funds. Although historically we have had a good working relationship with our bank, we may need to search for another bank, as our line of credit expires at the end of this month. Mr. Burton added that RCEB does not have any cash flows issues at this point.

Independent Audit for Fiscal Year 2015-16

Our independent Auditors are wrapping up their work on our annual independent audit report for Fiscal Year 2015-16 and they are scheduled to present the draft report to the Board at the October 2016 board meeting. The audit is expected to be a clean audit.

MEMBERSHIP DEVELOPMENT COMMITTEE: Kathy Hebert

We currently are seeking an Asian board member from Alameda County in order to maintain ethnic and geographic representation that is consistent with our community.

Ms. Hebert stated that Rose Coleman is pleased to serve her third and last term on our Board of Directors. The term is one year, to end on October 23, 2017. After a ballot and tally, Rose Coleman was unanimously elected to serve her final term as a Director on the board at RCEB.

PROVIDER/VENDOR ADVISORY COMMITTEE [PVAC]: Sister Marygrace Puchac

The September 9th meeting included an informative presentation by Sheraden Nicholau, SCDD, Bay Area on Self-Determination.

CONSUMER ADVISORY COMMITTEE [CAC]: Nyron Battles

Mr. Battles stated that the meeting on September 12th started with discussions on the Oakland A's game which several of the members attended. Also at this meeting was a presentation by a representative of IndeeLift, which is a platform designed to lift fallen individuals from the floor and aids in their transportation back to their wheelchair, thus decreasing damage to the backs of healthcare professionals.

DIVERSITY and EQUITY COMMITTEE: Morena Grimaldi

Although our Diversity & Equity Committee usually does not meet in August since there is no board meeting, the committee had a special public meeting on August 22nd at 6:00 pm in San Leandro. The purpose of this meeting was to discuss what we should include in our request portion of the \$11M earmarked as a result of the passage of ABX2 1 to address the disparities in POS. The suggestions received at this meeting were incorporated and added to the report that was submitted to DDS. Ms. Kleinbub added that DDS's response to all the regional center submits will occur in early November.

Lisa Kleinbub elaborated on the ABX2 1 funding recommendations that were sent in to DDS on September 8th which focused on developing cultural competency training of RCEB and our service provider staff, as well as adding a mentorship support module for families and day services for monolingual families.

Ms. Grimaldi updated the Board on a number of new support groups that RCEB is involved with such as the Lao Lu Mien Culture Association [LIMCA]. LIMCA is an Oakland based non-profit directed towards the preservation of the Lu Mien culture by hosting multiple Asian family support gatherings.

Mr. Burton thanked the Board for supporting our Diversity & Equity Committee, which was created in September, 2013 for the purpose of addressing important inequity issues.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton began by informing the board of the passing of two great leaders in our developmental disability community; Barbara Maizie, Executive Director of Contra Costa ARC who passed on August 13th, and John Rodriguez, who retired after 35 years with RCEB and who passed on September 12th. Mr. Burton added that although they were very different people, they were very alike in that they put great passion into their work with those with developmental disabilities and their families. This is a great loss in our community, and we will end this board meeting with a moment of silence in their memory.

ABX2 1

DDS's C-1 Contract Amendment included all the of the ABX2 1 rate increases for service providers and for regional center staff. As stated previously, we were able to include all those rate increases as of July 1, 2016, and the increases were available to our service providers and

regional center staff. Mr. Burton thanked Nancy Kubota for expediting this process. Our service providers are working diligently to get those increases to their direct care staff.

In the budget, there were additional funds addressing other areas. One of them is the allocation to reduce case-load ratios so that we may provide a higher level of service to our consumers and their families. This funding was to provide for 200 net new case managers across the 21 regional centers. For RCEB, we have posted 20 additional new case management positions, on top of our already existing 18 open RCEB positions, so we are actively recruiting for these positions. Due to the growth of our Latino population, two of the positions we added will go to La Familia Counseling Services [LFCS]. With an imminent lower case load and salary increases as a result of ABX2 1, we will be able to provide better services to all the people we serve once we are able to recruit, hire and train a sizeable number of new staff. We will keep the Board apprised of the case-load ratios as they change.

Mr. Burton added that RCEB has added three new positions; one having to do with the coordination of diversity and equity efforts, another as an employment specialist, and the third new position relates to providing compliance with all the Federal rules and in particular with CMS settings rules. In addition to those specialized positions, we are also going to be hiring additional Case Management Supervisors and Accounting staff, in order to improve our quality of services to people.

Regional Center Changes

Director of Community Services

Mr. Burton welcomed and introduced the new Director of Community Services, Beth DeWitt. Beth was the Manager of Regional Center Services, Marin/CPP at Golden Gate Regional Center, and has 25 years of experience working at several other regional centers, including RCEB where she was a Developmental Center Liaison and worked with Porterville Developmental Center.

Director of Finance and Administration

Mr. Burton announced that after 34 years of dedicated service with RCEB, 19 of those years serving as the Director of Finance and Administration, Nancy Kubota will be retiring on October 31st. Mr. Burton added that Nancy had transformed RCEB into having one of the very best financial operations of any regional center as reflected in our outstanding fiscal audits.

