



EASTERN LOS ANGELES REGIONAL CENTER

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**ELARC Board of Directors Meeting
Minutes of March 8, 2016
*Approved April 12, 2016***

Present:

Robert Hazard
Lida Chavez
Tony Borrego
Diane Lasell
Anthony De La Rosa
Deborah Gallardo
Terry Munoz
Joe Utar
Yue Li, VAC Representative
Virgilio Orlina, CAC Representative

Staff Present:

Gloria Wong, Executive Director
Felipe Hernandez, Chief of
Consumer Services
Frances Jacobs, Manager,.
Community Services

Absent:

Elias Fonseca*
Felicitas Navera*

Guests:

Refer to Sign-In Sheet

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I Welcome & Roll Call

The ELARC Board of Directors meeting was called to order at 6:03 P.M. by Robert Hazard, President. A quorum was present to conduct necessary business.

Introductions of the board members and of the audience were conducted.

II Board Nominating Committee

A. Nomination of New Board Member

Robert Hazard reported an interview was held with Mr. Joe Utar who has expressed an interest in serving on the Board of Directors.

M/S/C (Robert Hazard/Diane Lasell) To approve the nomination of Joe Utar as a member of the Board of Directors. Unanimous.

B. Slate of Officers

Robert Hazard, President, announced the Slate of Officers:

Anthony De La Rosa, President
Robert Hazard, Vice-Chairperson
Terry Munoz, Treasurer
Felicitas Navera, Secretary

The floor was open for any additional nominations. There were no other nominations.
M/S/C (Diane Lasell/Lida Chavez to approve the slate of officers as presented. Unanimous.

III Introductions/Opening Round/Board of Directors

The board and guests were introduced.

IV Community Input.

There was no community input.

V. Approval of Board of Directors Meeting Minutes

A. Minutes of the BOD Meeting of February 9, 2016

There was a minor correction on page 7.

M/S/C (Anthony De La Rosa/Terry Munoz)Lida Chavez) To approve the Minutes of February 9, 2016 as corrected. Unanimous.

B. Minutes of the BOD Executive Session of February 9, 2016

M/S/C (Tony Borrego/Lida Chavez) To approve the Minutes of Executive Session of February 9, 2016 as recorded. Unanimous.

VI. Executive Director's Report

An urgent matter has arisen on an existing contract which was originally approved by the Board of Directors in May 2015 and which requires immediate attention. At the May 2015 board meeting two projects were approved which are referenced to as "Contract A" and "Contract B". The matter before the board is specific to "Contract B" which calls for the development of a residential home for four developmental center (DC) consumers. The contract expires on June 30, 2016.

The housing corporation developing this home is Brilliant Corners (BC). We have been advised by BC that they want to amend the payment methodology under the currently approved contract from "reimbursement" to a "milestone" methodology. As there are only four months left under this contract BC is pressed to ensure a swift flow of funds to

ensure completion. The project under "Contract B" is referred to as the "Corella" home. There remains two more contracts previously approved by the Board for additional projects with BC but those contracts do not expire until June 30, 2017

Ms. Wong introduced Frances Jacobs, Manager, Community Services who will be presenting on the above referenced contract which will require immediate action from the board of directors.

Frances Jacobs presented background information on the housing corporation "Brilliant Corners" (BC). She reported ELARC began working with BC in 2006. DDS provided start-up money for new housing corporations to be developed. Most regional center wanted a Non-Profit Organization (NPO) in their area that would work with them over a long period of time. The Department of Developmental Services provided start-up money for a new housing corporation to be developed. The NPO's are housing corporations which have focused on developing resources for consumers residing in Developmental Centers. The value of a housing NPO is that the properties are the ownership of the State of California in perpetuity. This concept allows for minimal disruption to residents (consumers) should there be a change in the service provider, avoiding relocation to a new property site. These homes have been approved by licensing allowing residents to age in place so that relocation/movement to a new home can be averted..

