President, Lisa M. Sanchez opened the March 25, 2014 Board Meeting with roll call:

Members Present:

Lisa M. Sanchez  Jocelyn Baber-Gant  Michelle Rappino
Ana DaSilva      Lara Okunubi           Mireya Romero
Mark Grimes      Claudia Hernandez      Teyanna Williams
Sandra Casado    Alyssa Jackson         Diana Ugalde-Lara
Alfredo Farfan

Members Absent:

Veronica Moser
Dora Evans

Staff Present:

Dexter Henderson  Reuben Lee           Roy Doronila
Marsha Mitchell   Deanna Corbin

President Lisa M. Sanchez requested the board’s approval of the January 28, 2014 Board Minutes as presented.

BOARD ACTION:
To Approve SCLARC Board Minutes of January 28, 2014
M/S/C: /L. Okunubi /K. Washington/Unanimous

SCLARC BOARD MEMBERSHIP - Dexter Henderson
Mr. Henderson welcomed to SCLARC New Board Members Diana Ugalde and Dora Evans both approved at the January 28, 2014 Board of Directors meeting. Diana shared a brief overview of her background and work experience.
AGENCY DIRECTORS REPORTS

BUDGET UPDATE & FINANCE REPORT – Roy Doronila

Roy Doronila presented the Balance Sheet, the Statement of Expenditures and Revenue, and the POS Expenditure Projection Summary ending February 28, 2014. The following financial highlights were reported to the board:

The Balance Sheet shows that we have less cash compared to the same time last year. The reason for that is we have higher receivables from the State, and the state is slow in reimbursing our claims. As you can see last year the receivables for the State were $21,404,195 however in the current year receivables are $26,604,746 which results in a reduction in available cash. We currently have $10,723,390 in accounts payable which mostly consist of vendor bills.

The Statement of Expenditures and Revenue report shows the agency is projecting $23,370,962 in Operation (OPS) Expenditures for the year. On the other hand, for Purchase of Services (POS) we are currently projecting $133,150,288. This represents a short fall of $3,352,530 when compared to our most current allocation. We expect an additional allocation in POS in the near future to fund the estimated shortfall.

Finally, the POS Expenditure Projection Summary is a report that we send to the State every month. It tells the State how much we expect our Purchase of Services (POS) Expenditures would be at the end of fiscal year. In this report it says that we are projecting on the high side a total of $133,150,288 which is less than what we reported last month at $133,178,102 or $27,000 less.

EXECUTIVE SUMMARY of DDS AUDIT FINDINGS of FY 11-12

Mr. Doronila also presented the Executive Summary of DDS audit findings for FY 11-12. A couple months ago we received the draft report for the audit for the fiscal year ending 2012. A few weeks ago we were told that Finding 1 Overslated Claims and Finding 5 Annual Independent Fiscal Audit were going to be revised.

In the revised report for Finding 1 the state recognized that they have received all payments from SCLARC that are due to them and are correcting the error. As for Finding 5, in March 2011 the Trailer Bill Language was passed requiring a change of auditors if the same auditors were used for 5 years consecutively over a 10 year period. The State’s interpretation was that this requirement was retroactive to July 1, 2012 which would have necessitated the replacement of our current auditors.

We got a legal opinion that argued the point that the bill was not retroactive but rather prospectively effective July 1, 2012. The State is revising this and have advised us that we can use our same auditors for at least two more years. We agreed with the rest of the findings with the exception of Finding 2 Lack of Receipts to Support Credit Card Purchases, in which we are disputing some of the items listed.
Due to the lack of receipts they disallowed those purchases and we have been asked to reimburse the State the amount of $7,294.59. Overall we think that these are minor exceptions.

COMMUNITY SERVICES AND FAMILY SUPPORTS REPORT – Marsha Mitchell

Marsha Mitchell reported on the First5 LA grant awarded to SCLARC, the agency’s Performance Contract, Disparity Report, and legislative agenda for 2014/15. The following issues were reported:

Ms. Mitchell reported that SCLARC is now in partnership with First5 LA regarding autism services and developmental screenings. SCLARC was selected and awarded a $345,000 grant which will be implemented over a three year period. The goals and objectives of SCLARC’s Resources, Education, Advocacy and Community Help (REACH) program are to close the gap in services to children diagnosed with Autism Spectrum Disorder (ASD) or another developmental delay by providing early screening services to families who are not currently connected with their local regional center or other early education programs for developmental screening and education.

Ms. Mitchell also reported on the Performance Contract. She informed us the areas where we have exceeded and the areas were we still need improvement. SCLARC exceeded in increasing the number of children living with families, and the number of adults living in a home setting, and we decreased the number of children living in facilities designed to support more than 6 consumers. The areas that still need improvement are moving more individuals from large state developmental centers to living options located in the community, and decreasing the number of adults living in facilities designed to support more than 6 consumers.

