

**KERN REGIONAL CENTER**

3200 N. Sillect Avenue • Bakersfield, CA 93308 • (661) 327-8531

**Board of Directors Meeting**

**5:30 p.m. – 7:30 p.m.**

**KRC Malibu Conference Room**

**3300 N. Sillect Ave.**

**Bakersfield, CA 93308**

**AGENDA**

**October 7, 2014**

**I. CALL TO ORDER:**

- A. Self Introduction:**
- B. Approval of Agenda:**
- C. Approval of Minutes of September 2, 2014 as Attachment I**
- D. Public Comment: Limited to 5 minutes**

**II. ACTION AND DISCUSSION ITEMS – BOARD ACTIVITIES:**

- A. ARCA Report – Duane Law**
- B. Burial Issues for Consumers – Wesley Crawford**
- C. Review of Contracts – Audit/Finance Committee**
  - **AIMES – PK4196, SC 896**
  - **Great Advantage, Inc. – PK4996, SC 896**
  - **Libet Living Services, Inc. – PK3260**
  - **Positive Purpose – PK6070**
  - **Positive Purpose, LLC – PK5885**
  - **New Leaf LLC**
  - **Sails Apple Tree**

*Contracts and checklist attached*
- D. Secured Form of Communication – Susan Lara**
- E. KRC Draft Articles of Incorporation – Susan Lara**

**III. ACTION AND DISCUSSION ITEMS – KRC ACTIVITIES:**

- A. Budget Update and Financial Report – report on the budget situation for KRC and the State as it pertains to the delivery of developmental services.**

IV. **REPORTS:** (Reports will be made only from groups that have met and/or have items to share)

- A. **President's Report**
- B. **Legislative Report**
- C. **People First of Kern County Report**
- D. **Area Board Reports**
- E. **Vendor Advisory Committee**
- F. **Executive Committee Report**
- G. **Foundation Report**
- H. **Foster Grandparent Progress Report**
- I. **Affordable Housing Committee (ASPIRE)**
- J. **Client Services Report**
- K. **KRC Staff Report**
- L. **Board Comments**
- M. **CEO Comments**

V. **MOTION TO GO INTO CLOSED SESSION:**

VI. **CLOSED SESSION:**

VII. **MOTION TO GO OUT OF CLOSED SESSION:**

VIII. **MOTION TO GO INTO OPEN SESSION:**

IX. **RESULTS OF CLOSED SESSION:**

X. **Adjournment**

**X**

Lorie Stewart, KRC Board Secretary

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### Board of Directors Meeting

5:30 p.m. – 7:30 p.m.

KRC Malibu Conference Room

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Bakersfield, CA 93308

### MINUTES

September 2, 2014

PRESENT: Susan Lara, President  
Steve Esselman, Vice President  
Frank Meyer, Treasurer  
Lorie Stewart  
Ismael Romero  
Carol Sackey  
Matthew LaGrand  
Jeremy Shumaker  
Quanah Mason  
Richard Rodriguez

ABSENT: Emily Greenwood (excused), Rosita Barron (excused), Veronica Quezada (excused), Shawn Kennemer (excused), Tracy Brown (excused) and Karen McCormick (excused)

- I. **CALL TO ORDER:** The meeting was called to order at approximately 5:38 p.m. by Susan Lara. It was determined that a quorum was present.
  - A. **Self Introductions:** Self-introductions were made around the table. In addition to Board members listed above, in attendance were Rhonda Glenn, Susan Graham, Nickole Mensch, Diane Schneider, Kelly Lacefield, Andrew Lacefield, Jill Green and KRC Staff Juan Vieyra, Blanca Gamboa and Cindy Martinez.
  - B. **Approval of Agenda:** Susan Lara requested that an item under II. Board Activities, F. Pension Benefits/Committee. **M/s/c---** (Meyer/Romero) to add F. Pension/Benefits Committee. (10-0-0).
  - C. **Approval of Minutes of August 5, 2014 as Attachment I: M/s/c---** (Meyer/Romero) to approve the minutes from August 5, 2014 as written. (9-0-1) Carol Sackey abstained from casting her vote as she was not present during the August Board Meeting.
  - D. **Public Comment:** Cindy Martinez commented that they will be starting the annual Thanksgiving baskets. They are asking for donations and referrals from Service Coordinators and on the Monday before Thanksgiving, they will give the baskets to the Service Coordinators for their families. Cindy commented that last year they were able to put together 66 baskets for a total of \$1,200.00 in donations. Cindy also

mentioned that checks can be made out to Juan or her and a receipt will be given. Matthew LaGrand commented that next month, Special Olympics will be having a bowling tournament on 10/4/2014 at 9:00AM at Southwest Lanes. Diane Schneider commented that the minutes for September stated an incorrect date for their Fall Fest. The Fall Fest will be held Saturday, September 6<sup>th</sup> not October 16<sup>th</sup>. They are still accepting late registrations until tomorrow. Diane also commented that H.E.A.R.T.S. Connection will be having a dance party at Kern Regional Center from 6AM – 9PM on October 10<sup>th</sup>.

