



EASTERN LOS ANGELES REGIONAL CENTER
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Minutes of Board of Directors Meeting
January 11, 2011
Approved February 8, 2011

Present:

Theresa Chen
 Miguel Lugo
 Pat Gomez
 Terry Munoz
 Marvin Brown
 Felicitas Navera
 Robert Hazard
 Tammy Bachrach (VAC)
 Joe Utar

Staff Present:

Gloria Wong, Executive Director
 Rosalie Estrada, Executive Secretary
 Felipe Hernandez, Chief of
 Consumer Services

Absent:

Jiang Guo (excused)
 Olga Sarabia (excused)
 Elton Lui (excused)

Guests:

Refer to Sign-In Sheet

Gloria Wong, Executive Director wished all present a very Happy New Year!

The meeting was called to order at 6:10 P.M. by Terry Munoz, Board of Directors. Elton Lui, Jiang Guo and Olga Sarabia were unable to attend meeting. (Pat Gomez was going to chair the meeting but was running a little late). Terry Munoz will chair the meeting until Pat arrives.

I Welcome and Roll Call

Terry Munoz welcomed all present. Roll call was taken and a quorum was present in order to conduct the necessary business at hand.

II Introductions

Guests in the audience were introduced.

III Opening Round - Board of Directors

The board was introduced.

IV Community Input

Christina Beyelia announced the KEY Community Housing Board is looking for more consumers for board membership. Miguel reported the announcement was made at the last Consumer Advisory Committee meeting. Frances Jacobs stated the announcement has also been placed in ELARC's E-News.

V Approval of Board of Directors Meeting Minutes

M/S/C (Robert Hazard/Felicitas Navera) To approve the Minutes of November 9, 2010 as recorded. Unanimous.

VI Executive Directors Report

A. AB 1006 Waiver Request

Gloria Wong indicated this waiver request is an approach to AB 1006 where there are exceptions granted to existing regulations. The waiver process requires notice be posted to the community and that it be presented in a public session. The Board of Directors Meeting has been used as the formal "public hearing" forum for such waivers. In this particular case, there is an adult who will be living with her minor child in a licensed residential facility. Residential facilities are licensed solely for adults or minor. In order to have mom and her child reside in the same residential facility it requires a waiver to the license to allow for a minor to reside in said facility. Typically in a residential setting it would be licensed for adults or minors. This is the third time a waiver has been presented to the Board for approval on a case specific basis.

Joyce Miramontes, Community Services Specialist, provided background information. The request is for a waiver to AB 1006 to allow mom and child to continue to reside in a certified family home which has been approved and is supervised by California Mentor Family Home agency. The consumer and the Interdisciplinary Team have deemed this to be the most appropriate and preferred placement for the consumer and child. The exception request is for the minor child (newborn). This request is for a general waiver versus a case specific so that when a similar case arises, the process can be expedited. The newborn will most likely be referred to ELARC's Early Start Unit.

Any public input on this request will be forwarded to DDS. As of this date, there has been no public input.

M/S/C (Tammy Bachrach/Theresa Chen) To approve the request for an AB 1006 waiver as a permanent waiver for future requests. Unanimous.

Felipe Hernandez will provide information at the end of the year if there have been any other AB 1006 waivers.

B. DDS Performance Contract Approval

Correspondence from DDS regarding the approval of the 2011 Performance Contract was received and shared with the Board of Directors.

C. DDS Approval of Purchase of Services (POS) Policies

Correspondence from DDS regarding the submission of the revised Purchase of Service (POS) policies was shared with the Board. The Board of Directors approved the policies on June 8, 2010. DDS is approving the POS policies contingent upon the regional center's assurance that the policies are implemented so as to comply with the applicable federal and state laws and regulations.

A copy of the revised policies were shared with the Board. Edith Hernandez, ELARC Contractor, reviewed the policies noting the recommended changes by DDS. Policies included: Behavioral Intervention Services, Camp, Speech, Health Services, Medical Equipment, Occupational Therapy & Physical Therapy, Purchase of Services Policy Statement, Social Recreational Services, and Diapers. There were no corrections on the In-Home Respite policy.

Tammy Bachrach, vendor representative, indicated vendors have very little information regarding the cost for the various services, or even the caps for the various services, in order for them to determine where they fall in comparison to other vendors, in order to be competitive.

G. Wong indicated the need to develop a list of "least costly vendors by category in order to consider at planning meetings between parent/consumers and pertinent partner. Frances Jacobs, Manager of Community Services, stated that in the past DDS has directed regional centers to not publicize the range of rates in given vendor categories. ELARC will pursue this further and look into the development of a document that breaks down rates from high-medium-to low ranges.

