



MINUTES OF THE DECEMBER 2, 2014 MEETING OF THE BOARD OF TRUSTEES OF THE HARBOR DEVELOPMENTAL DISABILITIES FOUNDATION, INC.

BOARD PRESENT:

Mr. George Bird, Board Member
Mr. Fu-Tien Chiou, Secretary
Mr. Joe Czarske, ARCA Representative
Ms. Kristine Engels, Board Member
Mr. Douglas Erber, Treasurer
Mr. James Flores, Board Member
Mr. David Gauthier, Board Member
Mr. Marvin Malito, Board Member
Mr. John Rea, Past President
Mr. Mariano Sanz, Vice President
Ms. Monica Sifuentes, Board Member
Ms. Wendy Sorel, Board Member

BOARD ABSENT:

Mr. Bob Irlen, Board Advisor
Ms. Patricia Jordan, Board Member
Ms. Karen Kinnebrew, President
Ms. Roberta Rendon-Christensen, Board Member
Ms. Claudia Villanuevas, Board Member

STAFF PRESENT:

Ms. Patricia Del Monico, Executive Director
Ms. Claudia DeMarco, Associate Director
Ms. Judy Wada, Chief Financial Officer
Ms. Nancy Spiegel, Director, Info. & Dev.
Ms. Colleen Mock, Director, Community Services
Ms. Cheryl Perez, Executive Assistant

GUESTS:

Mr. Mead Duley, Client
Mr. Ron Kulek, Windes
Mr. Tom Huey, Windes
Ms. Denise Thornquest, DDS liason
Ms. Theresa Debell, FFF
Pastor Lavelle Gates, Parent
Ms. Kaye Quintero, HRC Staff

CALL TO ORDER

Mr. Sanz called the Board Meeting to order at 6:29 p.m.

PRESIDENT'S REPORT

Mr. Sanz welcomed Board members, guests and staff and gave a special welcome to the independent auditors from Windes, Inc., who would be presenting the audited financial statements for last fiscal year.

Mr. Sanz invited the Board members and guests to introduce themselves.

Mr. Sanz led in the Pledge of Allegiance to the Flag.

Mr. Sanz asked that the record reflect that the Executive Committee met on November 18, 2014 to prepare the agenda for tonight's meeting.

Mr. Sanz announced that there would be a brief Executive Session immediately following the business meeting to discuss a legal matter.

Mr. Sanz reminded the Board that the next meeting is scheduled for January 20, 2015 at 6:30 p.m.

APPROVAL OF THE MINUTES OF THE SEPTEMBER 16, 2014 BOARD MEETING.

Ms. Sorel moved to accept the SEPTEMBER 16, 2014 minutes of the Board meeting, and Mr. Czarske seconded the motion, which was approved by the Board.

TREASURER'S REPORT

Mr. Erber reviewed the following financial statements: The Harbor Help Fund Statement of Income and Expense for July 1 to September 30, 2014, the Harbor Regional Center Monthly Financial Reports for Fiscal Year 2014-15 for August, September and October, 2014.

Mr. Chiou moved to approve the Treasurer's Report for Harbor Regional Center and Mr. Czarske seconded the motion, which was unanimously approved by the Board.

EXECUTIVE REPORT

1. PRIOR YEAR BUDGET STATUS:

Ms. Del Monico reviewed the current SOAR with the board. Discussion followed.

2. CURRENT YEAR BUDGET STATUS:

Ms. Del Monico reported that the statewide sufficiency of allocation data is not yet available but that it is expected there will be a significant deficiency due to the fact that the system ended last fiscal year with a nearly \$100 million insufficiency which was covered with funds available from prior years. She advised that it will be important to note whether the January Governor's budget will include additional funds as part of current year adjustments. ARCA and HRC will be following this matter and making recommendations as soon as more reliable sufficiency data becomes available.

3. RENEWED INSURANCE SCHEDULE:

Ms. Del Monico reviewed with the Board the annual schedule of all HRC insurance coverage including type of coverage, coverage limits and annual premiums.

