

**KERN REGIONAL CENTER**

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

**Board of Directors Meeting**

**6:00 p.m. – 7:30 p.m.**

**KRC Malibu Conference Room**

**3300 N. Sillect Ave.**

**Bakersfield, CA 93308**

**MINUTES**

**March 28, 2017**

Present Board Members:

Lorie Stewart

Matthew Lagrand

Kevin Gosselin

Nickole Mensch

Veronica Quezada

Richard Rodriguez

Oscar Axume

Quanah Mason

Laurie Hughey

Tracy Brown

Araceli Gonzalez

**GENERAL BUSINESS**

**1. Call to Order and Introductions**

The meeting was called to order at approximately 6:19 p.m. by Lorie Stewart. It was determined that a quorum was present.

**2. Approval/Additions to Agenda**

- A. Regular Meeting of the Board of Directors Agenda dated March 28, 2017.  
**M/S/C** - (Hughey/Brown) to approve the Agenda with modifications as follow: move item 7a to be discussed prior to public comment. 11-0-0.

**3. Meeting Minute Approval**

- A. Minutes of the Regular Meeting of the Board of Directors held February 28, 2017.  
**M/S/C** - (Hughey/Axume) to approve Minutes. 11-0-0.

**4. Barbich, Hooper, King, Dill, Hoffman Independent Audit for Fiscal Year 15/16**

- i. This will be Barbich’s fifth and last audit for Kern Regional Center.
- ii. Barbich noted that Kern Regional Center has displayed a lot more stability and significant improvement over the past two years.
- iii. Kern Regional Center had no reportable internal control issues this year.  
**M/S/C** - (Mensch/Axume) to approve the independent audit for submission to the state. 11-0-0.

## 5. Public Input

- A. **Meri Mattheus** - Early Start case worker, stated that Early Start service coordinators are assisting with assessing the eligibility of new service applicants for the Early Start program. Meri spoke on the salary difference between the two units and requested that the Board consider bringing on additional staff to aid with their caseloads.
- B. **Teresa Farmer** - Former employee of Kern Regional Center, requested that the Board put a lot of consideration into who is appointed as the new Director. Teresa also requested a follow up on the survey monkey results.
- C. **Pam Woodruff** - Former employee of Kern Regional Center, requested a timeframe for the resolution of the social security issue. Pam requested that the Kern Regional Center Board review the survey monkey results and share the results as the results can have a big impact on decisions that are made. Pam requested an update on the hiring of the new director.

## UNFINISHED BUSINESS

### REPORTS

## 6. Board President Report

- a. The Board met earlier in the month with DDS and also this evening prior to this meeting to discuss Kern's contract. No decisions were made.

## 7. Financial Report

- A. Jon Gusman presented his financial report.
  - a. Please see **Attachment 1**.
  - b. Kern's cash flow balance to date is at \$24.6 million.
  - c. DDS continues to pay Kern's claims on time and in full.
  - d. Beginning in May of 2017, DDS will start offsetting Kern's claims
  - e. As of February 28th, Kern Regional Center is showing a projected balance in operations of about \$396,000; no change from the last reported.
  - f. The most recent projection on Purchase of Service shows a projected balance of about \$6 million.
  - g. Statewide POS deficit amongst Regional Centers combined is reported at about \$8.4 million; that is down from \$24 million reported last time.
    - M/S/C - (Hughey/Mensch) to have the Board President sign the C2 contract amendment upon arrival. 11-0-0.
    - M/S/C - (Axume/Hughey) to establish a line of credit of \$15 million with the Bank of Tokyo, Mitsubishi, to have the CFO act as any one signer on the line of credit and to have the Secretary certify such line of credit by signature. 10-0-1 (Quezada).

## 8. Interim Director Report

- a. The affordable care act was not moved out of congress; for the moment, there is a reprieve on what the Federal Government is going to do and what this means for California.
- b. Nancy Bargmann, Director of the Department of Developmental Services, has been confirmed as the permanent director.
- c. ARCA and other interested groups who have testified at the budget hearings have been working to restore recreation services and camp.

## 9. Vendor Advisory Committee

- a. The Vendors Advisory Committee met today and discussed various issues.
- b. This year's Vendor Luncheon will take place on November 9<sup>th</sup> at the DoubleTree.
- c. Bob Smith and Andrea Gonzalez are working on a project to beautify 18<sup>th</sup> street and provide more parking.

## 10. Staff Report

### A. Cherylle Mallinson -

#### a. Self Determination

- i. The next meeting is scheduled for April 17<sup>th</sup> at Kern Regional Center. The agenda and minutes can be found on the Kern website.
- ii. Rick Wood, Chair, will be attending the April Board Meeting.

#### b. Brilliant Corners Contract for Review

- i. Kern had its 4<sup>th</sup> visit with Brilliant Corners; unfortunately, this did not result in an offer.