Edith Hernandez reported there are approximately three more outstanding policies which will be revised and presented to the Board for review and approval in the upcoming months.

D. Budget Status for FY 2010-2011

A copy of an article printed in the Sacramento Bee on January 2, 2011 was shared with the Board.

The article was shared with the board because Mr. Jack Chang did communicate with Gloria. The article is mainly about the development of the housing corporations. The KEY Housing Corporation has been in existence for approximately three or four years ago. The article mentions sixteen of the twenty-one regional centers all have an affiliation with a private nonprofit corporation. One of the benefits of working with a nonprofit, is that there is money within cities and counties that can be tapped for the purpose of developing and securing housing development for individuals with developmental disabilities. A Request for Proposal resulted in the establishment of KEY Community Housing whose focus has been to develop homes for the consumers coming out of the developmental centers, under the Community Placement Plan funding. The property they purchase becomes the State's property. Key is a unique housing corporation with exclusive expertise of the developmentally disabled community, and more specifically of the developmental centers. A significant advantage to working with a nonprofit housing corporation is that the property is owned in perpetuity by the corporation. The result is that any changes to the direct service provider would not result in the relocation of consumers to a new property, but rather a new vendor would replace a former provider in the same residential location.

Mr. Jack Chang did mention to Gloria that was a letter which was sent out to residential vendors from ELARC. The letter states that ELARC wants new vendors to connect with the Key Housing Corporation to see what their inventory is re: homes, and work with them. The same letter was sent to existing residential providers, and few objected to the request since they would no longer hold the ownership on their residential home. DDS became involved and they asked that ELARC not require every residential vendor to go through the Key Housing corporation. A revised letter was sent and read that individual seeking to become vendored to provide residential services "may" lease a home from Key. Copies of both correspondence were shared with the Board.

1. Contract Amendment B-1

The executed copy of the Contract Amendment B-1 signed by Elton Lui on November 9, 2010 was received. The B-2 amendment was due in September 2010, and is still outstanding. There is still outstanding money for POS and Operations. According to DDS they were focusing on working with the Governor in preparation for the release or the budget for Fiscal Year 2011-12, resulting in this unprecedented delay in allocating funds.

2. 2010-11 Sufficiency of Allocation Report (SOAR)

A copy of the POS Expenditures Projection Summary through November 2010 was distributed and reviewed. Once the budget is allocated, the regional centers go through a comprehensive review of determining how much is being allocated and comparing it to historical expenditures and the preliminary allocation. Historically it is a deficit reported to DDS. In October 2010, the projected POS deficit ranged from a low of \$7,410,929 to a high of \$8,178,623. Currently ELARC is projecting a slightly lower deficit with a low of \$7,205,438 and a high of \$7,760,226. The SOAR is updated monthly and presented to the Board.

The New Purchases Comparison graph which reports new purchases, month by month, for the last five fiscal years was reviewed. It was noted the new expenses are rising every month and it is possible that ELARC will most likely end the fiscal year in a deficit. DDS is still holding on to some money and at this time it is unknown how much will be allocated on the B-2 amendment.

3. Purchase of Services(POS) Monthly Projection Report

The New Purchases Comparison graph was reviewed.

4. General Updates

New Allocation Methodology: To date it is uncertain what the new allocation methodology will be adopted, preliminary analysis projects a 5% reduction in POS allocation to ELARC.

Individual Choice Budget (ICB) is still being discussed and it is in the Budget Act. The goal was to implement this proposal by April 1, 2011, but at this time it does not appear to be ready for implementation as it must be approved by the Federal government. The legislature will not proceed with the ICB implementation until DDS can secure federal participation.

There is currently discussion statewide regarding the implementation of uniform standards for all twenty-one regional centers in order to contain expenditures. .

5. Governor's Budget Proposal FY 2011-12

The budget proposal for fiscal year 2011-12 was released on January 10, 2011. There is a \$25 billion shortfall for the current and upcoming fiscal year. The budget proposal had no mid-year cuts for the regional center system. In presenting his proposal the Governor used terms such as historic restructure of government functions, "painful" was used throughout his introduction, sacrifices to be made and the realignment of government agencies. The good news is the Governor still recognizes "entitlement." The other piece of good news is that the Director of Developmental Services, Terry Delgadillo, has been reappointed by the Governor. Ms. Delgadillo has been very good for the system and is an excellent leader in safeguarding the system.