4. GENERAL STANDARDS POS POLICY:

Ms. Del Monico called the Board's attention to the revised General Standards Service Policy draft that was included in their board packet prior to the meeting. She informed the board that, as part of the Budget Trailer Bill language for the current fiscal year, the Lanterman Act was amended to permit regional center, in specified circumstances, to cover the cost of insurance deductibles. This change in statute requires that HRC modify our General Standards Service Policy to be consistent with current law.

Ms. Sorel moved to approve the revision to the Harbor Regional Center General Standards Purchase of Service Policy and Mr. Czarske seconded the motion, which was unanimously approved by the Board.

5. SENATE HUMAN SERVICES COMMITTEE HEARING:

Ms. Del Monico reported that on October 9, 2014 the Senate Human Services Committee held a hearing to discuss the sustainability of California's developmental services system and advised that the Committee prepared a background paper entitled, "The Lanterman Act: Promises and Challenges" which was included in their board packet for their review.

Ms. Del Monico briefly reviewed the following written testimonies that were presented at the hearings; the Legislative Analysts' Office presented a document entitled, "Overview of Major DDS Budget Solutions Affecting the Community Caseload—2003/04 to 2014/15", the Area Board 10 presented testimony which focused on urging the restoration of services which were eliminated during the economic recession and the ARCA testimony also provided an excellent historical perspective and focused on the most pressing challenges facing clients/families, service providers and regional centers themselves. Discussion followed.

6. LEGISLATORS' LETTER TO GOVERNOR BROWN:

Ms. Del Monico informed the Board that following the Senate Human Services Committee hearing four California State Senators and four California State Assembly members, sent a legislative letter to Governor Brown stating "We urge you to apply fair budget policies that treat the regional centers and providers equal to other state agenciesAnd, we respectfully request an end to the shifting of our financial responsibility for federal and state mandates onto our already fragile regional centers and providers. We strongly urge these costs – as well as a COLA for regional center employees and providers – be included in the January budget." Discussion followed.

7. LANTERMAN DC UPDATE:

Ms. Del Monico updated the board on the principles in the Lanterman Act and the Olmstead decision and reported that at the end of December, 2014, the last client remaining at Lanterman Developmental Center will exit and the institution will close. Ms. Del Monico advised that Harbor Regional Center has developed 21 group homes for SDC residents, each with a capacity for up to four clients, and has transitioned 20 of the LDC residents into these new homes in our service area. Ms. Del Monico commended Ms. Colleen Mock and her dedicated team for all of their exceptional work to make this happen.

8. DC/DS TASK FORCE UPDATE:

Ms. Del Monico referred the Board to the summary discussion of the Developmental Services Task Forces' July meeting and the agenda for the October meeting which was included in their board packet for their review.

9. CMS RULE CHANGES:

Ms. Del Monico briefly reviewed the rules that were announced by CMS in early January 2014 that affect HCBS provided through Medicaid/Medi-Cal and became

effective on March 17, 2014. She advised that California has now submitted a “statewide transition plan” detailing ways in which the State of California will evaluate home and community-based settings.

Ms. Del Monico referred the Board to the ARCA slide presentation which simplifies information about this matter; entitled “CMS Final Rule”, as well as a tool that was developed to assist states in assessing whether the characteristics required in residential settings exist entitled “Assessment Tool”, for further details.

10. MEDI-CAL AUTISM THERAPY UPDATE:

Ms. Del Monico reported that in September, the California Department of Health Care Services set forth an “interim policy for the provision of behavioral health treatment (BHT) coverage for children diagnosed with autism spectrum disorder.” Ms. Del Monico advised that the Health Plans do not yet have their network of providers in place and Harbor Regional Center is continuing to cover these services. Ms. Del Monico will keep the Board advised.

11. SELF DETERMINATION UPDATE:

Ms. Del Monico reported that the DDS Federal Application for Self- Determination Services will not likely be available until the statutory deadline of December 31, 2014. Ms. Del Monico advised that a draft of the proposed services to be included in the application was included in the board packet. Ms. Del Monico will keep the Board informed as the program details unfold.