**M/S/C** - (Lagrand/Hughey) to approve the following projects for Brilliant Corners: 16/17-1 and 16/17-9 two Adult Residential Facilities for persons with special healthcare needs; 16/17-5 enhanced behavior support homes; 16/17-10 specialized residential facility. 11-0-0.

**M/S/C** - (Brown/Mensch) to approve the 16/17-11 Community Crisis Home project for Brilliant Corners, upon DDS funding the approval. 11-0-0.

#### c. CPP

- i. Kern has extended the deadline for the Request for Proposals to March 30<sup>th</sup>.

#### d. Disparity Information

- i. Consumers and their families in the Bishop areas do not always have transportation to and from day programs.
- ii. Providing change to Day Programs and routines may increase the utilization.
- iii. Parents have a concern that someday services obtained through the Regional Centers will be billed.
- iv. Undocumented families have a fear of being put on a list or reported for deportation.
- v. Laura went over the presentation and requested input.

**11. Client Representative**

- a. Roy Rocha visited Central Valley Regional Center to speak to clients about social recreation. Roy has collected six letters from different programs and plans to send them to Sacramento.

**Robert Riddick:**

This is David Riester’s last week after almost 2.5 years at Kern Regional Center. His work is greatly appreciated and he has been a great contribution to Kern.

**Lorie Stewart:**

The Board is working on a transition for Kern and a new Director. No plan has been adapted yet.

**NEW BUSINESS**

**GOOD AND WELFARE**

- a. Meeting is adjourned at approximately 7:34 p.m.

The next Regular Meeting of the Board of Directors is scheduled for Tuesday, April 25, 2017, at 6:00 p.m. in the Malibu Conference Room at the Kern Regional Center.

Note: Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Administrative Assistant during regular business hours at 661-852-3360.

Respectfully submitted: \_\_\_\_\_  
Eva Rocha

Action Items:

**M/S/C** - (Hughey/Brown) to approve the Agenda with modifications as follow: move item 7a to be discussed prior to public comment. 11-0-0.

**M/S/C** - (Hughey/Axume) to approve Minutes. 11-0-0.

**M/S/C** - (Mensch/Axume) to approve the independent audit for submission to the state. 11-0-0.

**M/S/C** - (Hughey/Mensch) to have the Board President sign the C2 contract amendment upon arrival. 11-0-0.

**M/S/C** - (Axume/Hughey) to establish a line of credit of \$15 million with the Bank of Tokyo, Mitsubishi, to have the CFO act as any one signer on the line of credit and to have the Secretary certify such line of credit by signature. 10-0-1 (Quezada).

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**M/S/C** - (Brown/Mensch) to approve the 16/17-11 Community Crisis Home project for Brilliant Corners, upon DDS funding the approval. 11-0-0.

KERN REGIONAL CENTER  
 BUDGET AND EXPENSE REPORT  
 FY 2016/2017  
 AS OF FEBRUARY 28, 2017

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7
(1) - OPERATIONS	Preliminary Allocation - C Series	C-1 Allocation	Total Allocation To Date thru C-1 Allocation - Col. 1 + Col. 2	Operations By Claim to State July to Feb 2017	Projected - Mar to June 2017	Total Projected - Col. 4 + Col. 5	Projected Balance - Col. 3 - Col. 6
<b>GENERAL</b>							
Salaries and Benefits	\$ 13,269,648	\$ 2,177,088	\$ 15,446,736	\$ 9,256,238	\$ 5,041,606	\$ 14,297,844	
Operating Expenses		3,051,457	3,051,457	2,635,439	1,279,386	3,914,825	
<b>TOTAL PERSONNEL SERVICES</b>	<b>13,269,648</b>	<b>5,228,545</b>	<b>18,498,193</b>	<b>11,891,677</b>	<b>6,320,992</b>	<b>18,212,669</b>	<b>285,524</b>
<b>Less: Interest Income</b>							
Less: ICF SPA Fees ( see Note 2)				(45,872)	872	(45,000)	45,000
Less: Other Income				(34,270)	(25,730)	(60,000)	60,000
<b>SUBTOTAL GENERAL</b>	<b>\$ 13,269,648</b>	<b>\$ 5,228,545</b>	<b>\$ 18,498,193</b>	<b>\$ 11,803,618</b>	<b>\$ 6,299,051</b>	<b>\$ 18,102,669</b>	<b>\$ 395,524</b>
Percentage			100%	63.81%	34.05%		2.14%
<b>COMMUNITY PLACEMENT PLAN (CPP)</b>							
Salaries & Benefits		\$ 533,950	\$ 533,950	\$ 243,562	\$ 290,388	\$ 533,950	
Operating Expenses		28,525	28,525	18,118	10,407	28,525	
<b>SUBTOTAL CPP</b>	<b>\$ -</b>	<b>\$ 562,475</b>	<b>\$ 562,475</b>	<b>\$ 261,680</b>	<b>\$ 300,795</b>	<b>\$ 562,475</b>	<b>\$ -</b>
<b>FOSTERGRANDPARENT (FGP)</b>							
Salaries & Benefits		\$ 59,043	\$ 59,043	\$ 49,565	\$ 9,478	\$ 59,043	
Operating Expenses		112,977	112,977	65,039	47,938	112,977	
<b>SUBTOTAL FGP</b>	<b>\$ -</b>	<b>\$ 172,020</b>	<b>\$ 172,020</b>	<b>\$ 114,604</b>	<b>\$ 57,416</b>	<b>\$ 172,020</b>	<b>\$ -</b>
<b>GRAND TOTAL OPERATIONS</b>	<b>\$ 13,269,648</b>	<b>\$ 5,963,040</b>	<b>\$ 19,232,688</b>	<b>\$ 12,179,901</b>	<b>\$ 6,657,263</b>	<b>\$ 18,837,164</b>	<b>\$ 395,524</b>
Percentage			100%	63.33%	34.61%		2.06%