There is a \$750 million cut to the regional center system and the developmental centers. It is unknown at this time how it will be divided. The continuation of what was to be a temporary 4 1/4% cut for vendors and regional center operations will remain in effect for Fiscal Year 2011-12 for the new fiscal year. The Governor is also looking at uniform standards as a way of containing costs. He is also looking at having a special election asking voters to extend the increase in taxes for the next five years. He is hoping to pass the budget for the new fiscal year in March.

The total budget for the regional centers and developmental centers is \$4.5 billion.

A copy of the 2011-12 Budget Highlights prepared by DDS was shared with the Board.

E. Budget Performance Report

A copy of the Budget Performance Report was distributed.

F. Future Board Training Series: Brief Introduction & Scheduling Future Session

There was discussion regarding the need to educate the community on the budget situation. Gloria Wong introduced Mark Starford with SCILS, who has assisted in training consumers, vendors and the Board of Directors. The SCILS group is a private nonprofit organization originally started by a group of parents back in 1977 when there were only two regional centers. The basic purpose of the organization is community-based inclusion. The work is primarily in Washington, and other multiple states, and has been expanded recently to China. Mark provided a power point presentation on the work the various projects completed. Gloria would like to schedule a training session which would provide the necessary background and support to new and existing board members of the complex changes affecting regional centers, a strand on governance training and a budget update to inform the community on the proposed changes to the Regional Centers in Fiscal Year 2011-12.

It was decided to schedule a half-day training session on a Saturday in February. The Board will be surveyed as to their availability.

VII Consumer Services Report

A. Revised Policies per DDS

Refer to VI. Executive Director's Report, "C" DDS Approval of POS Policies.

VIII Committee Reports

A. Consumer Advisory Committee

Miguel Lugo shared some points that the CAC would like to share with the Board of Directors: (1) CAC is reviewing their By Laws and is recommending changes that would support the CAC to become more efficient, present the board with advice and meet the needs for the people we serve; (2) the CAC is looking at the duties of the Chair and other officers; (3) the CAC is reviewing the election process; (4) CAC would like to identify an annual meeting date for elections and future annual planning (like a performance contract); (5) CAC would like to start discussion on the development of a CAC web page which would allow anyone to log on to find out what the CAC is currently doing. The information on the website would be written by CAC members and will be in plain language with graphics so that individuals can easily use the site; (6) the CAC would like time next month on the Board of Director's agenda to present their recommended changes to the By Laws; (7) The next CAC meeting is scheduled for February 15th from 4:00 P.M. to 6:00 P.m. in the Board Room and will also set up for video conferencing in Whittier. Some of the highlights will be review of the By Laws, CAC planning for 2011, transportation and employment updates.

Miguel requested time on the February agenda so that he can present the recommended changes made to the CAC By Laws. The last revision was in 2005.

The CAC will meet on January 15th from 4:00 P.M. to 6:00 P.M. The main issues to be discussed include the By Laws and the CA Planning for 2011.

B. Vendor Advisory Committee

Tammy Bachrach stated she was unable to attend the FAC meeting held in November. An update on the VAC meetings will be provided at the February Board Meeting.

C. Family Advisory Committee 1. New BOD Representative

Pat Gomez stated that due to her work scheduled is she unable to attend the FAC meetings and represent the Board of Directors.

Felicitas Navera stated she would be interested in attending the FAC meetings which are held on the 1st Wednesday of the month at 10:00 A.M.

D. Finance Committee

Joe Utar reported the Finance/Personnel Committee met on January 5, 2011 to review the Financial Statement, the Pension Plan Audit Results and the 990 IRS Report Filing.

Joe indicated that the audits results were all good and thanked Gloria and her staff for a job well done. The auditors rendered an “*unqualified opinion*” which is the best an agency can obtain.

As per the contract with DDS, the regional centers are required to undergo an independent audit. The auditors with Windes & McClaughry personally presented the result of the audit to th Finance Committee on January 5, 2011. Additionally the committee was presented with the final draft of the 990 forms to be filed with IRS. The Committee recommended the approval of the 990 form and the filing with IRS.

M/S/C (Theresa Chen/Joe Utar) To approve the submission of the 990 IRS form as presented. Unanimous.

IX Adjournment

There being no further business the general session was adjourned at 8:10 P.M.

X Executive Session

The Executive Session was called to order at 8:15 P.M. in order to discuss a personnel matter.

XI Adjournment

There being no further business to discuss the Executive Session was adjourned at 8:25 P.M.

Respectfully submitted by:

**Joe Utar, Treasurer for
Jiang Guo, Secretary**

Recorded by: Rosalie M. Estrada, Executive Assistant

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