12. ARCA STRATEGIC PLAN:

Ms. Del Monico called the boards attention to the 14/15 Priorities for ARCA that were included in their board packet prior to the meeting and advised that Mr. Czarske will address these priorities in his ARCA report.

13. HAPPY HOLIDAYS:

Ms. Del Monico thanked all those who have already adopted a needy HRC family for the holidays or who have made a contribution to the Help Fund and for all the support and guidance that is provided throughout the year. Ms. Del Monico wished everyone a safe and joyful holiday season.

Ms. Sorel moved to approve the Executive Report and Mr. Gauthier seconded the motion, which was unanimously approved by the Board.

COMMITTEE REPORTS

A. AUDIT

Ms. Sorel reported that the committee met on November 6th. The committee reviewed the draft audited financial statements for the FY 2013-14 which were then presented to the full Board by Mr. Ron Kulek of Windes, Inc.

Ms. Engels moved to approve the Fiscal Year 2013-2014 Independent Audit Report and Mr. Czarske seconded the motion, which was unanimously approved by the Board.

Ms. Sorel reported that the committee is currently working on the 990.

B. BOARD DEVELOPMENT

In Mr. Bird's absence, Ms. Del Monico reported that the committee is in the process of interviewing potential board members. Mr. Bird will report further at the next board meeting.

C. CLIENT ADVISORY

Ms. Mock advised that the committee met on November 15th and the next committee meeting was scheduled for Saturday, February 21st, 2015.

D. CLIENT SERVICES

Mr. Chiou reviewed the Committee minutes with the Board for September and October; the topics of discussion were a possible Health Fair for adults in the fall of 2015 and the HRC Early Start program called "Together from the Start". Mr. Chiou also advised that the Client Services Committee is planning to propose a new service policy on employment for the Board's consideration. They have only begun to work on this and will bring it to the full Board following their deliberations.

E. COMMUNITY & FINANCIAL DEVELOPMENT

In Mr. Rea's absence, Ms. Spiegel shared with the Board that HRC was selected by the South Bay Sunrise Rotary to be the top charity for the RAT Beach Charity Bike tour, taking place on September 27th. Ms. Spiegel announced that the Holidays Are for Sharing and Adopt A Family programs are expected to be a huge success and thanked all that supported.

F. SERVICE PROVIDER ADVISORY

Ms. Engels reported that the committee met on October 21st and advised that Ms. Terri Nishimura provided an overview of the legislative reception for Assembly member Al Muratsuchi representing the 66 Assembly District. Ms. Engels reported that there were over forty HRC clients, families, service providers and staff present. The next meeting is scheduled for December 16th.

G. BOARD PLANNING

Ms. Sorel reported that the committee met in November and the topic of discussion was the HRC Performance Plan 2015 which was approved by the Department of Developmental Services on November 3, 2014.

H. RETIREMENT

Mr. Czarske reviewed the following reports: the Harbor Regional Center Retirement Plan Balances and the Harbor Regional Center Retirement Plan Performance dated September 30, 2014.

I. ARCA

Mr. Czarske announced that Ms. Del Monico has resigned as chairperson of the ARCA finance committee and was recognized by ARCA for all her hard work. Mr. Czarske reviewed the ARA priorities with the Board.

J. HOPE (Home Ownership for Personal Empowerment)

There was no HOPE report as Mr. Irlen was not present.

Ms. Sorel moved to accept the committee reports and Mr. Czarske seconded the motion which was unanimously approved by the Board.

PUBLIC INPUT

None

EXECUTIVE SESSION

The Board went into Executive Session to discuss a legal matter. During Executive Session:

Ms. Engels moved to authorize the execution of a lease for the Long Beach Office with the new owners of the building. The lease was approved to extend up to 15 years at the same rent as is specified in the current lease and to incorporate reasonable adjustments per the CPI with periodic modification based upon Market Rates. Mr. Erber seconded the motion which was unanimously approved by the Board.

ADJOURNMENT

Mr. Sanz adjourned the meeting at 8:33 p.m.

Submitted by: _____



Mr. Fu-Tien Chiou, Secretary
Harbor Developmental Disabilities
Foundation, Inc. Board of Trustees