## **II. ACTION AND DISCUSSION ITEMS – BOARD ACTIVITIES:**

- A. ARCA Report** – Duane Law reported that ARCA met on 8/22/2014 at Harbor Regional Center. They were given a presentation of the upcoming Special Olympics World Games which will be in 2015 at Los Angeles. Duane commented that the video would be posted on our website. Duane reported that they discussed rules for Medicaid/Medicare and how these changes will affect the current waiver process. Duane commented that there is a five year window from the State to comply with these changes. Duane also reported the Medi-cal will begin funding ABA services. Duane commented that when funding for ABA services was moved from regional centers to private insurances, there was a lot of disruption to services. There are a number of adjustments that need to be made. Duane also reported that they are very confident about Eileen Richey, Executive Director for ARCA and her continued good relationship with the department. Duane commented that they feel they can build a strong relationship now that DDS has new administration. Duane also commented about the freeze some regional centers experienced with their allocation from DDS for rent. Duane explained that last year KRC was shorted \$50,000 and KRC had to pay that shortage out of Operations. Harbor, Kern and North Los Angeles Regional Centers are part of a survey to complete and submit a proposal to the department about this issue. They hope to be able to have a hearing with DDS and fix this issue collaboratively.
- B. Burial Issues for Consumers** – Mr. Wesley Crawford was not in attendance to present. Follow-up will be made for next month.
- C. Review of Contracts: Audit/Finance Committee** – Susan Lara reported that the Audit Finance Committee met on August 25<sup>th</sup> and reviewed the following:
- The committee began with a review of California Welfare & Institutions Code (WIC) 4691.9 which effects the median rate for service code 113 (Specialized Residential Facility), as found in a DDS audit of a vendor from February 15, 2013. Susan explained that this law could have the potential to effect contracts which were negotiated after June 30, 2008. The regional center can pay past the threshold or over the median rate if the vendor acquires, in conjunction with the KRC, a Health & Safety Waiver Exemption from DDS.
  - **Crandel Enterprises, Inc.** – Startup funding for Rhone Facility: Susan read a description of the services this vendor provides and reported that they have met the 15% administrative cap requirement and their CPA requirement. Currently, this vendor is in good standing with CCL and KRC. The committee is recommending this contract for Board approval. **M/s/c---** (Meyer/Mason) to approve the Start-up contract for Crandel Enterprises, Inc. Rhone Facility. (10-0-0).

- **IMAH** – Transportation Additional Component: Susan read a description of the services this vendor provides and reported that they have met the 15% administrative cap and CPA requirements. The vendor is in good standing with KRC. The committee is recommending this contract for Board approval. **M/s/c---** (Stewart/Rodriguez) to approve the contract for IMAH – Transportation Additional Component. (9-0-1) Quanah Mason abstained due to potential conflict.
- **Social Vocation Services (SVS)** – Transportation Additional Component: Susan read a description of the services this vendor provide and reported that they have met the 15% administrative cap and CPA requirements. This vendor is in good standing with KRC. The committee is recommending this contract for Board approval. **M/s/c---** (Stewart/Romero) to approve the contract for Social Vocational Services. (10-0-0).
- **New Advances for People with Disabilities NAPD (TAPSS Transportation)** – Transportation Additional Component: Susan Lara read a description of the services this vendor provides and reported that they have met the 15% administrative cap and CPA requirements. The vendor is in good standing with KRC. The committee is recommending this contract for Board approval. **M/s/c---** (Esselman/Rodriguez) to approve the contract for N.A.P.D. Tapss Transportation. (10-0-0).
- **New Advances for People with Disabilities NAPD** – Transportation Additional Component: Susan read a description of the services this vendor provides and reported that they have their 15% administrative cap and CPA requirements. This vendor is in good standing with KRC. The committee is recommending this contract for Board approval. **M/s/c---** (Meyer/Stewart) to approve the contract for N.A.P.D. Transportation. (10-0-0).
- **Positive Purpose, LLC** – Specialized Adult Residential Facility: Susan Lara read a description of the services this vendor provides and reported that they have met their 15% administrative and CPA requirements. This vendor is in good standing with KRC. The committee is recommending this contract for Board approval. **M/s/c---** (Meyer/Stewart) to approve the contract for Positive Purpose LLC. (10-0-0).
- **Sails Bakersfield, INC. (Stellar)** – Specialized Residential Facility: Susan Lara read a description of the services this vendor provides and reported that they have met their 15% administrative cap requirement. At the time of the meeting a CPA engagement letter had not been submitted but the committee was informed the following day that KRC had received it. The vendor is not in good standing with KRC and CCL due to a few complaints and citations. A couple of the complaints could not be substantiated and the incident that was, involved a consumer that is not from KRC. KRC is doing unannounced visits to the home. At this time, this contract is a one year term and the vendor has made changes and corrections requested by CCL and KRC. They also have a corrective action plan in place. The committee and KRC Director of Community Services are confident about recommending this contract for Board approval. **M/s/c---** (Meyer/Shumaker) to approve the contract for SAILS Stellar. (8-2-0) Lorie Stewart and Steve Esselman opposed this motion.
- **New Advances for People with Disabilities NAPD** – Supported Living