Note 1: The "Projected Balance" is an estimate of the difference between KRC's funding allocation from DDS (col. 3), and Total Projected (col. 6)

Note 2: The Intermediate Care Facility State Plan Amendment (ICF SPA) administrative fees are included in this fiscal year as an offset to current year expenditures. The fees are 1.5% of current year day program and transportation costs for KRC clients that resided in ICF's.

KERN REGIONAL CENTER  
 BUDGET AND EXPENSE REPORT  
 FY 2016/2017  
 AS OF FEBRUARY 28, 2017

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7
	Preliminary Allocation - C Series	C-1 Allocation	Total Allocation To Date thru C-1 Alloc - Col.1 + Col. 2	Operations By Claim to State - July to Feb 2017	Projected - Mar to June 2017	Total Projected - Col. 4 + Col. 5	Projected Balance - Col. 3 - Col. 6
<b>(2) - PURCHASE OF SERVICES GENERAL</b>							
Out of Home Care	\$ 27,596,864	\$ 6,491,275	\$ 34,088,139	\$ 22,953,247	\$ 13,899,646	\$ 36,852,893	\$ (2,764,754)
Day Programs	21,393,226	7,419,872	28,813,098	19,063,795	10,731,858	29,795,653	(982,555)
Other Services	72,174,104	20,702,444	92,876,548	53,847,757	32,850,344	86,698,101	6,178,447
<b>SUBTOTAL GENERAL</b>	<b>121,164,194</b>	<b>34,613,591</b>	<b>155,777,785</b>	<b>95,864,798</b>	<b>57,481,849</b>	<b>153,346,647</b>	<b>2,431,138</b>
Less: ICF SPA Funded				(2,056,685)	(1,534,875)	(3,593,560)	3,593,560
<b>TOTAL GENERAL</b>	<b>\$ 121,164,194</b>	<b>\$ 34,613,591</b>	<b>\$ 155,777,785</b>	<b>\$ 93,806,113</b>	<b>\$ 55,946,974</b>	<b>\$ 149,753,087</b>	<b>\$ 6,024,698</b>
Percentage			100%	60.22%	35.91%		3.87%
<b>COMMUNITY PLACEMENT PLAN (CPP)</b>							
Out of Home Care	\$ 295,134	\$ 295,134	\$ 295,134	\$ 293,669	\$ 347,360	\$ 641,029	(\$345,895)
Day Programs	198,010	198,010	198,010	19,963	61,447	81,410	116,600
Other Services	3,996,996	3,996,996	3,996,996	112,595	4,628,314	4,740,909	(743,913)
<b>TOTAL CPP</b>	<b>\$ -</b>	<b>\$ 4,490,140</b>	<b>\$ 4,490,140</b>	<b>\$ 426,227</b>	<b>\$ 5,037,121</b>	<b>\$ 5,463,348</b>	<b>\$ (973,208)</b>
Percentage		100.00%		9.49%	112.18%		-21.67%
<b>TOTAL PURCHASE OF SERVICE</b>	<b>\$ 121,164,194</b>	<b>\$ 39,103,731</b>	<b>\$ 160,267,925</b>	<b>\$ 94,232,341</b>	<b>\$ 60,984,094</b>	<b>\$ 155,216,435</b>	<b>\$ 5,051,490</b>
Percentage			100%	58.80%	38.05%		3.15%
<b>GRAND TOTAL ALL BUDGETS</b>	<b>\$ 134,433,842</b>	<b>\$ 45,066,771</b>	<b>\$ 179,500,613</b>	<b>\$ 106,412,242</b>	<b>\$ 67,641,357</b>	<b>\$ 174,053,599</b>	<b>\$ 5,447,014</b>
Percentage			100%	59.28%	37.68%		3.03%

Note 1: The "Projected Balance" is an estimate of the difference between KRC's funding allocation from DDS (col. 3), and Total Projected (col. 6)

Note 2: Reimbursement for the estimated costs of day program and transportation for Intermediate Care Facility State Plan Amendment clients is not funded by DDS's Standard Agreement. The reimbursement to KRC will be provided from the SPA ICF's within the catchment area.