Ms. Jacobs stated the NPO Brilliant Corners (BC) is requesting to change their method of payment by the Regional Center to a "milestone" method. BC originated in the Northern California region by first serving San Andreas Regional Center. The organization eventually branched out to the Southern California area. ELARC was the first Regional Center in the Southern California area to do business with BC. Our partnership has resulted in the development of six residential homes which serve former developmental center consumers. The "Corella" project was developed under the DDS Housing Guidelines which at the time required awarding the funds directly to the service provider who would be responsible for passing-through the allocated portion of funds to the housing corporation (BC). Subsequently the guidelines were revised by DDS the following fiscal year and the housing funds went directly to the NPO for acquisition and renovation purposes.

The "Corella" project total cost for acquisition and renovation is \$250,000. Under the "Milestone" payment methodology funding would break-down as follows: Once contracts are received by ELARC there would be a 30% release of total funds. The subsequent "Milestones" would consist of releasing 25%, 35% and the final "Milestone" would release 10% of the funds at the final building sign-off event. The contract for this project expires June 30, 2016 and the consequence of not reaching an agreement jeopardizes its development which would require reverting funds to DDS and the loss of a residential resource for developmental center consumers.

Tony Borrego, board member, expressed serious concerns regarding this request with such late notice before the expiration of the contract on June 30, 2016. He also has grave concerns over cash-flow issues and the financial health of the organization.

Gloria stated BC has an excellent track record. ELARC has successfully developed six projects with BC to date. Based on this history we are confident that the organization can meet the completion timeline (June 30, 2016) under "Contract B", given the approval for modifying the payment methodology. There is insufficient time to replace the current housing corporation and the consequence is losing the "Corella" project. BC is conducting business with numerous other regional centers all which are utilizing the "Milestone" payment system. BC is seeking uniformity in the payment methodology for all regional center contracts.

After lengthy discussions on the "milestone" versus "reimbursement" methodology the Board of Directors agreed to establish a Board Task Force to address the issues in more detail and to arrive at a plan of action. Mr. Borrego will submit a list of questions to present to BC's for the Task Force to review. Additionally, Mr. Borrego requested the most recent "Financial Audit Statements" be forwarded to the Task Force members for review and discussion.

The Task Force members will include: Tony Borrego, Terry Munoz, Bob Hazard, Anthony De La Rosa, Lida Chavez and Deborah Gallardo. Meeting to be scheduled as soon as possible after determining Task Force members availability.

M/S/C (Diane Lasell/Anthony De La Rosa) To give the Task Force of the Board the approval to make a final decision. Unanimous.

A. 2015 Community Report

A copy of the yearly ELARC 2015 Community Report was distributed. The report is based on calendar year not fiscal year. The report is produced to coincide with the Board March Annual Meeting when officers are elected for the Executive Committee. This year the report features highlights on individuals who participated in the Special Olympics. Three of the four featured athletes attended the board meeting where they were recognized for their contributions and achievements. A copy of the Community Report will be sent to the families featured in the report.

B. Budget Update

1. Fiscal Year 2013-'14

(a) E-7: Contract Amendment to the FY 2013-'14 was received on February 12, 2016. There is a total POS allocation in the amount of \$34,358 for the E-7 contract amendment..

2. **Fiscal Year 2014-'15**

(a) POS Balance: The Sufficiency of Allocation Report is projecting a deficit of \$727,183.

3. **Fiscal Year 2015-16**

Correspondence from DDS regarding the B-2 allocation for Fiscal Year 2015-2016 states the actual B-2 Contract Amendment should be received within the next few weeks.

(a) Cash Flow

No problems are anticipated through the end of the fiscal year June 30, 2016.

(b) POS Balance

The Expenditure Projections Summary was reviewed. ELARC is reporting a deficit of a high of \$1,516,858 to a low of \$220,513.

(c) Operations: Budget Performance Report

\$684,775 remains in the Operations budget. Gloria Wong reported ELARC hired 11 new service coordinators by the end of February.