Services (SLS): Susan Lara read a description of the services this vendor provides and reported that they have met their 15% administrative cap and CPA requirements. The vendor is in good standing with KRC. The committee is recommending this contract for Board approval. **M/s/c---** (Stewart/Mason) to approve the contract for N.A.P.D. SLS. (9-0-1) Richard Rodriguez abstained due to potential conflict.

- D. Secured Form of Communication** – Susan Lara explained that this item has been pending and asked for by various individuals of the public. Susan explained that she had asked Maria to do research and get information from other Executive Assistance’s at other Regional Centers; their responses were included with the Board packet. Lorie Stewart commented that she would recommend a link that would send suggestions to only the Board President just like Tri-Counties. Discussions began amongst the Board members and they discussed whether they would respond to anonymous complaints, what kind of issues would be addressed via this avenue and what can be addressed via the appropriate chain of command at KRC. They also discussed the policies the Board has in place to address concerns such as the Whistleblower policy. Jeremy Shumaker asked if the Board should get legal counsel to discuss and review this matter. The Board agreed to discuss with legal counsel the secured form of communication and get legal advice on how to proceed. **M/s/c---** (Shumaker/Rodriguez) to have legal counsel review this request and to send their response to the Executive Committee for review. (10-0-0).
- E. Vendor Presentation: Kern Adult Program** – Rhonda Glen with Kern Adult Program introduced her group and explained that they wanted to do a skit for everyone. The individuals proceeded to do a skit which was enjoyed by everyone in attendance. Rhonda further explained what Kern Adult Program is, how they help KRC consumers and the type of activities they do on a daily basis. Rhonda explained that they are a behavior day program and they serve consumers who are 18 years old or older, currently, they serve 110 consumers. The Board thanked Rhonda and her group for their presentation.
- F. Pension/Benefits Committee:** Jeremy Shumaker reported that as of now the committee is complete. He still needs to communicate with a couple of more community members but they are near completion. Jeremy reported that they have 12 advisory committee members. Susan asked if he has heard anything from the current Pension Committee as far as their interest and Jeremy commented that he has not heard anything yet. Jeremy did mentioned that he believed there were a couple of members from that committee that expressed interest when they met but he has not heard back.

### **III. ACTION AND DISCUSSION ITEMS – KRC ACTIVITIES:**

- A. Budget Update and Financial Report** – Jon reported that for FY 14-15 in late August, DDS released the A-1 contract amendment, which allocated 100% operations funds and 97% purchase of service funds statewide to regional centers. The total A-1 allocation for operations statewide was \$112,949,016, bringing to date a fiscal year total allocated of \$539,847,416. The total A-1 allocation for purchase of service funds statewide to regional centers was \$719,334,491, brining to date a fiscal year total allocated of \$3,772,975,995. The remaining 3% of purchase of service funds will be distributed to regional centers in future contract

amendments. The total A-1 allocation for KRC operations was \$3,362,084, bringing to date a fiscal year total allocation of \$15,658,085. The total A-1 allocation for KRC purchase of service was \$18,917,808, bringing to date a fiscal year total allocation of \$127,159,371.

KRC Community Placement Plan was also funded by DDS at 75% for operations in the amount of \$464,388 and 75 for purchase of service in the amount of \$464,652. The remaining 25% for operations and purchase of service funds will be distributed in future contract amendments. For cash flow, DDS communicated to Regional Centers the intent to pay claims starting in the first week of September, 2014. Cash advance #3 was received in early August in the amount of \$10,044,791, bringing to date a total of \$30,134,389 advanced. Since the last board meeting, the state was billed \$11 million for July services. The current bank balance is \$8.53 million.