Another issue that was reported by Ms. Mitchell was the POS Disparity Town Hall meetings. SCLARC held three public meetings at different locations throughout our service area in order to give a broader range of stakeholders an opportunity to participate in the POS Differences Data. The three meetings where held: May 30, 2013 at SCLARC, Bell Community Center, and June 26, 2013 our 3rd meeting at Downey Rio Hondo Golf Course. There were approximately 55 participants in each meeting. There was an opportunity for stakeholders to talk to SCLARC’s Leadership Team, Program Managers, and Service Coordinators. We signed up 25 families who said they had issues and we met with all 25 families within a two week period. Continuing in that effort and reflecting on the input received at out latest round of community meetings, SCLARC has pledged to:

- Meet on a regular basis with our primary parent group’s at their meetings throughout out SCLARC’s catchment
- Hold bi-annual public meetings in the three main zones in our service area
- Continue to advertise regional center services in local community newspapers throughout its service area
- Educate families on trailer bill languages that changes or introduces services
- Conduct ongoing customer service training with staff
- Create a protected parent portal so that parents and consumers can access their files and communicate with staff more readily
Lastly, Ms. Mitchell presented the SCLARC’s Legislative Agenda for 2014/15. Ms. Mitchell informed the board of the six main points that SCALRC is interested in as this legislation moves through which are:

- Invest in early start support for children with disabilities
- Down payment of system sustainability
- Elimination of “Rent Freeze” allocation dollars
- Begin the work of creating a cost based rate model
- Invest in work for adults with developmental disabilities
- Remove regional center prohibition against paying for co-pay and deductibles

**ARCA’s GRASS ROOTS** – Maria Figueroa

Ms. Figueroa presented a brief summary of ARCA’s Grass Roots which took place March 12, 2014. This year our delegation was made up of four members SCLARC Board member Mireya Romero, her daughter Christy Caldera, Consumer Advisory Committee President Alyssa Jackson, Consumer Advocate Desiree Boykin, community services and balance support director Marsha Mitchell, department of consumer and adult services team leader for units I & 3 Adriana Colon, myself, and supporting living instructor Mitchell McBerney. In total we had 8 appointments our delegation was broken up into two groups so that we have ample time to meet with all of our appointments. We met with the office Senator Ted Lieu, Assembly Member Isadore Hall, Assembly Member Anthony Rendon, Senator Kevin de Leon, Senator Ricardo Lara, newly elected Assembly Member Sebastian Ridley- Thomas, Assembly Member Cristina Garcia, and newly elected Senator Holly Mitchell. This year our advocacy emphasized asking our legislators to assist in reinvesting in the stability of regional center system. The three vocal points that we talked about included; full restoration of early start services, the need to revise the old allocation formulas that the regional center budget is based on for both Operations and PoS. This year we decided to take a member from case management Ms. Colon because we really wanted a person to speak directly to the legislature on how this core formula is really affecting the way case management services are being provided to our families. We wanted someone to go out there and be the voice of case management and Ms. Colon did a wonderful job. Thank you to the board for supporting us and for letting us be the voice of SCLARC.

**CONSUMER AND SUPPORT SERVICES REPORT** – Reuben Lee/Maricel Cruzat

Mr. Lee spoke briefly about the 2014 Medicaid Waiver. Everybody has been talking about how the state is going to sustain the regional center system. Approximately 46% percent or more of our budget is coming from the federal government. Every two years we have our Medicaid waiver audits. The biggest federal program is the Medicaid waiver program. Mr. Lee than had his staff Maricel Cruzat come in to talk more about the Medicaid Waiver Audit.
Ms. Cruzat reported the following in the Medicaid waiver report. A significant amount of our funding now comes from the federal government. The Medicaid waiver program or the DDS waiver program is one of ten HCBS (Home Community Based Services) in California. It allows California to claim Medi-Cal reimbursement for specific regional center services, and the main purpose of the program is to bring in federal dollars. One of our successes is every year DDS gives us a new enrollment goal for consumers. We have always met that target. On October 28 – November 1, 2013 DDS and DHS (Department of Health Care Services) came to the regional center and where here for a week. We submitted a self-assessment for DDS which says we do have systems and procedures in place for implementing the Medicaid waiver program and they agreed. For our consumer case records we were 99% in overall compliance. We were both 100% in compliance for the CCF (Community Care Facilities) and Day Program Consumer records review. In the consumer observations and interviews they interviewed consumers and parents and there was one parent that was not satisfied with our services and that parent requested assistance from SCLARC to obtain behavioral intervention for her son while in school. They have scheduled an IEP March 26, 2014 the service coordinator is working actively to help this parent. As for the special incident reporting they said we reported all our incidents, and deaths in a timely manner. The only finding that was identified included three vendors that did not submit the SIR (Special Incident Report) to SCLARC within two days. Our next big audit is not until next year.

**VENDOR ADVISORY COMMITTEE REPORT** - Lara Okunubi

Ms. Okunubi reported this being her first meeting as chair of the VAC. She shared one exciting information that Mr. Henderson shared, how there will be money included budget to increase the minimum wage. The VAC also had a gentleman that came and presented them more information about affordable California Care. This year we are looking forward to putting together a workshop that will have service providers come to recharge their knowledge and enhance their skills. We will talk about topics that will focus on areas providing options, and choices, centered on self-determination services.