Mr. Burton announced that she has selected our current Controller, Lynn Nguyen, as the new Director of Finance and Administration to take Nancy's place. Ms. Nguyen is a CPA and has done a great job as our Controller, making sure that we comply with the State, Federal and generally accepted accounting practices and principles. Ms. Kubota will be providing guidance and counseling for a number of months after October, to assist in a smooth transaction.

Congreso Familiar Conference

Mr. Burton added that the trainings provided at this conference were on a wide variety of subjects and were very, very helpful to the families. Mr. Burton acknowledged that Patricia Albeno's coordination along with the other mothers were fabulous, and as always, looked

effortless. He also thanked the numerous regional center staff who volunteered that day to contribute to the success of the conference.

Sonoma Developmental Center [SDC] Closure

Mr. Burton informed the board that the closure of SDC is in high gear. In 2015, we placed all those that we were scheduled to place, except for two individuals who developed significant behavioral or health issues. We are putting a lot of effort into the acquisition of homes and have purchased 5 homes and have 4 more in escrow. This is a difficult time in the Bay Area to buy properties, but we have found some nice homes in great areas. We are expecting to meet the timeline as far as property acquisition and construction, and although we are on schedule at this point, we are attempting to get ahead of schedule to build in cushion for any unforeseen construction delays. We are also increasing the “Meet and Greet” meetings that we have with the individuals and their families in order to discuss their options for services available so that the transition into the community is smooth. At Sonoma, the number of total placements from all the developmental centers has slowed down, mainly due to services being developed. All services need to be in place before we can successfully transition individuals into the community. We have moved up timelines for the Request for Proposals [RFP’s] for new service providers and appreciate the help from our community partners.

Although there are serious ramifications if we do not complete the transition by December 2018, the health and safety of our consumers are of the utmost importance. The Federal government has stopped funding portions of Sonoma Developmental Center, and will not agree to continue some funds beyond 2018. For each individual residing in SDC, the cost is between \$7-800K/person, and with 332 residents at SDC, that is very significant. Mr. Burton thanked Steve Robinson, who directs our services in this endeavor for all his hard work.

Mr. Burton added that there may well be budget hearings focused on this closure plan issue expected to occur after the Governor releases his budget report in January 2017. There will be a series of meetings with legislators and staffers through the winter to make sure that they are confident and comfortable with how things are going. Some regional centers are struggling to find affordable real estate given the high cost of real estate in their areas. If it is not possible to purchase homes in the area, they may need to look outside of their service area. We are all working cohesively to find homes, as there are severe consequences if we do not complete the transition to the community by end of 2018.

Self-Determination

There was a DDS State Workgroup meeting today, and the good news is that there has been progress made on dealing with the Federal concerns about California’s Self-Determination plan. Of the 180 questions that were submitted by the Centers for Medicaid and Medicare Services [CMS] to DDS, two thirds of the questions have been resolved. There are significant questions that remain, and the biggest challenge from the Federal government is for California to meet all the HCBS CMS Rules that will be going into effect in March 2019. In the last two decades, California had embarked on acquiring more Federal support for those with developmental disabilities. If we had not been successful, we might have received far more significant cuts to

our system. However, with additional Federal funds come additional Federal rules for compliance.

PUBLIC COMMENT

Sandi Soliday, Alameda County Developmental Disabilities Council [ACDDC]

Ms. Soliday said that since October is Disability Awareness month, it will be very busy in our community.

- Oct 5th EBLC meeting on budget legislation and Town Hall planning for 2017.
- Oct 12th ACDDC meeting with a presentation from the Registrar of Voters on “Get Out The Vote” [GOTV].
- Oct 20th Transition team meeting at RCEB.
- Oct 22nd STAR Autism Conference on 10/22 from 8:00am to 2:30pm at the Orinda Community Center.
- Oct 28th Health & Wellness meeting with speaker Nancy Halloran/Policy Director at the Alameda County Health Care Services Agency.
- Oct 28th Department of Rehabilitation [DOR] presentation regarding the 15% of funding spent on transition age youth.

Josh Sullivan, Contra Costa County Developmental Disabilities Council [CCCDDC]

- Sept 27th CCCDDC in partnership with Disability Rights California, SCDD/Bay Area, and the Pacific Coast Farmers Market Association will be putting on a live voter registration drive at the Concord Farmer’s Market from 10:00am to 2:00pm.
- Oct 22nd STAR Autism Conference- still needs a few volunteers at this event.
- Oct 28th CCCDDC meeting with a presentation by the Contra Costa County of Elections “Your Right, Your Voice, Your Vote”.

ARCA REPORT: Jim Burton

There is no report this evening as ARCA did not meet in August. The next ARCA meeting is in October.

A moment of silence was observed in memory of both Barbara Maizie and John Rodriguez.

EXECUTIVE SESSION – PERSONNEL ISSUE

MEETING ADJOURNED

The board meeting adjourned at 8:34 p.m.

The next Board Meeting will be at 7:00 p.m. on October 24, 2016 in the Concord Office
1320 Willow Pass Road, Concord
There is a Diversity & Equity Meeting at 6:00 prior to the board meeting