**IV. REPORTS:** (Reports will be made only from groups that have met and/or have items to share)

- a) President's Report – Susan Lara reported that the Board will be having a training on Saturday, September 27<sup>th</sup> at 9AM. They will be having a presentation on Regional Center Operations, Overview and Pathways by Duane Law and then they will tour a vendor facility.
- b) Legislative Report – Duane reported that he covered this report during the ARCA report.
- c) People First of Kern County Report – No one was present to report.
- d) Area Board Reports – No one was present to report.
- e) Vendor Advisory Committee – No one was present to report.
- f) Executive Committee Report – Susan Lara reported that they met on August 18<sup>th</sup> and they were given a presentation by the KRC forensic unit. Susan reported that they learned that the unit meets every Tuesday morning and they work with consumers who are involved in the judicial system. They also work with consumers who are on a 6500 hold and/or a danger to themselves or others. Susan discussed in detail 6500 holds, the type of consumers that they work with and what their caseload is like. Susan explained that the group expressed concerns about safety, working in the community and also in the office. They would like a safe meeting room where they can meet with their consumers. Susan Lara also commented that they discussed their upcoming Board training and a specific vendor audit. Steve Esselman commented that this unit has a hard job and he would like to see them have a safe room sooner rather than later.
- g) Foundation Report – No one was present to report.
- h) Foster Grandparent Progress Report – No one was present to report.
- i) Affordable Housing Committee (ASPIRE) – No one was present to report.
- j) Client Services Report – Susan Hernandez was not present to report.
- k) KRC Staff Report – Margaret reported that a Program Manager for Tehachapi and Ridgecrest has been identified and Michael Bowers will now be in Bishop full time. Teri Stephenson who has been with KRC for 29 years will be taking on this role.
- l) Board Comments – Matthew LaGrand commented that camp was fun and he would like to put on a skit that he did at camp. Susan Lara suggested that he can do it during their upcoming Board training.
- m) CEO Comments – Duane had nothing to comment.

- V. **MOTION TO GO INTO CLOSED SESSION:** The Board had one item to address for close session. **M/s/c---** (Richard/Shumaker) to go into closed session to address one item.
- VI. **CLOSED SESSION:** Reader is referred to Item VII. Results of Closed Session.
- VII. **MOTION TO GO OUT OF CLOSED SESSION AND INTO OPEN SESSION:** **M/s/c---** (Esselman/Mason) to go out of closed session and into open session. (8-0-0).
- VIII. **RESULTS OF CLOSED SESSION:** Currently the CEO has a three year contract. The Board was presented a document prepared by Margaret Pyles, HR Manager that is more reflective of non-profit industry standards. This contract would be a five year contract with additional terms added and go into effect March 2015. The board felt that Duane is doing a good job, has done a lot for KRC since he has been here and recommends it be approved for five (5) years upon legal counsel review of the Lanterman Act regulations. **M/s/c---** (Shumaker/Esselman) to approve the revisions to the CEO contract upon legal counsel review of the Lanterman Act regulations. (7-1-0).
- IX. **ADJOURNMENT:** **M/s/c---** (Esselman/Shumaker) to adjourn the meeting. (8-0-0).

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Lorie Stewart, KRC Board Secretary

ACTION LOG  
September 2, 2014

1. **M/s/c---** (Meyer/Romero) to add F. Pension/Benefits Committee. (10-0-0).
2. **M/s/c---** (Meyer/Romero) to approve the minutes from August 5, 2014 as written. (9-0-1) Carol Sackey abstained from casting her vote as she was not present during the August Board Meeting.
3. **M/s/c---** (Meyer/Mason) to approve the Start-up contract for Crandel Enterprises, Inc. Rhone Facility. (10-0-0).
4. **M/s/c---** (Stewart/Rodriguez) to approve the contract for IMAH – Transportation Additional Component. (9-0-1) Quanah Mason abstained due to potential conflict.
5. **M/s/c---** (Stewart/Romero) to approve the contract for Social Vocational Services. (10-0-0).
6. **M/s/c---** (Esselman/Rodriguez) to approve the contract for N.A.P.D. Tapss Transportation. (10-0-0).
7. **M/s/c---** (Meyer/Stewart) to approve the contract for N.A.P.D. Transportation. (10-0-0).
8. **M/s/c---** (Meyer/Stewart) to approve the contract for Positive Purpose LLC. (10-0-0).
9. **M/s/c---** (Meyer/Shumaker) to approve the contract for SAILS Stellar. (8-2-0) Lorie Stewart and Steve Esselman opposed this motion.
10. **M/s/c---** (Stewart/Mason) to approve the contract for N.A.P.D. SLS. (9-0-1) Richard Rodriguez abstained due to potential conflict.
11. **M/s/c---** (Shumaker/Rodriguez) to have legal counsel review this request and to send their response to the Executive Committee for review. (10-0-0).
12. **M/s/c---** (Richard/Shumaker) to go into closed session to address one item.
13. **M/s/c---** (Esselman/Mason) to go out of closed session and into open session. (8-0-0).
14. **M/s/c---** (Shumaker/Esselman) to approve the revisions to the CEO contract upon legal counsel review of the Lanterman Act regulations. (7-1-0).
15. **M/s/c---** (Esselman/Shumaker) to adjourn the meeting. (8-0-0).