**CONSUMER ADVISORY COMMITTEE REPORT** - Alyssa Jackson

Ms. Jackson gave an overview on both Consumer Advisory Committee meetings held February 24 and March 24, 2014. Their next CAC meeting will be held Monday, April 28th at 4:00 pm.

**Legacy Project Update** – Hillary Henderson

Ms. Henderson presented the board with an update on the Legacy Project. The Legacy Project is a 50 million development in South LA that will soon serve as the future headquarters of SCLARC. The project will create over 300 construction jobs and has a focus on hiring local and minority businesses to complete the development. Legacy Plaza is broken up into two phases the first phase is the newly constructed Legacy Building and then we have the rehabilitation of the
Golden State building. The new legacy building is unfolding; excavation, grading, and shoring are completed. Permits have been issued by the department of public safety and 95% of the subcontractors' awards have already been bid and awarded. As for the existing Golden State building we were issued an early start demo and we have submitted 80% of construction set plans and are waiting on our plan checker to complete our review. Pictures of the aerial view of the site and current site conditions were also presented. We have a few construction issues; traffic around the site, scheduling delay on Golden State building, and security concept redesigned. We are exploring different opportunities to reduce the debt of the project which may include, exploring historic tax credit options, creating community program with the murals, or to develop capital campaign plans. We are expected to be in the building in the beginning of 2015.

**ARCA REPORT** – Dexter Henderson

Mr. Henderson reported on the January ARCA meeting. ARCA introduced the new director of state developmental services. We are looking forward to having a very positive relationship with the state department of developmental services. The two issues that are going to be foremost in SCLARC and within Regional Center Agency Association is cash flow and full implementation of the Medicaid Waiver program that we shared with you today. The other issue that is important to us is our operations allocation methodology. A sub issue under that topic is rent, previously the department independent of us or the legislature reduced the amount of money we were receiving for rent and we are trying to reverse that trend right now with the new administration because it will have a million dollar impact on our agency. Another significant issue is that ARCA is in full support of the effort to identify specific source of funds to create housing that is dedicated to our system. (Ms. Okunubi mentioned about additional money, in particular money has been put in the upcoming budget that has not yet been fully approved by the legislature however money been put in there by the governor for increasing the minimum wage.) In the budget the legislature is committed to increasing the minimum wage over the next year in a two-step process. The sustainability issue that we are pushing is that the system has not been funded adequately for over 10 years so are going back to the legislature and asking that they give us additional money both for PoS and Operations. Those are the issues we are pushing right now and that is going to be both on a State wide level and at the local level.

The next big issue that is going to occur is the May Revise for the budget for FY 14-15 and they will look at both expenses and revenue impacting the state. We hope there will be sufficient resources available to increase the early start program, increase PoS rates, and increase some operational costs as well. Even though our legislators all agree with the issues we have been talking about in general we have to continue to educate them about the impact of not having those dollars has on our system. Over the next month or two we will continue to bring those issues up with you. As you develop the Consumer Services Committee that you said you wanted to develop some of these issues may be presented at that level. We are also going to ask the board to formally adopt or approve this legislative agenda so we can in fact say it came from the board with full board knowledge.
Executive Directors Report - Dexter Henderson

Mr. Henderson spoke about O.V Smith’s transitioning this past Saturday, March 22, 2014. A number of staff from SCLARC were there, one former board member and one current board member where at the funeral as well. O.V. Smith was essentially one of the matriarchs of the regional center system. She specifically founded a program called Willing Worker and also an organization Society of California Care Operators (SOCCO). This state wide organization was really designed to be an advocate on behalf of residential providers to talk about the needs of residential providers. Also Ms. Smith was one of the primary people that actually created an opportunity for vendors to serve on regional center boards through legislation that she proposed. There were many stories that were told centering on how she was such an advocate for people with developmental disabilities and how she pushed and prodded legislature’s in all levels to support people with developmental disabilities. Out of respect to Ms. Smith we did go to the Executive Committee Wednesday, March 19, 2014 and asked for their endorsement and support to name a conference room in the Legacy building in her honor. That request was approved and it was announced at the funeral. O.V always said to anyone at any point that South Central Regional Center was her regional center and even though she was an advocate for the whole system there was no question in her mind that South Central was her regional central.

PUBLIC INPUT: None

ADJOURNMENT:

President, Lisa M. Sanchez then adjourned the March 25, 2014 Board of Directors Meeting In Loving Memory of Ms. O.V. Smith at 9:00pm.

NEXT MEETING:

The next SCLARCBoar Meeting will be held on May 27, 2014, at SCLARC, 650 W. Adams Blvd. 4th Flr. Multi-Purpose Room

Submitted by:

_________________________________________   _____________________________
Deanna Corbin                                      Date
Executive Secretary

Approved by:

_________________________________________   _____________________________
Mark Grimes                                      Date
Board Secretary