4. **Fiscal Year 2016-'17**

The Lanterman Coalition which represents vendors, regional centers, parents and consumers continued to present a strong unified front on the need for restoration of lost funds to the regional center system. This powerful unity resulted in the passage of the MCO tax to the benefit of the regional center system as a whole.

(a) Correspondence dated February 2, 2016

A copy of the correspondence to the Senate Committee on the Budget and the Assembly Committee on Budget was shared with the Board. The letter was signed by fifty legislators supporting restoration of funds for the Regional Center system.

(b) MCO Tax Update

Ms. Wong shared her correspondence to Senator Bob Huff regarding MCO Reform and developmental services funding.

The Governor's preliminary budget includes an increase to fund for the hiring of additional service coordinators. This action is in recognition that all regional centers are not complying with required caseload ratios due to severe budget cuts over the last 7 years.

The Assembly and Senate will be conducting budget hearings throughout March and April. It is anticipated that the legislators will support the Governor's increases to the regional center.

5. **Grassroots Day Event**

Grassroots Day is scheduled in Sacramento on March 29th and 30th. Local visits are also being confirmed. Gloria thanked the Board for their continued support and

scheduled participation for this event.

C. Caseload Survey

Gloria Wong deferred her report until the April Meeting.

D. 2014-'15 Purchase of Services (POS) Annual Expenditure Report

Public Meetings have been scheduled. The first meeting is scheduled for Saturday, March 12th from 10:00 A.M. to 12 Noon with the Chinese Parent Association at the Asian Youth Center in San Gabriel. On March 14th from 10:30 a.m. to Noon Fiesta Educative will be hosting a presentation at the East Los Angeles Library. There will also be two addition sessions, one in Alhambra on March 23rd and the other in Whittier on the same date at 6:00 p.m..

A copy of the PowerPoint to be used during the community meetings was included in the board meeting packets and briefly reviewed.

E. Self-Determination

DDS is still working on the resubmittal of the application to the federal government..

Local Advisory Committee: The committee continues to meet, the next meeting is scheduled for April 5th. The meeting will open with a presentation on "Budget: Part 2:.. The meeting will be held in the boardroom.

Current Participants Meeting Update: ELARC has twenty-six consumers who are part of the "Pilot Self-Determination". A meeting was held on February 22nd to bring them up to date. There were some concerns expressed by the current participants, as to whether they will automatically be part of the initial 2,500 participants in the new self-determination program. They were informed that they are guaranteed a slot. Nevertheless, all changes resulting from this new application will require compliance by the 26 participants and it may result in some changes from the currently approved arrangements.

State Council Statewide Advisory Committee: The State Council is required to conduct a meeting with the all the chairs of the local advisory. The next meeting is scheduled for March 3, 2016 at Westside Regional Center. A flyer with the information and the agenda was shared with the Board. Virgilio Orlina, board member, represented ELARC as the LAC Chair.

F. California State Controller's Office Survey

As reported previously, ELARC was one of five regional centers who were asked to meet with the State Controller representatives. They are currently conducting an audit of the Department of Developmental Services (DDS). The meetings with the five

regional centers is an offshoot of this primary audit. After completing the initial visits with regional centers (5) the Controller's office has opted to have all regional centers (21) complete a questionnaire. The agency will additionally be meeting with the Association of Regional Center Agencies (ARCA) in Sacramento.

VI Consumer Services Report: Felipe Hernandez, Chief of Consumer Services

Mr. Hernandez reported the following:

✓ Behavior Health Transition will go into effect on June 1, 2016. In the State of California most Medi-Cal recipients who are currently covered by a Managed Care program their ABA services will be transitioned to a new plan. The State received approval from the federal government in January of this year to implement the plan for California. This will affect individuals who are 21 years of age and are on the autism spectrum and have MediCal. ELARC is one of the smallest regional centers in Los Angeles County but are the second highest in the number of consumers (700+) to be transitioned. ELARC hired a contractor who worked with South Central Regional Center implementing their plan and began implementing February 2, 2016. ELARC will begin in June.

VII Committee Reports

A. Consumer Advisory Committee, Virgilio Orlina, CAC Chair

Virgilio reported the last CAC Planning and Debriefing meeting was held on February 23, 2016. As part of the new plan to outreach and find ways to help the consumers learn more about self-advocacy, the CAC will conduct an Advocacy Power Point Presentations at a variety of day program sites. Jesse Padilla, Consumer Advocate, announced the three sites, Learning Independence for Transition in Alhambra, MERCI School in Alhambra and at the Sunshine Day Program in Montebello. They also discussed developing and distributing flyers with information on the scheduled 2016 CAC meetings as a way of encouraging more consumers to attend meetings at the Whittier office.

Virgilio reported he attended the two-day conference, "It's A New Day" sponsored by Autism Society of Los Angeles. It was held February 18-19, 2016 at the Double Tree by Hilton Hotel. There was a wide range of topics discussed by different speakers and panelists in the two day conference. Some of the topics were: Managing the Transition in California, The Realization of Self-Determination and Inclusion, Taking Advantage of Opportunities and Overcoming Barriers, and the topic of Putting California's Self-Determination Program into Practice, where ELARC Information and Training Supervisor, Elizabeth Harrell was among the panelist of speakers.

The First Statewide Advisory Committee met on March 3rd at Westside Regional Center. In attendance were all the chairs from the statewide regional center Self-Determination Advisory Committees. Parents, consumers and support groups were in attendance. Additionally there were 5 members from the pilot projects present and are in the pilot

project video.

The next CAC meeting is scheduled for Tuesday, March 15, 2016 from 4:00 pm to 6:00 pm to be held at ELARC Boardroom. The topic is about *Loss and Grief*.

B. Vendor Advisory Committee – Yue Li, VAC Representative

Yue Li thanked Bob Hazard for taking the time to attend the last Vendor Leadership Forum.

She reported Roxy Ortiz, Information & Training, provided an update on the state of affairs and the upcoming events. A Task Force was established to review and update the bylaws which were developed approximately 13 years ago.

Yue reported the planning for the vendor fair has started. Apparently after reviewing documents there was some money remaining in the budget from a previous vendor fair which can be used for the upcoming fair. A planning meeting is scheduled for March 23, from 3:30 pm to 5:30 pm. in the boardroom. Guidelines will be established for future incoming funds. Attempts will be made to line up a variety of vendors. Vendors will be charged \$40.00 to participate. Flyers announcing the vendor fair will list the participating vendors.

C. Finance/Personnel Committee – Bob Hazard & Terry Munoz

Bob Hazard reported the Finance/Personnel Committee is scheduled to meet with representatives from the Principal Financial Group for the annual review of the pension plan portfolio. The meeting is scheduled for May 12, 2016.

VIII Miscellaneous Announcements

✓Terry Munoz & Diane Lasell announced the South Pasadena Council PTA Special Needs Committee and the South Pasadena Unified School District will be sponsoring the 4th Special Needs Conference is scheduled for Saturday, March 12th from 8:30 am to 12:30 pm. at the South Pasadena High School located at 1401 Fremont Avenue in So. Pasadena. Admission is free.

✓Gloria Wong announced Nancy Bargman has been appointed the new director of the Department of Developmental Services. Nancy comes to the position with a great deal of experience.

✓ Anthony De La Rosa stated that even though Bob Hazard will continue be part of the Board of Directors he wanted to acknowledge Mr. Hazard for his leadership as Board President over the last 2 years.

IX Adjournment

There being no further business to discuss the meeting was adjourned at 7:55 p.m.

M/S/C (Robert Hazard/Lida Chavez) To adjourn the ELARC Board of Directors meeting. Unanimous.

X Executive Session

An Executive Session was called to order at 8:10pm to discuss a personnel related item.

There being no further business the executive session was adjourned at 8:17 pm.

Respectfully submitted by:

Original Signed by Felicitas Navera

Felicitas Navera, Secretary

ELARC Board of Directors

Recorded by: Rosalie M. Estrada, Executive Assistant